



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB4687

Introduced 2/6/2024, by Rep. Tim Ozinga

SYNOPSIS AS INTRODUCED:

20 ILCS 730/5-55
20 ILCS 730/5-60
20 ILCS 3855/1-5
20 ILCS 3855/1-20
20 ILCS 3855/1-56
20 ILCS 3855/1-75
20 ILCS 3855/1-129
35 ILCS 55/15
55 ILCS 5/5-12020
220 ILCS 5/8-218
220 ILCS 5/16-108
220 ILCS 5/16-111.5
415 ILCS 5/9.15

Amends the Public Utilities Act. Removes provisions related to the Adjustable Block Program and restores certain provisions of the Act to the form in which they existed before their amendment before both Public Act 99-906 and Public Act 102-662. Amends the Environmental Protection Act. Restores certain provisions of the Act regarding greenhouse gas emissions to the form in which they existed before their amendment by Public Act 102-662. Makes conforming changes in various Acts.

LRB103 36052 LNS 66139 b

1 AN ACT concerning energy.

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

4 Section 5. The Energy Transition Act is amended by
5 changing Sections 5-55 and 5-60 as follows:

6 (20 ILCS 730/5-55)

7 (Section scheduled to be repealed on September 15, 2045)

8 Sec. 5-55. Clean Energy Primes Contractor Accelerator
9 Program.

10 (a) As used in this Section:

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

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

16 "Minority Business Enterprise certification" means the
17 certification or recognition certification affidavit from the
18 State of Illinois Department of Central Management Services
19 Business Enterprise Program or a program with equivalent
20 requirements.

21 "Program" means the Clean Energy Primes Contractor
22 Accelerator Program.

23 "Returning resident" has the meaning given to that term in

1 Section 5-50 of this Act.

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

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

17 (1) 2 or more years of experience in a clean energy or
18 a related contracting field;

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

20 (3) a substantial and demonstrated commitment of
21 investing in and partnering with individuals and
22 institutions in equity investment eligible communities.

23 (c-5) The Department shall develop scoring criteria to
24 select contractors for the Program, which shall consider:

25 (1) projected hiring and industry job creation,
26 including wage and benefit expectations;

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

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

5 (4) capacity the applicant is anticipated to bring to
6 project development;

7 (5) willingness to assume risk;

8 (6) anticipated revenues from future projects;

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

14 (8) business models that build wealth in the larger
15 underserved community.

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

20 (d) The Department, in consultation with the Primes
21 Program Administrator and Regional Primes Program Leads, shall
22 select a new cohort of participant contractors from each
23 Program Delivery Area every 18 months. Each regional cohort
24 shall include between 3 and 5 participants. The Program shall
25 cap contractors in the energy efficiency sector at 50% of
26 available cohort spots and 50% of available grants and loans,

1 if possible.

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

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

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

21 (h) The Clean Energy Primes Contractor Accelerator Program
22 shall provide participants with:

23 (1) a 5-year, 6-month progressive course of one-on-one
24 coaching to assist each participant in developing an
25 achievable 5-year business plan, including review of
26 monthly metrics, and advice on achieving participant's

1 goals;

2 (2) operational support grants not to exceed
3 \$1,000,000 annually to support the growth of participant
4 contractors with access to capital for upfront project
5 costs and pre-development funding, among others. The
6 amount of the grant shall be based on anticipated project
7 size and scope;

8 (3) business coaching based on the participant's
9 needs;

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

12 (5) access to Clean Energy Contractor Incubator
13 Program services;

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

18 (7) assistance with preparing bids and Request for
19 Proposal applications;

20 (8) opportunities to be listed in any relevant
21 directories and databases organized by the Department of
22 Central Management Services;

23 (9) opportunities to connect with participants in
24 other Department programs;

25 (10) assistance connecting with and initiating
26 participation in ~~the Illinois Power Agency's Adjustable~~

1 ~~Block program,~~ the Illinois Solar for All Program~~,~~ and
2 utility programs; and

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

9 (i) The Primes Program Administrator shall:

10 (1) collect and report performance metrics as
11 described in this Section;

12 (2) review and assess:

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

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

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

19 (j) The Regional Primes Program Leads shall:

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

24 (2) recruit qualified Program applicants;

25 (3) assist Program applicants with the application
26 process;

- 1 (4) introduce participants to the Program offerings;
- 2 (5) conduct entry and annual assessments with
3 participants to identify training, coaching, and other
4 Program service needs;
- 5 (6) assist participants in developing goals on entry
6 and annually, and assessing progress toward meeting the
7 goals;
- 8 (7) establish a metric reporting system with each
9 participant and track the metrics for progress against the
10 contractor's work plan and Program goals;
- 11 (8) assist participants in receiving their Minority
12 Business Enterprise certification and any other relevant
13 certifications and approved vendor statuses;
- 14 (9) match participants with Clean Energy Contractor
15 Incubator Program offerings and individualized expert
16 coaching, including training on working with returning
17 residents and companies that employ them;
- 18 (10) pair participants with a mentor company;
- 19 (11) facilitate connections between participants and
20 potential subcontractors and employees;
- 21 (12) dispense a participant's awarded operational
22 grant funding;
- 23 (13) connect participants to zero-interest and
24 low-interest loans from the Climate Bank as established by
25 Article 850 of the Illinois Finance Authority Act or a
26 comparable financing mechanism;

1 (14) encourage participants to apply for appropriate
2 State and private business opportunities;

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

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

16 (17) other duties as required.

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

21 (1) demographic information on cohort recruiting and
22 formation, including racial, gender, geographic
23 distribution data, and data on the number and percentage
24 of R3 residents, environmental justice community
25 residents, foster care alumni, and formerly convicted
26 persons who are cohort applicants and admitted

1 participants;

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

7 (3) retention of participants in each cohort;

8 (4) total projects bid, started, and completed by
9 participants, including information about revenue, hiring,
10 and subcontractor relationships with projects;

11 (5) certifications issued;

12 (6) employment data for contractor hires and industry
13 jobs created, including demographic, salary, length of
14 service, and geographic data;

15 (7) grants and loans distributed; and

16 (8) participant satisfaction with the Program.

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

22 Data should be anonymized where needed to protect
23 participant privacy.

24 The Department shall make such reports publicly available
25 on its website.

26 (1) Mentorship Program.

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

6 (i) excellent standing with state clean energy
7 programs;

8 (ii) 4 or more years of experience in their field;
9 and

10 (iii) a proven track record of success in their
11 field.

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

15 (3) The Primes Program Administrator shall develop
16 guidelines for mentor company-mentee profit sharing or
17 purchased services agreements.

18 (4) The Regional Primes Program Leads shall:

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

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

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

8 (5) Contractors may request reassignment to a new
9 mentor company.

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

1 rapidly eliminate discrimination on minority businesses and
2 workers in the industry this Program serves by setting
3 standards for Program participation. This study will be paid
4 for with funds from the Energy Transition Assistance Fund or
5 any other lawful source.

6 (n) Program budget.

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

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

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

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

21 (20 ILCS 730/5-60)

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

23 Sec. 5-60. Jobs and Environmental Justice Grant Program.

24 (a) In order to provide upfront capital to support the
25 development of projects, businesses, community organizations,

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

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

25 (c) The Jobs and Environmental Justice Grant Program shall
26 include 2 subprograms:

- 1 (1) the Equitable Energy Future Grant Program; and
2 (2) the Community Solar Energy Sovereignty Grant
3 Program.

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

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

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

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

15 (iii) purchasing and leasing of land;

16 (iv) permitting and zoning;

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

19 (vi) equipment and supplies;

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

22 (viii) staff and operations expenses.

23 (2) Grants shall be awarded to projects that most
24 effectively provide opportunities for equity eligible
25 contractors and equity investment eligible communities,
26 and should consider the following criteria:

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

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

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

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

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

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

25 (i) are equity eligible contractors per the equity
26 accountability systems ~~described in subsection (c 10)~~

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

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

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

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

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

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

23 (2) Grant funds shall be awarded to support project
24 pre-development work and may also be awarded to support
25 the development of programs and entities to assist in the
26 long-term governance, management, and maintenance of

1 community solar projects, such as community solar
2 cooperatives. For example, funds may be awarded for:

3 (i) early stage project planning;

4 (ii) project team organization;

5 (iii) site identification;

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

8 (v) procurement and contracting;

9 (vi) customer outreach and enrollment;

10 (vii) preliminary site assessments;

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

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

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

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

26 (5) The amount of a grant shall be based on a projects'

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

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

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

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

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

18 Section 10. The Illinois Power Agency Act is amended by
19 changing Sections 1-5, 1-20, 1-56, 1-75, and 1-129 as follows:

20 (20 ILCS 3855/1-5)

21 Sec. 1-5. Legislative declarations and findings. The
22 General Assembly finds and declares:

23 (1) The health, welfare, and prosperity of all
24 Illinois residents require the provision of adequate,

1 reliable, affordable, efficient, and environmentally
2 sustainable electric service at the lowest total cost over
3 time, taking into account any benefits of price stability.

4 (1.5) To provide the highest quality of life for the
5 residents of Illinois and to provide for a clean and
6 healthy environment, it is the policy of this State to
7 rapidly transition to 100% clean energy by 2050.

8 (2) (Blank).

9 (3) (Blank).

10 (4) It is necessary to improve the process of
11 procuring electricity to serve Illinois residents, to
12 promote investment in energy efficiency and
13 demand-response measures, and to maintain and support
14 development of clean coal technologies, generation
15 resources that operate at all hours of the day and under
16 all weather conditions, zero emission facilities, and
17 renewable resources.

18 (5) Procuring a diverse electricity supply portfolio
19 will ensure the lowest total cost over time for adequate,
20 reliable, efficient, and environmentally sustainable
21 electric service.

22 (6) Including renewable resources and zero emission
23 credits from zero emission facilities in that portfolio
24 will reduce long-term direct and indirect costs to
25 consumers by decreasing environmental impacts and by
26 avoiding or delaying the need for new generation,

1 transmission, and distribution infrastructure. Developing
2 new renewable energy resources in Illinois, including
3 brownfield solar projects and community solar projects,
4 will help to diversify Illinois electricity supply, avoid
5 and reduce pollution, reduce peak demand, and enhance
6 public health and well-being of Illinois residents.

7 (7) Developing community solar projects in Illinois
8 will help to expand access to renewable energy resources
9 to more Illinois residents.

10 (8) Developing brownfield solar projects in Illinois
11 will help return blighted or contaminated land to
12 productive use while enhancing public health and the
13 well-being of Illinois residents, including those in
14 environmental justice communities.

15 (9) Energy efficiency, demand-response measures, zero
16 emission energy, and renewable energy are resources
17 currently underused in Illinois. These resources should be
18 used, when cost effective, to reduce costs to consumers,
19 improve reliability, and improve environmental quality and
20 public health.

21 (10) The State should encourage the use of advanced
22 clean coal technologies that capture and sequester carbon
23 dioxide emissions to advance environmental protection
24 goals and to demonstrate the viability of coal and
25 coal-derived fuels in a carbon-constrained economy.

26 (10.5) The State should encourage the development of

1 interregional high voltage direct current (HVDC)
2 transmission lines that benefit Illinois. All ratepayers
3 in the State served by the regional transmission
4 organization where the HVDC converter station is
5 interconnected benefit from the long-term price stability
6 and market access provided by interregional HVDC
7 transmission facilities. The benefits to Illinois include:
8 reduction in wholesale power prices; access to lower-cost
9 markets; enabling the integration of additional renewable
10 generating units within the State through near
11 instantaneous dispatchability and the provision of
12 ancillary services; creating good-paying union jobs in
13 Illinois; and, enhancing grid reliability and climate
14 resilience via HVDC facilities that are installed
15 underground.

16 (10.6) The health, welfare, and safety of the people
17 of the State are advanced by developing new HVDC
18 transmission lines predominantly along transportation
19 rights-of-way, with an HVDC converter station that is
20 located in the service territory of a public utility as
21 defined in Section 3-105 of the Public Utilities Act
22 serving more than 3,000,000 retail customers, and with a
23 project labor agreement as defined in Section 1-10 of this
24 Act.

25 (11) The General Assembly enacted Public Act 96-0795
26 to reform the State's purchasing processes, recognizing

1 that government procurement is susceptible to abuse if
2 structural and procedural safeguards are not in place to
3 ensure independence, insulation, oversight, and
4 transparency.

5 (12) The principles that underlie the procurement
6 reform legislation apply also in the context of power
7 purchasing.

8 (13) To ensure that the benefits of installing
9 renewable resources are available to all Illinois
10 residents and located across the State, subject to
11 appropriation, it is necessary for the Agency to provide
12 public information and educational resources on how
13 residents can benefit from the expansion of renewable
14 energy in Illinois and participate in the Illinois Solar
15 for All Program established in Section 1-56, ~~the~~
16 ~~Adjustable Block program established in Section 1-75,~~ the
17 job training programs established by paragraph (1) of
18 subsection (a) of Section 16-108.12 of the Public
19 Utilities Act, and the programs and resources established
20 by the Energy Transition Act.

21 The General Assembly therefore finds that it is necessary
22 to create the Illinois Power Agency and that the goals and
23 objectives of that Agency are to accomplish each of the
24 following:

25 (A) Develop electricity procurement plans to ensure
26 adequate, reliable, affordable, efficient, and

1 environmentally sustainable electric service at the lowest
2 total cost over time, taking into account any benefits of
3 price stability, for electric utilities that on December
4 31, 2005 provided electric service to at least 100,000
5 customers in Illinois and for small multi-jurisdictional
6 electric utilities that (i) on December 31, 2005 served
7 less than 100,000 customers in Illinois and (ii) request a
8 procurement plan for their Illinois jurisdictional load.
9 The procurement plan shall be updated on an annual basis
10 and shall include renewable energy resources and,
11 beginning with the delivery year commencing June 1, 2017,
12 zero emission credits from zero emission facilities
13 sufficient to achieve the standards specified in this Act.

14 (B) Conduct the competitive procurement processes
15 identified in this Act.

16 (C) Develop electric generation and co-generation
17 facilities that use indigenous coal or renewable
18 resources, or both, financed with bonds issued by the
19 Illinois Finance Authority.

20 (D) Supply electricity from the Agency's facilities at
21 cost to one or more of the following: municipal electric
22 systems, governmental aggregators, or rural electric
23 cooperatives in Illinois.

24 (E) Ensure that the process of power procurement is
25 conducted in an ethical and transparent fashion, immune
26 from improper influence.

1 (F) Continue to review its policies and practices to
2 determine how best to meet its mission of providing the
3 lowest cost power to the greatest number of people, at any
4 given point in time, in accordance with applicable law.

5 (G) Operate in a structurally insulated, independent,
6 and transparent fashion so that nothing impedes the
7 Agency's mission to secure power at the best prices the
8 market will bear, provided that the Agency meets all
9 applicable legal requirements.

10 (H) Implement renewable energy procurement and
11 training programs throughout the State to diversify
12 Illinois electricity supply, improve reliability, avoid
13 and reduce pollution, reduce peak demand, and enhance
14 public health and well-being of Illinois residents,
15 including low-income residents.

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

17 (20 ILCS 3855/1-20)

18 Sec. 1-20. General powers and duties of the Agency.

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

20 (1) Develop electricity procurement plans to ensure
21 adequate, reliable, affordable, efficient, and
22 environmentally sustainable electric service at the lowest
23 total cost over time, taking into account any benefits of
24 price stability, for electric utilities that on December
25 31, 2005 provided electric service to at least 100,000

1 customers in Illinois and for small multi-jurisdictional
2 electric utilities that (A) on December 31, 2005 served
3 less than 100,000 customers in Illinois and (B) request a
4 procurement plan for their Illinois jurisdictional load.
5 Except as provided in paragraph (1.5) of this subsection
6 (a), the electricity procurement plans shall be updated on
7 an annual basis and shall include electricity generated
8 from renewable resources sufficient to achieve the
9 standards specified in this Act. Beginning with the
10 delivery year commencing June 1, 2017, develop procurement
11 plans to include zero emission credits generated from zero
12 emission facilities sufficient to achieve the standards
13 specified in this Act. ~~Beginning with the delivery year~~
14 ~~commencing on June 1, 2022, the Agency is authorized to~~
15 ~~develop carbon mitigation credit procurement plans to~~
16 ~~include carbon mitigation credits generated from~~
17 ~~carbon free energy resources sufficient to achieve the~~
18 ~~standards specified in this Act.~~

19 (1.5) Develop a long-term renewable resources
20 procurement plan in accordance with subsection (c) of
21 Section 1-75 of this Act for renewable energy credits in
22 amounts sufficient to achieve the standards specified in
23 this Act for delivery years commencing June 1, 2017 and
24 for the programs and renewable energy credits specified in
25 Section 1-56 of this Act. Electricity procurement plans
26 for delivery years commencing after May 31, 2017, shall

1 not include procurement of renewable energy resources.

2 (2) Conduct competitive procurement processes to
3 procure the supply resources identified in the electricity
4 procurement plan, pursuant to Section 16-111.5 of the
5 Public Utilities Act, and, for the delivery year
6 commencing June 1, 2017, conduct procurement processes to
7 procure zero emission credits from zero emission
8 facilities, under subsection (d-5) of Section 1-75 of this
9 Act. ~~For the delivery year commencing June 1, 2022, the
10 Agency is authorized to conduct procurement processes to
11 procure carbon mitigation credits from carbon-free energy
12 resources, under subsection (d-10) of Section 1-75 of this
13 Act.~~

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

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

1 ~~coal as their primary fuel source as of January 1, 2016 in~~
2 ~~accordance with subsection (c-5) of Section 1-75 of this~~
3 ~~Act.~~

4 (2.15) Oversee the procurement by electric utilities
5 of renewable energy credits from newly modernized or
6 retooled hydropower dams or dams that have been converted
7 to support hydropower generation.

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

12 (4) Supply electricity from the Agency's facilities at
13 cost to one or more of the following: municipal electric
14 systems, governmental aggregators, or rural electric
15 cooperatives in Illinois.

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

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

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

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

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

5 (5) To purchase, receive, take by grant, gift, devise,
6 bequest, or otherwise, lease, or otherwise acquire, own,
7 hold, improve, employ, use, and otherwise deal in and
8 with, real or personal property whether tangible or
9 intangible, or any interest therein, within the State.

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

18 (7) To sell, convey, lease, exchange, transfer,
19 abandon, or otherwise dispose of, or mortgage, pledge, or
20 create a security interest in, any of its assets,
21 properties, or any interest therein, wherever situated.

22 (8) To purchase, take, receive, subscribe for, or
23 otherwise acquire, hold, make a tender offer for, vote,
24 employ, sell, lend, lease, exchange, transfer, or
25 otherwise dispose of, mortgage, pledge, or grant a
26 security interest in, use, and otherwise deal in and with,

1 bonds and other obligations, shares, or other securities
2 (or interests therein) issued by others, whether engaged
3 in a similar or different business or activity.

4 (9) To make and execute agreements, contracts, and
5 other instruments necessary or convenient in the exercise
6 of the powers and functions of the Agency under this Act,
7 including contracts with any person, including personal
8 service contracts, or with any local government, State
9 agency, or other entity; and all State agencies and all
10 local governments are authorized to enter into and do all
11 things necessary to perform any such agreement, contract,
12 or other instrument with the Agency. No such agreement,
13 contract, or other instrument shall exceed 40 years.

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

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

26 (12) To enter into agreements with the Illinois

1 Finance Authority to issue bonds whether or not the income
2 therefrom is exempt from federal taxation.

3 (13) To procure insurance against any loss in
4 connection with its properties or operations in such
5 amount or amounts and from such insurers, including the
6 federal government, as it may deem necessary or desirable,
7 and to pay any premiums therefor.

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

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

18 (16) To enter into management agreements for the
19 operation of any of the property or facilities owned by
20 the Agency.

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

1 the residents of Illinois.

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

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

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

12 (21) To accept and expend appropriations.

13 (22) To engage in any activity or operation that is
14 incidental to and in furtherance of efficient operation to
15 accomplish the Agency's purposes, including hiring
16 employees that the Director deems essential for the
17 operations of the Agency.

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

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

26 (25) To conduct competitive gasification feedstock

1 procurement processes to procure the feedstocks for the
2 clean coal SNG brownfield facility in accordance with the
3 requirements of Section 1-78 of this Act.

4 (26) To review, revise, and approve sourcing
5 agreements and mediate and resolve disputes between gas
6 utilities and the clean coal SNG brownfield facility
7 pursuant to subsection (h-1) of Section 9-220 of the
8 Public Utilities Act.

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

15 (28) (Blank). ~~To ensure Illinois residents and~~
16 ~~business benefit from programs administered by the Agency~~
17 ~~and are properly protected from any deceptive or~~
18 ~~misleading marketing practices by participants in the~~
19 ~~Agency's programs and procurements.~~

20 (c) (Blank). ~~In conducting the procurement of electricity~~
21 ~~or other products, beginning January 1, 2022, the Agency shall~~
22 ~~not procure any products or services from persons or~~
23 ~~organizations that are in violation of the Displaced Energy~~
24 ~~Workers Bill of Rights, as provided under the Energy Community~~
25 ~~Reinvestment Act at the time of the procurement event or fail~~
26 ~~to comply the labor standards established in subparagraph (Q)~~

1 ~~of paragraph (1) of subsection (c) of Section 1-75.~~

2 (Source: P.A. 102-662, eff. 9-15-21; 103-380, eff. 1-1-24.)

3 (20 ILCS 3855/1-56)

4 Sec. 1-56. Illinois Power Agency Renewable Energy
5 Resources Fund; Illinois Solar for All Program.

6 (a) The Illinois Power Agency Renewable Energy Resources
7 Fund is created as a special fund in the State treasury.

8 (b) The Illinois Power Agency Renewable Energy Resources
9 Fund shall be administered by the Agency as described in this
10 subsection (b), provided that the changes to this subsection
11 (b) made by Public Act 99-906 ~~this amendatory Act of the 99th~~
12 ~~General Assembly~~ shall not interfere with existing contracts
13 under this Section.

14 (1) The Illinois Power Agency Renewable Energy
15 Resources Fund shall be used to purchase renewable energy
16 credits according to any approved procurement plan
17 developed by the Agency prior to June 1, 2017.

18 (2) The Illinois Power Agency Renewable Energy
19 Resources Fund shall also be used to create the Illinois
20 Solar for All Program, which provides incentives for
21 low-income distributed generation and community solar
22 projects, and other associated approved expenditures. The
23 objectives of the Illinois Solar for All Program are to
24 bring photovoltaics to low-income communities in this
25 State in a manner that maximizes the development of new

1 photovoltaic generating facilities, to create a long-term,
2 low-income solar marketplace throughout this State, to
3 integrate, through interaction with stakeholders, with
4 existing energy efficiency initiatives, and to minimize
5 administrative costs. The Illinois Solar for All Program
6 shall be implemented in a manner that seeks to minimize
7 administrative costs, and maximize efficiencies and
8 synergies available through coordination with similar
9 initiatives, ~~including the Adjustable Block program~~
10 ~~described in subparagraphs (K) through (M) of paragraph~~
11 ~~(1) of subsection (c) of Section 1-75,~~ energy efficiency
12 programs, job training programs, and community action
13 agencies. The Agency shall strive to ensure that renewable
14 energy credits procured through the Illinois Solar for All
15 Program and each of its subprograms are purchased from
16 projects across the breadth of low-income and
17 environmental justice communities in Illinois, including
18 both urban and rural communities, are not concentrated in
19 a few communities, and do not exclude particular
20 low-income or environmental justice communities. The
21 Agency shall include a description of its proposed
22 approach to the design, administration, implementation and
23 evaluation of the Illinois Solar for All Program, as part
24 of the long-term renewable resources procurement plan
25 authorized by subsection (c) of Section 1-75 of this Act,
26 and the program shall be designed to grow the low-income

1 solar market. The Agency or utility, as applicable, shall
2 purchase renewable energy credits from the (i)
3 photovoltaic distributed renewable energy generation
4 projects and (ii) community solar projects that are
5 procured under procurement processes authorized by the
6 long-term renewable resources procurement plans approved
7 by the Commission.

8 The Illinois Solar for All Program shall include the
9 program offerings described in subparagraphs (A) through
10 (E) of this paragraph (2), which the Agency shall
11 implement through contracts with third-party providers
12 and, subject to appropriation, pay the approximate amounts
13 identified using monies available in the Illinois Power
14 Agency Renewable Energy Resources Fund. Each contract that
15 provides for the installation of solar facilities shall
16 provide that the solar facilities will produce energy and
17 economic benefits, at a level determined by the Agency to
18 be reasonable, for the participating low-income ~~low income~~
19 customers. The monies available in the Illinois Power
20 Agency Renewable Energy Resources Fund and not otherwise
21 committed to contracts executed under subsection (i) of
22 this Section, as well as, in the case of the programs
23 described under subparagraphs (A) through (E) of this
24 paragraph (2), ~~funding authorized pursuant to subparagraph~~
25 ~~(O) of paragraph (1) of subsection (c) of Section 1-75 of~~
26 ~~this Act,~~ shall initially be allocated among the programs

1 described in this paragraph (2), as follows: 35% of these
2 funds shall be allocated to programs described in
3 subparagraphs (A) and (E) of this paragraph (2), 40% of
4 these funds shall be allocated to programs described in
5 subparagraph (B) of this paragraph (2), and 25% of these
6 funds shall be allocated to programs described in
7 subparagraph (C) of this paragraph (2). The allocation of
8 funds among subparagraphs (A), (B), (C), and (E) of this
9 paragraph (2) may be changed if the Agency, after
10 receiving input through a stakeholder process, determines
11 incentives in subparagraphs (A), (B), (C), or (E) of this
12 paragraph (2) have not been adequately subscribed to fully
13 utilize available Illinois Solar for All Program funds.

14 Contracts that will be paid with funds in the Illinois
15 Power Agency Renewable Energy Resources Fund shall be
16 executed by the Agency. Contracts that will be paid with
17 funds collected by an electric utility shall be executed
18 by the electric utility.

19 Contracts under the Illinois Solar for All Program
20 shall include an approach, as set forth in the long-term
21 renewable resources procurement plans, to ensure the
22 wholesale market value of the energy is credited to
23 participating low-income customers or organizations and to
24 ensure tangible economic benefits flow directly to program
25 participants, except in the case of low-income
26 multi-family housing where the low-income customer does

1 not directly pay for energy. Priority shall be given to
2 projects that demonstrate meaningful involvement of
3 low-income community members in designing the initial
4 proposals. Acceptable proposals to implement projects must
5 demonstrate the applicant's ability to conduct initial
6 community outreach, education, and recruitment of
7 low-income participants in the community. Projects must
8 include job training opportunities if available, with the
9 specific level of trainee usage to be determined through
10 the Agency's long-term renewable resources procurement
11 plan, and the Illinois Solar for All Program Administrator
12 shall coordinate with the job training programs described
13 in paragraph (1) of subsection (a) of Section 16-108.12 of
14 the Public Utilities Act and in the Energy Transition Act.

15 The Agency shall make every effort to ensure that
16 small and emerging businesses, particularly those located
17 in low-income and environmental justice communities, are
18 able to participate in the Illinois Solar for All Program.
19 These efforts may include, but shall not be limited to,
20 proactive support from the program administrator,
21 different or preferred access to subprograms and
22 administrator-identified customers or grassroots
23 education provider-identified customers, and different
24 incentive levels. The Agency shall report on progress and
25 barriers to participation of small and emerging businesses
26 in the Illinois Solar for All Program at least once a year.

1 The report shall be made available on the Agency's website
2 and, in years when the Agency is updating its long-term
3 renewable resources procurement plan, included in that
4 Plan.

5 (A) Low-income single-family and small multifamily
6 solar incentive. This program will provide incentives
7 to low-income customers, either directly or through
8 solar providers, to increase the participation of
9 low-income households in photovoltaic on-site
10 distributed generation at residential buildings
11 containing one to 4 units. Companies participating in
12 this program that install solar panels shall commit to
13 hiring job trainees for a portion of their low-income
14 installations, and an administrator shall facilitate
15 partnering the companies that install solar panels
16 with entities that provide solar panel installation
17 job training. It is a goal of this program that a
18 minimum of 25% of the incentives for this program be
19 allocated to projects located within environmental
20 justice communities. Contracts entered into under this
21 paragraph may be entered into with an entity that will
22 develop and administer the program and shall also
23 include contracts for renewable energy credits from
24 the photovoltaic distributed generation that is the
25 subject of the program, as set forth in the long-term
26 renewable resources procurement plan. Additionally:

1 (i) The Agency shall reserve a portion of this
2 program for projects that promote energy
3 sovereignty through ownership of projects by
4 low-income households, not-for-profit
5 organizations providing services to low-income
6 households, affordable housing owners, community
7 cooperatives, or community-based limited liability
8 companies providing services to low-income
9 households. Projects that feature energy ownership
10 should ensure that local people have control of
11 the project and reap benefits from the project
12 over and above energy bill savings. The Agency may
13 consider the inclusion of projects that promote
14 ownership over time or that involve partial
15 project ownership by communities, as promoting
16 energy sovereignty. Incentives for projects that
17 promote energy sovereignty may be higher than
18 incentives for equivalent projects that do not
19 promote energy sovereignty under this same
20 program.

21 (ii) Through its long-term renewable resources
22 procurement plan, the Agency shall consider
23 additional program and contract requirements to
24 ensure faithful compliance by applicants
25 benefiting from preferences for projects
26 designated to promote energy sovereignty. The

1 Agency shall make every effort to enable solar
2 providers ~~already participating in the Adjustable~~
3 ~~Block Program under subparagraph (K) of paragraph~~
4 ~~(1) of subsection (c) of Section 1-75 of this Act,~~
5 ~~and particularly solar providers developing~~
6 ~~projects under item (i) of subparagraph (K) of~~
7 ~~paragraph (1) of subsection (c) of Section 1-75 of~~
8 ~~this Act~~ to easily participate in the Low-Income
9 Distributed Generation Incentive program described
10 under this subparagraph (A), and vice versa. This
11 effort may include, but shall not be limited to,
12 utilizing similar or the same application systems
13 and processes, similar or the same forms and
14 formats of communication, and providing active
15 outreach to companies participating in one program
16 but not the other. The Agency shall report on
17 efforts made to encourage this cross-participation
18 in its long-term renewable resources procurement
19 plan.

20 (B) Low-Income Community Solar Project Initiative.
21 Incentives shall be offered to low-income customers,
22 either directly or through developers, to increase the
23 participation of low-income subscribers of community
24 solar projects. The developer of each project shall
25 identify its partnership with community stakeholders
26 regarding the location, development, and participation

1 in the project, provided that nothing shall preclude a
2 project from including an anchor tenant that does not
3 qualify as low-income. Companies participating in this
4 program that develop or install solar projects shall
5 commit to hiring job trainees for a portion of their
6 low-income installations, and an administrator shall
7 facilitate partnering the companies that install solar
8 projects with entities that provide solar installation
9 and related job training. It is a goal of this program
10 that a minimum of 25% of the incentives for this
11 program be allocated to community photovoltaic
12 projects in environmental justice communities. The
13 Agency shall reserve a portion of this program for
14 projects that promote energy sovereignty through
15 ownership of projects by low-income households,
16 not-for-profit organizations providing services to
17 low-income households, affordable housing owners, or
18 community-based limited liability companies providing
19 services to low-income households. Projects that
20 feature energy ownership should ensure that local
21 people have control of the project and reap benefits
22 from the project over and above energy bill savings.
23 The Agency may consider the inclusion of projects that
24 promote ownership over time or that involve partial
25 project ownership by communities, as promoting energy
26 sovereignty. Incentives for projects that promote

1 energy sovereignty may be higher than incentives for
2 equivalent projects that do not promote energy
3 sovereignty under this same program. Contracts entered
4 into under this paragraph may be entered into with
5 developers and shall also include contracts for
6 renewable energy credits related to the program.

7 (C) Incentives for non-profits and public
8 facilities. Under this program funds shall be used to
9 support on-site photovoltaic distributed renewable
10 energy generation devices to serve the load associated
11 with not-for-profit customers and to support
12 photovoltaic distributed renewable energy generation
13 that uses photovoltaic technology to serve the load
14 associated with public sector customers taking service
15 at public buildings. Companies participating in this
16 program that develop or install solar projects shall
17 commit to hiring job trainees for a portion of their
18 low-income installations, and an administrator shall
19 facilitate partnering the companies that install solar
20 projects with entities that provide solar installation
21 and related job training. Through its long-term
22 renewable resources procurement plan, the Agency shall
23 consider additional program and contract requirements
24 to ensure faithful compliance by applicants benefiting
25 from preferences for projects designated to promote
26 energy sovereignty. It is a goal of this program that

1 at least 25% of the incentives for this program be
2 allocated to projects located in environmental justice
3 communities. Contracts entered into under this
4 paragraph may be entered into with an entity that will
5 develop and administer the program or with developers
6 and shall also include contracts for renewable energy
7 credits related to the program.

8 (D) (Blank).

9 (E) Low-income large multifamily solar incentive.
10 This program shall provide incentives to low-income
11 customers, either directly or through solar providers,
12 to increase the participation of low-income households
13 in photovoltaic on-site distributed generation at
14 residential buildings with 5 or more units. Companies
15 participating in this program that develop or install
16 solar projects shall commit to hiring job trainees for
17 a portion of their low-income installations, and an
18 administrator shall facilitate partnering the
19 companies that install solar projects with entities
20 that provide solar installation and related job
21 training. It is a goal of this program that a minimum
22 of 25% of the incentives for this program be allocated
23 to projects located within environmental justice
24 communities. The Agency shall reserve a portion of
25 this program for projects that promote energy
26 sovereignty through ownership of projects by

1 low-income households, not-for-profit organizations
2 providing services to low-income households,
3 affordable housing owners, or community-based limited
4 liability companies providing services to low-income
5 households. Projects that feature energy ownership
6 should ensure that local people have control of the
7 project and reap benefits from the project over and
8 above energy bill savings. The Agency may consider the
9 inclusion of projects that promote ownership over time
10 or that involve partial project ownership by
11 communities, as promoting energy sovereignty.
12 Incentives for projects that promote energy
13 sovereignty may be higher than incentives for
14 equivalent projects that do not promote energy
15 sovereignty under this same program.

16 The requirement that a qualified person, as defined in
17 paragraph (1) of subsection (i) of this Section, install
18 photovoltaic devices does not apply to the Illinois Solar
19 for All Program described in this subsection (b).

20 In addition to the programs outlined in paragraphs (A)
21 through (E), the Agency and other parties may propose
22 additional programs through the Long-Term Renewable
23 Resources Procurement Plan developed and approved under
24 paragraph (5) of subsection (b) of Section 16-111.5 of the
25 Public Utilities Act. Additional programs may target
26 market segments not specified above and may also include

1 incentives targeted to increase the uptake of
2 nonphotovoltaic technologies by low-income customers,
3 including energy storage paired with photovoltaics, if the
4 Commission determines that the Illinois Solar for All
5 Program would provide greater benefits to the public
6 health and well-being of low-income residents through also
7 supporting that additional program versus supporting
8 programs already authorized.

9 (3) Costs associated with the Illinois Solar for All
10 Program and its components described in paragraph (2) of
11 this subsection (b), including, but not limited to, costs
12 associated with procuring experts, consultants, and the
13 program administrator referenced in this subsection (b)
14 and related incremental costs, costs related to income
15 verification and facilitating customer participation in
16 the program, and costs related to the evaluation of the
17 Illinois Solar for All Program, may be paid for using
18 monies in the Illinois Power Agency Renewable Energy
19 Resources Fund, ~~and funds allocated pursuant to~~
20 ~~subparagraph (C) of paragraph (1) of subsection (c) of~~
21 ~~Section 1-75,~~ but the Agency or program administrator
22 shall strive to minimize costs in the implementation of
23 the program. The Agency or contracting electric utility
24 shall purchase renewable energy credits from generation
25 that is the subject of a contract under subparagraphs (A)
26 through (E) of paragraph (2) of this subsection (b), and

1 may pay for such renewable energy credits through an
2 upfront payment per installed kilowatt of nameplate
3 capacity paid once the device is interconnected at the
4 distribution system level of the interconnecting utility
5 and verified as energized. Payments for renewable energy
6 credits shall be in exchange for all renewable energy
7 credits generated by the system during the first 15 years
8 of operation and shall be structured to overcome barriers
9 to participation in the solar market by the low-income
10 community. The incentives provided for in this Section may
11 be implemented through the pricing of renewable energy
12 credits where the prices paid for the credits are higher
13 than the prices from programs offered under subsection (c)
14 of Section 1-75 of this Act to account for the additional
15 capital necessary to successfully access targeted market
16 segments. The Agency or contracting electric utility shall
17 retire any renewable energy credits purchased under this
18 program and the credits shall count toward ~~towards~~ the
19 obligation under subsection (c) of Section 1-75 of this
20 Act for the electric utility to which the project is
21 interconnected, if applicable.

22 The Agency shall direct that up to 5% of the funds
23 available under the Illinois Solar for All Program to
24 community-based groups and other qualifying organizations
25 to assist in community-driven education efforts related to
26 the Illinois Solar for All Program, including general

1 energy education, job training program outreach efforts,
2 and other activities deemed to be qualified by the Agency.
3 Grassroots education funding shall not be used to support
4 the marketing by solar project development firms and
5 organizations, unless such education provides equal
6 opportunities for all applicable firms and organizations.

7 (4) The Agency shall, consistent with the requirements
8 of this subsection (b), propose the Illinois Solar for All
9 Program terms, conditions, and requirements, including the
10 prices to be paid for renewable energy credits, and which
11 prices may be determined through a formula, through the
12 development, review, and approval of the Agency's
13 long-term renewable resources procurement plan described
14 in subsection (c) of Section 1-75 of this Act and Section
15 16-111.5 of the Public Utilities Act. In the course of the
16 Commission proceeding initiated to review and approve the
17 plan, including the Illinois Solar for All Program
18 proposed by the Agency, a party may propose an additional
19 low-income solar or solar incentive program, or
20 modifications to the programs proposed by the Agency, and
21 the Commission may approve an additional program, or
22 modifications to the Agency's proposed program, if the
23 additional or modified program more effectively maximizes
24 the benefits to low-income customers after taking into
25 account all relevant factors, including, but not limited
26 to, the extent to which a competitive market for

1 low-income solar has developed. Following the Commission's
2 approval of the Illinois Solar for All Program, the Agency
3 or a party may propose adjustments to the program terms,
4 conditions, and requirements, including the price offered
5 to new systems, to ensure the long-term viability and
6 success of the program. The Commission shall review and
7 approve any modifications to the program through the plan
8 revision process described in Section 16-111.5 of the
9 Public Utilities Act.

10 (5) The Agency shall issue a request for
11 qualifications for a third-party program administrator or
12 administrators to administer all or a portion of the
13 Illinois Solar for All Program. The third-party program
14 administrator shall be chosen through a competitive bid
15 process based on selection criteria and requirements
16 developed by the Agency, including, but not limited to,
17 experience in administering low-income energy programs and
18 overseeing statewide clean energy or energy efficiency
19 services. If the Agency retains a program administrator or
20 administrators to implement all or a portion of the
21 Illinois Solar for All Program, each administrator shall
22 periodically submit reports to the Agency and Commission
23 for each program that it administers, at appropriate
24 intervals to be identified by the Agency in its long-term
25 renewable resources procurement plan, provided that the
26 reporting interval is at least quarterly. ~~The third party~~

1 ~~program administrator may be, but need not be, the same~~
2 ~~administrator as for the Adjustable Block program~~
3 ~~described in subparagraphs (K) through (M) of paragraph~~
4 ~~(1) of subsection (c) of Section 1-75.~~ The Agency, through
5 its long-term renewable resources procurement plan
6 approval process, shall also determine if individual
7 subprograms of the Illinois Solar for All Program are
8 better served by a different or separate Program
9 Administrator.

10 The third-party administrator's responsibilities
11 shall also include facilitating placement for graduates of
12 Illinois-based renewable energy-specific job training
13 programs, including the Clean Jobs Workforce Network
14 Program and the Illinois Climate Works Preapprenticeship
15 Program administered by the Department of Commerce and
16 Economic Opportunity and programs administered under
17 Section 16-108.12 of the Public Utilities Act. To increase
18 the uptake of trainees by participating firms, the
19 administrator shall also develop a web-based clearinghouse
20 for information available to both job training program
21 graduates and firms participating, directly or indirectly,
22 in Illinois solar incentive programs. The program
23 administrator shall also coordinate its activities with
24 entities implementing electric and natural gas
25 income-qualified energy efficiency programs, including
26 customer referrals to and from such programs, and connect

1 prospective low-income solar customers with any existing
2 deferred maintenance programs where applicable.

3 (6) The long-term renewable resources procurement plan
4 shall also provide for an independent evaluation of the
5 Illinois Solar for All Program. At least every 2 years,
6 the Agency shall select an independent evaluator to review
7 and report on the Illinois Solar for All Program and the
8 performance of the third-party program administrator of
9 the Illinois Solar for All Program. The evaluation shall
10 be based on objective criteria developed through a public
11 stakeholder process. The process shall include feedback
12 and participation from Illinois Solar for All Program
13 stakeholders, including participants and organizations in
14 environmental justice and historically underserved
15 communities. The report shall include a summary of the
16 evaluation of the Illinois Solar for All Program based on
17 the stakeholder developed objective criteria. The report
18 shall include the number of projects installed; the total
19 installed capacity in kilowatts; the average cost per
20 kilowatt of installed capacity to the extent reasonably
21 obtainable by the Agency; the number of jobs or job
22 opportunities created; economic, social, and environmental
23 benefits created; and the total administrative costs
24 expended by the Agency and program administrator to
25 implement and evaluate the program. The report shall be
26 delivered to the Commission and posted on the Agency's

1 website, and shall be used, as needed, to revise the
2 Illinois Solar for All Program. The Commission shall also
3 consider the results of the evaluation as part of its
4 review of the long-term renewable resources procurement
5 plan under subsection (c) of Section 1-75 of this Act.

6 (7) If additional funding for the programs described
7 in this subsection (b) is available under subsection (k)
8 of Section 16-108 of the Public Utilities Act, then the
9 Agency shall submit a procurement plan to the Commission
10 no later than September 1, 2018, that proposes how the
11 Agency will procure programs on behalf of the applicable
12 utility. After notice and hearing, the Commission shall
13 approve, or approve with modification, the plan no later
14 than November 1, 2018.

15 (8) As part of the development and update of the
16 long-term renewable resources procurement plan authorized
17 by subsection (c) of Section 1-75 of this Act, the Agency
18 shall plan for: (A) actions to refer customers from the
19 Illinois Solar for All Program to electric and natural gas
20 income-qualified energy efficiency programs, and vice
21 versa, with the goal of increasing participation in both
22 of these programs; (B) effective procedures for data
23 sharing, as needed, to effectuate referrals between the
24 Illinois Solar for All Program and both electric and
25 natural gas income-qualified energy efficiency programs,
26 including sharing customer information directly with the

1 utilities, as needed and appropriate; and (C) efforts to
2 identify any existing deferred maintenance programs for
3 which prospective Solar for All Program customers may be
4 eligible and connect prospective customers for whom
5 deferred maintenance is or may be a barrier to solar
6 installation to those programs.

7 As used in this subsection (b), "low-income households"
8 means persons and families whose income does not exceed 80% of
9 area median income, adjusted for family size and revised every
10 5 years.

11 For the purposes of this subsection (b), the Agency shall
12 define "environmental justice community" based on the
13 methodologies and findings established by the Agency and the
14 Administrator for the Illinois Solar for All Program in its
15 initial long-term renewable resources procurement plan and as
16 updated by the Agency and the Administrator for the Illinois
17 Solar for All Program as part of the long-term renewable
18 resources procurement plan update.

19 (b-5) After the receipt of all payments required by
20 Section 16-115D of the Public Utilities Act, no additional
21 funds shall be deposited into the Illinois Power Agency
22 Renewable Energy Resources Fund unless directed by order of
23 the Commission.

24 (b-10) After the receipt of all payments required by
25 Section 16-115D of the Public Utilities Act and payment in
26 full of all contracts executed by the Agency under subsections

1 (b) and (i) of this Section, if the balance of the Illinois
2 Power Agency Renewable Energy Resources Fund is under \$5,000,
3 then the Fund shall be inoperative and any remaining funds and
4 any funds submitted to the Fund after that date, shall be
5 transferred to the Supplemental Low-Income Energy Assistance
6 Fund for use in the Low-Income Home Energy Assistance Program,
7 as authorized by the Energy Assistance Act.

8 (b-15) The prevailing wage requirements set forth in the
9 Prevailing Wage Act apply to each project that is undertaken
10 pursuant to one or more of the programs of incentives and
11 initiatives described in subsection (b) of this Section and
12 for which a project application is submitted to the program
13 after the effective date of this amendatory Act of the 103rd
14 General Assembly, except (i) projects that serve single-family
15 or multi-family residential buildings and (ii) projects with
16 an aggregate capacity of less than 100 kilowatts that serve
17 houses of worship. The Agency shall require verification that
18 all construction performed on a project by the renewable
19 energy credit delivery contract holder, its contractors, or
20 its subcontractors relating to the construction of the
21 facility is performed by workers receiving an amount for that
22 work that is greater than or equal to the general prevailing
23 rate of wages as that term is defined in the Prevailing Wage
24 Act, and the Agency may adjust renewable energy credit prices
25 to account for increased labor costs.

26 ~~In this subsection (b 15), "house of worship" has the~~

1 ~~meaning given in subparagraph (Q) of paragraph (1) of~~
2 ~~subsection (c) of Section 1-75.~~

3 (c) (Blank).

4 (d) (Blank).

5 (e) All renewable energy credits procured using monies
6 from the Illinois Power Agency Renewable Energy Resources Fund
7 shall be permanently retired.

8 (f) The selection of one or more third-party program
9 managers or administrators, the selection of the independent
10 evaluator, and the procurement processes described in this
11 Section are exempt from the requirements of the Illinois
12 Procurement Code, under Section 20-10 of that Code.

13 (g) All disbursements from the Illinois Power Agency
14 Renewable Energy Resources Fund shall be made only upon
15 warrants of the Comptroller drawn upon the Treasurer as
16 custodian of the Fund upon vouchers signed by the Director or
17 by the person or persons designated by the Director for that
18 purpose. The Comptroller is authorized to draw the warrant
19 upon vouchers so signed. The Treasurer shall accept all
20 warrants so signed and shall be released from liability for
21 all payments made on those warrants.

22 (h) The Illinois Power Agency Renewable Energy Resources
23 Fund shall not be subject to sweeps, administrative charges,
24 or chargebacks, including, but not limited to, those
25 authorized under Section 8h of the State Finance Act, that
26 would in any way result in the transfer of any funds from this

1 Fund to any other fund of this State or in having any such
2 funds utilized for any purpose other than the express purposes
3 set forth in this Section.

4 (h-5) The Agency may assess fees to each bidder to recover
5 the costs incurred in connection with a procurement process
6 held under this Section. Fees collected from bidders shall be
7 deposited into the Renewable Energy Resources Fund.

8 (i) Supplemental procurement process.

9 (1) Within 90 days after June 30, 2014 (the effective
10 date of Public Act 98-672) ~~this amendatory Act of the 98th~~
11 ~~General Assembly~~, the Agency shall develop a one-time
12 supplemental procurement plan limited to the procurement
13 of renewable energy credits, if available, from new or
14 existing photovoltaics, including, but not limited to,
15 distributed photovoltaic generation. Nothing in this
16 subsection (i) requires procurement of wind generation
17 through the supplemental procurement.

18 Renewable energy credits procured from new
19 photovoltaics, including, but not limited to, distributed
20 photovoltaic generation, under this subsection (i) must be
21 procured from devices installed by a qualified person. In
22 its supplemental procurement plan, the Agency shall
23 establish contractually enforceable mechanisms for
24 ensuring that the installation of new photovoltaics is
25 performed by a qualified person.

26 For the purposes of this paragraph (1), "qualified

1 person" means a person who performs installations of
2 photovoltaics, including, but not limited to, distributed
3 photovoltaic generation, and who: (A) has completed an
4 apprenticeship as a journeyman electrician from a United
5 States Department of Labor registered electrical
6 apprenticeship and training program and received a
7 certification of satisfactory completion; or (B) does not
8 currently meet the criteria under clause (A) of this
9 paragraph (1), but is enrolled in a United States
10 Department of Labor registered electrical apprenticeship
11 program, provided that the person is directly supervised
12 by a person who meets the criteria under clause (A) of this
13 paragraph (1); or (C) has obtained one of the following
14 credentials in addition to attesting to satisfactory
15 completion of at least 5 years or 8,000 hours of
16 documented hands-on electrical experience: (i) a North
17 American Board of Certified Energy Practitioners (NABCEP)
18 Installer Certificate for Solar PV; (ii) an Underwriters
19 Laboratories (UL) PV Systems Installer Certificate; (iii)
20 an Electronics Technicians Association, International
21 (ETAI) Level 3 PV Installer Certificate; or (iv) an
22 Associate in Applied Science degree from an Illinois
23 Community College Board approved community college program
24 in renewable energy or a distributed generation
25 technology.

26 For the purposes of this paragraph (1), "directly

1 supervised" means that there is a qualified person who
2 meets the qualifications under clause (A) of this
3 paragraph (1) and who is available for supervision and
4 consultation regarding the work performed by persons under
5 clause (B) of this paragraph (1), including a final
6 inspection of the installation work that has been directly
7 supervised to ensure safety and conformity with applicable
8 codes.

9 For the purposes of this paragraph (1), "install"
10 means the major activities and actions required to
11 connect, in accordance with applicable building and
12 electrical codes, the conductors, connectors, and all
13 associated fittings, devices, power outlets, or
14 apparatuses mounted at the premises that are directly
15 involved in delivering energy to the premises' electrical
16 wiring from the photovoltaics, including, but not limited
17 to, to distributed photovoltaic generation.

18 The renewable energy credits procured pursuant to the
19 supplemental procurement plan shall be procured using up
20 to \$30,000,000 from the Illinois Power Agency Renewable
21 Energy Resources Fund. The Agency shall not plan to use
22 funds from the Illinois Power Agency Renewable Energy
23 Resources Fund in excess of the monies on deposit in such
24 fund or projected to be deposited into such fund. The
25 supplemental procurement plan shall ensure adequate,
26 reliable, affordable, efficient, and environmentally

1 sustainable renewable energy resources (including credits)
2 at the lowest total cost over time, taking into account
3 any benefits of price stability.

4 To the extent available, 50% of the renewable energy
5 credits procured from distributed renewable energy
6 generation shall come from devices of less than 25
7 kilowatts in nameplate capacity. Procurement of renewable
8 energy credits from distributed renewable energy
9 generation devices shall be done through multi-year
10 contracts of no less than 5 years. The Agency shall create
11 credit requirements for counterparties. In order to
12 minimize the administrative burden on contracting
13 entities, the Agency shall solicit the use of third
14 parties to aggregate distributed renewable energy. These
15 third parties shall enter into and administer contracts
16 with individual distributed renewable energy generation
17 device owners. An individual distributed renewable energy
18 generation device owner shall have the ability to measure
19 the output of his or her distributed renewable energy
20 generation device.

21 In developing the supplemental procurement plan, the
22 Agency shall hold at least one workshop open to the public
23 within 90 days after June 30, 2014 (the effective date of
24 Public Act 98-672) ~~this amendatory Act of the 98th General~~
25 ~~Assembly~~ and shall consider any comments made by
26 stakeholders or the public. Upon development of the

1 supplemental procurement plan within this 90-day period,
2 copies of the supplemental procurement plan shall be
3 posted and made publicly available on the Agency's and
4 Commission's websites. All interested parties shall have
5 14 days following the date of posting to provide comment
6 to the Agency on the supplemental procurement plan. All
7 comments submitted to the Agency shall be specific,
8 supported by data or other detailed analyses, and, if
9 objecting to all or a portion of the supplemental
10 procurement plan, accompanied by specific alternative
11 wording or proposals. All comments shall be posted on the
12 Agency's and Commission's websites. Within 14 days
13 following the end of the 14-day review period, the Agency
14 shall revise the supplemental procurement plan as
15 necessary based on the comments received and file its
16 revised supplemental procurement plan with the Commission
17 for approval.

18 (2) Within 5 days after the filing of the supplemental
19 procurement plan at the Commission, any person objecting
20 to the supplemental procurement plan shall file an
21 objection with the Commission. Within 10 days after the
22 filing, the Commission shall determine whether a hearing
23 is necessary. The Commission shall enter its order
24 confirming or modifying the supplemental procurement plan
25 within 90 days after the filing of the supplemental
26 procurement plan by the Agency.

1 (3) The Commission shall approve the supplemental
2 procurement plan of renewable energy credits to be
3 procured from new or existing photovoltaics, including,
4 but not limited to, distributed photovoltaic generation,
5 if the Commission determines that it will ensure adequate,
6 reliable, affordable, efficient, and environmentally
7 sustainable electric service in the form of renewable
8 energy credits at the lowest total cost over time, taking
9 into account any benefits of price stability.

10 (4) The supplemental procurement process under this
11 subsection (i) shall include each of the following
12 components:

13 (A) Procurement administrator. The Agency may
14 retain a procurement administrator in the manner set
15 forth in item (2) of subsection (a) of Section 1-75 of
16 this Act to conduct the supplemental procurement or
17 may elect to use the same procurement administrator
18 administering the Agency's annual procurement under
19 Section 1-75.

20 (B) Procurement monitor. The procurement monitor
21 retained by the Commission pursuant to Section
22 16-111.5 of the Public Utilities Act shall:

23 (i) monitor interactions among the procurement
24 administrator and bidders and suppliers;

25 (ii) monitor and report to the Commission on
26 the progress of the supplemental procurement

1 process;

2 (iii) provide an independent confidential
3 report to the Commission regarding the results of
4 the procurement events;

5 (iv) assess compliance with the procurement
6 plan approved by the Commission for the
7 supplemental procurement process;

8 (v) preserve the confidentiality of supplier
9 and bidding information in a manner consistent
10 with all applicable laws, rules, regulations, and
11 tariffs;

12 (vi) provide expert advice to the Commission
13 and consult with the procurement administrator
14 regarding issues related to procurement process
15 design, rules, protocols, and policy-related
16 matters;

17 (vii) consult with the procurement
18 administrator regarding the development and use of
19 benchmark criteria, standard form contracts,
20 credit policies, and bid documents; and

21 (viii) perform, with respect to the
22 supplemental procurement process, any other
23 procurement monitor duties specifically delineated
24 within subsection (i) of this Section.

25 (C) Solicitation, prequalification
26 ~~pre qualification~~, and registration of bidders. The

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

20 (D) Standard contract forms and credit terms and
21 instruments. The procurement administrator, in
22 consultation with the Agency, the Commission, and
23 other interested parties and subject to Commission
24 oversight, shall develop and provide standard contract
25 forms for the supplier contracts that meet generally
26 accepted industry practices as well as include any

1 applicable State of Illinois terms and conditions that
2 are required for contracts entered into by an agency
3 of the State of Illinois. Standard credit terms and
4 instruments that meet generally accepted industry
5 practices shall be similarly developed. Contracts for
6 new photovoltaics shall include a provision attesting
7 that the supplier will use a qualified person for the
8 installation of the device pursuant to paragraph (1)
9 of subsection (i) of this Section. The procurement
10 administrator shall make available to the Commission
11 all written comments it receives on the contract
12 forms, credit terms, or instruments. If the
13 procurement administrator cannot reach agreement with
14 the parties as to the contract terms and conditions,
15 the procurement administrator must notify the
16 Commission of any disputed terms and the Commission
17 shall resolve the dispute. The terms of the contracts
18 shall not be subject to negotiation by winning
19 bidders, and the bidders must agree to the terms of the
20 contract in advance so that winning bids are selected
21 solely on the basis of price.

22 (E) Requests for proposals; competitive
23 procurement process. The procurement administrator
24 shall design and issue requests for proposals to
25 supply renewable energy credits in accordance with the
26 supplemental procurement plan, as approved by the

1 Commission. The requests for proposals shall set forth
2 a procedure for sealed, binding commitment bidding
3 with pay-as-bid settlement, and provision for
4 selection of bids on the basis of price, provided,
5 however, that no bid shall be accepted if it exceeds
6 the benchmark developed pursuant to item (F) of this
7 paragraph (4).

8 (F) Benchmarks. Benchmarks for each product to be
9 procured shall be developed by the procurement
10 administrator in consultation with Commission staff,
11 the Agency, and the procurement monitor for use in
12 this supplemental procurement.

13 (G) A plan for implementing contingencies in the
14 event of supplier default, Commission rejection of
15 results, or any other cause.

16 (5) Within 2 business days after opening the sealed
17 bids, the procurement administrator shall submit a
18 confidential report to the Commission. The report shall
19 contain the results of the bidding for each of the
20 products along with the procurement administrator's
21 recommendation for the acceptance and rejection of bids
22 based on the price benchmark criteria and other factors
23 observed in the process. The procurement monitor also
24 shall submit a confidential report to the Commission
25 within 2 business days after opening the sealed bids. The
26 report shall contain the procurement monitor's assessment

1 of bidder behavior in the process as well as an assessment
2 of the procurement administrator's compliance with the
3 procurement process and rules. The Commission shall review
4 the confidential reports submitted by the procurement
5 administrator and procurement monitor and shall accept or
6 reject the recommendations of the procurement
7 administrator within 2 business days after receipt of the
8 reports.

9 (6) Within 3 business days after the Commission
10 decision approving the results of a procurement event, the
11 Agency shall enter into binding contractual arrangements
12 with the winning suppliers using the standard form
13 contracts.

14 (7) The names of the successful bidders and the
15 average of the winning bid prices for each contract type
16 and for each contract term shall be made available to the
17 public within 2 days after the supplemental procurement
18 event. The Commission, the procurement monitor, the
19 procurement administrator, the Agency, and all
20 participants in the procurement process shall maintain the
21 confidentiality of all other supplier and bidding
22 information in a manner consistent with all applicable
23 laws, rules, regulations, and tariffs. Confidential
24 information, including the confidential reports submitted
25 by the procurement administrator and procurement monitor
26 pursuant to this Section, shall not be made publicly

1 available and shall not be discoverable by any party in
2 any proceeding, absent a compelling demonstration of need,
3 nor shall those reports be admissible in any proceeding
4 other than one for law enforcement purposes.

5 (8) The supplemental procurement provided in this
6 subsection (i) shall not be subject to the requirements
7 and limitations of subsections (c) and (d) of this
8 Section.

9 (9) Expenses incurred in connection with the
10 procurement process held pursuant to this Section,
11 including, but not limited to, the cost of developing the
12 supplemental procurement plan, the procurement
13 administrator, procurement monitor, and the cost of the
14 retirement of renewable energy credits purchased pursuant
15 to the supplemental procurement shall be paid for from the
16 Illinois Power Agency Renewable Energy Resources Fund. The
17 Agency shall enter into an interagency agreement with the
18 Commission to reimburse the Commission for its costs
19 associated with the procurement monitor for the
20 supplemental procurement process.

21 (Source: P.A. 102-662, eff. 9-15-21; 103-188, eff. 6-30-23;
22 revised 9-20-23.)

23 (20 ILCS 3855/1-75)

24 Sec. 1-75. Planning and Procurement Bureau. The Planning
25 and Procurement Bureau has the following duties and

1 responsibilities:

2 (a) The Planning and Procurement Bureau shall each year,
3 beginning in 2008, develop procurement plans and conduct
4 competitive procurement processes in accordance with the
5 requirements of Section 16-111.5 of the Public Utilities Act
6 for the eligible retail customers of electric utilities that
7 on December 31, 2005 provided electric service to at least
8 100,000 customers in Illinois. Beginning with the delivery
9 year commencing on June 1, 2017, the Planning and Procurement
10 Bureau shall develop plans and processes for the procurement
11 of zero emission credits from zero emission facilities in
12 accordance with the requirements of subsection (d-5) of this
13 Section. ~~Beginning on the effective date of this amendatory~~
14 ~~Act of the 102nd General Assembly, the Planning and~~
15 ~~Procurement Bureau shall develop plans and processes for the~~
16 ~~procurement of carbon mitigation credits from carbon free~~
17 ~~energy resources in accordance with the requirements of~~
18 ~~subsection (d 10) of this Section.~~ The Planning and
19 Procurement Bureau shall also develop procurement plans and
20 conduct competitive procurement processes in accordance with
21 the requirements of Section 16-111.5 of the Public Utilities
22 Act for the eligible retail customers of small
23 multi-jurisdictional electric utilities that (i) on December
24 31, 2005 served less than 100,000 customers in Illinois and
25 (ii) request a procurement plan for their Illinois
26 jurisdictional load. This Section shall not apply to a small

1 multi-jurisdictional utility until such time as a small
2 multi-jurisdictional utility requests the Agency to prepare a
3 procurement plan for their Illinois jurisdictional load. For
4 the purposes of this Section, the term "eligible retail
5 customers" has the same definition as found in Section
6 16-111.5(a) of the Public Utilities Act.

7 Beginning with the plan or plans to be implemented in the
8 2017 delivery year, the Agency shall no longer include the
9 procurement of renewable energy resources in the annual
10 procurement plans required by this subsection (a), except as
11 provided in subsection (q) of Section 16-111.5 of the Public
12 Utilities Act, and shall instead develop a long-term renewable
13 resources procurement plan in accordance with subsection (c)
14 of this Section and Section 16-111.5 of the Public Utilities
15 Act.

16 ~~In accordance with subsection (c 5) of this Section, the~~
17 ~~Planning and Procurement Bureau shall oversee the procurement~~
18 ~~by electric utilities that served more than 300,000 retail~~
19 ~~customers in this State as of January 1, 2019 of renewable~~
20 ~~energy credits from new utility scale solar projects to be~~
21 ~~installed, along with energy storage facilities, at or~~
22 ~~adjacent to the sites of electric generating facilities that,~~
23 ~~as of January 1, 2016, burned coal as their primary fuel~~
24 ~~source.~~

25 (1) The Agency shall each year, beginning in 2008, as
26 needed, issue a request for qualifications for experts or

1 expert consulting firms to develop the procurement plans
2 in accordance with Section 16-111.5 of the Public
3 Utilities Act. In order to qualify an expert or expert
4 consulting firm must have:

5 (A) direct previous experience assembling
6 large-scale power supply plans or portfolios for
7 end-use customers;

8 (B) an advanced degree in economics, mathematics,
9 engineering, risk management, or a related area of
10 study;

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

13 (D) expertise in wholesale electricity market
14 rules, including those established by the Federal
15 Energy Regulatory Commission and regional transmission
16 organizations;

17 (E) expertise in credit protocols and familiarity
18 with contract protocols;

19 (F) adequate resources to perform and fulfill the
20 required functions and responsibilities; and

21 (G) the absence of a conflict of interest and
22 inappropriate bias for or against potential bidders or
23 the affected electric utilities.

24 (2) The Agency shall each year, as needed, issue a
25 request for qualifications for a procurement administrator
26 to conduct the competitive procurement processes in

1 accordance with Section 16-111.5 of the Public Utilities
2 Act. In order to qualify an expert or expert consulting
3 firm must have:

4 (A) direct previous experience administering a
5 large-scale competitive procurement process;

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

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

10 (D) expertise in wholesale electricity market
11 rules, including those established by the Federal
12 Energy Regulatory Commission and regional transmission
13 organizations;

14 (E) expertise in credit and contract protocols;

15 (F) adequate resources to perform and fulfill the
16 required functions and responsibilities; and

17 (G) the absence of a conflict of interest and
18 inappropriate bias for or against potential bidders or
19 the affected electric utilities.

20 (3) The Agency shall provide affected utilities and
21 other interested parties with the lists of qualified
22 experts or expert consulting firms identified through the
23 request for qualifications processes that are under
24 consideration to develop the procurement plans and to
25 serve as the procurement administrator. The Agency shall
26 also provide each qualified expert's or expert consulting

1 firm's response to the request for qualifications. All
2 information provided under this subparagraph shall also be
3 provided to the Commission. The Agency may provide by rule
4 for fees associated with supplying the information to
5 utilities and other interested parties. These parties
6 shall, within 5 business days, notify the Agency in
7 writing if they object to any experts or expert consulting
8 firms on the lists. Objections shall be based on:

9 (A) failure to satisfy qualification criteria;

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

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

13 The Agency shall remove experts or expert consulting
14 firms from the lists within 10 days if there is a
15 reasonable basis for an objection and provide the updated
16 lists to the affected utilities and other interested
17 parties. If the Agency fails to remove an expert or expert
18 consulting firm from a list, an objecting party may seek
19 review by the Commission within 5 days thereafter by
20 filing a petition, and the Commission shall render a
21 ruling on the petition within 10 days. There is no right of
22 appeal of the Commission's ruling.

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

1 (5) The Agency shall select an expert or expert
2 consulting firm to develop procurement plans based on the
3 proposals submitted and shall award contracts of up to 5
4 years to those selected.

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

14 (b) The experts or expert consulting firms retained by the
15 Agency shall, as appropriate, prepare procurement plans, and
16 conduct a competitive procurement process as prescribed in
17 Section 16-111.5 of the Public Utilities Act, to ensure
18 adequate, reliable, affordable, efficient, and environmentally
19 sustainable electric service at the lowest total cost over
20 time, taking into account any benefits of price stability, for
21 eligible retail customers of electric utilities that on
22 December 31, 2005 provided electric service to at least
23 100,000 customers in the State of Illinois, and for eligible
24 Illinois retail customers of small multi-jurisdictional
25 electric utilities that (i) on December 31, 2005 served less
26 than 100,000 customers in Illinois and (ii) request a

1 procurement plan for their Illinois jurisdictional load.

2 (c) Renewable portfolio standard.

3 (1) The procurement plans shall include cost-effective
4 renewable energy resources. By June 1, 2025, a minimum of
5 25% of each utility's total supply to serve the load of
6 eligible retail customers, as defined in subsection (a) of
7 Section 16-111.5 of the Public Utilities Act, shall be
8 generated from cost-effective renewable energy resources.
9 To the extent that it is available, at least 75% of the
10 renewable energy resources used to meet these standards
11 shall come from wind generation. To the extent available,
12 half of the renewable energy resources procured from
13 distributed renewable energy generation shall come from
14 devices of less than 25 kilowatts in nameplate capacity.
15 Renewable energy resources procured from distributed
16 generation devices may also count toward the required
17 percentages for wind and solar photovoltaics. Procurement
18 of renewable energy resources from distributed renewable
19 energy generation devices shall be done on an annual basis
20 through multi-year contracts of no less than 5 years, and
21 shall consist solely of renewable energy credits.

22 The Agency shall create credit requirements for
23 suppliers of distributed renewable energy. In order to
24 minimize the administrative burden on contracting
25 entities, the Agency shall solicit the use of third-party
26 organizations to aggregate distributed renewable energy

1 into groups of no less than one megawatt in installed
2 capacity. These third-party organizations shall administer
3 contracts with individual distributed renewable energy
4 generation device owners. An individual distributed
5 renewable energy generation device owner shall have the
6 ability to measure the output of his or her distributed
7 renewable energy generation device.

8 For purposes of this subsection (c), "cost-effective"
9 means that the costs of procuring renewable energy
10 resources do not cause the limit stated in paragraph (2)
11 of this subsection (c) to be exceeded and do not exceed
12 benchmarks based on market prices for renewable energy
13 resources in the region, which shall be developed by the
14 procurement administrator, in consultation with the
15 Commission staff, Agency staff, and the procurement
16 monitor and shall be subject to Commission review and
17 approval. ~~(A) The Agency shall develop a long term~~
18 ~~renewable resources procurement plan that shall include~~
19 ~~procurement programs and competitive procurement events~~
20 ~~necessary to meet the goals set forth in this subsection~~
21 ~~(c). The initial long term renewable resources procurement~~
22 ~~plan shall be released for comment no later than 160 days~~
23 ~~after June 1, 2017 (the effective date of Public Act~~
24 ~~99-906). The Agency shall review, and may revise on an~~
25 ~~expedited basis, the long term renewable resources~~
26 ~~procurement plan at least every 2 years, which shall be~~

1 ~~conducted in conjunction with the procurement plan under~~
2 ~~Section 16-111.5 of the Public Utilities Act to the extent~~
3 ~~practicable to minimize administrative expense. No later~~
4 ~~than 120 days after the effective date of this amendatory~~
5 ~~Act of the 103rd General Assembly, the Agency shall~~
6 ~~release for comment a revision to the long term renewable~~
7 ~~resources procurement plan, updating elements of the most~~
8 ~~recently approved plan as needed to comply with this~~
9 ~~amendatory Act of the 103rd General Assembly, and any~~
10 ~~long term renewable resources procurement plan update~~
11 ~~published by the Agency but not yet approved by the~~
12 ~~Illinois Commerce Commission shall be withdrawn. The~~
13 ~~long term renewable resources procurement plans shall be~~
14 ~~subject to review and approval by the Commission under~~
15 ~~Section 16-111.5 of the Public Utilities Act.~~

16 ~~(B) Subject to subparagraph (F) of this paragraph (1),~~
17 ~~the long term renewable resources procurement plan shall~~
18 ~~attempt to meet the goals for procurement of renewable~~
19 ~~energy credits at levels of at least the following overall~~
20 ~~percentages: 13% by the 2017 delivery year; increasing by~~
21 ~~at least 1.5% each delivery year thereafter to at least~~
22 ~~25% by the 2025 delivery year; increasing by at least 3%~~
23 ~~each delivery year thereafter to at least 40% by the 2030~~
24 ~~delivery year, and continuing at no less than 40% for each~~
25 ~~delivery year thereafter. The Agency shall attempt to~~
26 ~~procure 50% by delivery year 2040. The Agency shall~~

1 ~~determine the annual increase between delivery year 2030~~
2 ~~and delivery year 2040, if any, taking into account energy~~
3 ~~demand, other energy resources, and other public policy~~
4 ~~goals. In the event of a conflict between these goals and~~
5 ~~the new wind, new photovoltaic, and hydropower procurement~~
6 ~~requirements described in items (i) through (iii) of~~
7 ~~subparagraph (C) of this paragraph (1), the long term plan~~
8 ~~shall prioritize compliance with the new wind, new~~
9 ~~photovoltaic, and hydropower procurement requirements~~
10 ~~described in items (i) through (iii) of subparagraph (C)~~
11 ~~of this paragraph (1) over the annual percentage targets~~
12 ~~described in this subparagraph (B). The Agency shall not~~
13 ~~comply with the annual percentage targets described in~~
14 ~~this subparagraph (B) by procuring renewable energy~~
15 ~~credits that are unlikely to lead to the development of~~
16 ~~new renewable resources or new, modernized, or retooled~~
17 ~~hydropower facilities.~~

18 ~~For the delivery year beginning June 1, 2017, the~~
19 ~~procurement plan shall attempt to include, subject to the~~
20 ~~prioritization outlined in this subparagraph (B),~~
21 ~~cost effective renewable energy resources equal to at~~
22 ~~least 13% of each utility's load for eligible retail~~
23 ~~customers and 13% of the applicable portion of each~~
24 ~~utility's load for retail customers who are not eligible~~
25 ~~retail customers, which applicable portion shall equal 50%~~
26 ~~of the utility's load for retail customers who are not~~

1 ~~eligible retail customers on February 28, 2017.~~

2 ~~For the delivery year beginning June 1, 2018, the~~
3 ~~procurement plan shall attempt to include, subject to the~~
4 ~~prioritization outlined in this subparagraph (B),~~
5 ~~cost effective renewable energy resources equal to at~~
6 ~~least 14.5% of each utility's load for eligible retail~~
7 ~~customers and 14.5% of the applicable portion of each~~
8 ~~utility's load for retail customers who are not eligible~~
9 ~~retail customers, which applicable portion shall equal 75%~~
10 ~~of the utility's load for retail customers who are not~~
11 ~~eligible retail customers on February 28, 2017.~~

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

1 ~~policy goals.~~

2 ~~For each delivery year, the Agency shall first~~
3 ~~recognize each utility's obligations for that delivery~~
4 ~~year under existing contracts. Any renewable energy~~
5 ~~credits under existing contracts, including renewable~~
6 ~~energy credits as part of renewable energy resources,~~
7 ~~shall be used to meet the goals set forth in this~~
8 ~~subsection (c) for the delivery year.~~

9 ~~(C) The long term renewable resources procurement plan~~
10 ~~described in subparagraph (A) of this paragraph (1) shall~~
11 ~~include the procurement of renewable energy credits from~~
12 ~~new projects pursuant to the following terms:~~

13 ~~(i) At least 10,000,000 renewable energy credits~~
14 ~~delivered annually by the end of the 2021 delivery~~
15 ~~year, and increasing ratably to reach 45,000,000~~
16 ~~renewable energy credits delivered annually from new~~
17 ~~wind and solar projects by the end of delivery year~~
18 ~~2030 such that the goals in subparagraph (B) of this~~
19 ~~paragraph (1) are met entirely by procurements of~~
20 ~~renewable energy credits from new wind and~~
21 ~~photovoltaic projects. Of that amount, to the extent~~
22 ~~possible, the Agency shall procure 45% from wind and~~
23 ~~hydropower projects and 55% from photovoltaic~~
24 ~~projects. Of the amount to be procured from~~
25 ~~photovoltaic projects, the Agency shall procure: at~~
26 ~~least 50% from solar photovoltaic projects using the~~

1 ~~program outlined in subparagraph (K) of this paragraph~~
2 ~~(1) from distributed renewable energy generation~~
3 ~~devices or community renewable generation projects; at~~
4 ~~least 47% from utility scale solar projects; at least~~
5 ~~3% from brownfield site photovoltaic projects that are~~
6 ~~not community renewable generation projects.~~

7 ~~In developing the long term renewable resources~~
8 ~~procurement plan, the Agency shall consider other~~
9 ~~approaches, in addition to competitive procurements,~~
10 ~~that can be used to procure renewable energy credits~~
11 ~~from brownfield site photovoltaic projects and thereby~~
12 ~~help return blighted or contaminated land to~~
13 ~~productive use while enhancing public health and the~~
14 ~~well being of Illinois residents, including those in~~
15 ~~environmental justice communities, as defined using~~
16 ~~existing methodologies and findings used by the Agency~~
17 ~~and its Administrator in its Illinois Solar for All~~
18 ~~Program. The Agency shall also consider other~~
19 ~~approaches, in addition to competitive procurements,~~
20 ~~to procure renewable energy credits from new and~~
21 ~~existing hydropower facilities to support the~~
22 ~~development and maintenance of these facilities. The~~
23 ~~Agency shall explore options to convert existing dams~~
24 ~~but shall not consider approaches to develop new dams~~
25 ~~where they do not already exist.~~

26 ~~(ii) In any given delivery year, if forecasted~~

1 ~~expenses are less than the maximum budget available~~
2 ~~under subparagraph (E) of this paragraph (1), the~~
3 ~~Agency shall continue to procure new renewable energy~~
4 ~~credits until that budget is exhausted in the manner~~
5 ~~outlined in item (i) of this subparagraph (C).~~

6 ~~(iii) For purposes of this Section:~~

7 ~~"New wind projects" means wind renewable energy~~
8 ~~facilities that are energized after June 1, 2017 for~~
9 ~~the delivery year commencing June 1, 2017.~~

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

16 ~~For purposes of calculating whether the Agency has~~
17 ~~procured enough new wind and solar renewable energy~~
18 ~~credits required by this subparagraph (C), renewable~~
19 ~~energy facilities that have a multi year renewable~~
20 ~~energy credit delivery contract with the utility~~
21 ~~through at least delivery year 2030 shall be~~
22 ~~considered new, however no renewable energy credits~~
23 ~~from contracts entered into before June 1, 2021 shall~~
24 ~~be used to calculate whether the Agency has procured~~
25 ~~the correct proportion of new wind and new solar~~
26 ~~contracts described in this subparagraph (C) for~~

1 ~~delivery year 2021 and thereafter.~~

2 ~~(D) Renewable energy credits shall be cost effective.~~

3 ~~For purposes of this subsection (c), "cost effective"~~
4 ~~means that the costs of procuring renewable energy~~
5 ~~resources do not cause the limit stated in subparagraph~~
6 ~~(E) of this paragraph (1) to be exceeded and, for~~
7 ~~renewable energy credits procured through a competitive~~
8 ~~procurement event, do not exceed benchmarks based on~~
9 ~~market prices for like products in the region. For~~
10 ~~purposes of this subsection (c), "like products" means~~
11 ~~contracts for renewable energy credits from the same or~~
12 ~~substantially similar technology, same or substantially~~
13 ~~similar vintage (new or existing), the same or~~
14 ~~substantially similar quantity, and the same or~~
15 ~~substantially similar contract length and structure.~~
16 ~~Benchmarks shall reflect development, financing, or~~
17 ~~related costs resulting from requirements imposed through~~
18 ~~other provisions of State law, including, but not limited~~
19 ~~to, requirements in subparagraphs (P) and (Q) of this~~
20 ~~paragraph (1) and the Renewable Energy Facilities~~
21 ~~Agricultural Impact Mitigation Act. Confidential~~
22 ~~benchmarks shall be developed by the procurement~~
23 ~~administrator, in consultation with the Commission staff,~~
24 ~~Agency staff, and the procurement monitor and shall be~~
25 ~~subject to Commission review and approval. If price~~
26 ~~benchmarks for like products in the region are not~~

1 ~~available, the procurement administrator shall establish~~
2 ~~price benchmarks based on publicly available data on~~
3 ~~regional technology costs and expected current and future~~
4 ~~regional energy prices. The benchmarks in this Section~~
5 ~~shall not be used to curtail or otherwise reduce~~
6 ~~contractual obligations entered into by or through the~~
7 ~~Agency prior to June 1, 2017 (the effective date of Public~~
8 ~~Act 99-906).~~

9 ~~(E) For purposes of this subsection (c), the required~~
10 ~~procurement of cost effective renewable energy resources~~
11 ~~for a particular year commencing prior to June 1, 2017~~
12 ~~shall be measured as a percentage of the actual amount of~~
13 ~~electricity (megawatt hours) supplied by the electric~~
14 ~~utility to eligible retail customers in the delivery year~~
15 ~~ending immediately prior to the procurement, and, for~~
16 ~~delivery years commencing on and after June 1, 2017, the~~
17 ~~required procurement of cost effective renewable energy~~
18 ~~resources for a particular year shall be measured as a~~
19 ~~percentage of the actual amount of electricity~~
20 ~~(megawatt hours) delivered by the electric utility in the~~
21 ~~delivery year ending immediately prior to the procurement,~~
22 ~~to all retail customers in its service territory. For~~
23 ~~purposes of this subsection (c), the amount paid per~~
24 ~~kilowatthour means the total amount paid for electric~~
25 ~~service expressed on a per kilowatthour basis. For~~
26 ~~purposes of this subsection (c), the total amount paid for~~

1 ~~electric service includes without limitation amounts paid~~
2 ~~for supply, transmission, capacity, distribution,~~
3 ~~surcharges, and add on taxes.~~

4 ~~Notwithstanding the requirements of this subsection~~
5 ~~(c), the total of renewable energy resources procured~~
6 ~~under the procurement plan for any single year shall be~~
7 ~~subject to the limitations of this subparagraph (E). Such~~
8 ~~procurement shall be reduced for all retail customers~~
9 ~~based on the amount necessary to limit the annual~~
10 ~~estimated average net increase due to the costs of these~~
11 ~~resources included in the amounts paid by eligible retail~~
12 ~~customers in connection with electric service to no more~~
13 ~~than 4.25% of the amount paid per kilowatthour by those~~
14 ~~customers during the year ending May 31, 2009. To arrive~~
15 ~~at a maximum dollar amount of renewable energy resources~~
16 ~~to be procured for the particular delivery year, the~~
17 ~~resulting per kilowatthour amount shall be applied to the~~
18 ~~actual amount of kilowatthours of electricity delivered,~~
19 ~~or applicable portion of such amount as specified in~~
20 ~~paragraph (1) of this subsection (c), as applicable, by~~
21 ~~the electric utility in the delivery year immediately~~
22 ~~prior to the procurement to all retail customers in its~~
23 ~~service territory. The calculations required by this~~
24 ~~subparagraph (E) shall be made only once for each delivery~~
25 ~~year at the time that the renewable energy resources are~~
26 ~~procured. Once the determination as to the amount of~~

1 ~~renewable energy resources to procure is made based on the~~
2 ~~calculations set forth in this subparagraph (E) and the~~
3 ~~contracts procuring those amounts are executed, no~~
4 ~~subsequent rate impact determinations shall be made and no~~
5 ~~adjustments to those contract amounts shall be allowed.~~
6 ~~All costs incurred under such contracts shall be fully~~
7 ~~recoverable by the electric utility as provided in this~~
8 ~~Section.~~

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

16 ~~(i) renewable energy credits under existing~~
17 ~~contractual obligations as of June 1, 2021;~~

18 ~~(i 5) funding for the Illinois Solar for All~~
19 ~~Program, as described in subparagraph (O) of this~~
20 ~~paragraph (1);~~

21 ~~(ii) renewable energy credits necessary to comply~~
22 ~~with the new wind and new photovoltaic procurement~~
23 ~~requirements described in items (i) through (iii) of~~
24 ~~subparagraph (C) of this paragraph (1); and~~

25 ~~(iii) renewable energy credits necessary to meet~~
26 ~~the remaining requirements of this subsection (c).~~

1 ~~(C) The following provisions shall apply to the~~
2 ~~Agency's procurement of renewable energy credits under~~
3 ~~this subsection (c):~~

4 ~~(i) Notwithstanding whether a long-term renewable~~
5 ~~resources procurement plan has been approved, the~~
6 ~~Agency shall conduct an initial forward procurement~~
7 ~~for renewable energy credits from new utility scale~~
8 ~~wind projects within 160 days after June 1, 2017 (the~~
9 ~~effective date of Public Act 99-906). For the purposes~~
10 ~~of this initial forward procurement, the Agency shall~~
11 ~~solicit 15-year contracts for delivery of 1,000,000~~
12 ~~renewable energy credits delivered annually from new~~
13 ~~utility-scale wind projects to begin delivery on June~~
14 ~~1, 2019, if available, but not later than June 1, 2021,~~
15 ~~unless the project has delays in the establishment of~~
16 ~~an operating interconnection with the applicable~~
17 ~~transmission or distribution system as a result of the~~
18 ~~actions or inactions of the transmission or~~
19 ~~distribution provider, or other causes for force~~
20 ~~majeure as outlined in the procurement contract, in~~
21 ~~which case, not later than June 1, 2022. Payments to~~
22 ~~suppliers of renewable energy credits shall commence~~
23 ~~upon delivery. Renewable energy credits procured under~~
24 ~~this initial procurement shall be included in the~~
25 ~~Agency's long-term plan and shall apply to all~~
26 ~~renewable energy goals in this subsection (c).~~

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

1 ~~goals in this subsection (c).~~

2 ~~(iii) Notwithstanding whether the Commission has~~
3 ~~approved the periodic long-term renewable resources~~
4 ~~procurement plan revision described in Section~~
5 ~~16 111.5 of the Public Utilities Act, the Agency shall~~
6 ~~conduct at least one subsequent forward procurement~~
7 ~~for renewable energy credits from new utility scale~~
8 ~~wind projects, new utility scale solar projects, and~~
9 ~~new brownfield site photovoltaic projects within 240~~
10 ~~days after the effective date of this amendatory Act~~
11 ~~of the 102nd General Assembly in quantities necessary~~
12 ~~to meet the requirements of subparagraph (C) of this~~
13 ~~paragraph (1) through the delivery year beginning June~~
14 ~~1, 2021.~~

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

23 ~~(1) The Agency shall open the first block of~~
24 ~~annual capacity for the category described in item~~
25 ~~(i) of subparagraph (K) of this paragraph (1). The~~
26 ~~first block of annual capacity for item (i) shall~~

1 ~~be for at least 75 megawatts of total nameplate~~
2 ~~capacity. The price of the renewable energy credit~~
3 ~~for this block of capacity shall be 4% less than~~
4 ~~the price of the last open block in this category.~~
5 ~~Projects on a waitlist shall be awarded contracts~~
6 ~~first in the order in which they appear on the~~
7 ~~waitlist. Notwithstanding anything to the~~
8 ~~contrary, for those renewable energy credits that~~
9 ~~qualify and are procured under this subitem (1) of~~
10 ~~this item (iv), the renewable energy credit~~
11 ~~delivery contract value shall be paid in full,~~
12 ~~based on the estimated generation during the first~~
13 ~~15 years of operation, by the contracting~~
14 ~~utilities at the time that the facility producing~~
15 ~~the renewable energy credits is interconnected at~~
16 ~~the distribution system level of the utility and~~
17 ~~verified as energized and in compliance by the~~
18 ~~Program Administrator. The electric utility shall~~
19 ~~receive and retire all renewable energy credits~~
20 ~~generated by the project for the first 15 years of~~
21 ~~operation. Renewable energy credits generated by~~
22 ~~the project thereafter shall not be transferred~~
23 ~~under the renewable energy credit delivery~~
24 ~~contract with the counterparty electric utility.~~

25 ~~(2) The Agency shall open the first block of~~
26 ~~annual capacity for the category described in item~~

1 ~~(ii) of subparagraph (K) of this paragraph (1).~~
2 ~~The first block of annual capacity for item (ii)~~
3 ~~shall be for at least 75 megawatts of total~~
4 ~~nameplate capacity.~~

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

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

17 ~~(B) The price of renewable energy credits~~
18 ~~for any project not on the waitlist for this~~
19 ~~category before the opening of the block shall~~
20 ~~be determined and published by the Agency.~~
21 ~~Projects not on a waitlist as of the opening~~
22 ~~of this block shall be subject to the~~
23 ~~requirements of subparagraph (Q) of this~~
24 ~~paragraph (1), as applicable. Projects not on~~
25 ~~a waitlist as of the opening of this block~~
26 ~~shall be subject to the contract provisions~~

1 ~~outlined in item (iii) of subparagraph (L) of~~
2 ~~this paragraph (1). The Agency shall strive to~~
3 ~~publish updated prices and an updated~~
4 ~~renewable energy credit delivery contract as~~
5 ~~quickly as possible.~~

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

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

23 ~~(A) The geographic balance of selected~~
24 ~~projects shall follow the Group classification~~
25 ~~found in the Agency's Revised Long-Term~~
26 ~~Renewable Resources Procurement Plan, with 70%~~

1 ~~of capacity allocated to projects on the Group~~
2 ~~B waitlist and 30% of capacity allocated to~~
3 ~~projects on the Group A waitlist.~~

4 ~~(B) Contract awards for waitlisted~~
5 ~~projects shall be allocated proportionate to~~
6 ~~the total nameplate capacity amount across~~
7 ~~both ordinal waitlists associated with that~~
8 ~~applicant firm or its affiliates, subject to~~
9 ~~the following conditions.~~

10 ~~(i) Each applicant firm having a~~
11 ~~waitlisted project eligible for selection~~
12 ~~shall receive no less than 500 kilowatts~~
13 ~~in awarded capacity across all groups, and~~
14 ~~no approved vendor may receive more than~~
15 ~~20% of each Group's waitlist allocation.~~

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

22 ~~(iii) Assuming all other program~~
23 ~~requirements are met, applicant firms may~~
24 ~~adjust the nameplate capacity of applicant~~
25 ~~projects without losing waitlist~~
26 ~~eligibility, so long as no project is~~

1 ~~greater than 2,000 kilowatts in size.~~

2 ~~(iv) Assuming all other program~~
3 ~~requirements are met, applicant firms may~~
4 ~~adjust the expected production associated~~
5 ~~with applicant projects, subject to~~
6 ~~verification by the Program Administrator.~~

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

14 ~~(D) Applicant firms shall submit their~~
15 ~~portfolio of projects used to satisfy those~~
16 ~~contract awards no less than 90 days after the~~
17 ~~Agency's announcement. The total nameplate~~
18 ~~capacity of all projects used to satisfy that~~
19 ~~portfolio shall be no greater than the~~
20 ~~Agency's nameplate capacity award amount~~
21 ~~associated with that applicant firm. An~~
22 ~~applicant firm may decline, in whole or in~~
23 ~~part, its nameplate capacity award without~~
24 ~~penalty, with such unmet capacity rolled over~~
25 ~~to the next block opening for project~~
26 ~~selection under item (iii) of subparagraph (K)~~

1 ~~of this subsection (c). Any projects not~~
2 ~~included in an applicant firm's portfolio may~~
3 ~~reapply without prejudice upon the next block~~
4 ~~reopening for project selection under item~~
5 ~~(iii) of subparagraph (K) of this subsection~~
6 ~~(c).~~

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

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

25 ~~(ii) A requirement that a minimum of~~
26 ~~50% of subscribers to the project's~~

1 ~~nameplate capacity be residential or small~~
2 ~~commercial customers with subscriptions of~~
3 ~~below 25 kilowatts in size;~~

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

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

25 ~~(F) To be eligible for an award, the~~
26 ~~applicant firm shall certify that not less~~

1 ~~than prevailing wage, as determined pursuant~~
2 ~~to the Illinois Prevailing Wage Act, was or~~
3 ~~will be paid to employees who are engaged in~~
4 ~~construction activities associated with a~~
5 ~~selected project.~~

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

23 ~~(5) The Agency shall open the equivalent of 2~~
24 ~~years of annual capacity for the category~~
25 ~~described in item (v) of subparagraph (K) of this~~
26 ~~paragraph (1). The first block of annual capacity~~

1 ~~for item (v) shall be for at least 10 megawatts of~~
2 ~~total nameplate capacity. Notwithstanding the~~
3 ~~provisions of item (v) of subparagraph (K) of this~~
4 ~~paragraph (1), for the purpose of this initial~~
5 ~~block, the agency shall accept new project~~
6 ~~applications intended to increase the diversity of~~
7 ~~areas hosting community solar projects, the~~
8 ~~business models of projects, and the size of~~
9 ~~projects, as described by the Agency in its~~
10 ~~long term renewable resources procurement plan~~
11 ~~that is approved as of the effective date of this~~
12 ~~amendatory Act of the 102nd General Assembly.~~
13 ~~Projects in this category shall be subject to the~~
14 ~~contract terms outlined in item (iii) of~~
15 ~~subsection (L) of this paragraph (1).~~

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

1 ~~capacity shall be 4% less than the price of the~~
2 ~~last open blocks in the categories described in~~
3 ~~items (i) and (ii) of subparagraph (K) of this~~
4 ~~paragraph (1). Pricing for future blocks of annual~~
5 ~~capacity for this category may be adjusted in the~~
6 ~~Agency's second revision to its Long Term~~
7 ~~Renewable Resources Procurement Plan. Projects in~~
8 ~~this category shall be subject to the applicable~~
9 ~~contract terms outlined in items (ii) and (iii) of~~
10 ~~subparagraph (L) of this paragraph (1).~~

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

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

1 ~~by the quantity of energy produced in the relevant~~
2 ~~settlement period. If this difference results in a~~
3 ~~positive number, the seller shall owe the indexed~~
4 ~~REC counterparty this amount multiplied by the~~
5 ~~quantity of energy produced in the relevant~~
6 ~~settlement period.~~

7 ~~(2) Parties shall cash settle every month,~~
8 ~~summing up all settlements (both positive and~~
9 ~~negative, if applicable) for the prior month.~~

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

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

1 ~~(4) To ensure that indexed renewable energy~~
2 ~~credit prices remain predictable and affordable,~~
3 ~~the Agency may consider the institution of a price~~
4 ~~collar on REC prices paid under indexed renewable~~
5 ~~energy credit procurements establishing floor and~~
6 ~~ceiling REC prices applicable to indexed REC~~
7 ~~contract prices. Any price collars applicable to~~
8 ~~indexed REC procurements shall be proposed by the~~
9 ~~Agency through its long term renewable resources~~
10 ~~procurement plan.~~

11 ~~(vi) All procurements under this subparagraph (G),~~
12 ~~including the procurement of renewable energy credits~~
13 ~~from hydropower facilities, shall comply with the~~
14 ~~geographic requirements in subparagraph (I) of this~~
15 ~~paragraph (1) and shall follow the procurement~~
16 ~~processes and procedures described in this Section and~~
17 ~~Section 16 111.5 of the Public Utilities Act to the~~
18 ~~extent practicable, and these processes and procedures~~
19 ~~may be expedited to accommodate the schedule~~
20 ~~established by this subparagraph (G).~~

21 ~~(vii) On and after the effective date of this~~
22 ~~amendatory Act of the 103rd General Assembly, for all~~
23 ~~procurements of renewable energy credits from~~
24 ~~hydropower facilities, the Agency shall establish~~
25 ~~contract terms designed to optimize existing~~
26 ~~hydropower facilities through modernization or~~

1 ~~retooling and establish new hydropower facilities at~~
2 ~~existing dams. Procurements made under this item (vii)~~
3 ~~shall prioritize projects located in designated~~
4 ~~environmental justice communities, as defined in~~
5 ~~subsection (b) of Section 1-56 of this Act, or in~~
6 ~~projects located in units of local government with~~
7 ~~median incomes that do not exceed 82% of the median~~
8 ~~income of the State.~~

9 ~~(H) The procurement of renewable energy resources for~~
10 ~~a given delivery year shall be reduced as described in~~
11 ~~this subparagraph (H) if an alternative retail electric~~
12 ~~supplier meets the requirements described in this~~
13 ~~subparagraph (H).~~

14 ~~(i) Within 45 days after June 1, 2017 (the~~
15 ~~effective date of Public Act 99-906), an alternative~~
16 ~~retail electric supplier or its successor shall submit~~
17 ~~an informational filing to the Illinois Commerce~~
18 ~~Commission certifying that, as of December 31, 2015,~~
19 ~~the alternative retail electric supplier owned one or~~
20 ~~more electric generating facilities that generates~~
21 ~~renewable energy resources as defined in Section 1-10~~
22 ~~of this Act, provided that such facilities are not~~
23 ~~powered by wind or photovoltaics, and the facilities~~
24 ~~generate one renewable energy credit for each~~
25 ~~megawatthour of energy produced from the facility.~~

26 ~~The informational filing shall identify each~~

1 ~~facility that was eligible to satisfy the alternative~~
2 ~~retail electric supplier's obligations under Section~~
3 ~~16-115D of the Public Utilities Act as described in~~
4 ~~this item (i).~~

5 ~~(ii) For a given delivery year, the alternative~~
6 ~~retail electric supplier may elect to supply its~~
7 ~~retail customers with renewable energy credits from~~
8 ~~the facility or facilities described in item (i) of~~
9 ~~this subparagraph (H) that continue to be owned by the~~
10 ~~alternative retail electric supplier.~~

11 ~~(iii) The alternative retail electric supplier~~
12 ~~shall notify the Agency and the applicable utility, no~~
13 ~~later than February 28 of the year preceding the~~
14 ~~applicable delivery year or 15 days after June 1, 2017~~
15 ~~(the effective date of Public Act 99-906), whichever~~
16 ~~is later, of its election under item (ii) of this~~
17 ~~subparagraph (H) to supply renewable energy credits to~~
18 ~~retail customers of the utility. Such election shall~~
19 ~~identify the amount of renewable energy credits to be~~
20 ~~supplied by the alternative retail electric supplier~~
21 ~~to the utility's retail customers and the source of~~
22 ~~the renewable energy credits identified in the~~
23 ~~informational filing as described in item (i) of this~~
24 ~~subparagraph (H), subject to the following~~
25 ~~limitations:~~

26 ~~For the delivery year beginning June 1, 2018,~~

1 ~~the maximum amount of renewable energy credits to~~
2 ~~be supplied by an alternative retail electric~~
3 ~~supplier under this subparagraph (H) shall be 68%~~
4 ~~multiplied by 25% multiplied by 14.5% multiplied~~
5 ~~by the amount of metered electricity~~
6 ~~(megawatt hours) delivered by the alternative~~
7 ~~retail electric supplier to Illinois retail~~
8 ~~customers during the delivery year ending May 31,~~
9 ~~2016.~~

10 ~~For delivery years beginning June 1, 2019 and~~
11 ~~each year thereafter, the maximum amount of~~
12 ~~renewable energy credits to be supplied by an~~
13 ~~alternative retail electric supplier under this~~
14 ~~subparagraph (H) shall be 68% multiplied by 50%~~
15 ~~multiplied by 16% multiplied by the amount of~~
16 ~~metered electricity (megawatt hours) delivered by~~
17 ~~the alternative retail electric supplier to~~
18 ~~Illinois retail customers during the delivery year~~
19 ~~ending May 31, 2016, provided that the 16% value~~
20 ~~shall increase by 1.5% each delivery year~~
21 ~~thereafter to 25% by the delivery year beginning~~
22 ~~June 1, 2025, and thereafter the 25% value shall~~
23 ~~apply to each delivery year.~~

24 ~~For each delivery year, the total amount of~~
25 ~~renewable energy credits supplied by all alternative~~
26 ~~retail electric suppliers under this subparagraph (H)~~

1 ~~shall not exceed 9% of the Illinois target renewable~~
2 ~~energy credit quantity. The Illinois target renewable~~
3 ~~energy credit quantity for the delivery year beginning~~
4 ~~June 1, 2018 is 14.5% multiplied by the total amount of~~
5 ~~metered electricity (megawatt hours) delivered in the~~
6 ~~delivery year immediately preceding that delivery~~
7 ~~year, provided that the 14.5% shall increase by 1.5%~~
8 ~~each delivery year thereafter to 25% by the delivery~~
9 ~~year beginning June 1, 2025, and thereafter the 25%~~
10 ~~value shall apply to each delivery year.~~

11 ~~If the requirements set forth in items (i) through~~
12 ~~(iii) of this subparagraph (H) are met, the charges~~
13 ~~that would otherwise be applicable to the retail~~
14 ~~customers of the alternative retail electric supplier~~
15 ~~under paragraph (6) of this subsection (c) for the~~
16 ~~applicable delivery year shall be reduced by the ratio~~
17 ~~of the quantity of renewable energy credits supplied~~
18 ~~by the alternative retail electric supplier compared~~
19 ~~to that supplier's target renewable energy credit~~
20 ~~quantity. The supplier's target renewable energy~~
21 ~~credit quantity for the delivery year beginning June~~
22 ~~1, 2018 is 14.5% multiplied by the total amount of~~
23 ~~metered electricity (megawatt hours) delivered by the~~
24 ~~alternative retail supplier in that delivery year,~~
25 ~~provided that the 14.5% shall increase by 1.5% each~~
26 ~~delivery year thereafter to 25% by the delivery year~~

1 ~~beginning June 1, 2025, and thereafter the 25% value~~
2 ~~shall apply to each delivery year.~~

3 ~~On or before April 1 of each year, the Agency shall~~
4 ~~annually publish a report on its website that~~
5 ~~identifies the aggregate amount of renewable energy~~
6 ~~credits supplied by alternative retail electric~~
7 ~~suppliers under this subparagraph (H).~~

8 ~~(I) The Agency shall design its long term renewable~~
9 ~~energy procurement plan to maximize the State's interest~~
10 ~~in the health, safety, and welfare of its residents,~~
11 ~~including but not limited to minimizing sulfur dioxide,~~
12 ~~nitrogen oxide, particulate matter and other pollution~~
13 ~~that adversely affects public health in this State,~~
14 ~~increasing fuel and resource diversity in this State,~~
15 ~~enhancing the reliability and resiliency of the~~
16 ~~electricity distribution system in this State, meeting~~
17 ~~goals to limit carbon dioxide emissions under federal or~~
18 ~~State law, and contributing to a cleaner and healthier~~
19 ~~environment for the citizens of this State. In order to~~
20 ~~further these legislative purposes, renewable energy~~
21 ~~credits shall be eligible to be counted toward the~~
22 ~~renewable energy requirements of this subsection (c) if~~
23 ~~they are generated from facilities located in this State.~~
24 ~~The Agency may qualify renewable energy credits from~~
25 ~~facilities located in states adjacent to Illinois or~~
26 ~~renewable energy credits associated with the electricity~~

1 ~~generated by a utility scale wind energy facility or~~
2 ~~utility scale photovoltaic facility and transmitted by a~~
3 ~~qualifying direct current project described in subsection~~
4 ~~(b-5) of Section 8-406 of the Public Utilities Act to a~~
5 ~~delivery point on the electric transmission grid located~~
6 ~~in this State or a state adjacent to Illinois, if the~~
7 ~~generator demonstrates and the Agency determines that the~~
8 ~~operation of such facility or facilities will help promote~~
9 ~~the State's interest in the health, safety, and welfare of~~
10 ~~its residents based on the public interest criteria~~
11 ~~described above. For the purposes of this Section,~~
12 ~~renewable resources that are delivered via a high voltage~~
13 ~~direct current converter station located in Illinois shall~~
14 ~~be deemed generated in Illinois at the time and location~~
15 ~~the energy is converted to alternating current by the high~~
16 ~~voltage direct current converter station if the high~~
17 ~~voltage direct current transmission line: (i) after the~~
18 ~~effective date of this amendatory Act of the 102nd General~~
19 ~~Assembly, was constructed with a project labor agreement;~~
20 ~~(ii) is capable of transmitting electricity at 525kv;~~
21 ~~(iii) has an Illinois converter station located and~~
22 ~~interconnected in the region of the PJM Interconnection,~~
23 ~~LLC; (iv) does not operate as a public utility; and (v) if~~
24 ~~the high voltage direct current transmission line was~~
25 ~~energized after June 1, 2023. To ensure that the public~~
26 ~~interest criteria are applied to the procurement and given~~

1 ~~full effect, the Agency's long term procurement plan shall~~
2 ~~describe in detail how each public interest factor shall~~
3 ~~be considered and weighted for facilities located in~~
4 ~~states adjacent to Illinois.~~

5 ~~(J) In order to promote the competitive development of~~
6 ~~renewable energy resources in furtherance of the State's~~
7 ~~interest in the health, safety, and welfare of its~~
8 ~~residents, renewable energy credits shall not be eligible~~
9 ~~to be counted toward the renewable energy requirements of~~
10 ~~this subsection (c) if they are sourced from a generating~~
11 ~~unit whose costs were being recovered through rates~~
12 ~~regulated by this State or any other state or states on or~~
13 ~~after January 1, 2017. Each contract executed to purchase~~
14 ~~renewable energy credits under this subsection (c) shall~~
15 ~~provide for the contract's termination if the costs of the~~
16 ~~generating unit supplying the renewable energy credits~~
17 ~~subsequently begin to be recovered through rates regulated~~
18 ~~by this State or any other state or states; and each~~
19 ~~contract shall further provide that, in that event, the~~
20 ~~supplier of the credits must return 110% of all payments~~
21 ~~received under the contract. Amounts returned under the~~
22 ~~requirements of this subparagraph (J) shall be retained by~~
23 ~~the utility and all of these amounts shall be used for the~~
24 ~~procurement of additional renewable energy credits from~~
25 ~~new wind or new photovoltaic resources as defined in this~~
26 ~~subsection (c). The long term plan shall provide that~~

1 ~~these renewable energy credits shall be procured in the~~
2 ~~next procurement event.~~

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

18 ~~(K) The long term renewable resources procurement plan~~
19 ~~developed by the Agency in accordance with subparagraph~~
20 ~~(A) of this paragraph (1) shall include an Adjustable~~
21 ~~Block program for the procurement of renewable energy~~
22 ~~credits from new photovoltaic projects that are~~
23 ~~distributed renewable energy generation devices or new~~
24 ~~photovoltaic community renewable generation projects. The~~
25 ~~Adjustable Block program shall be generally designed to~~
26 ~~provide for the steady, predictable, and sustainable~~

1 ~~growth of new solar photovoltaic development in Illinois.~~
2 ~~To this end, the Adjustable Block program shall provide a~~
3 ~~transparent annual schedule of prices and quantities to~~
4 ~~enable the photovoltaic market to scale up and for~~
5 ~~renewable energy credit prices to adjust at a predictable~~
6 ~~rate over time. The prices set by the Adjustable Block~~
7 ~~program can be reflected as a set value or as the product~~
8 ~~of a formula.~~

9 ~~The Adjustable Block program shall include for each~~
10 ~~category of eligible projects for each delivery year: a~~
11 ~~single block of nameplate capacity, a price for renewable~~
12 ~~energy credits within that block, and the terms and~~
13 ~~conditions for securing a spot on a waitlist once the~~
14 ~~block is fully committed or reserved. Except as outlined~~
15 ~~below, the waitlist of projects in a given year will carry~~
16 ~~over to apply to the subsequent year when another block is~~
17 ~~opened. Only projects energized on or after June 1, 2017~~
18 ~~shall be eligible for the Adjustable Block program. For~~
19 ~~each category for each delivery year the Agency shall~~
20 ~~determine the amount of generation capacity in each block,~~
21 ~~and the purchase price for each block, provided that the~~
22 ~~purchase price provided and the total amount of generation~~
23 ~~in all blocks for all categories shall be sufficient to~~
24 ~~meet the goals in this subsection (c). The Agency shall~~
25 ~~strive to issue a single block sized to provide for~~
26 ~~stability and market growth. The Agency shall establish~~

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

17 ~~The Adjustable Block program shall include the~~
18 ~~following categories in at least the following amounts:~~

19 ~~(i) At least 20% from distributed renewable energy~~
20 ~~generation devices with a nameplate capacity of no~~
21 ~~more than 25 kilowatts.~~

22 ~~(ii) At least 20% from distributed renewable~~
23 ~~energy generation devices with a nameplate capacity of~~
24 ~~more than 25 kilowatts and no more than 5,000~~
25 ~~kilowatts. The Agency may create sub-categories within~~
26 ~~this category to account for the differences between~~

1 ~~projects for small commercial customers, large~~
2 ~~commercial customers, and public or non-profit~~
3 ~~customers.~~

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

16 ~~(1) the Agency shall select projects on a~~
17 ~~first come, first serve basis, however the Agency~~
18 ~~may suggest additional methods to prioritize~~
19 ~~projects that are submitted at the same time;~~

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

24 ~~(3) projects shall not be colocated with one~~
25 ~~or more other community renewable generation~~
26 ~~projects, as defined in the Agency's first revised~~

1 ~~long term renewable resources procurement plan~~
2 ~~approved by the Commission on February 18, 2020,~~
3 ~~such that the aggregate nameplate capacity exceeds~~
4 ~~5,000 kilowatts; and~~

5 ~~(4) projects greater than 2 MW may not apply~~
6 ~~until after the approval of the Agency's revised~~
7 ~~Long Term Renewable Resources Procurement Plan~~
8 ~~after the effective date of this amendatory Act of~~
9 ~~the 102nd General Assembly.~~

10 ~~(iv) At least 15% from distributed renewable~~
11 ~~generation devices or photovoltaic community renewable~~
12 ~~generation projects installed on public school land.~~
13 ~~The Agency may create subcategories within this~~
14 ~~category to account for the differences between~~
15 ~~project size or location. Projects located within~~
16 ~~environmental justice communities or within~~
17 ~~Organizational Units that fall within Tier 1 or Tier 2~~
18 ~~shall be given priority. Each of the Agency's periodic~~
19 ~~updates to its long term renewable resources~~
20 ~~procurement plan to incorporate the procurement~~
21 ~~described in this subparagraph (iv) shall also include~~
22 ~~the proposed quantities or blocks, pricing, and~~
23 ~~contract terms applicable to the procurement as~~
24 ~~indicated herein. In each such update and procurement,~~
25 ~~the Agency shall set the renewable energy credit price~~
26 ~~and establish payment terms for the renewable energy~~

1 ~~credits procured pursuant to this subparagraph (iv)~~
2 ~~that make it feasible and affordable for public~~
3 ~~schools to install photovoltaic distributed renewable~~
4 ~~energy devices on their premises, including, but not~~
5 ~~limited to, those public schools subject to the~~
6 ~~prioritization provisions of this subparagraph. For~~
7 ~~the purposes of this item (iv):~~

8 ~~"Environmental Justice Community" shall have the~~
9 ~~same meaning set forth in the Agency's long term~~
10 ~~renewable resources procurement plan;~~

11 ~~"Organization Unit", "Tier 1" and "Tier 2" shall~~
12 ~~have the meanings set for in Section 18-8.15 of the~~
13 ~~School Code;~~

14 ~~"Public schools" shall have the meaning set forth~~
15 ~~in Section 1-3 of the School Code and includes public~~
16 ~~institutions of higher education, as defined in the~~
17 ~~Board of Higher Education Act.~~

18 ~~(v) At least 5% from community driven community~~
19 ~~solar projects intended to provide more direct and~~
20 ~~tangible connection and benefits to the communities~~
21 ~~which they serve or in which they operate and,~~
22 ~~additionally, to increase the variety of community~~
23 ~~solar locations, models, and options in Illinois. As~~
24 ~~part of its long term renewable resources procurement~~
25 ~~plan, the Agency shall develop selection criteria for~~
26 ~~projects participating in this category. Nothing in~~

1 ~~this Section shall preclude the Agency from creating a~~
2 ~~selection process that maximizes community ownership~~
3 ~~and community benefits in selecting projects to~~
4 ~~receive renewable energy credits. Selection criteria~~
5 ~~shall include:~~

6 ~~(1) community ownership or community~~
7 ~~wealth building;~~

8 ~~(2) additional direct and indirect community~~
9 ~~benefit, beyond project participation as a~~
10 ~~subscriber, including, but not limited to,~~
11 ~~economic, environmental, social, cultural, and~~
12 ~~physical benefits;~~

13 ~~(3) meaningful involvement in project~~
14 ~~organization and development by community members~~
15 ~~or nonprofit organizations or public entities~~
16 ~~located in or serving the community;~~

17 ~~(4) engagement in project operations and~~
18 ~~management by nonprofit organizations, public~~
19 ~~entities, or community members; and~~

20 ~~(5) whether a project is developed in response~~
21 ~~to a site specific RFP developed by community~~
22 ~~members or a nonprofit organization or public~~
23 ~~entity located in or serving the community.~~

24 ~~Selection criteria may also prioritize projects~~
25 ~~that:~~

26 ~~(1) are developed in collaboration with or to~~

1 ~~provide complementary opportunities for the Clean~~
2 ~~Jobs Workforce Network Program, the Illinois~~
3 ~~Climate Works Preapprenticeship Program, the~~
4 ~~Returning Residents Clean Jobs Training Program,~~
5 ~~the Clean Energy Contractor Incubator Program, or~~
6 ~~the Clean Energy Primes Contractor Accelerator~~
7 ~~Program;~~

8 ~~(2) increase the diversity of locations of~~
9 ~~community solar projects in Illinois, including by~~
10 ~~locating in urban areas and population centers;~~

11 ~~(3) are located in Equity Investment Eligible~~
12 ~~Communities;~~

13 ~~(4) are not greenfield projects;~~

14 ~~(5) serve only local subscribers;~~

15 ~~(6) have a nameplate capacity that does not~~
16 ~~exceed 500 kW;~~

17 ~~(7) are developed by an equity eligible~~
18 ~~contractor; or~~

19 ~~(8) otherwise meaningfully advance the goals~~
20 ~~of providing more direct and tangible connection~~
21 ~~and benefits to the communities which they serve~~
22 ~~or in which they operate and increasing the~~
23 ~~variety of community solar locations, models, and~~
24 ~~options in Illinois.~~

25 ~~For the purposes of this item (v):~~

26 ~~"Community" means a social unit in which people~~

1 ~~come together regularly to effect change; a social~~
2 ~~unit in which participants are marked by a cooperative~~
3 ~~spirit, a common purpose, or shared interests or~~
4 ~~characteristics; or a space understood by its~~
5 ~~residents to be delineated through geographic~~
6 ~~boundaries or landmarks.~~

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

16 ~~"Community ownership" means an arrangement in~~
17 ~~which an electric generating facility is, or over time~~
18 ~~will be, in significant part, owned collectively by~~
19 ~~members of the community to which an electric~~
20 ~~generating facility provides benefits; members of that~~
21 ~~community participate in decisions regarding the~~
22 ~~governance, operation, maintenance, and upgrades of~~
23 ~~and to that facility; and members of that community~~
24 ~~benefit from regular use of that facility.~~

25 ~~Terms and guidance within these criteria that are~~
26 ~~not defined in this item (v) shall be defined by the~~

1 ~~Agency, with stakeholder input, during the development~~
2 ~~of the Agency's long-term renewable resources~~
3 ~~procurement plan. The Agency shall develop regular~~
4 ~~opportunities for projects to submit applications for~~
5 ~~projects under this category, and develop selection~~
6 ~~criteria that gives preference to projects that better~~
7 ~~meet individual criteria as well as projects that~~
8 ~~address a higher number of criteria.~~

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

22 ~~The Agency shall propose a payment structure for~~
23 ~~contracts executed pursuant to this paragraph under~~
24 ~~which, upon a demonstration of qualification or need,~~
25 ~~applicant firms are advanced capital disbursed after~~
26 ~~contract execution but before the contracted project's~~

1 ~~energization. The amount or percentage of capital~~
2 ~~advanced prior to project energization shall be~~
3 ~~sufficient to both cover any increase in development~~
4 ~~costs resulting from prevailing wage requirements or~~
5 ~~project labor agreements, and designed to overcome~~
6 ~~barriers in access to capital faced by equity eligible~~
7 ~~contractors. The amount or percentage of advanced~~
8 ~~capital may vary by subcategory within this category~~
9 ~~and by an applicant's demonstration of need, with such~~
10 ~~levels to be established through the Long Term~~
11 ~~Renewable Resources Procurement Plan authorized under~~
12 ~~subparagraph (A) of paragraph (1) of subsection (c) of~~
13 ~~this Section.~~

14 ~~Contracts developed featuring capital advanced~~
15 ~~prior to a project's energization shall feature~~
16 ~~provisions to ensure both the successful development~~
17 ~~of applicant projects and the delivery of the~~
18 ~~renewable energy credits for the full term of the~~
19 ~~contract, including ongoing collateral requirements~~
20 ~~and other provisions deemed necessary by the Agency,~~
21 ~~and may include energization timelines longer than for~~
22 ~~comparable project types. The percentage or amount of~~
23 ~~capital advanced prior to project energization shall~~
24 ~~not operate to increase the overall contract value,~~
25 ~~however contracts executed under this subparagraph may~~
26 ~~feature renewable energy credit prices higher than~~

1 ~~those offered to similar projects participating in~~
2 ~~other categories. Capital advanced prior to~~
3 ~~energization shall serve to reduce the ratable~~
4 ~~payments made after energization under items (ii) and~~
5 ~~(iii) of subparagraph (L) or payments made for each~~
6 ~~renewable energy credit delivery under item (iv) of~~
7 ~~subparagraph (L).~~

8 ~~(vii) The remaining capacity shall be allocated by~~
9 ~~the Agency in order to respond to market demand. The~~
10 ~~Agency shall allocate any discretionary capacity prior~~
11 ~~to the beginning of each delivery year.~~

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

23 ~~Notwithstanding anything to the contrary, as the~~
24 ~~Agency increases the capacity in item (vi) to 40% over~~
25 ~~time, the Agency may reduce the capacity of items (i)~~
26 ~~through (v) proportionate to the capacity of the~~

1 ~~categories of projects in item (vi), to achieve a balance~~
2 ~~of project types.~~

3 ~~The Adjustable Block program shall be designed to~~
4 ~~ensure that renewable energy credits are procured from~~
5 ~~projects in diverse locations and are not concentrated in~~
6 ~~a few regional areas.~~

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

13 ~~(i) (Blank).~~

14 ~~(ii) For those renewable energy credits that~~
15 ~~qualify and are procured under item (i) of~~
16 ~~subparagraph (K) of this paragraph (1), and any~~
17 ~~similar category projects that are procured under item~~
18 ~~(vi) of subparagraph (K) of this paragraph (1) that~~
19 ~~qualify and are procured under item (vi), the contract~~
20 ~~length shall be 15 years. The renewable energy credit~~
21 ~~delivery contract value shall be paid in full, based~~
22 ~~on the estimated generation during the first 15 years~~
23 ~~of operation, by the contracting utilities at the time~~
24 ~~that the facility producing the renewable energy~~
25 ~~credits is interconnected at the distribution system~~
26 ~~level of the utility and verified as energized and~~

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

8 ~~(iii) For those renewable energy credits that~~
9 ~~qualify and are procured under item (ii) and (v) of~~
10 ~~subparagraph (K) of this paragraph (1) and any like~~
11 ~~projects similar category that qualify and are~~
12 ~~procured under item (vi), the contract length shall be~~
13 ~~15 years. 15% of the renewable energy credit delivery~~
14 ~~contract value, based on the estimated generation~~
15 ~~during the first 15 years of operation, shall be paid~~
16 ~~by the contracting utilities at the time that the~~
17 ~~facility producing the renewable energy credits is~~
18 ~~interconnected at the distribution system level of the~~
19 ~~utility and verified as energized and compliant by the~~
20 ~~Program Administrator. The remaining portion shall be~~
21 ~~paid ratably over the subsequent 6 year period. The~~
22 ~~electric utility shall receive and retire all~~
23 ~~renewable energy credits generated by the project for~~
24 ~~the first 15 years of operation. Renewable energy~~
25 ~~credits generated by the project thereafter shall not~~
26 ~~be transferred under the renewable energy credit~~

1 ~~delivery contract with the counterparty electric~~
2 ~~utility.~~

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

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

23 ~~(v) Each contract shall include provisions to~~
24 ~~ensure the delivery of the estimated quantity of~~
25 ~~renewable energy credits and ongoing collateral~~
26 ~~requirements and other provisions deemed appropriate~~

1 ~~by the Agency.~~

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

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

16 ~~(viii) Nothing in this Section shall require the~~
17 ~~utility to advance any payment or pay any amounts that~~
18 ~~exceed the actual amount of revenues anticipated to be~~
19 ~~collected by the utility under paragraph (6) of this~~
20 ~~subsection (c) and subsection (k) of Section 16-108 of~~
21 ~~the Public Utilities Act inclusive of eligible funds~~
22 ~~collected in prior years and alternative compliance~~
23 ~~payments for use by the utility, and contracts~~
24 ~~executed under this Section shall expressly~~
25 ~~incorporate this limitation.~~

26 ~~(ix) Notwithstanding other requirements of this~~

1 ~~subparagraph (L), no modification shall be required to~~
2 ~~Adjustable Block program contracts if they were~~
3 ~~already executed prior to the establishment, approval,~~
4 ~~and implementation of new contract forms as a result~~
5 ~~of this amendatory Act of the 102nd General Assembly.~~

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

13 ~~(M) The Agency shall be authorized to retain one or~~
14 ~~more experts or expert consulting firms to develop,~~
15 ~~administer, implement, operate, and evaluate the~~
16 ~~Adjustable Block program described in subparagraph (K) of~~
17 ~~this paragraph (1), and the Agency shall retain the~~
18 ~~consultant or consultants in the same manner, to the~~
19 ~~extent practicable, as the Agency retains others to~~
20 ~~administer provisions of this Act, including, but not~~
21 ~~limited to, the procurement administrator. The selection~~
22 ~~of experts and expert consulting firms and the procurement~~
23 ~~process described in this subparagraph (M) are exempt from~~
24 ~~the requirements of Section 20-10 of the Illinois~~
25 ~~Procurement Code, under Section 20-10 of that Code. The~~
26 ~~Agency shall strive to minimize administrative expenses in~~

1 ~~the implementation of the Adjustable Block program.~~

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

14 ~~In addition to covering the costs of program~~
15 ~~administration, the Agency, in conjunction with its~~
16 ~~Program Administrator, may also use the proceeds of such~~
17 ~~fees charged to participating firms to support public~~
18 ~~education and ongoing regional and national coordination~~
19 ~~with nonprofit organizations, public bodies, and others~~
20 ~~engaged in the implementation of renewable energy~~
21 ~~incentive programs or similar initiatives. This work may~~
22 ~~include developing papers and reports, hosting regional~~
23 ~~and national conferences, and other work deemed necessary~~
24 ~~by the Agency to position the State of Illinois as a~~
25 ~~national leader in renewable energy incentive program~~
26 ~~development and administration.~~

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

20 ~~The Agency and its program administrators for both the~~
21 ~~Adjustable Block program and the Illinois Solar for All~~
22 ~~Program, consistent with the requirements of this~~
23 ~~subsection (c) and subsection (b) of Section 1-56 of this~~
24 ~~Act, shall propose the Adjustable Block program terms,~~
25 ~~conditions, and requirements, including the prices to be~~
26 ~~paid for renewable energy credits, where applicable, and~~

1 ~~requirements applicable to participating entities and~~
2 ~~project applications, through the development, review, and~~
3 ~~approval of the Agency's long term renewable resources~~
4 ~~procurement plan described in this subsection (c) and~~
5 ~~paragraph (5) of subsection (b) of Section 16-111.5 of the~~
6 ~~Public Utilities Act. Terms, conditions, and requirements~~
7 ~~for program participation shall include the following:~~

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

18 ~~(ii) The Agency shall establish program~~
19 ~~requirements and minimum contract terms to ensure~~
20 ~~projects are properly installed and produce their~~
21 ~~expected amounts of energy. Program requirements may~~
22 ~~include on-site inspections and photo documentation of~~
23 ~~projects under construction. The Agency may require~~
24 ~~repairs, alterations, or additions to remedy any~~
25 ~~material deficiencies discovered. Vendors who have a~~
26 ~~disproportionately high number of deficient systems~~

1 ~~may lose their eligibility to continue to receive~~
2 ~~State-administered incentive funding through Agency~~
3 ~~programs and procurements.~~

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

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

20 ~~(v) Through a filing in the proceeding for the~~
21 ~~approval of its long-term renewable energy resources~~
22 ~~procurement plan, the Agency shall provide an annual~~
23 ~~written report to the Illinois Commerce Commission~~
24 ~~documenting the frequency and nature of complaints and~~
25 ~~any enforcement actions taken in response to those~~
26 ~~complaints.~~

1 ~~(vi) The Agency shall schedule regular meetings~~
2 ~~with representatives of the Office of the Attorney~~
3 ~~General, the Illinois Commerce Commission, consumer~~
4 ~~protection groups, and other interested stakeholders~~
5 ~~to share relevant information about consumer~~
6 ~~protection, project compliance, and complaints~~
7 ~~received.~~

8 ~~(vii) To the extent that complaints received~~
9 ~~implicate the jurisdiction of the Office of the~~
10 ~~Attorney General, the Illinois Commerce Commission, or~~
11 ~~local, State, or federal law enforcement, the Agency~~
12 ~~shall also refer complaints to those entities as~~
13 ~~appropriate.~~

14 ~~(N) The Agency shall establish the terms, conditions,~~
15 ~~and program requirements for photovoltaic community~~
16 ~~renewable generation projects with a goal to expand access~~
17 ~~to a broader group of energy consumers, to ensure robust~~
18 ~~participation opportunities for residential and small~~
19 ~~commercial customers and those who cannot install~~
20 ~~renewable energy on their own properties. Subject to~~
21 ~~reasonable limitations, any plan approved by the~~
22 ~~Commission shall allow subscriptions to community~~
23 ~~renewable generation projects to be portable and~~
24 ~~transferable. For purposes of this subparagraph (N),~~
25 ~~"portable" means that subscriptions may be retained by the~~
26 ~~subscriber even if the subscriber relocates or changes its~~

1 ~~address within the same utility service territory; and~~
2 ~~"transferable" means that a subscriber may assign or sell~~
3 ~~subscriptions to another person within the same utility~~
4 ~~service territory.~~

5 ~~Through the development of its long term renewable~~
6 ~~resources procurement plan, the Agency may consider~~
7 ~~whether community renewable generation projects utilizing~~
8 ~~technologies other than photovoltaics should be supported~~
9 ~~through State administered incentive funding, and may~~
10 ~~issue requests for information to gauge market demand.~~

11 ~~Electric utilities shall provide a monetary credit to~~
12 ~~a subscriber's subsequent bill for service for the~~
13 ~~proportional output of a community renewable generation~~
14 ~~project attributable to that subscriber as specified in~~
15 ~~Section 16-107.5 of the Public Utilities Act.~~

16 ~~The Agency shall purchase renewable energy credits~~
17 ~~from subscribed shares of photovoltaic community renewable~~
18 ~~generation projects through the Adjustable Block program~~
19 ~~described in subparagraph (K) of this paragraph (1) or~~
20 ~~through the Illinois Solar for All Program described in~~
21 ~~Section 1-56 of this Act. The electric utility shall~~
22 ~~purchase any unsubscribed energy from community renewable~~
23 ~~generation projects that are Qualifying Facilities ("QF")~~
24 ~~under the electric utility's tariff for purchasing the~~
25 ~~output from QFs under Public Utilities Regulatory Policies~~
26 ~~Act of 1978.~~

1 ~~The owners of and any subscribers to a community~~
2 ~~renewable generation project shall not be considered~~
3 ~~public utilities or alternative retail electricity~~
4 ~~suppliers under the Public Utilities Act solely as a~~
5 ~~result of their interest in or subscription to a community~~
6 ~~renewable generation project and shall not be required to~~
7 ~~become an alternative retail electric supplier by~~
8 ~~participating in a community renewable generation project~~
9 ~~with a public utility.~~

10 ~~(0) For the delivery year beginning June 1, 2018, the~~
11 ~~long term renewable resources procurement plan required by~~
12 ~~this subsection (c) shall provide for the Agency to~~
13 ~~procure contracts to continue offering the Illinois Solar~~
14 ~~for All Program described in subsection (b) of Section~~
15 ~~1-56 of this Act, and the contracts approved by the~~
16 ~~Commission shall be executed by the utilities that are~~
17 ~~subject to this subsection (c). The long term renewable~~
18 ~~resources procurement plan shall allocate up to~~
19 ~~\$50,000,000 per delivery year to fund the programs, and~~
20 ~~the plan shall determine the amount of funding to be~~
21 ~~apportioned to the programs identified in subsection (b)~~
22 ~~of Section 1-56 of this Act; provided that for the~~
23 ~~delivery years beginning June 1, 2021, June 1, 2022, and~~
24 ~~June 1, 2023, the long term renewable resources~~
25 ~~procurement plan may average the annual budgets over a~~
26 ~~3 year period to account for program ramp up. For the~~

1 ~~delivery years beginning June 1, 2021, June 1, 2024, June~~
2 ~~1, 2027, and June 1, 2030 and additional \$10,000,000 shall~~
3 ~~be provided to the Department of Commerce and Economic~~
4 ~~Opportunity to implement the workforce development~~
5 ~~programs and reporting as outlined in Section 16-108.12 of~~
6 ~~the Public Utilities Act. In making the determinations~~
7 ~~required under this subparagraph (O), the Commission shall~~
8 ~~consider the experience and performance under the programs~~
9 ~~and any evaluation reports. The Commission shall also~~
10 ~~provide for an independent evaluation of those programs on~~
11 ~~a periodic basis that are funded under this subparagraph~~
12 ~~(O).~~

13 ~~(P) All programs and procurements under this~~
14 ~~subsection (c) shall be designed to encourage~~
15 ~~participating projects to use a diverse and equitable~~
16 ~~workforce and a diverse set of contractors, including~~
17 ~~minority owned businesses, disadvantaged businesses,~~
18 ~~trade unions, graduates of any workforce training programs~~
19 ~~administered under this Act, and small businesses.~~

20 ~~The Agency shall develop a method to optimize~~
21 ~~procurement of renewable energy credits from proposed~~
22 ~~utility scale projects that are located in communities~~
23 ~~eligible to receive Energy Transition Community Grants~~
24 ~~pursuant to Section 10-20 of the Energy Community~~
25 ~~Reinvestment Act. If this requirement conflicts with other~~
26 ~~provisions of law or the Agency determines that full~~

1 ~~compliance with the requirements of this subparagraph (P)~~
2 ~~would be unreasonably costly or administratively~~
3 ~~impractical, the Agency is to propose alternative~~
4 ~~approaches to achieve development of renewable energy~~
5 ~~resources in communities eligible to receive Energy~~
6 ~~Transition Community Grants pursuant to Section 10-20 of~~
7 ~~the Energy Community Reinvestment Act or seek an exemption~~
8 ~~from this requirement from the Commission.~~

9 ~~(Q) Each facility listed in subitems (i) through (ix)~~
10 ~~of item (1) of this subparagraph (Q) for which a renewable~~
11 ~~energy credit delivery contract is signed after the~~
12 ~~effective date of this amendatory Act of the 102nd General~~
13 ~~Assembly is subject to the following requirements through~~
14 ~~the Agency's long term renewable resources procurement~~
15 ~~plan:~~

16 ~~(1) Each facility shall be subject to the~~
17 ~~prevailing wage requirements included in the~~
18 ~~Prevailing Wage Act. The Agency shall require~~
19 ~~verification that all construction performed on the~~
20 ~~facility by the renewable energy credit delivery~~
21 ~~contract holder, its contractors, or its~~
22 ~~subcontractors relating to construction of the~~
23 ~~facility is performed by construction employees~~
24 ~~receiving an amount for that work equal to or greater~~
25 ~~than the general prevailing rate, as that term is~~
26 ~~defined in Section 3 of the Prevailing Wage Act. For~~

1 ~~purposes of this item (1), "house of worship" means~~
2 ~~property that is both (1) used exclusively by a~~
3 ~~religious society or body of persons as a place for~~
4 ~~religious exercise or religious worship and (2)~~
5 ~~recognized as exempt from taxation pursuant to Section~~
6 ~~15 40 of the Property Tax Code. This item (1) shall~~
7 ~~apply to any the following:~~

8 ~~(i) all new utility scale wind projects;~~

9 ~~(ii) all new utility scale photovoltaic~~
10 ~~projects;~~

11 ~~(iii) all new brownfield photovoltaic~~
12 ~~projects;~~

13 ~~(iv) all new photovoltaic community renewable~~
14 ~~energy facilities that qualify for item (iii) of~~
15 ~~subparagraph (K) of this paragraph (1);~~

16 ~~(v) all new community driven community~~
17 ~~photovoltaic projects that qualify for item (v) of~~
18 ~~subparagraph (K) of this paragraph (1);~~

19 ~~(vi) all new photovoltaic projects on public~~
20 ~~school land that qualify for item (iv) of~~
21 ~~subparagraph (K) of this paragraph (1);~~

22 ~~(vii) all new photovoltaic distributed~~
23 ~~renewable energy generation devices that (1)~~
24 ~~qualify for item (i) of subparagraph (K) of this~~
25 ~~paragraph (1); (2) are not projects that serve~~
26 ~~single family or multi family residential~~

1 ~~buildings; and (3) are not houses of worship where~~
2 ~~the aggregate capacity including collocated~~
3 ~~projects would not exceed 100 kilowatts;~~

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

12 ~~(ix) all new, modernized, or retooled~~
13 ~~hydropower facilities.~~

14 ~~(2) Renewable energy credits procured from new~~
15 ~~utility scale wind projects, new utility scale solar~~
16 ~~projects, and new brownfield solar projects pursuant~~
17 ~~to Agency procurement events occurring after the~~
18 ~~effective date of this amendatory Act of the 102nd~~
19 ~~General Assembly must be from facilities built by~~
20 ~~general contractors that must enter into a project~~
21 ~~labor agreement, as defined by this Act, prior to~~
22 ~~construction. The project labor agreement shall be~~
23 ~~filed with the Director in accordance with procedures~~
24 ~~established by the Agency through its long term~~
25 ~~renewable resources procurement plan. Any information~~
26 ~~submitted to the Agency in this item (2) shall be~~

1 ~~considered commercially sensitive information. At a~~
2 ~~minimum, the project labor agreement must provide the~~
3 ~~names, addresses, and occupations of the owner of the~~
4 ~~plant and the individuals representing the labor~~
5 ~~organization employees participating in the project~~
6 ~~labor agreement consistent with the Project Labor~~
7 ~~Agreements Act. The agreement must also specify the~~
8 ~~terms and conditions as defined by this Act.~~

9 ~~(3) It is the intent of this Section to ensure that~~
10 ~~economic development occurs across Illinois~~
11 ~~communities, that emerging businesses may grow, and~~
12 ~~that there is improved access to the clean energy~~
13 ~~economy by persons who have greater economic burdens~~
14 ~~to success. The Agency shall take into consideration~~
15 ~~the unique cost of compliance of this subparagraph (Q)~~
16 ~~that might be borne by equity eligible contractors,~~
17 ~~shall include such costs when determining the price of~~
18 ~~renewable energy credits in the Adjustable Block~~
19 ~~program, and shall take such costs into consideration~~
20 ~~in a nondiscriminatory manner when comparing bids for~~
21 ~~competitive procurements. The Agency shall consider~~
22 ~~costs associated with compliance whether in the~~
23 ~~development, financing, or construction of projects.~~
24 ~~The Agency shall periodically review the assumptions~~
25 ~~in these costs and may adjust prices, in compliance~~
26 ~~with subparagraph (M) of this paragraph (1).~~

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

14 ~~(1) For the purposes of this subparagraph:~~

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

24 ~~"Retail customer" has the meaning set forth in~~
25 ~~Section 16-102 of the Public Utilities Act and~~
26 ~~multiple retail customer accounts under the same~~

1 ~~corporate parent may aggregate their account demands~~
2 ~~to meet the 10,000 kilowatt threshold. The criteria~~
3 ~~for determining whether this subparagraph is~~
4 ~~applicable to a retail customer shall be based on the~~
5 ~~12 consecutive billing periods prior to the start of~~
6 ~~the year in which the application is filed.~~

7 ~~(2) For renewable energy credits to count toward~~
8 ~~the self direct renewable portfolio standard~~
9 ~~compliance program, they must:~~

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

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

23 ~~(iii) be procured through long term contracts~~
24 ~~with term lengths of at least 10 years either~~
25 ~~directly with the renewable energy generating~~
26 ~~facility or through a bundled power purchase~~

1 ~~agreement, a virtual power purchase agreement, an~~
2 ~~agreement between the renewable generating~~
3 ~~facility, an alternative retail electric supplier,~~
4 ~~and the customer, or such other structure as is~~
5 ~~permissible under this subparagraph (R);~~

6 ~~(iv) be equivalent in volume to at least 40%~~
7 ~~of the eligible self direct customer's usage,~~
8 ~~determined annually by the eligible self direct~~
9 ~~customer's usage during the previous delivery~~
10 ~~year, measured to the nearest megawatt hour;~~

11 ~~(v) be retired by or on behalf of the large~~
12 ~~energy customer;~~

13 ~~(vi) be sourced from new utility scale wind~~
14 ~~projects or new utility scale solar projects; and~~

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

23 ~~(3) The self direct renewable portfolio standard~~
24 ~~compliance program shall be designed to allow eligible~~
25 ~~self direct customers to procure new renewable energy~~
26 ~~credits from new utility scale wind projects or new~~

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

1 ~~its long term renewable resources procurement plan to~~
2 ~~be eligible for participation in this program.~~
3 ~~Customers must provide the Agency with their most~~
4 ~~recent electricity billing statements or other~~
5 ~~information deemed necessary by the Agency to~~
6 ~~demonstrate they are an eligible self direct customer.~~

7 ~~(4) The Commission shall approve a reduction in~~
8 ~~the volumetric charges collected pursuant to Section~~
9 ~~16 108 of the Public Utilities Act for approved~~
10 ~~eligible self direct customers equivalent to the~~
11 ~~anticipated cost of renewable energy credit deliveries~~
12 ~~under contracts for new utility scale wind and new~~
13 ~~utility scale solar entered for each delivery year~~
14 ~~after the large energy customer begins retiring~~
15 ~~eligible new utility scale renewable energy credits~~
16 ~~for self compliance. The self direct credit amount~~
17 ~~shall be determined annually and is equal to the~~
18 ~~estimated portion of the cost authorized by~~
19 ~~subparagraph (E) of paragraph (1) of this subsection~~
20 ~~(c) that supported the annual procurement of~~
21 ~~utility scale renewable energy credits in the prior~~
22 ~~delivery year using a methodology described in the~~
23 ~~long term renewable resources procurement plan,~~
24 ~~expressed on a per kilowatthour basis, and does not~~
25 ~~include (i) costs associated with any contracts~~
26 ~~entered into before the delivery year in which the~~

1 ~~customer files the initial compliance report to be~~
2 ~~eligible for participation in the self-direct program,~~
3 ~~and (ii) costs associated with procuring renewable~~
4 ~~energy credits through existing and future contracts~~
5 ~~through the Adjustable Block Program, subsection (e 5)~~
6 ~~of this Section 1 75, and the Solar for All Program.~~
7 ~~The Agency shall assist the Commission in determining~~
8 ~~the current and future costs. The Agency must~~
9 ~~determine the self direct credit amount for new and~~
10 ~~existing eligible self direct customers and submit~~
11 ~~this to the Commission in an annual compliance filing.~~
12 ~~The Commission must approve the self direct credit~~
13 ~~amount by June 1, 2023 and June 1 of each delivery year~~
14 ~~thereafter.~~

15 ~~(5) Customers described in this subparagraph (R)~~
16 ~~shall apply, on a form developed by the Agency, to the~~
17 ~~Agency to be designated as a self direct eligible~~
18 ~~customer. Once the Agency determines that a~~
19 ~~self direct customer is eligible for participation in~~
20 ~~the program, the self direct customer will remain~~
21 ~~eligible until the end of the term of the contract.~~
22 ~~Thereafter, application may be made not less than 12~~
23 ~~months before the filing date of the long term~~
24 ~~renewable resources procurement plan described in this~~
25 ~~Act. At a minimum, such application shall contain the~~
26 ~~following:~~

1 ~~(i) the customer's certification that, at the~~
2 ~~time of the customer's application, the customer~~
3 ~~qualifies to be a self-direct eligible customer,~~
4 ~~including documents demonstrating that~~
5 ~~qualification;~~

6 ~~(ii) the customer's certification that the~~
7 ~~customer has entered into or will enter into by~~
8 ~~the beginning of the applicable procurement year,~~
9 ~~one or more bilateral contracts for new wind~~
10 ~~projects or new photovoltaic projects, including~~
11 ~~supporting documentation;~~

12 ~~(iii) certification that the contract or~~
13 ~~contracts for new renewable energy resources are~~
14 ~~long-term contracts with term lengths of at least~~
15 ~~10 years, including supporting documentation;~~

16 ~~(iv) certification of the quantities of~~
17 ~~renewable energy credits that the customer will~~
18 ~~purchase each year under such contract or~~
19 ~~contracts, including supporting documentation;~~

20 ~~(v) proof that the contract is sufficient to~~
21 ~~produce renewable energy credits to be equivalent~~
22 ~~in volume to at least 40% of the large energy~~
23 ~~customer's usage from the previous delivery year,~~
24 ~~measured to the nearest megawatt-hour; and~~

25 ~~(vi) certification that the customer intends~~
26 ~~to maintain the contract for the duration of the~~

1 ~~length of the contract.~~

2 ~~(6) If a customer receives the self-direct credit~~
3 ~~but fails to properly procure and retire renewable~~
4 ~~energy credits as required under this subparagraph~~
5 ~~(R), the Commission, on petition from the Agency and~~
6 ~~after notice and hearing, may direct such customer's~~
7 ~~utility to recover the cost of the wrongfully received~~
8 ~~self-direct credits plus interest through an adder to~~
9 ~~charges assessed pursuant to Section 16-108 of the~~
10 ~~Public Utilities Act. Self-direct customers who~~
11 ~~knowingly fail to properly procure and retire~~
12 ~~renewable energy credits and do not notify the Agency~~
13 ~~are ineligible for continued participation in the~~
14 ~~self-direct renewable portfolio standard compliance~~
15 ~~program.~~

16 (2) For purposes of this subsection (c), the required
17 procurement of cost-effective renewable energy resources
18 for a particular year shall be measured as a percentage of
19 the actual amount of electricity (megawatt hours) supplied
20 by the electric utility to eligible retail customers in
21 the planning year ending immediately prior to the
22 procurement. For purposes of this subsection (c), the
23 amount paid per kilowatt hour means the total amount paid
24 for electric service expressed on a per-kilowatt-hour
25 basis. For purposes of this subsection (c), the total
26 amount paid for electric service includes without

1 limitation amounts paid for supply, transmission,
2 distribution, surcharges, and add-on taxes.

3 Notwithstanding the requirements of this subsection
4 (c), the total of renewable energy resources procured
5 pursuant to the procurement plan for any single year shall
6 be reduced by an amount necessary to limit the annual
7 estimated average net increase due to the costs of these
8 resources included in the amounts paid by eligible retail
9 customers in connection with electric service.

10 The amount of renewable energy resources procured
11 pursuant to the procurement plan for any single year shall
12 be reduced by an amount necessary to limit the estimated
13 average net increase due to the cost of these resources
14 included in the amounts paid by eligible retail customers
15 in connection with electric service to no more than the
16 greater of 2.015% of the amount paid per kilowatt-hour by
17 those customers the incremental amount per kilowatt-hour
18 paid for these resources.

19 ~~(Blank).~~

20 (3) Cost-effective renewable energy resources located
21 in Illinois and in states that adjoin Illinois may be
22 counted toward compliance with the standards set forth in
23 paragraph (1) of this subsection (c). If those
24 cost-effective resources are not available in Illinois or
25 in states that adjoin Illinois, they shall be purchased
26 elsewhere and shall be counted toward compliance. ~~(Blank).~~

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

3 (5) Beginning with the year commencing June 1, 2010
4 ~~2010 delivery year and ending June 1, 2017~~, an electric
5 utility subject to this subsection (c) shall apply the
6 lesser of the maximum alternative compliance payment rate
7 or the most recent estimated alternative compliance
8 payment rate for its service territory for the
9 corresponding compliance period, established pursuant to
10 subsection (d) of Section 16-115D of the Public Utilities
11 Act to its retail customers that take service pursuant to
12 the electric utility's hourly pricing tariff or tariffs.
13 The electric utility shall retain all amounts collected as
14 a result of the application of the alternative compliance
15 payment rate or rates to such customers, and, beginning in
16 2011, the utility shall include in the information
17 provided under item (1) of subsection (d) of Section
18 16-111.5 of the Public Utilities Act the amounts collected
19 under the alternative compliance payment rate or rates for
20 the prior year ending May 31. Notwithstanding any
21 limitation on the procurement of renewable energy
22 resources imposed by item (2) of this subsection (c), the
23 Agency shall increase its spending on the purchase of
24 renewable energy resources to be procured by the electric
25 utility for the next plan year by an amount equal to the
26 amounts collected by the utility under the alternative

1 compliance payment rate or rates in the prior year ending
2 May 31.

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

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

21 ~~In meeting the renewable energy requirements of this~~
22 ~~subsection (c), to the extent feasible and consistent with~~
23 ~~State and federal law, the renewable energy credit~~
24 ~~procurements, Adjustable Block solar program, and~~
25 ~~community renewable generation program shall provide~~
26 ~~employment opportunities for all segments of the~~

1 ~~population and workforce, including minority owned and~~
2 ~~female owned business enterprises, and shall not,~~
3 ~~consistent with State and federal law, discriminate based~~
4 ~~on race or socioeconomic status.~~

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

9 ~~(1) In addition to the procurement of renewable energy~~
10 ~~credits pursuant to long term renewable resources~~
11 ~~procurement plans in accordance with subsection (c) of~~
12 ~~this Section and Section 16-111.5 of the Public Utilities~~
13 ~~Act, the Agency shall conduct procurement events in~~
14 ~~accordance with this subsection (c-5) for the procurement~~
15 ~~by electric utilities that served more than 300,000 retail~~
16 ~~customers in this State as of January 1, 2019 of renewable~~
17 ~~energy credits from new renewable energy facilities to be~~
18 ~~installed at or adjacent to the sites of electric~~
19 ~~generating facilities that, as of January 1, 2016, burned~~
20 ~~coal as their primary fuel source and meet the other~~
21 ~~criteria specified in this subsection (c-5). For purposes~~
22 ~~of this subsection (c-5), "new renewable energy facility"~~
23 ~~means a new utility scale solar project as defined in this~~
24 ~~Section 1-75. The renewable energy credits procured~~
25 ~~pursuant to this subsection (c-5) may be included or~~
26 ~~counted for purposes of compliance with the amounts of~~

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

17 ~~(2) The Agency shall conduct 2 procurement events to~~
18 ~~select owners of electric generating facilities meeting~~
19 ~~the eligibility criteria specified in this subsection~~
20 ~~(c 5) to enter into long term contracts to sell renewable~~
21 ~~energy credits to electric utilities serving more than~~
22 ~~300,000 retail customers in this State as of January 1,~~
23 ~~2019. The first procurement event shall be conducted no~~
24 ~~later than March 31, 2022, unless the Agency elects to~~
25 ~~delay it, until no later than May 1, 2022, due to its~~
26 ~~overall volume of work, and shall be to select owners of~~

1 ~~electric generating facilities located in this State and~~
2 ~~south of federal Interstate Highway 80 that meet the~~
3 ~~eligibility criteria specified in this subsection (c-5).~~
4 ~~The second procurement event shall be conducted no sooner~~
5 ~~than September 30, 2022 and no later than October 31, 2022~~
6 ~~and shall be to select owners of electric generating~~
7 ~~facilities located anywhere in this State that meet the~~
8 ~~eligibility criteria specified in this subsection (c-5).~~
9 ~~The Agency shall establish and announce a time period,~~
10 ~~which shall begin no later than 30 days prior to the~~
11 ~~scheduled date for the procurement event, during which~~
12 ~~applicants may submit applications to be selected as~~
13 ~~suppliers of renewable energy credits pursuant to this~~
14 ~~subsection (c-5). The eligibility criteria for selection~~
15 ~~as a supplier of renewable energy credits pursuant to this~~
16 ~~subsection (c-5) shall be as follows:~~

17 ~~(A) The applicant owns an electric generating~~
18 ~~facility located in this State that: (i) as of January~~
19 ~~1, 2016, burned coal as its primary fuel to generate~~
20 ~~electricity; and (ii) has, or had prior to retirement,~~
21 ~~an electric generating capacity of at least 150~~
22 ~~megawatts. The electric generating facility can be~~
23 ~~either: (i) retired as of the date of the procurement~~
24 ~~event; or (ii) still operating as of the date of the~~
25 ~~procurement event.~~

26 ~~(B) The applicant is not (i) an electric~~

1 ~~cooperative as defined in Section 3-119 of the Public~~
2 ~~Utilities Act, or (ii) an entity described in~~
3 ~~subsection (b) (1) of Section 3-105 of the Public~~
4 ~~Utilities Act, or an association or consortium of or~~
5 ~~an entity owned by entities described in (i) or (ii),~~
6 ~~and the coal fueled electric generating facility was~~
7 ~~at one time owned, in whole or in part, by a public~~
8 ~~utility as defined in Section 3-105 of the Public~~
9 ~~Utilities Act.~~

10 ~~(C) If participating in the first procurement~~
11 ~~event, the applicant proposes and commits to construct~~
12 ~~and operate, at the site, and if necessary for~~
13 ~~sufficient space on property adjacent to the existing~~
14 ~~property, at which the electric generating facility~~
15 ~~identified in paragraph (A) is located: (i) a new~~
16 ~~renewable energy facility of at least 20 megawatts but~~
17 ~~no more than 100 megawatts of electric generating~~
18 ~~capacity, and (ii) an energy storage facility having a~~
19 ~~storage capacity equal to at least 2 megawatts and at~~
20 ~~most 10 megawatts. If participating in the second~~
21 ~~procurement event, the applicant proposes and commits~~
22 ~~to construct and operate, at the site, and if~~
23 ~~necessary for sufficient space on property adjacent to~~
24 ~~the existing property, at which the electric~~
25 ~~generating facility identified in paragraph (A) is~~
26 ~~located: (i) a new renewable energy facility of at~~

1 ~~least 5 megawatts but no more than 20 megawatts of~~
2 ~~electric generating capacity, and (ii) an energy~~
3 ~~storage facility having a storage capacity equal to at~~
4 ~~least 0.5 megawatts and at most one megawatt.~~

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

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

25 ~~(F) The applicant commits that not less than the~~
26 ~~prevailing wage, as determined pursuant to the~~

1 ~~Prevailing Wage Act, will be paid to the applicant's~~
2 ~~employees engaged in construction activities~~
3 ~~associated with the new renewable energy facility and~~
4 ~~the new energy storage facility and to the employees~~
5 ~~of applicant's contractors engaged in construction~~
6 ~~activities associated with the new renewable energy~~
7 ~~facility and the new energy storage facility, and~~
8 ~~that, on or before the commercial operation date of~~
9 ~~the new renewable energy facility, the applicant shall~~
10 ~~file a report with the Agency certifying that the~~
11 ~~requirements of this subparagraph (F) have been met.~~

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

23 ~~(H) The applicant commits to enter into a contract~~
24 ~~or contracts for the applicable duration to provide~~
25 ~~specified numbers of renewable energy credits each~~
26 ~~year from the new renewable energy facility to~~

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

16 ~~(I) The applicant's application is certified by an~~
17 ~~officer of the applicant and by an officer of the~~
18 ~~applicant's ultimate parent company, if any.~~

19 ~~(3) An applicant may submit applications to contract~~
20 ~~to supply renewable energy credits from more than one new~~
21 ~~renewable energy facility to be constructed at or adjacent~~
22 ~~to one or more qualifying electric generating facilities~~
23 ~~owned by the applicant. The Agency may select new~~
24 ~~renewable energy facilities to be located at or adjacent~~
25 ~~to the sites of more than one qualifying electric~~
26 ~~generation facility owned by an applicant to contract with~~

1 ~~electric utilities to supply renewable energy credits from~~
2 ~~such facilities.~~

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

12 ~~(5) The Agency shall select the applicants and the new~~
13 ~~renewable energy facilities to contract with electric~~
14 ~~utilities to supply renewable energy credits in accordance~~
15 ~~with this subsection (c 5). In the first procurement~~
16 ~~event, the Agency shall select applicants and new~~
17 ~~renewable energy facilities to supply renewable energy~~
18 ~~credits, at a price of \$30 per renewable energy credit,~~
19 ~~aggregating to no less than 400,000 renewable energy~~
20 ~~credits per year for the applicable duration, assuming~~
21 ~~sufficient qualifying applications to supply, in the~~
22 ~~aggregate, at least that amount of renewable energy~~
23 ~~credits per year; and not more than 580,000 renewable~~
24 ~~energy credits per year for the applicable duration. In~~
25 ~~the second procurement event, the Agency shall select~~
26 ~~applicants and new renewable energy facilities to supply~~

1 ~~renewable energy credits, at a price of \$30 per renewable~~
2 ~~energy credit, aggregating to no more than 625,000~~
3 ~~renewable energy credits per year less the amount of~~
4 ~~renewable energy credits each year contracted for as a~~
5 ~~result of the first procurement event, for the applicable~~
6 ~~durations. The number of renewable energy credits to be~~
7 ~~procured as specified in this paragraph (5) shall not be~~
8 ~~reduced based on renewable energy credits procured in the~~
9 ~~self-direct renewable energy credit compliance program~~
10 ~~established pursuant to subparagraph (R) of paragraph (1)~~
11 ~~of subsection (c) of Section 1-75.~~

12 ~~(6) The obligation to purchase renewable energy~~
13 ~~credits from the applicants and their new renewable energy~~
14 ~~facilities selected by the Agency shall be allocated to~~
15 ~~the electric utilities based on their respective~~
16 ~~percentages of kilowatthours delivered to delivery~~
17 ~~services customers to the aggregate kilowatthour~~
18 ~~deliveries by the electric utilities to delivery services~~
19 ~~customers for the year ended December 31, 2021. In order~~
20 ~~to achieve these allocation percentages between or among~~
21 ~~the electric utilities, the Agency shall require each~~
22 ~~applicant that is selected in the procurement event to~~
23 ~~enter into a contract with each electric utility for the~~
24 ~~sale and purchase of renewable energy credits from each~~
25 ~~new renewable energy facility to be constructed and~~
26 ~~operated by the applicant, with the sale and purchase~~

1 ~~obligations under the contracts to aggregate to the total~~
2 ~~number of renewable energy credits per year to be supplied~~
3 ~~by the applicant from the new renewable energy facility.~~

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

18 ~~(8) The Agency, in conjunction with its procurement~~
19 ~~administrator if one is retained, the electric utilities,~~
20 ~~and potential applicants for contracts to produce and~~
21 ~~supply renewable energy credits pursuant to this~~
22 ~~subsection (c-5), shall develop a standard form contract~~
23 ~~for the sale, delivery and purchase of renewable energy~~
24 ~~credits pursuant to this subsection (c-5). Each contract~~
25 ~~resulting from the first procurement event shall allow for~~
26 ~~a commercial operation date for the new renewable energy~~

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

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

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

11 ~~(A) By no later than July 1, 2022, each electric~~
12 ~~utility that served more than 300,000 retail customers~~
13 ~~in this State as of January 1, 2019 shall file a tariff~~
14 ~~with the Commission for the billing and collection of~~
15 ~~a Coal to Solar and Energy Storage Initiative Charge~~
16 ~~in accordance with subsection (i-5) of Section 16-108~~
17 ~~of the Public Utilities Act, with such tariff to be~~
18 ~~effective, following review and approval or~~
19 ~~modification by the Commission, beginning January 1,~~
20 ~~2023. The tariff shall provide for the calculation and~~
21 ~~setting of the electric utility's Coal to Solar and~~
22 ~~Energy Storage Initiative Charge to collect revenues~~
23 ~~estimated to be sufficient, in the aggregate, (i) to~~
24 ~~enable the electric utility to pay for the renewable~~
25 ~~energy credits it has contracted to purchase in the~~
26 ~~delivery year beginning June 1, 2023 and each delivery~~

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

17 ~~(B) Each electric utility shall remit on a monthly~~
18 ~~basis to the State Treasurer, for deposit in the Coal~~
19 ~~to Solar and Energy Storage Initiative Fund provided~~
20 ~~for in this subsection (c 5), the electric utility's~~
21 ~~collections of the Coal to Solar and Energy Storage~~
22 ~~Initiative Charge in the amount estimated to be needed~~
23 ~~by the Department for grant payments pursuant to grant~~
24 ~~contracts entered into by the Department pursuant to~~
25 ~~paragraph (10) of this subsection (c 5).~~

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

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

16 ~~(B) The Coal to Solar and Energy Storage~~
17 ~~Initiative Fund shall not be subject to sweeps,~~
18 ~~administrative charges, or chargebacks, including, but~~
19 ~~not limited to, those authorized under Section 8h of~~
20 ~~the State Finance Act, that would in any way result in~~
21 ~~the transfer of those funds from the Coal to Solar and~~
22 ~~Energy Storage Initiative Fund to any other fund of~~
23 ~~this State or in having any such funds utilized for any~~
24 ~~purpose other than the express purposes set forth in~~
25 ~~this paragraph (10).~~

26 ~~(C) The Department shall utilize up to~~

1 ~~\$280,500,000 in the Coal to Solar and Energy Storage~~
2 ~~Initiative Fund for grants, assuming sufficient~~
3 ~~qualifying applicants, to support installation of~~
4 ~~energy storage facilities at the sites of up to 3~~
5 ~~qualifying electric generating facilities located in~~
6 ~~the Midcontinent Independent System Operator, Inc.,~~
7 ~~region in Illinois and the sites of up to 2 qualifying~~
8 ~~electric generating facilities located in the PJM~~
9 ~~Interconnection, LLC region in Illinois that meet the~~
10 ~~criteria set forth in this subparagraph (C). The~~
11 ~~criteria for receipt of a grant pursuant to this~~
12 ~~subparagraph (C) are as follows:~~

13 ~~(1) the electric generating facility at the~~
14 ~~site has, or had prior to retirement, an electric~~
15 ~~generating capacity of at least 150 megawatts;~~

16 ~~(2) the electric generating facility burns (or~~
17 ~~burned prior to retirement) coal as its primary~~
18 ~~source of fuel;~~

19 ~~(3) if the electric generating facility is~~
20 ~~retired, it was retired subsequent to January 1,~~
21 ~~2016;~~

22 ~~(4) the owner of the electric generating~~
23 ~~facility has not been selected by the Agency~~
24 ~~pursuant to this subsection (c-5) of this Section~~
25 ~~to enter into a contract to sell renewable energy~~
26 ~~credits to one or more electric utilities from a~~

1 ~~new renewable energy facility located or to be~~
2 ~~located at or adjacent to the site at which the~~
3 ~~electric generating facility is located;~~

4 ~~(5) the electric generating facility located~~
5 ~~at the site was at one time owned, in whole or in~~
6 ~~part, by a public utility as defined in Section~~
7 ~~3-105 of the Public Utilities Act;~~

8 ~~(6) the electric generating facility at the~~
9 ~~site is not owned by (i) an electric cooperative~~
10 ~~as defined in Section 3-119 of the Public~~
11 ~~Utilities Act, or (ii) an entity described in~~
12 ~~subsection (b) (1) of Section 3-105 of the Public~~
13 ~~Utilities Act, or an association or consortium of~~
14 ~~or an entity owned by entities described in items~~
15 ~~(i) or (ii);~~

16 ~~(7) the proposed energy storage facility at~~
17 ~~the site will have energy storage capacity of at~~
18 ~~least 37 megawatts;~~

19 ~~(8) the owner commits to place the energy~~
20 ~~storage facility into commercial operation on~~
21 ~~either June 1, 2023, June 1, 2024, or June 1, 2025,~~
22 ~~with such date subject to adjustment as needed due~~
23 ~~to any delays in completing the grant contracting~~
24 ~~process, in finalizing interconnection agreements~~
25 ~~and in installing interconnection facilities, and~~
26 ~~in obtaining necessary governmental permits and~~

1 ~~approvals;~~

2 ~~(9) the owner agrees that the new energy~~
3 ~~storage facility will be constructed or installed~~
4 ~~by a qualified entity or entities consistent with~~
5 ~~the requirements of subsection (g) of Section~~
6 ~~16 128A of the Public Utilities Act and any rules~~
7 ~~adopted under that Section;~~

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

22 ~~(11) the owner commits that not less than the~~
23 ~~prevailing wage, as determined pursuant to the~~
24 ~~Prevailing Wage Act, will be paid to the owner's~~
25 ~~employees engaged in construction activities~~
26 ~~associated with the new energy storage facility~~

1 ~~and to the employees of the owner's contractors~~
2 ~~engaged in construction activities associated with~~
3 ~~the new energy storage facility, and that, on or~~
4 ~~before the commercial operation date of the new~~
5 ~~energy storage facility, the owner shall file a~~
6 ~~report with the Department certifying that the~~
7 ~~requirements of this subparagraph (11) have been~~
8 ~~met; and~~

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

20 ~~The Department shall accept applications for this~~
21 ~~grant program until March 31, 2022 and shall announce~~
22 ~~the award of grants no later than June 1, 2022. The~~
23 ~~Department shall make the grant payments to a~~
24 ~~recipient in equal annual amounts for 10 years~~
25 ~~following the date the energy storage facility is~~
26 ~~placed into commercial operation. The annual grant~~

1 ~~payments to a qualifying energy storage facility shall~~
2 ~~be \$110,000 per megawatt of energy storage capacity,~~
3 ~~with total annual grant payments pursuant to this~~
4 ~~subparagraph (C) for qualifying energy storage~~
5 ~~facilities not to exceed \$28,050,000 in any year.~~

6 ~~(D) Grants of funding for energy storage~~
7 ~~facilities pursuant to subparagraph (C) of this~~
8 ~~paragraph (10), from the Coal to Solar and Energy~~
9 ~~Storage Initiative Fund, shall be memorialized in~~
10 ~~grant contracts between the Department and the~~
11 ~~recipient. The grant contracts shall specify the date~~
12 ~~or dates in each year on which the annual grant~~
13 ~~payments shall be paid.~~

14 ~~(E) All disbursements from the Coal to Solar and~~
15 ~~Energy Storage Initiative Fund shall be made only upon~~
16 ~~warrants of the Comptroller drawn upon the Treasurer~~
17 ~~as custodian of the Fund upon vouchers signed by the~~
18 ~~Director of the Department or by the person or persons~~
19 ~~designated by the Director of the Department for that~~
20 ~~purpose. The Comptroller is authorized to draw the~~
21 ~~warrants upon vouchers so signed. The Treasurer shall~~
22 ~~accept all written warrants so signed and shall be~~
23 ~~released from liability for all payments made on those~~
24 ~~warrants.~~

25 ~~(11) Diversity, equity, and inclusion plans.~~

26 ~~(A) Each applicant selected in a procurement event~~

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

20 ~~(B) For purposes of this paragraph (11), diversity~~
21 ~~composition shall be based on the percentage, which~~
22 ~~shall be a minimum of 25%, of eligible expenditures~~
23 ~~for contract awards for materials and services (which~~
24 ~~shall be defined in the plan) to business enterprises~~
25 ~~owned by minority persons, women, or persons with~~
26 ~~disabilities as defined in Section 2 of the Business~~

1 ~~Enterprise for Minorities, Women, and Persons with~~
2 ~~Disabilities Act, to LGBTQ business enterprises, to~~
3 ~~veteran-owned business enterprises, and to business~~
4 ~~enterprises located in environmental justice~~
5 ~~communities. The diversity composition goals of the~~
6 ~~plan may include eligible expenditures in areas for~~
7 ~~vendor or supplier opportunities in addition to~~
8 ~~development and construction of the project, and may~~
9 ~~exclude from eligible expenditures materials and~~
10 ~~services with limited market availability, limited~~
11 ~~production and availability from suppliers in the~~
12 ~~United States, such as solar panels and storage~~
13 ~~batteries, and material and services that are subject~~
14 ~~to critical energy infrastructure or cybersecurity~~
15 ~~requirements or restrictions. The plan may provide~~
16 ~~that the diversity composition goals may be met~~
17 ~~through Tier 1 Direct or Tier 2 subcontracting~~
18 ~~expenditures or a combination thereof for the project.~~

19 ~~(C) The plan shall provide for, but not be limited~~
20 ~~to: (i) internal initiatives, including multi-tier~~
21 ~~initiatives, by the applicant or owner, or by its~~
22 ~~engineering, procurement and construction contractor~~
23 ~~if one is used for the project, which for purposes of~~
24 ~~this paragraph (11) shall be referred to as the EPC~~
25 ~~contractor, to enable diverse businesses to be~~
26 ~~considered fairly for selection to provide materials~~

1 ~~and services; (ii) requirements for the applicant or~~
2 ~~owner or its EPC contractor to proactively solicit and~~
3 ~~utilize diverse businesses to provide materials and~~
4 ~~services; and (iii) requirements for the applicant or~~
5 ~~owner or its EPC contractor to hire a diverse~~
6 ~~workforce for the project. The plan shall include a~~
7 ~~description of the applicant's or owner's diversity~~
8 ~~recruiting efforts both for the project and for other~~
9 ~~areas of the applicant's or owner's business~~
10 ~~operations. The plan shall provide for the imposition~~
11 ~~of financial penalties on the applicant's or owner's~~
12 ~~EPC contractor for failure to exercise best efforts to~~
13 ~~comply with and execute the EPC contractor's diversity~~
14 ~~obligations under the plan. The plan may provide for~~
15 ~~the applicant or owner to set aside a portion of the~~
16 ~~work on the project to serve as an incubation program~~
17 ~~for qualified businesses, as specified in the plan,~~
18 ~~owned by minority persons, women, persons with~~
19 ~~disabilities, LGBTQ persons, and veterans, and~~
20 ~~businesses located in environmental justice~~
21 ~~communities, seeking to enter the renewable energy~~
22 ~~industry.~~

23 ~~(D) The applicant or owner may submit a revised or~~
24 ~~updated plan to the Commission from time to time as~~
25 ~~circumstances warrant. The applicant or owner shall~~
26 ~~file annual reports with the Commission detailing the~~

1 ~~applicant's or owner's progress in implementing its~~
2 ~~plan and achieving its goals and any modifications the~~
3 ~~applicant or owner has made to its plan to better~~
4 ~~achieve its diversity, equity and inclusion goals. The~~
5 ~~applicant or owner shall file a final report on the~~
6 ~~fifth June 1 following the commercial operation date~~
7 ~~of the new renewable energy resource or new energy~~
8 ~~storage facility, but the applicant or owner shall~~
9 ~~thereafter continue to be subject to applicable~~
10 ~~reporting requirements of Section 5-117 of the Public~~
11 ~~Utilities Act.~~

12 (c-10) (Blank). ~~Equity accountability system. It is the~~
13 ~~purpose of this subsection (c-10) to create an equity~~
14 ~~accountability system, which includes the minimum equity~~
15 ~~standards for all renewable energy procurements, the equity~~
16 ~~category of the Adjustable Block Program, and the equity~~
17 ~~prioritization for noncompetitive procurements, that is~~
18 ~~successful in advancing priority access to the clean energy~~
19 ~~economy for businesses and workers from communities that have~~
20 ~~been excluded from economic opportunities in the energy~~
21 ~~sector, have been subject to disproportionate levels of~~
22 ~~pollution, and have disproportionately experienced negative~~
23 ~~public health outcomes. Further, it is the purpose of this~~
24 ~~subsection to ensure that this equity accountability system is~~
25 ~~successful in advancing equity across Illinois by providing~~
26 ~~access to the clean energy economy for businesses and workers~~

1 ~~from communities that have been historically excluded from~~
2 ~~economic opportunities in the energy sector, have been subject~~
3 ~~to disproportionate levels of pollution, and have~~
4 ~~disproportionately experienced negative public health~~
5 ~~outcomes.~~

6 ~~(1) Minimum equity standards. The Agency shall create~~
7 ~~programs with the purpose of increasing access to and~~
8 ~~development of equity eligible contractors, who are prime~~
9 ~~contractors and subcontractors, across all of the programs~~
10 ~~it manages. All applications for renewable energy credit~~
11 ~~procurements shall comply with specific minimum equity~~
12 ~~commitments. Starting in the delivery year immediately~~
13 ~~following the next long term renewable resources~~
14 ~~procurement plan, at least 10% of the project workforce~~
15 ~~for each entity participating in a procurement program~~
16 ~~outlined in this subsection (c 10) must be done by equity~~
17 ~~eligible persons or equity eligible contractors. The~~
18 ~~Agency shall increase the minimum percentage each delivery~~
19 ~~year thereafter by increments that ensure a statewide~~
20 ~~average of 30% of the project workforce for each entity~~
21 ~~participating in a procurement program is done by equity~~
22 ~~eligible persons or equity eligible contractors by 2030.~~
23 ~~The Agency shall propose a schedule of percentage~~
24 ~~increases to the minimum equity standards in its draft~~
25 ~~revised renewable energy resources procurement plan~~
26 ~~submitted to the Commission for approval pursuant to~~

1 ~~paragraph (5) of subsection (b) of Section 16-111.5 of the~~
2 ~~Public Utilities Act. In determining these annual~~
3 ~~increases, the Agency shall have the discretion to~~
4 ~~establish different minimum equity standards for different~~
5 ~~types of procurements and different regions of the State~~
6 ~~if the Agency finds that doing so will further the~~
7 ~~purposes of this subsection (c 10). The proposed schedule~~
8 ~~of annual increases shall be revisited and updated on an~~
9 ~~annual basis. Revisions shall be developed with~~
10 ~~stakeholder input, including from equity eligible persons,~~
11 ~~equity eligible contractors, clean energy industry~~
12 ~~representatives, and community based organizations that~~
13 ~~work with such persons and contractors.~~

14 ~~(A) At the start of each delivery year, the Agency~~
15 ~~shall require a compliance plan from each entity~~
16 ~~participating in a procurement program of subsection~~
17 ~~(c) of this Section that demonstrates how they will~~
18 ~~achieve compliance with the minimum equity standard~~
19 ~~percentage for work completed in that delivery year.~~
20 ~~If an entity applies for its approved vendor or~~
21 ~~designee status between delivery years, the Agency~~
22 ~~shall require a compliance plan at the time of~~
23 ~~application.~~

24 ~~(B) Halfway through each delivery year, the Agency~~
25 ~~shall require each entity participating in a~~
26 ~~procurement program to confirm that it will achieve~~

1 ~~compliance in that delivery year, when applicable. The~~
2 ~~Agency may offer corrective action plans to entities~~
3 ~~that are not on track to achieve compliance.~~

4 ~~(C) At the end of each delivery year, each entity~~
5 ~~participating and completing work in that delivery~~
6 ~~year in a procurement program of subsection (c) shall~~
7 ~~submit a report to the Agency that demonstrates how it~~
8 ~~achieved compliance with the minimum equity standards~~
9 ~~percentage for that delivery year.~~

10 ~~(D) The Agency shall prohibit participation in~~
11 ~~procurement programs by an approved vendor or~~
12 ~~designee, as applicable, or entities with which an~~
13 ~~approved vendor or designee, as applicable, shares a~~
14 ~~common parent company if an approved vendor or~~
15 ~~designee, as applicable, failed to meet the minimum~~
16 ~~equity standards for the prior delivery year. Waivers~~
17 ~~approved for lack of equity eligible persons or equity~~
18 ~~eligible contractors in a geographic area of a project~~
19 ~~shall not count against the approved vendor or~~
20 ~~designee. The Agency shall offer a corrective action~~
21 ~~plan for any such entities to assist them in obtaining~~
22 ~~compliance and shall allow continued access to~~
23 ~~procurement programs upon an approved vendor or~~
24 ~~designee demonstrating compliance.~~

25 ~~(E) The Agency shall pursue efficiencies achieved~~
26 ~~by combining with other approved vendor or designee~~

1 ~~reporting.~~

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

6 ~~(3) Equity accountability system within competitive~~
7 ~~procurements. Through its long term renewable resources~~
8 ~~procurement plan, the Agency shall develop requirements~~
9 ~~for ensuring that competitive procurement processes,~~
10 ~~including utility scale solar, utility scale wind, and~~
11 ~~brownfield site photovoltaic projects, advance the equity~~
12 ~~goals of this subsection (c-10). Subject to Commission~~
13 ~~approval, the Agency shall develop bid application~~
14 ~~requirements and a bid evaluation methodology for ensuring~~
15 ~~that utilization of equity eligible contractors, whether~~
16 ~~as bidders or as participants on project development, is~~
17 ~~optimized, including requiring that winning or successful~~
18 ~~applicants for utility scale projects are or will partner~~
19 ~~with equity eligible contractors and giving preference to~~
20 ~~bids through which a higher portion of contract value~~
21 ~~flows to equity eligible contractors. To the extent~~
22 ~~practicable, entities participating in competitive~~
23 ~~procurements shall also be required to meet all the equity~~
24 ~~accountability requirements for approved vendors and their~~
25 ~~designees under this subsection (c-10). In developing~~
26 ~~these requirements, the Agency shall also consider whether~~

1 ~~equity goals can be further advanced through additional~~
2 ~~measures.~~

3 ~~(4) In the first revision to the long term renewable~~
4 ~~energy resources procurement plan and each revision~~
5 ~~thereafter, the Agency shall include the following:~~

6 ~~(A) The current status and number of equity~~
7 ~~eligible contractors listed in the Energy Workforce~~
8 ~~Equity Database designed in subsection (c 25),~~
9 ~~including the number of equity eligible contractors~~
10 ~~with current certifications as issued by the Agency.~~

11 ~~(B) A mechanism for measuring, tracking, and~~
12 ~~reporting project workforce at the approved vendor or~~
13 ~~designee level, as applicable, which shall include a~~
14 ~~measurement methodology and records to be made~~
15 ~~available for audit by the Agency or the Program~~
16 ~~Administrator.~~

17 ~~(C) A program for approved vendors, designees,~~
18 ~~eligible persons, and equity eligible contractors to~~
19 ~~receive trainings, guidance, and other support from~~
20 ~~the Agency or its designee regarding the equity~~
21 ~~category outlined in item (vi) of subparagraph (K) of~~
22 ~~paragraph (1) of subsection (c) and in meeting the~~
23 ~~minimum equity standards of this subsection (c-10).~~

24 ~~(D) A process for certifying equity eligible~~
25 ~~contractors and equity eligible persons. The~~
26 ~~certification process shall coordinate with the Energy~~

1 ~~Workforce Equity Database set forth in subsection~~
2 ~~(c-25).~~

3 ~~(E) An application for waiver of the minimum~~
4 ~~equity standards of this subsection, which the Agency~~
5 ~~shall have the discretion to grant in rare~~
6 ~~circumstances. The Agency may grant such a waiver~~
7 ~~where the applicant provides evidence of significant~~
8 ~~efforts toward meeting the minimum equity commitment,~~
9 ~~including: use of the Energy Workforce Equity~~
10 ~~Database; efforts to hire or contract with entities~~
11 ~~that hire eligible persons; and efforts to establish~~
12 ~~contracting relationships with eligible contractors.~~
13 ~~The Agency shall support applicants in understanding~~
14 ~~the Energy Workforce Equity Database and other~~
15 ~~resources for pursuing compliance of the minimum~~
16 ~~equity standards. Waivers shall be project specific,~~
17 ~~unless the Agency deems it necessary to grant a waiver~~
18 ~~across a portfolio of projects, and in effect for no~~
19 ~~longer than one year. Any waiver extension or~~
20 ~~subsequent waiver request from an applicant shall be~~
21 ~~subject to the requirements of this Section and shall~~
22 ~~specify efforts made to reach compliance. When~~
23 ~~considering whether to grant a waiver, and to what~~
24 ~~extent, the Agency shall consider the degree to which~~
25 ~~similarly situated applicants have been able to meet~~
26 ~~these minimum equity commitments. For repeated waiver~~

1 ~~requests for specific lack of eligible persons or~~
2 ~~eligible contractors available, the Agency shall make~~
3 ~~recommendations to target recruitment to add such~~
4 ~~eligible persons or eligible contractors to the~~
5 ~~database.~~

6 ~~(5) The Agency shall collect information about work on~~
7 ~~projects or portfolios of projects subject to these~~
8 ~~minimum equity standards to ensure compliance with this~~
9 ~~subsection (c-10). Reporting in furtherance of this~~
10 ~~requirement may be combined with other annual reporting~~
11 ~~requirements. Such reporting shall include proof of~~
12 ~~certification of each equity eligible contractor or equity~~
13 ~~eligible person during the applicable time period.~~

14 ~~(6) The Agency shall keep confidential all information~~
15 ~~and communication that provides private or personal~~
16 ~~information.~~

17 ~~(7) Modifications to the equity accountability system.~~
18 ~~As part of the update of the long term renewable resources~~
19 ~~procurement plan to be initiated in 2023, or sooner if the~~
20 ~~Agency deems necessary, the Agency shall determine the~~
21 ~~extent to which the equity accountability system described~~
22 ~~in this subsection (c-10) has advanced the goals of this~~
23 ~~amendatory Act of the 102nd General Assembly, including~~
24 ~~through the inclusion of equity eligible persons and~~
25 ~~equity eligible contractors in renewable energy credit~~
26 ~~projects. If the Agency finds that the equity~~

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

19 (c-15) (Blank). ~~Racial discrimination elimination powers~~
20 ~~and process.~~

21 ~~(1) Purpose. It is the purpose of this subsection to~~
22 ~~empower the Agency and other State actors to remedy racial~~
23 ~~discrimination in Illinois' clean energy economy as~~
24 ~~effectively and expediently as possible, including through~~
25 ~~the use of race-conscious remedies, such as race-conscious~~
26 ~~contracting and hiring goals, as consistent with State and~~

1 ~~federal law.~~

2 ~~(2) Racial disparity and discrimination review~~
3 ~~process.~~

4 ~~(A) Within one year after awarding contracts using~~
5 ~~the equity actions processes established in this~~
6 ~~Section, the Agency shall publish a report evaluating~~
7 ~~the effectiveness of the equity actions point criteria~~
8 ~~of this Section in increasing participation of equity~~
9 ~~eligible persons and equity eligible contractors. The~~
10 ~~report shall disaggregate participating workers and~~
11 ~~contractors by race and ethnicity. The report shall be~~
12 ~~forwarded to the Governor, the General Assembly, and~~
13 ~~the Illinois Commerce Commission and be made available~~
14 ~~to the public.~~

15 ~~(B) As soon as is practicable thereafter, the~~
16 ~~Agency, in consultation with the Department of~~
17 ~~Commerce and Economic Opportunity, Department of~~
18 ~~Labor, and other agencies that may be relevant, shall~~
19 ~~commission and publish a disparity and availability~~
20 ~~study that measures the presence and impact of~~
21 ~~discrimination on minority businesses and workers in~~
22 ~~Illinois' clean energy economy. The Agency may hire~~
23 ~~consultants and experts to conduct the disparity and~~
24 ~~availability study, with the retention of those~~
25 ~~consultants and experts exempt from the requirements~~
26 ~~of Section 20 10 of the Illinois Procurement Code. The~~

1 ~~Illinois Power Agency shall forward a copy of its~~
2 ~~findings and recommendations to the Governor, the~~
3 ~~General Assembly, and the Illinois Commerce~~
4 ~~Commission. If the disparity and availability study~~
5 ~~establishes a strong basis in evidence that there is~~
6 ~~discrimination in Illinois' clean energy economy, the~~
7 ~~Agency, Department of Commerce and Economic~~
8 ~~Opportunity, Department of Labor, Department of~~
9 ~~Corrections, and other appropriate agencies shall take~~
10 ~~appropriate remedial actions, including race conscious~~
11 ~~remedial actions as consistent with State and federal~~
12 ~~law, to effectively remedy this discrimination. Such~~
13 ~~remedies may include modification of the equity~~
14 ~~accountability system as described in subsection~~
15 ~~(c-10).~~

16 (c-20) (Blank). ~~Program data collection.~~

17 ~~(1) Purpose. Data collection, data analysis, and~~
18 ~~reporting are critical to ensure that the benefits of the~~
19 ~~clean energy economy provided to Illinois residents and~~
20 ~~businesses are equitably distributed across the State. The~~
21 ~~Agency shall collect data from program applicants in order~~
22 ~~to track and improve equitable distribution of benefits~~
23 ~~across Illinois communities for all procurements the~~
24 ~~Agency conducts. The Agency shall use this data to, among~~
25 ~~other things, measure any potential impact of racial~~
26 ~~discrimination on the distribution of benefits and provide~~

1 ~~information necessary to correct any discrimination~~
2 ~~through methods consistent with State and federal law.~~

3 ~~(2) Agency collection of program data. The Agency~~
4 ~~shall collect demographic and geographic data for each~~
5 ~~entity awarded contracts under any Agency administered~~
6 ~~program.~~

7 ~~(3) Required information to be collected. The Agency~~
8 ~~shall collect the following information from applicants~~
9 ~~and program participants where applicable:~~

10 ~~(A) demographic information, including racial or~~
11 ~~ethnic identity for real persons employed, contracted,~~
12 ~~or subcontracted through the program and owners of~~
13 ~~businesses or entities that apply to receive renewable~~
14 ~~energy credits from the Agency;~~

15 ~~(B) geographic location of the residency of real~~
16 ~~persons employed, contracted, or subcontracted through~~
17 ~~the program and geographic location of the~~
18 ~~headquarters of the business or entity that applies to~~
19 ~~receive renewable energy credits from the Agency; and~~

20 ~~(C) any other information the Agency determines is~~
21 ~~necessary for the purpose of achieving the purpose of~~
22 ~~this subsection.~~

23 ~~(4) Publication of collected information. The Agency~~
24 ~~shall publish, at least annually, information on the~~
25 ~~demographics of program participants on an aggregate~~
26 ~~basis.~~

1 ~~(5) Nothing in this subsection shall be interpreted to~~
2 ~~limit the authority of the Agency, or other agency or~~
3 ~~department of the State, to require or collect demographic~~
4 ~~information from applicants of other State programs.~~

5 ~~(c-25) (Blank). Energy Workforce Equity Database.~~

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

16 ~~(A) publicly accessible;~~

17 ~~(B) easy for people to find and use;~~

18 ~~(C) organized by company specialty or field;~~

19 ~~(D) region specific; and~~

20 ~~(E) populated with information including, but not~~
21 ~~limited to, contacts for suppliers, vendors, or~~
22 ~~subcontractors who are minority and women owned~~
23 ~~business enterprise certified or who participate or~~
24 ~~have participated in any of the programs described in~~
25 ~~this Act.~~

26 ~~(2) The Agency shall create an easily accessible,~~

1 ~~public facing online tool using the database information~~
2 ~~that includes, at a minimum, the following:~~

3 ~~(A) a map of environmental justice and equity~~
4 ~~investment eligible communities;~~

5 ~~(B) job postings and recruiting opportunities;~~

6 ~~(C) a means by which recruiting clean energy~~
7 ~~companies can find and interact with current or former~~
8 ~~participants of clean energy workforce training~~
9 ~~programs;~~

10 ~~(D) information on workforce training service~~
11 ~~providers and training opportunities available to~~
12 ~~prospective workers;~~

13 ~~(E) renewable energy company diversity reporting;~~

14 ~~(F) a list of equity eligible contractors with~~
15 ~~their contact information, types of work performed,~~
16 ~~and locations worked in;~~

17 ~~(G) reporting on outcomes of the programs~~
18 ~~described in the workforce programs of the Energy~~
19 ~~Transition Act, including information such as, but not~~
20 ~~limited to, retention rate, graduation rate, and~~
21 ~~placement rates of trainees; and~~

22 ~~(H) information about the Jobs and Environmental~~
23 ~~Justice Grant Program, the Clean Energy Jobs and~~
24 ~~Justice Fund, and other sources of capital.~~

25 ~~(3) The Agency shall ensure the database is regularly~~
26 ~~updated to ensure information is current and shall~~

1 ~~coordinate with the Department of Commerce and Economic~~
2 ~~Opportunity to ensure that it includes information on~~
3 ~~individuals and entities that are or have participated in~~
4 ~~the Clean Jobs Workforce Network Program, Clean Energy~~
5 ~~Contractor Incubator Program, Returning Residents Clean~~
6 ~~Jobs Training Program, or Clean Energy Primes Contractor~~
7 ~~Accelerator Program.~~

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

23 (d) Clean coal portfolio standard.

24 (1) The procurement plans shall include electricity
25 generated using clean coal. Each utility shall enter into
26 one or more sourcing agreements with the initial clean

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

22 A utility party to a sourcing agreement shall
23 immediately retire any emission credits that it receives
24 in connection with the electricity covered by such
25 agreement.

26 Utilities shall maintain adequate records documenting

1 the purchases under the sourcing agreement to comply with
2 this subsection (d) and shall file an accounting with the
3 load forecast that must be filed with the Agency by July 15
4 of each year, in accordance with subsection (d) of Section
5 16-111.5 of the Public Utilities Act.

6 A utility shall be deemed to have complied with the
7 clean coal portfolio standard specified in this subsection
8 (d) if the utility enters into a sourcing agreement as
9 required by this subsection (d).

10 (2) For purposes of this subsection (d), the required
11 execution of sourcing agreements with the initial clean
12 coal facility for a particular year shall be measured as a
13 percentage of the actual amount of electricity
14 (megawatt-hours) supplied by the electric utility to
15 eligible retail customers in the planning year ending
16 immediately prior to the agreement's execution. For
17 purposes of this subsection (d), the amount paid per
18 kilowatt hour ~~kilowatthour~~ means the total amount paid for
19 electric service expressed on a per-kilowatt-hour ~~per~~
20 ~~kilowatthour~~ basis. For purposes of this subsection (d),
21 the total amount paid for electric service includes
22 without limitation amounts paid for supply, transmission,
23 distribution, surcharges and add-on taxes.

24 Notwithstanding the requirements of this subsection
25 (d), the total amount paid under sourcing agreements with
26 clean coal facilities pursuant to the procurement plan for

1 any given year shall be reduced by an amount necessary to
2 limit the annual estimated average net increase due to the
3 costs of these resources included in the amounts paid by
4 eligible retail customers in connection with electric
5 service to:

6 (A) in 2010, no more than 0.5% of the amount paid
7 per kilowatt hour ~~kilowatthour~~ by those customers
8 during the year ending May 31, 2009;

9 (B) in 2011, the greater of an additional 0.5% of
10 the amount paid per kilowatt hour ~~kilowatthour~~ by
11 those customers during the year ending May 31, 2010 or
12 1% of the amount paid per kilowatt hour ~~kilowatthour~~
13 by those customers during the year ending May 31,
14 2009;

15 (C) in 2012, the greater of an additional 0.5% of
16 the amount paid per kilowatt hour ~~kilowatthour~~ by
17 those customers during the year ending May 31, 2011 or
18 1.5% of the amount paid per kilowatt hour ~~kilowatthour~~
19 by those customers during the year ending May 31,
20 2009;

21 (D) in 2013, the greater of an additional 0.5% of
22 the amount paid per kilowatt hour ~~kilowatthour~~ by
23 those customers during the year ending May 31, 2012 or
24 2% of the amount paid per kilowatt hour ~~kilowatthour~~
25 by those customers during the year ending May 31,
26 2009; and

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

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

23 (3) Initial clean coal facility. In order to promote
24 development of clean coal facilities in Illinois, each
25 electric utility subject to this Section shall execute a
26 sourcing agreement to source electricity from a proposed

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

19 (A) a formula contractual price (the "contract
20 price") approved pursuant to paragraph (4) of this
21 subsection (d), which shall:

22 (i) be determined using a cost of service
23 methodology employing either a level or deferred
24 capital recovery component, based on a capital
25 structure consisting of 45% equity and 55% debt,
26 and a return on equity as may be approved by the

1 Federal Energy Regulatory Commission, which in any
2 case may not exceed the lower of 11.5% or the rate
3 of return approved by the General Assembly
4 pursuant to paragraph (4) of this subsection (d);
5 and

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

22 (B) power purchase provisions, which shall:

23 (i) provide that the utility party to such
24 sourcing agreement shall pay the contract price
25 for electricity delivered under such sourcing
26 agreement;

1 (ii) require delivery of electricity to the
2 regional transmission organization market of the
3 utility that is party to such sourcing agreement;

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

26 (iv) be considered pre-existing contracts in

1 such utility's procurement plans for eligible
2 retail customers;

3 (C) contract for differences provisions, which
4 shall:

5 (i) require the utility party to such sourcing
6 agreement to contract with the initial clean coal
7 facility in each hour with respect to an amount of
8 energy equal to all clean coal energy made
9 available from the initial clean coal facility
10 during such hour times a fraction, the numerator
11 of which is such utility's retail market sales of
12 electricity (expressed in kilowatt hours
13 ~~kilowatthours~~ sold) in the utility's service
14 territory in the State during the prior calendar
15 month and the denominator of which is the total
16 retail market sales of electricity (expressed in
17 kilowatt hours ~~kilowatthours~~ sold) in the State by
18 utilities during such prior month and the sales of
19 electricity (expressed in kilowatt hours
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 paid by the utility in
26 any year will be limited by paragraph (2) of this

1 subsection (d);

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

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

23 (D) general provisions, which shall:

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

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

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

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

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

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

1 designation as a clean coal facility if the
2 facility fails to fully comply with the applicable
3 carbon sequestration requirements in any given
4 year, provided the requisite offsets are
5 purchased. However, the Attorney General, on
6 behalf of the People of the State of Illinois, may
7 specifically enforce the facility's sequestration
8 requirement and the other terms of this contract
9 provision. Compliance with the sequestration
10 requirements and offset purchase requirements
11 specified in paragraph (3) of this subsection (d)
12 shall be reviewed annually by an independent
13 expert retained by the owner of the initial clean
14 coal facility, with the advance written approval
15 of the Attorney General. The Commission may, in
16 the course of the review specified in item (vii),
17 reduce the allowable return on equity for the
18 facility if the facility willfully fails to comply
19 with the carbon capture and sequestration
20 requirements set forth in this item (v);

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

26 (vii) require Commission review: (1) to

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

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

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

1 delivered to the facility busbar;

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

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

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

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

25 (4) Effective date of sourcing agreements with the
26 initial clean coal facility. Any proposed sourcing

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

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

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

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

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

24 (iv) Commission review. If the General Assembly
25 enacts authorizing legislation pursuant to
26 subparagraph (iii) approving a sourcing agreement, the

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

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

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

25 (ii) an estimate of the capital cost of the
26 balance of the plant, including any capital costs

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

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

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

24 (C) The facility cost report shall also include an
25 operating and maintenance cost quote that will provide
26 the estimated cost of delivered fuel, personnel,

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

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

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

1 initial clean coal facility.

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

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

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

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

17 (d-5) Zero emission standard.

18 (1) Beginning with the delivery year commencing on
19 June 1, 2017, the Agency shall, for electric utilities
20 that serve at least 100,000 retail customers in this
21 State, procure contracts with zero emission facilities
22 that are reasonably capable of generating cost-effective
23 zero emission credits in an amount approximately equal to
24 16% of the actual amount of electricity delivered by each
25 electric utility to retail customers in the State during
26 calendar year 2014. For an electric utility serving fewer

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

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

25 The procurement process shall be subject to the
26 following provisions:

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

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

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

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

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

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

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

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

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

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

24 (ii) Baseline market price index: The baseline
25 market price index for the consecutive 12-month
26 period ending May 31, 2016 is \$31.40 per

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

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

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

1 that delivery year to produce a single energy
2 forward price for the delivery year. The
3 forward market price calculation shall use
4 data published by the Intercontinental
5 Exchange, or its successor.

6 (bb) Projected capacity prices:

7 (I) For the delivery years commencing
8 June 1, 2017, June 1, 2018, and June 1,
9 2019, the projected capacity price shall
10 be equal to the sum of (1) 50% multiplied
11 by the Base Residual Auction, or its
12 successor, price for the rest of the RTO
13 zone group as determined by PJM
14 Interconnection LLC, divided by 24 hours
15 per day and, (2) 50% multiplied by the
16 resource auction price determined in the
17 resource auction administered by the
18 Midcontinent Independent System Operator,
19 Inc., in which the largest percentage of
20 load cleared for Local Resource Zone 4,
21 divided by 24 hours per day, and where
22 such price is determined by the
23 Midcontinent Independent System Operator,
24 Inc.

25 (II) For the delivery year commencing
26 June 1, 2020, and each year thereafter,

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

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

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

20 "RTO" means regional transmission
21 organization.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 generation projects in procurement events
2 held under subsection (c) of this Section.

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

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

23 (D) Following the procurement event described in
24 this paragraph (1) and consistent with subparagraph
25 (B) of this paragraph (1), the Agency shall calculate
26 the payments to be made under each contract for the

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

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

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

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

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

20 (iii) A zero emission facility shall be
21 permitted to terminate the contract in the event
22 that the resource requires capital expenditures in
23 excess of \$40,000,000 that were neither known nor
24 reasonably foreseeable at the time it executed the
25 contract and that a prudent owner or operator of
26 such resource would not undertake.

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

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

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

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

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

1 calculations set forth in this paragraph (2), no
2 subsequent rate impact determinations shall be made and no
3 adjustments to those contract amounts shall be allowed.
4 All costs incurred under those contracts and in
5 implementing this subsection (d-5) shall be recovered by
6 the electric utility as provided in this 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) (Blank). ~~Nuclear Plant Assistance; carbon~~
23 ~~mitigation 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 ~~servicing 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) (Blank). ~~A renewable energy credit, carbon emission
9 credit, zero emission credit, or carbon mitigation credit can
10 only be used once to comply with a single portfolio or other
11 standard as set forth in subsection (c), subsection (d), or
12 subsection (d-5) of this Section, respectively. A renewable
13 energy credit, carbon emission credit, zero emission credit,
14 or 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. 102-662, eff. 9-15-21; 103-380, eff. 1-1-24;
22 103-580, eff. 12-8-23.)

23 (20 ILCS 3855/1-129)

24 Sec. 1-129. Policy study.

25 (a) The General Assembly finds that:

1 (1) in 2021, Illinois became the first state in the
2 Midwest to mandate a clean energy future when it enacted
3 the Climate and Equitable Jobs Act (Public Act 102-662);

4 (2) through the Climate and Equitable Jobs Act,
5 Illinois established a plan to completely decarbonize its
6 energy sector by 2050 in an equitable manner that invests
7 in the State's workforce;

8 (3) technology in the energy sector continues to
9 advance creating cleaner and more efficient options to
10 help the State attain the target of 50% renewable energy
11 by 2040; and

12 (4) while numerous legislative proposals purport to
13 help the State on its path to equitably attain 100% clean
14 energy, it is important to have a neutral party with
15 relevant expertise evaluate each proposal to ensure it is
16 consistent with the State's goals and maximizes benefits
17 to Illinois residents.

18 (b) The General Assembly intends:

19 (1) to prioritize the public interest over the profit
20 motives of utilities and private developers; and

21 (2) to invest in projects that reduce harmful
22 emissions and contribute to the clean economy.

23 (c) The Agency shall commission and publish a policy study
24 to evaluate the potential impacts of the proposals described
25 in subsection (g). The potential impacts may include, but are
26 not limited to, support for Illinois' decarbonization goals,

1 the environment, grid reliability, carbon and other pollutant
2 emissions, resource adequacy, long-term and short-term
3 electric rates, environmental justice communities, jobs, and
4 the economy. Where applicable, the study shall address the
5 impact of a proposal with respect to reports by the
6 Midcontinent Independent System Operator, PJM, and North
7 American Electric Reliability Corporation staff that Illinois
8 has begun to experience resource adequacy issues.

9 (d) The Agency shall retain the services of technical and
10 policy experts with energy market and other relevant fields of
11 expertise. The technical and policy experts may include the
12 existing planning and procurement consultant and applicable
13 subcontractors and the procurement administrator and
14 applicable subcontractors. The Illinois Commerce Commission,
15 the Illinois Environmental Protection Agency, and the
16 Department of Commerce and Economic Opportunity shall provide
17 support to and consult with the Agency. The Agency may consult
18 with other State agencies, commissions, or task forces as
19 needed. The Agency may consult with and seek assistance from
20 the Regional Transmission Organizations PJM and MISO.

21 (e) The Agency may solicit information, including
22 confidential or proprietary information, from entities likely
23 to be impacted by the proposals described in subsection (g)
24 for purposes of this study. Any information designated as
25 confidential or proprietary information by the entity
26 providing the information shall be kept confidential by the

1 Agency, its consultants, and its contractors and is not
2 subject to disclosure under the Freedom of Information Act.

3 (f) The Agency shall publish a final policy study no later
4 than March 1, 2024 and suitable copies shall be delivered to
5 the Governor and members of the General Assembly. Prior to
6 publishing the final policy study, the Agency shall publish a
7 preliminary draft of the policy study and provide for a 20-day
8 open public comment period. The Agency shall review public
9 comments and publish a final policy study no later than 20 days
10 after the public comment period ends. The policy study shall
11 include policy recommendations to the General Assembly.

12 (g) The policy study shall evaluate the following
13 proposals and may consider or suggest additional or
14 alternative items:

15 (1) House Bill 2132 of the 103rd General Assembly as
16 it passed out of the House on March 24, 2023 or a similar
17 pilot program to establish one new utility-scale offshore
18 wind project capable of producing at least 700,000
19 megawatt hours annually for at least 20 years in Lake
20 Michigan that includes an equity and inclusion plan to
21 create job opportunities for underrepresented populations
22 in addition to equity investment eligible communities and
23 a fully executed project labor agreement. The pilot
24 program may result in an increase in the amounts paid by
25 eligible retail customers in connection with electric
26 service that shall not exceed 0.25% of the amount paid per

1 kilowatt hour by those customers during the year ending
2 May 31, 2009.

3 (2) Senate Bill 1587 and amendments to Senate Bill
4 1587 of the 103rd General Assembly filed prior to May 31,
5 2023 or a similar proposal for the deployment of energy
6 storage systems supported by the State through the
7 development of energy storage credit targets for the
8 Agency to procure on behalf of Illinois electric utilities
9 from privately owned, large scale energy storage providers
10 using energy storage contracts of at least 15 year
11 durations based on a competitive energy storage
12 procurement plan developed by the Agency designed to
13 enhance overall grid reliability, flexibility and
14 efficiency, and to lower electricity prices. The plan must
15 require participants to ~~comply with the equity~~
16 ~~accountability system requirements in subsection (c 10) of~~
17 ~~Section 1-75 and to~~ submit proof of project labor
18 agreements. For purposes of this policy study, it should
19 be assumed that the costs associated with procuring energy
20 storage credits shall be recovered through tariffed
21 charges assessed across all retail customers in a uniform
22 cents per kilowatt hour charge. In addition to large scale
23 energy storage, the proposal shall also include the
24 creation of distributed level energy storage programs
25 through utility tariffs as approved by the Illinois
26 Commerce Commission. The programs shall include a

1 residential and a commercial storage program that would
2 allow customer-sited batteries to provide grid benefits
3 and cost-savings to ratepayers. The proposal shall also
4 include a community solar energy storage program intended
5 to serve as a peak reduction program by utilizing
6 community solar paired storage projects deployed daily in
7 summer months during peak hours. ~~The installation of the~~
8 ~~energy storage systems associated with these distributed~~
9 ~~renewable systems must comply with the prevailing wage~~
10 ~~requirements described in subparagraph (Q) of paragraph~~
11 ~~(1) of subsection (c) of Section 1-75.~~ The policy study
12 shall include a review of the ability of coal-fueled
13 generating plant sites located in Illinois that have been
14 closed since 2016 or are scheduled to be closed by 2030 to
15 support the installation of energy storage systems and
16 potential associated interconnection costs. This review
17 shall include: (i) whether those sites are already in a
18 regional transmission organization interconnection queue,
19 including MISO's replacement power interconnection queue,
20 or would be submitted to the replacement power
21 interconnection queue no later than September 1, 2023,
22 and, if a site is in a queue, the site's position in the
23 queue; and (ii) how soon those sites could support
24 development and installation of energy storage systems and
25 any barriers to that development. This review shall also
26 include consultation with electric generation facility

1 owners or operators and renewable developers that own or
2 are in the process of developing energy storage systems in
3 Illinois or that have experience developing energy storage
4 systems in other States.

5 (3) A policy establishing high voltage direct current
6 renewable energy credits that requires the Agency to
7 procure contracts with at least 25 years but no more than
8 40 years duration for the delivery of renewable energy
9 credits on behalf of electric utilities in Illinois with
10 at least 300,000 customers from a high voltage direct
11 current transmission facility with more than 100 miles of
12 underground transmission lines in this State capable of
13 transmitting electricity at or above 525 kilovolts and
14 delivering power in the PJM market. ~~High voltage direct~~
15 ~~current renewable energy credits procured by the Agency~~
16 ~~pursuant to this policy would not count toward the~~
17 ~~renewable energy credit purchase targets in subsection (c)~~
18 ~~of Section 1-75.~~ The study shall also evaluate: (i) this
19 policy's potential for wholesale electricity price impacts
20 in both PJM and MISO, the net rate impact to Illinois
21 ratepayers, and the impact on grid reliability and
22 resilience; (ii) whether a 25-year to 40-year guaranteed
23 contract is necessary to build a high voltage direct
24 current transmission facility; (iii) whether specific high
25 voltage direct current transmission facility projects are
26 committed to Illinois' fair labor and equity standards;

1 and (iv) whether the policy creates incentives for
2 renewable development outside of Illinois rather than
3 within the State.

4 (Source: P.A. 103-580, eff. 12-8-23.)

5 Section 15. The Hydrogen Fuel Replacement Tax Credit Act
6 is amended by changing Section 15 as follows:

7 (35 ILCS 55/15)

8 Sec. 15. Allowable credit.

9 (a) For tax years ending on or after December 31, 2027 and
10 beginning before January 1, 2029, a credit is allowed against
11 the taxes imposed on an eligible taxpayer under subsections
12 (a) and (b) of Section 201 of the Illinois Income Tax Act in an
13 amount equal to \$1 per kilogram of eligible qualifying
14 hydrogen used by the eligible taxpayer during the immediately
15 preceding calendar year. If the use of the qualifying hydrogen
16 by a taxpayer occurs in or impacts one or more equity
17 investment eligible communities, then, to be eligible for this
18 credit, the taxpayer must submit to the Department and make
19 publicly available documentation that demonstrates that the
20 use has led to a net reduction of negative environmental
21 impacts in each impacted equity investment eligible community
22 and demonstrates that all application requirements detailed in
23 this Act, including those in subsection (c), have been met for
24 the year in which the credit is sought. Those impacts shall

1 include direct, indirect, and cumulative impacts, including,
2 but not limited to, impacts from using, transporting, and
3 storing qualifying hydrogen, and impacts to air, water,
4 traffic, noise, and public health. This documentation must be
5 specific, quantifiable, measurable, and verifiable. Continued
6 receipt of tax credits is contingent upon the taxpayer making
7 this demonstration each year. Failure to demonstrate a
8 reduction of negative environmental impacts in each impacted
9 equity investment eligible community shall result in the
10 denial or forfeiture of tax credits.

11 (b) The allowable credit provided in subsection (a) of
12 this Section shall be increased by \$0.15 per kilogram of
13 eligible qualifying hydrogen for eligible qualifying hydrogen
14 use impacting one or more equity investment eligible
15 communities if an eligible taxpayer specifically,
16 quantifiably, and verifiably demonstrates that the eligible
17 qualifying hydrogen use satisfies both of the following
18 criteria for the preceding tax year:

19 (1) The eligible taxpayer's project workforce meets
20 the minimum equity standards for equity eligible persons
21 ~~and equity eligible contractors determined by the Illinois~~
22 ~~Power Agency pursuant to subsection (c-10) of Section 1-75~~
23 ~~of the Illinois Power Agency Act.~~ This requirement shall
24 apply to both construction employment and ongoing
25 employment in areas such as, but not limited to,
26 operations, production, and maintenance.

1 (2) At least 40% of the total benefits provided by the
2 use are received by the equity investment eligible
3 communities impacted by the eligible qualifying hydrogen
4 use. Benefits to be considered shall include, but are not
5 limited to: a decrease in the percentage of household
6 income spent on energy costs; a decrease in environmental
7 exposures and burdens; an increase in access to low-cost
8 capital; an increase in employment and job training for
9 residents; an increase in clean energy enterprise creation
10 and contracting; increases in community energy ownership;
11 increased parity in clean energy technology and adoption;
12 and an increase in energy resilience. As used in this item
13 (2), "energy resilience" means the ability to operate
14 energy services in response to a major disruption.
15 Employment and contracting benefits provided pursuant to
16 paragraph (1) shall count toward this 40% requirement.

17 (c) The Department shall develop an application process
18 for tax credits under this Section that provides meaningful,
19 timely, and effective public notice of a tax credit
20 application to members of impacted communities, accounting for
21 linguistic needs and other relevant characteristics, and
22 provides meaningful opportunity for public comment on any tax
23 credit application. The public notice and tax credit
24 application shall be translated into non-English languages in
25 impacted communities where a language other than English is
26 widely spoken. The notice must, at a minimum, include all of

1 the following: the name of the applicant, the location of the
2 use, a brief description of the use and its impacts, and a link
3 to a website where the application and more detailed
4 information on the use and its impacts can be found. The notice
5 shall be written at a third or fourth grade reading level to
6 ensure ease of understanding for all members of the public.
7 The opportunity for public comment must, at a minimum, include
8 a public meeting held in a location within an impacted equity
9 investment community and easily accessible to residents of
10 other impacted equity investment eligible communities. Such
11 public meeting shall be held not less than 30 days after public
12 notice is provided and not less than 30 days before a decision
13 is made on the application. The Department shall consider
14 comments received when determining whether the requirements of
15 this Section have been met. Applications, supporting
16 materials, and comments submitted with respect to applications
17 shall be maintained on the Department website in a publicly
18 accessible manner.

19 (d) An eligible taxpayer may not earn tax credits for a tax
20 year for eligible qualifying hydrogen use in an amount that
21 exceeds the amount of tax credit allocated to it for the tax
22 year under Section 25. If the amount of the credit exceeds the
23 tax liability for the year, the excess may be carried forward
24 and applied to the tax liability of the 5 taxable years
25 following the excess credit year. The credit shall be applied
26 to the earliest year for which there is a tax liability. If

1 there are credits from more than one tax year that are
2 available to offset a liability, the earlier credit shall be
3 applied first. In no event shall a credit under this Section
4 reduce the taxpayer's liability to less than zero.

5 (e) Labor performed on or after the effective date of this
6 Act to convert the eligible taxpayer's existing equipment or
7 to install new equipment for the eligible taxpayer to enable
8 eligible qualifying hydrogen use for which a credit is claimed
9 under this Act shall be performed by general contractors that
10 enter into a project labor agreement, as defined by the
11 Illinois Power Agency Act, prior to construction. The project
12 labor agreement shall be filed with the Department.

13 (f) Notwithstanding any provision of law to the contrary,
14 any eligible taxpayer receiving tax credits under this Act
15 shall be required to enter into a labor peace agreement with
16 any bona fide labor organization that represents or is
17 attempting to represent any of its employees.

18 (Source: P.A. 103-268, eff. 7-25-23.)

19 Section 20. The Counties Code is amended by changing
20 Section 5-12020 as follows:

21 (55 ILCS 5/5-12020)

22 Sec. 5-12020. Commercial wind energy facilities and
23 commercial solar energy facilities.

24 (a) As used in this Section:

1 "Commercial solar energy facility" means a "commercial
2 solar energy system" as defined in Section 10-720 of the
3 Property Tax Code. ~~"Commercial solar energy facility" does not
4 mean a utility-scale solar energy facility being constructed
5 at a site that was eligible to participate in a procurement
6 event conducted by the Illinois Power Agency pursuant to
7 subsection (c 5) of Section 1-75 of the Illinois Power Agency
8 Act.~~

9 "Commercial wind energy facility" means a wind energy
10 conversion facility of equal or greater than 500 kilowatts in
11 total nameplate generating capacity. "Commercial wind energy
12 facility" includes a wind energy conversion facility seeking
13 an extension of a permit to construct granted by a county or
14 municipality before January 27, 2023 (the effective date of
15 Public Act 102-1123).

16 "Facility owner" means (i) a person with a direct
17 ownership interest in a commercial wind energy facility or a
18 commercial solar energy facility, or both, regardless of
19 whether the person is involved in acquiring the necessary
20 rights, permits, and approvals or otherwise planning for the
21 construction and operation of the facility, and (ii) at the
22 time the facility is being developed, a person who is acting as
23 a developer of the facility by acquiring the necessary rights,
24 permits, and approvals or by planning for the construction and
25 operation of the facility, regardless of whether the person
26 will own or operate the facility.

1 "Nonparticipating property" means real property that is
2 not a participating property.

3 "Nonparticipating residence" means a residence that is
4 located on nonparticipating property and that is existing and
5 occupied on the date that an application for a permit to
6 develop the commercial wind energy facility or the commercial
7 solar energy facility is filed with the county.

8 "Occupied community building" means any one or more of the
9 following buildings that is existing and occupied on the date
10 that the application for a permit to develop the commercial
11 wind energy facility or the commercial solar energy facility
12 is filed with the county: a school, place of worship, day care
13 facility, public library, or community center.

14 "Participating property" means real property that is the
15 subject of a written agreement between a facility owner and
16 the owner of the real property that provides the facility
17 owner an easement, option, lease, or license to use the real
18 property for the purpose of constructing a commercial wind
19 energy facility, a commercial solar energy facility, or
20 supporting facilities. "Participating property" also includes
21 real property that is owned by a facility owner for the purpose
22 of constructing a commercial wind energy facility, a
23 commercial solar energy facility, or supporting facilities.

24 "Participating residence" means a residence that is
25 located on participating property and that is existing and
26 occupied on the date that an application for a permit to

1 develop the commercial wind energy facility or the commercial
2 solar energy facility is filed with the county.

3 "Protected lands" means real property that is:

4 (1) subject to a permanent conservation right
5 consistent with the Real Property Conservation Rights Act;
6 or

7 (2) registered or designated as a nature preserve,
8 buffer, or land and water reserve under the Illinois
9 Natural Areas Preservation Act.

10 "Supporting facilities" means the transmission lines,
11 substations, access roads, meteorological towers, storage
12 containers, and equipment associated with the generation and
13 storage of electricity by the commercial wind energy facility
14 or commercial solar energy facility.

15 "Wind tower" includes the wind turbine tower, nacelle, and
16 blades.

17 (b) Notwithstanding any other provision of law or whether
18 the county has formed a zoning commission and adopted formal
19 zoning under Section 5-12007, a county may establish standards
20 for commercial wind energy facilities, commercial solar energy
21 facilities, or both. The standards may include all of the
22 requirements specified in this Section but may not include
23 requirements for commercial wind energy facilities or
24 commercial solar energy facilities that are more restrictive
25 than specified in this Section. A county may also regulate the
26 siting of commercial wind energy facilities with standards

1 that are not more restrictive than the requirements specified
2 in this Section in unincorporated areas of the county that are
3 outside the zoning jurisdiction of a municipality and that are
4 outside the 1.5-mile radius surrounding the zoning
5 jurisdiction of a municipality.

6 (c) If a county has elected to establish standards under
7 subsection (b), before the county grants siting approval or a
8 special use permit for a commercial wind energy facility or a
9 commercial solar energy facility, or modification of an
10 approved siting or special use permit, the county board of the
11 county in which the facility is to be sited or the zoning board
12 of appeals for the county shall hold at least one public
13 hearing. The public hearing shall be conducted in accordance
14 with the Open Meetings Act and shall be held not more than 60
15 days after the filing of the application for the facility. The
16 county shall allow interested parties to a special use permit
17 an opportunity to present evidence and to cross-examine
18 witnesses at the hearing, but the county may impose reasonable
19 restrictions on the public hearing, including reasonable time
20 limitations on the presentation of evidence and the
21 cross-examination of witnesses. The county shall also allow
22 public comment at the public hearing in accordance with the
23 Open Meetings Act. The county shall make its siting and
24 permitting decisions not more than 30 days after the
25 conclusion of the public hearing. Notice of the hearing shall
26 be published in a newspaper of general circulation in the

1 county. A facility owner must enter into an agricultural
 2 impact mitigation agreement with the Department of Agriculture
 3 prior to the date of the required public hearing. A commercial
 4 wind energy facility owner seeking an extension of a permit
 5 granted by a county prior to July 24, 2015 (the effective date
 6 of Public Act 99-132) must enter into an agricultural impact
 7 mitigation agreement with the Department of Agriculture prior
 8 to a decision by the county to grant the permit extension.
 9 Counties may allow test wind towers or test solar energy
 10 systems to be sited without formal approval by the county
 11 board.

12 (d) A county with an existing zoning ordinance in conflict
 13 with this Section shall amend that zoning ordinance to be in
 14 compliance with this Section within 120 days after January 27,
 15 2023 (the effective date of Public Act 102-1123).

16 (e) A county may require:

17 (1) a wind tower of a commercial wind energy facility
 18 to be sited as follows, with setback distances measured
 19 from the center of the base of the wind tower:

20 Setback Description	Setback Distance
21 Occupied Community 22 Buildings	2.1 times the maximum blade tip height of the wind tower to the 23 nearest point on the outside 24 wall of the structure

1	Participating Residences	1.1 times the maximum blade tip
2		height of the wind tower to the
3		nearest point on the outside
4		wall of the structure
5	Nonparticipating Residences	2.1 times the maximum blade tip
6		height of the wind tower to the
7		nearest point on the outside
8		wall of the structure
9	Boundary Lines of	None
10	Participating Property	
11	Boundary Lines of	1.1 times the maximum blade tip
12	Nonparticipating Property	height of the wind tower to the
13		nearest point on the property
14		line of the nonparticipating
15		property
16	Public Road Rights-of-Way	1.1 times the maximum blade tip
17		height of the wind tower
18		to the center point of the
19		public road right-of-way
20	Overhead Communication and	1.1 times the maximum blade tip

1	Electric Transmission	height of the wind tower to the
2	and Distribution Facilities	nearest edge of the property
3	(Not Including Overhead	line, easement, or
4	Utility Service Lines to	right-of-way
5	Individual Houses or	containing the overhead line
6	Outbuildings)	
7	Overhead Utility Service	None
8	Lines to Individual	
9	Houses or Outbuildings	
10	Fish and Wildlife Areas	2.1 times the maximum blade
11	and Illinois Nature	tip height of the wind tower
12	Preserve Commission	to the nearest point on the
13	Protected Lands	property line of the fish and
14		wildlife area or protected
15		land

16 This Section does not exempt or excuse compliance with
17 electric facility clearances approved or required by the
18 National Electrical Code, The National Electrical Safety
19 Code, Illinois Commerce Commission, Federal Energy
20 Regulatory Commission, and their designees or successors.

21 (2) a wind tower of a commercial wind energy facility
22 to be sited so that industry standard computer modeling
23 indicates that any occupied community building or

1 nonparticipating residence will not experience more than
 2 30 hours per year of shadow flicker under planned
 3 operating conditions;

4 (3) a commercial solar energy facility to be sited as
 5 follows, with setback distances measured from the nearest
 6 edge of any component of the facility:

7	Setback Description	Setback Distance
8	Occupied Community	150 feet from the nearest
9	Buildings and Dwellings on	point on the outside wall
10	Nonparticipating Properties	of the structure
11	Boundary Lines of	None
12	Participating Property	
13	Public Road Rights-of-Way	50 feet from the nearest
14		edge
15	Boundary Lines of	50 feet to the nearest
16	Nonparticipating Property	point on the property
17		line of the nonparticipating
18		property

19 (4) a commercial solar energy facility to be sited so
 20 that the facility's perimeter is enclosed by fencing

1 having a height of at least 6 feet and no more than 25
2 feet; and

3 (5) a commercial solar energy facility to be sited so
4 that no component of a solar panel has a height of more
5 than 20 feet above ground when the solar energy facility's
6 arrays are at full tilt.

7 The requirements set forth in this subsection (e) may be
8 waived subject to the written consent of the owner of each
9 affected nonparticipating property.

10 (f) A county may not set a sound limitation for wind towers
11 in commercial wind energy facilities or any components in
12 commercial solar energy facilities that is more restrictive
13 than the sound limitations established by the Illinois
14 Pollution Control Board under 35 Ill. Adm. Code Parts 900,
15 901, and 910.

16 (g) A county may not place any restriction on the
17 installation or use of a commercial wind energy facility or a
18 commercial solar energy facility unless it adopts an ordinance
19 that complies with this Section. A county may not establish
20 siting standards for supporting facilities that preclude
21 development of commercial wind energy facilities or commercial
22 solar energy facilities.

23 A request for siting approval or a special use permit for a
24 commercial wind energy facility or a commercial solar energy
25 facility, or modification of an approved siting or special use
26 permit, shall be approved if the request is in compliance with

1 the standards and conditions imposed in this Act, the zoning
2 ordinance adopted consistent with this Code, and the
3 conditions imposed under State and federal statutes and
4 regulations.

5 (h) A county may not adopt zoning regulations that
6 disallow, permanently or temporarily, commercial wind energy
7 facilities or commercial solar energy facilities from being
8 developed or operated in any district zoned to allow
9 agricultural or industrial uses.

10 (i) A county may not require permit application fees for a
11 commercial wind energy facility or commercial solar energy
12 facility that are unreasonable. All application fees imposed
13 by the county shall be consistent with fees for projects in the
14 county with similar capital value and cost.

15 (j) Except as otherwise provided in this Section, a county
16 shall not require standards for construction, decommissioning,
17 or deconstruction of a commercial wind energy facility or
18 commercial solar energy facility or related financial
19 assurances that are more restrictive than those included in
20 the Department of Agriculture's standard wind farm
21 agricultural impact mitigation agreement, template 81818, or
22 standard solar agricultural impact mitigation agreement,
23 version 8.19.19, as applicable and in effect on December 31,
24 2022. The amount of any decommissioning payment shall be in
25 accordance with the financial assurance required by those
26 agricultural impact mitigation agreements.

1 (j-5) A commercial wind energy facility or a commercial
2 solar energy facility shall file a farmland drainage plan with
3 the county and impacted drainage districts outlining how
4 surface and subsurface drainage of farmland will be restored
5 during and following construction or deconstruction of the
6 facility. The plan is to be created independently by the
7 facility developer and shall include the location of any
8 potentially impacted drainage district facilities to the
9 extent this information is publicly available from the county
10 or the drainage district, plans to repair any subsurface
11 drainage affected during construction or deconstruction using
12 procedures outlined in the agricultural impact mitigation
13 agreement entered into by the commercial wind energy facility
14 owner or commercial solar energy facility owner, and
15 procedures for the repair and restoration of surface drainage
16 affected during construction or deconstruction. All surface
17 and subsurface damage shall be repaired as soon as reasonably
18 practicable.

19 (k) A county may not condition approval of a commercial
20 wind energy facility or commercial solar energy facility on a
21 property value guarantee and may not require a facility owner
22 to pay into a neighboring property devaluation escrow account.

23 (l) A county may require certain vegetative screening
24 surrounding a commercial wind energy facility or commercial
25 solar energy facility but may not require earthen berms or
26 similar structures.

1 (m) A county may set blade tip height limitations for wind
2 towers in commercial wind energy facilities but may not set a
3 blade tip height limitation that is more restrictive than the
4 height allowed under a Determination of No Hazard to Air
5 Navigation by the Federal Aviation Administration under 14 CFR
6 Part 77.

7 (n) A county may require that a commercial wind energy
8 facility owner or commercial solar energy facility owner
9 provide:

10 (1) the results and recommendations from consultation
11 with the Illinois Department of Natural Resources that are
12 obtained through the Ecological Compliance Assessment Tool
13 (EcoCAT) or a comparable successor tool; and

14 (2) the results of the United States Fish and Wildlife
15 Service's Information for Planning and Consulting
16 environmental review or a comparable successor tool that
17 is consistent with (i) the "U.S. Fish and Wildlife
18 Service's Land-Based Wind Energy Guidelines" and (ii) any
19 applicable United States Fish and Wildlife Service solar
20 wildlife guidelines that have been subject to public
21 review.

22 (o) A county may require a commercial wind energy facility
23 or commercial solar energy facility to adhere to the
24 recommendations provided by the Illinois Department of Natural
25 Resources in an EcoCAT natural resource review report under 17
26 Ill. Adm. Code Part 1075.

1 (p) A county may require a facility owner to:

2 (1) demonstrate avoidance of protected lands as
3 identified by the Illinois Department of Natural Resources
4 and the Illinois Nature Preserve Commission; or

5 (2) consider the recommendations of the Illinois
6 Department of Natural Resources for setbacks from
7 protected lands, including areas identified by the
8 Illinois Nature Preserve Commission.

9 (q) A county may require that a facility owner provide
10 evidence of consultation with the Illinois State Historic
11 Preservation Office to assess potential impacts on
12 State-registered historic sites under the Illinois State
13 Agency Historic Resources Preservation Act.

14 (r) To maximize community benefits, including, but not
15 limited to, reduced stormwater runoff, flooding, and erosion
16 at the ground mounted solar energy system, improved soil
17 health, and increased foraging habitat for game birds,
18 songbirds, and pollinators, a county may (1) require a
19 commercial solar energy facility owner to plant, establish,
20 and maintain for the life of the facility vegetative ground
21 cover, consistent with the goals of the Pollinator-Friendly
22 Solar Site Act and (2) require the submittal of a vegetation
23 management plan that is in compliance with the agricultural
24 impact mitigation agreement in the application to construct
25 and operate a commercial solar energy facility in the county
26 if the vegetative ground cover and vegetation management plan

1 comply with the requirements of the underlying agreement with
2 the landowner or landowners where the facility will be
3 constructed.

4 No later than 90 days after January 27, 2023 (the
5 effective date of Public Act 102-1123), the Illinois
6 Department of Natural Resources shall develop guidelines for
7 vegetation management plans that may be required under this
8 subsection for commercial solar energy facilities. The
9 guidelines must include guidance for short-term and long-term
10 property management practices that provide and maintain native
11 and non-invasive naturalized perennial vegetation to protect
12 the health and well-being of pollinators.

13 (s) If a facility owner enters into a road use agreement
14 with the Illinois Department of Transportation, a road
15 district, or other unit of local government relating to a
16 commercial wind energy facility or a commercial solar energy
17 facility, the road use agreement shall require the facility
18 owner to be responsible for (i) the reasonable cost of
19 improving roads used by the facility owner to construct the
20 commercial wind energy facility or the commercial solar energy
21 facility and (ii) the reasonable cost of repairing roads used
22 by the facility owner during construction of the commercial
23 wind energy facility or the commercial solar energy facility
24 so that those roads are in a condition that is safe for the
25 driving public after the completion of the facility's
26 construction. Roadways improved in preparation for and during

1 the construction of the commercial wind energy facility or
2 commercial solar energy facility shall be repaired and
3 restored to the improved condition at the reasonable cost of
4 the developer if the roadways have degraded or were damaged as
5 a result of construction-related activities.

6 The road use agreement shall not require the facility
7 owner to pay costs, fees, or charges for road work that is not
8 specifically and uniquely attributable to the construction of
9 the commercial wind energy facility or the commercial solar
10 energy facility. Road-related fees, permit fees, or other
11 charges imposed by the Illinois Department of Transportation,
12 a road district, or other unit of local government under a road
13 use agreement with the facility owner shall be reasonably
14 related to the cost of administration of the road use
15 agreement.

16 (s-5) The facility owner shall also compensate landowners
17 for crop losses or other agricultural damages resulting from
18 damage to the drainage system caused by the construction of
19 the commercial wind energy facility or the commercial solar
20 energy facility. The commercial wind energy facility owner or
21 commercial solar energy facility owner shall repair or pay for
22 the repair of all damage to the subsurface drainage system
23 caused by the construction of the commercial wind energy
24 facility or the commercial solar energy facility in accordance
25 with the agriculture impact mitigation agreement requirements
26 for repair of drainage. The commercial wind energy facility

1 owner or commercial solar energy facility owner shall repair
2 or pay for the repair and restoration of surface drainage
3 caused by the construction or deconstruction of the commercial
4 wind energy facility or the commercial solar energy facility
5 as soon as reasonably practicable.

6 (t) Notwithstanding any other provision of law, a facility
7 owner with siting approval from a county to construct a
8 commercial wind energy facility or a commercial solar energy
9 facility is authorized to cross or impact a drainage system,
10 including, but not limited to, drainage tiles, open drainage
11 ditches, culverts, and water gathering vaults, owned or under
12 the control of a drainage district under the Illinois Drainage
13 Code without obtaining prior agreement or approval from the
14 drainage district in accordance with the farmland drainage
15 plan required by subsection (j-5).

16 (u) The amendments to this Section adopted in Public Act
17 102-1123 do not apply to: (1) an application for siting
18 approval or for a special use permit for a commercial wind
19 energy facility or commercial solar energy facility if the
20 application was submitted to a unit of local government before
21 January 27, 2023 (the effective date of Public Act 102-1123);
22 (2) a commercial wind energy facility or a commercial solar
23 energy facility if the facility owner has submitted an
24 agricultural impact mitigation agreement to the Department of
25 Agriculture before January 27, 2023 (the effective date of
26 Public Act 102-1123); or (3) a commercial wind energy or

1 commercial solar energy development on property that is
2 located within an enterprise zone certified under the Illinois
3 Enterprise Zone Act, that was classified as industrial by the
4 appropriate zoning authority on or before January 27, 2023,
5 and that is located within 4 miles of the intersection of
6 Interstate 88 and Interstate 39.

7 (Source: P.A. 102-1123, eff. 1-27-23; 103-81, eff. 6-9-23;
8 103-580, eff. 12-8-23.)

9 Section 25. The Public Utilities Act is amended by
10 changing Sections 8-218, 16-108, and 16-111.5 as follows:

11 (220 ILCS 5/8-218)

12 Sec. 8-218. Utility-scale pilot projects.

13 (a) Electric utilities serving greater than 500,000
14 customers but less than 3,000,000 customers may propose, plan
15 for, construct, install, control, own, manage, or operate up
16 to 2 pilot projects consisting of utility-scale photovoltaic
17 energy generation facilities. A pilot project may consist of
18 photovoltaic energy generation facilities located on one or
19 more sites and may be installed or constructed in phases.
20 Energy storage facilities that are planned for, constructed,
21 installed, controlled, owned, managed, or operated may be
22 constructed in connection with the photovoltaic electricity
23 generation pilot projects.

24 (b) Pilot projects shall be sited in equity investment

1 eligible communities in or near the towns of Peoria and East
2 St. Louis and must result in economic benefits for the members
3 of the communities in which the project will be located. The
4 amount paid per pilot project with or without energy storage
5 facilities cannot exceed \$20,000,000. The electric utility's
6 costs of planning for, constructing, installing, controlling,
7 owning, managing, or operating the photovoltaic electricity
8 generation facilities and energy storage facilities may be
9 recovered, on a kilowatt hour basis, via an automatic
10 adjustment clause tariff applicable to all retail customers,
11 with the tariff to be approved by the Commission after
12 opportunity for review, and with an annual reconciliation
13 component; and for purposes of cost recovery, the photovoltaic
14 electricity production facilities may be treated as regulatory
15 assets, using the same ratemaking treatment in paragraph (1)
16 of subsection (h) of Section 16-107.6 of this Act, provided:
17 (1) the Commission shall have the authority to determine the
18 reasonableness of the costs of the facilities, and (2) any
19 monetary value of power and energy from the facilities shall
20 be credited against the delivery services revenue requirement.

21 (c) Any electric utility seeking to propose, plan for,
22 construct, install, control, own, manage, or operate a pilot
23 project pursuant to this Section must commit to using a
24 diverse and equitable workforce and a diverse set of
25 contractors, including minority-owned businesses,
26 disadvantaged businesses, trade unions, graduates of any

1 workforce training programs established by this amendatory Act
2 of the 102nd General Assembly, and small businesses. ~~An~~
3 ~~electric utility must comply with the equity commitment~~
4 ~~requirements in subsection (c-10) of Section 1-75 of the~~
5 ~~Illinois Power Agency Act.~~ The electric utility must certify
6 that not less than the prevailing wage will be paid to
7 employees engaged in construction activities associated with
8 the pilot project. The electric utility must file a project
9 labor agreement, as defined in the Illinois Power Agency Act,
10 with the Commission prior to constructing, installing,
11 controlling, or owning a pilot project authorized by this
12 Section.

13 (Source: P.A. 102-662, eff. 9-15-21; 102-1031, eff. 5-27-22.)

14 (220 ILCS 5/16-108)

15 Sec. 16-108. Recovery of costs associated with the
16 provision of delivery and other services.

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

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

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

16 (c) The electric utility's tariffs shall define the
17 classes of its customers for purposes of delivery services
18 charges. Delivery services shall be priced and made available
19 to all retail customers electing delivery services in each
20 such class on a nondiscriminatory basis regardless of whether
21 the retail customer chooses the electric utility, an affiliate
22 of the electric utility, or another entity as its supplier of
23 electric power and energy. Charges for delivery services shall
24 be cost based, and shall allow the electric utility to recover
25 the costs of providing delivery services through its charges
26 to its delivery service customers that use the facilities and

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

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

1 voltage level differences. A retail customer shall have the
2 option to request to purchase electric service at any delivery
3 service voltage reasonably and technically feasible from the
4 electric facilities serving that customer's premises provided
5 that there are no significant adverse impacts upon system
6 reliability or system efficiency. A retail customer shall also
7 have the option to request to purchase electric service at any
8 point of delivery that is reasonably and technically feasible
9 provided that there are no significant adverse impacts on
10 system reliability or efficiency. Such requests shall not be
11 unreasonably denied.

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

21 (f) An electric utility shall be entitled but not required
22 to implement transition charges in conjunction with the
23 offering of delivery services pursuant to Section 16-104. If
24 an electric utility implements transition charges, it shall
25 implement such charges for all delivery services customers and
26 for all customers described in subsection (h), but shall not

1 implement transition charges for power and energy that a
2 retail customer takes from cogeneration or self-generation
3 facilities located on that retail customer's premises, if such
4 facilities meet the following criteria:

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

16 (ii) the cogeneration or self-generation facilities
17 either (A) are sized pursuant to generally accepted
18 engineering standards for the retail customer's electrical
19 load at that premises (taking into account standby or
20 other reliability considerations related to that retail
21 customer's operations at that site) or (B) if the facility
22 is a cogeneration facility located on the retail
23 customer's premises, the retail customer is the thermal
24 host for that facility and the facility has been designed
25 to meet that retail customer's thermal energy requirements
26 resulting in electrical output beyond that retail

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

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

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

21 If a generation facility located at a retail customer's
22 premises does not meet the above criteria, an electric utility
23 implementing transition charges shall implement a transition
24 charge until December 31, 2006 for any power and energy taken
25 by such retail customer from such facility as if such power and
26 energy had been delivered by the electric utility. Provided,

1 however, that an industrial retail customer that is taking
2 power from a generation facility that does not meet the above
3 criteria but that is located on such customer's premises will
4 not be subject to a transition charge for the power and energy
5 taken by such retail customer from such generation facility if
6 the facility does not serve any other retail customer and
7 either was installed on behalf of the customer and for its own
8 use prior to January 1, 1997, or is both predominantly fueled
9 by byproducts of such customer's manufacturing process at such
10 premises and sells or offers an average of 300 megawatts or
11 more of electricity produced from such generation facility
12 into the wholesale market. Such charges shall be calculated as
13 provided in Section 16-102, and shall be collected on each
14 kilowatt-hour delivered under a delivery services tariff to a
15 retail customer from the date the customer first takes
16 delivery services until December 31, 2006 except as provided
17 in subsection (h) of this Section. Provided, however, that an
18 electric utility, other than an electric utility providing
19 service to at least 1,000,000 customers in this State on
20 January 1, 1999, shall be entitled to petition for entry of an
21 order by the Commission authorizing the electric utility to
22 implement transition charges for an additional period ending
23 no later than December 31, 2008. The electric utility shall
24 file its petition with supporting evidence no earlier than 16
25 months, and no later than 12 months, prior to December 31,
26 2006. The Commission shall hold a hearing on the electric

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

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

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

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

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

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

26 (i-5) (Blank). ~~An electric utility required to impose the~~

1 ~~Coal to Solar and Energy Storage Initiative Charge provided~~
2 ~~for in subsection (c 5) of Section 1-75 of the Illinois Power~~
3 ~~Agency Act shall add such charge to the bills of its delivery~~
4 ~~services customers pursuant to the terms of a tariff~~
5 ~~conforming to the requirements of subsection (c 5) of Section~~
6 ~~1-75 of the Illinois Power Agency Act and this subsection~~
7 ~~(i 5) and filed with and approved by the Commission. The~~
8 ~~electric utility shall file its proposed tariff with the~~
9 ~~Commission on or before July 1, 2022 to be effective, after~~
10 ~~review and approval or modification by the Commission,~~
11 ~~beginning January 1, 2023. On or before December 1, 2022, the~~
12 ~~Commission shall review the electric utility's proposed~~
13 ~~tariff, including by conducting a docketed proceeding if~~
14 ~~deemed necessary by the Commission, and shall approve the~~
15 ~~proposed tariff or direct the electric utility to make~~
16 ~~modifications the Commission finds necessary for the tariff to~~
17 ~~conform to the requirements of subsection (c 5) of Section~~
18 ~~1-75 of the Illinois Power Agency Act and this subsection~~
19 ~~(i 5). The electric utility's tariff shall provide for~~
20 ~~imposition of the Coal to Solar and Energy Storage Initiative~~
21 ~~Charge on a per-kilowatthour basis to all kilowatthours~~
22 ~~delivered by the electric utility to its delivery services~~
23 ~~customers. The tariff shall provide for the calculation of the~~
24 ~~Coal to Solar and Energy Storage Initiative Charge to be in~~
25 ~~effect for the year beginning January 1, 2023 and each year~~
26 ~~beginning January 1 thereafter, sufficient to collect the~~

1 ~~electric utility's estimated payment obligations for the~~
2 ~~delivery year beginning the following June 1 under contracts~~
3 ~~for purchase of renewable energy credits entered into pursuant~~
4 ~~to subsection (c-5) of Section 1-75 of the Illinois Power~~
5 ~~Agency Act and the obligations of the Department of Commerce~~
6 ~~and Economic Opportunity, or any successor department or~~
7 ~~agency, which for purposes of this subsection (i-5) shall be~~
8 ~~referred to as the Department, to make grant payments during~~
9 ~~such delivery year from the Coal to Solar and Energy Storage~~
10 ~~Initiative Fund pursuant to grant contracts entered into~~
11 ~~pursuant to subsection (c-5) of Section 1-75 of the Illinois~~
12 ~~Power Agency Act, and using the electric utility's~~
13 ~~kilowatthour deliveries to its delivery services customers~~
14 ~~during the delivery year ended May 31 of the preceding~~
15 ~~calendar year. On or before November 1 of each year beginning~~
16 ~~November 1, 2022, the Department shall notify the electric~~
17 ~~utilities of the amount of the Department's estimated~~
18 ~~obligations for grant payments during the delivery year~~
19 ~~beginning the following June 1 pursuant to grant contracts~~
20 ~~entered into pursuant to subsection (c-5) of Section 1-75 of~~
21 ~~the Illinois Power Agency Act; and each electric utility shall~~
22 ~~incorporate in the calculation of its Coal to Solar and Energy~~
23 ~~Storage Initiative Charge the fractional portion of the~~
24 ~~Department's estimated obligations equal to the electric~~
25 ~~utility's kilowatthour deliveries to its delivery services~~
26 ~~customers in the delivery year ended the preceding May 31~~

1 ~~divided by the aggregate deliveries of both electric utilities~~
2 ~~to delivery services customers in such delivery year. The~~
3 ~~electric utility shall remit on a monthly basis to the State~~
4 ~~Treasurer, for deposit in the Coal to Solar and Energy Storage~~
5 ~~Initiative Fund provided for in subsection (c 5) of Section~~
6 ~~1 75 of the Illinois Power Agency Act, the electric utility's~~
7 ~~collections of the Coal to Solar and Energy Storage Initiative~~
8 ~~Charge estimated to be needed by the Department for grant~~
9 ~~payments pursuant to grant contracts entered into pursuant to~~
10 ~~subsection (c 5) of Section 1 75 of the Illinois Power Agency~~
11 ~~Act. The initial charge under the electric utility's tariff~~
12 ~~shall be effective for kilowatthours delivered beginning~~
13 ~~January 1, 2023, and thereafter shall be revised to be~~
14 ~~effective January 1, 2024 and each January 1 thereafter, based~~
15 ~~on the payment obligations for the delivery year beginning the~~
16 ~~following June 1. The tariff shall provide for the electric~~
17 ~~utility to make an annual filing with the Commission on or~~
18 ~~before November 15 of each year, beginning in 2023, setting~~
19 ~~forth the Coal to Solar and Energy Storage Initiative Charge~~
20 ~~to be in effect for the year beginning the following January 1.~~
21 ~~The electric utility's tariff shall also provide that the~~
22 ~~electric utility shall make a filing with the Commission on or~~
23 ~~before August 1 of each year beginning in 2024 setting forth a~~
24 ~~reconciliation, for the delivery year ended the preceding May~~
25 ~~31, of the electric utility's collections of the Coal to Solar~~
26 ~~and Energy Storage Initiative Charge against actual payments~~

1 ~~for renewable energy credits pursuant to contracts entered~~
2 ~~into, and the actual grant payments by the Department pursuant~~
3 ~~to grant contracts entered into, pursuant to subsection (c-5)~~
4 ~~of Section 1-75 of the Illinois Power Agency Act. The tariff~~
5 ~~shall provide that any excess or shortfall of collections to~~
6 ~~payments shall be deducted from or added to, on a~~
7 ~~per kilowatthour basis, the Coal to Solar and Energy Storage~~
8 ~~Initiative Charge, over the 6 month period beginning October 1~~
9 ~~of that calendar year.~~

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

1 portion shall not exceed the average number of kilowatt-hours
2 per year obtained from the cogeneration or self-generation
3 facilities during the 3 years prior to the date on which the
4 customer became eligible for delivery services, except as
5 provided in subsection (f) of Section 16-110.

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

1 energy resources to meet the renewable energy resource
2 standards of subsection (c) of Section 1-75 of the Illinois
3 Power Agency Act, under procurement plans as approved in
4 accordance with that Section and Section 16-111.5 of this Act.
5 Such costs shall include the costs of procuring the renewable
6 energy resources, as well as the reasonable costs that the
7 utility incurs as part of the procurement processes and to
8 implement and comply with plans and processes approved by the
9 Commission under such Sections. The costs associated with the
10 purchase of renewable energy resources shall be allocated
11 across all retail customers in proportion to the amount of
12 renewable energy resources the utility procures for such
13 customers through a single, uniform cents per kilowatt-hour
14 charge applicable to such retail customers, which shall appear
15 as a separate line item on each such customer's bill. ~~The~~
16 ~~credits, costs, and penalties associated with the self direct~~
17 ~~renewable portfolio standard compliance program described in~~
18 ~~subparagraph (R) of paragraph (1) of subsection (c) of Section~~
19 ~~1-75 of the Illinois Power Agency Act shall be allocated to~~
20 ~~approved eligible self direct customers by the utility in a~~
21 ~~cents per kilowatt hour credit, cost, or penalty, which shall~~
22 ~~appear as a separate line item on each such customer's bill.~~

23 Notwithstanding whether the Commission has approved the
24 initial long-term renewable resources procurement plan as of
25 June 1, 2017, an electric utility shall place new tariffed
26 charges into effect beginning with the June 2017 monthly

1 billing period, to the extent practicable, to begin recovering
2 the costs of procuring renewable energy resources, as those
3 charges are calculated under the limitations described in
4 subparagraph (E) of paragraph (1) of subsection (c) of Section
5 1-75 of the Illinois Power Agency Act. Notwithstanding the
6 date on which the utility places such new tariffed charges
7 into effect, the utility shall be permitted to collect the
8 charges under such tariff as if the tariff had been in effect
9 beginning with the first day of the June 2017 monthly billing
10 period. For the delivery years commencing June 1, 2017, June
11 1, 2018, and June 1, 2019, ~~and each delivery year thereafter,~~
12 the electric utility shall deposit into a separate interest
13 bearing account of a financial institution the monies
14 collected under the tariffed charges. ~~Money collected from~~
15 ~~customers for the procurement of renewable energy resources in~~
16 ~~a given delivery year may be spent by the utility for the~~
17 ~~procurement of renewable resources over any of the following 5~~
18 ~~delivery years, after which unspent money shall be credited~~
19 ~~back to retail customers. The electric utility shall spend all~~
20 ~~money collected in earlier delivery years that has not yet~~
21 ~~been returned to customers, first, before spending money~~
22 ~~collected in later delivery years.~~ Any interest earned shall
23 be credited back to retail customers under the reconciliation
24 proceeding provided for in this subsection (k), provided that
25 the electric utility shall first be reimbursed from the
26 interest for the administrative costs that it incurs to

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

11 The electric utility shall be entitled to recover all of
12 the costs identified in this subsection (k) through automatic
13 adjustment clause tariffs applicable to all of the utility's
14 retail customers that allow the electric utility to adjust its
15 tariffed charges consistent with this subsection (k). The
16 determination as to whether any excess funds were collected
17 during a given delivery year for the purchase of renewable
18 energy resources, and the crediting of any excess funds back
19 to retail customers, shall not be made until after the close of
20 the delivery year, which will ensure that the maximum amount
21 of funds is available to implement the approved long-term
22 renewable resources procurement plan during a given delivery
23 year. ~~The amount of excess funds eligible to be credited back~~
24 ~~to retail customers shall be reduced by an amount equal to the~~
25 ~~payment obligations required by any contracts entered into by~~
26 ~~an electric utility under contracts described in subsection~~

1 ~~(b) of Section 1-56 and subsection (c) of Section 1-75 of the~~
2 ~~Illinois Power Agency Act, even if such payments have not yet~~
3 ~~been made and regardless of the delivery year in which those~~
4 ~~payment obligations were incurred. Notwithstanding anything to~~
5 ~~the contrary, including in tariffs authorized by this~~
6 ~~subsection (k) in effect before the effective date of this~~
7 ~~amendatory Act of the 102nd General Assembly, all unspent~~
8 ~~funds as of May 31, 2021, excluding any funds credited to~~
9 ~~customers during any utility billing cycle that commences~~
10 ~~prior to the effective date of this amendatory Act of the 102nd~~
11 ~~General Assembly, shall remain in the utility account and~~
12 ~~shall on a first in, first out basis be used toward utility~~
13 ~~payment obligations under contracts described in subsection~~
14 ~~(b) of Section 1-56 and subsection (c) of Section 1-75 of the~~
15 ~~Illinois Power Agency Act.~~ The electric utility's collections
16 under such automatic adjustment clause tariffs to recover the
17 costs of renewable energy resources, and zero emission credits
18 from zero emission facilities, ~~and carbon mitigation credits~~
19 ~~from carbon free energy resources~~ shall be subject to separate
20 annual review, reconciliation, and true-up against actual
21 costs by the Commission under a procedure that shall be
22 specified in the electric utility's automatic adjustment
23 clause tariffs and that shall be approved by the Commission in
24 connection with its approval of such tariffs. The procedure
25 shall provide that any difference between the electric
26 utility's collections ~~for zero emission credits and carbon~~

1 ~~mitigation credits~~ under the automatic adjustment charges for
2 an annual period and the electric utility's actual costs of
3 renewable energy resources and zero emission credits from zero
4 emission facilities ~~and carbon mitigation credits from~~
5 ~~carbon free energy resources~~ for that same annual period shall
6 be refunded to or collected from, as applicable, the electric
7 utility's retail customers in subsequent periods.

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

13 The funding available under this subsection (k), if any,
14 for the programs described under subsection (b) of Section
15 1-56 of the Illinois Power Agency Act shall not reduce the
16 amount of funding for the programs described in ~~subparagraph~~
17 ~~(0) of paragraph (1) of~~ subsection (c) of Section 1-75 of the
18 Illinois Power Agency Act. If funding is available under this
19 subsection (k) for programs described under subsection (b) of
20 Section 1-56 of the Illinois Power Agency Act, then the
21 long-term renewable resources plan shall provide for the
22 Agency to procure contracts in an amount that does not exceed
23 the funding, and the contracts approved by the Commission
24 shall be executed by the applicable utility or utilities.

25 (1) A utility that has terminated any contract executed
26 under subsection (d-5) ~~or (d-10)~~ of Section 1-75 of the

1 Illinois Power Agency Act shall be entitled to recover any
2 remaining balance associated with the purchase of zero
3 emission credits prior to such termination, and such utility
4 shall also apply a credit to its retail customer bills in the
5 event of any over-collection.

6 (m)(1) An electric utility that recovers its costs of
7 procuring zero emission credits from zero emission facilities
8 through a cents-per-kilowatt-hour ~~kilowatthour~~ charge under
9 subsection (k) of this Section shall be subject to the
10 requirements of this subsection (m). Notwithstanding anything
11 to the contrary, such electric utility shall, beginning on
12 April 30, 2018, and each April 30 thereafter until April 30,
13 2026, calculate whether any reduction must be applied to such
14 cents-per-kilowatt-hour ~~kilowatthour~~ charge that is paid by
15 retail customers of the electric utility that are exempt from
16 ~~have opted out of~~ subsections (a) through (j) of Section
17 8-103B of this Act under subsection (l) of Section 8-103B.
18 Such charge shall be reduced for such customers for the next
19 delivery year commencing on June 1 based on the amount
20 necessary, if any, to limit the annual estimated average net
21 increase for the prior calendar year due to the future energy
22 investment costs to no more than 1.3% of 5.98 cents per
23 kilowatt-hour, which is the average amount paid per kilowatt
24 hour ~~kilowatthour~~ for electric service during the year ending
25 December 31, 2015 by Illinois industrial retail customers, as
26 reported to the Edison Electric Institute.

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

4 (2) For purposes of this Section, "future energy
5 investment costs" shall be calculated by subtracting the
6 cents-per-kilowatt-hour ~~kilowatthour~~ charge identified in
7 subparagraph (A) of this paragraph (2) from the sum of the
8 cents-per-kilowatt-hour ~~kilowatthour~~ charges identified in
9 subparagraph (B) of this paragraph (2):

10 (A) The cents-per-kilowatt-hour ~~kilowatthour~~ charge
11 identified in the electric utility's tariff placed into
12 effect under Section 8-103 of the Public Utilities Act
13 that, on December 1, 2016, was applicable to those retail
14 customers that are exempt from ~~have opted out of~~
15 subsections (a) through (j) of Section 8-103B of this Act
16 under subsection (1) of Section 8-103B.

17 (B) The sum of the following cents-per-kilowatt-hour
18 ~~kilowatthour~~ charges applicable to those retail customers
19 that are exempt from ~~have opted out of~~ subsections (a)
20 through (j) of Section 8-103B of this Act under subsection
21 (1) of Section 8-103B, provided that if one or more of the
22 following charges has been in effect and applied to such
23 customers for more than one calendar year, then each
24 charge shall be equal to the average of the charges
25 applied over a period that commences with the calendar
26 year ending December 31, 2017 and ends with the most

1 recently completed calendar year prior to the calculation
2 required by this subsection (m):

3 (i) the cents-per-kilowatt-hour ~~kilowatthour~~
4 charge to recover the costs incurred by the utility
5 under subsection (d-5) of Section 1-75 of the Illinois
6 Power Agency Act, adjusted for any reductions required
7 under this subsection (m); and

8 (ii) the cents-per-kilowatt-hour ~~kilowatthour~~
9 charge to recover the costs incurred by the utility
10 under Section 16-107.6 of the Public Utilities Act.

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

14 (3) If a reduction is required by the calculation
15 performed under this subsection (m), then the amount of the
16 reduction shall be multiplied by the number of years reflected
17 in the averages calculated under subparagraph (B) of paragraph
18 (2) of this subsection (m). Such reduction shall be applied to
19 the cents-per-kilowatt-hour ~~kilowatthour~~ charge that is
20 applicable to those retail customers that are exempt from ~~have~~
21 ~~opted out of~~ subsections (a) through (j) of Section 8-103B of
22 this Act under subsection (l) of Section 8-103B beginning with
23 the next delivery year commencing after the date of the
24 calculation required by this subsection (m).

25 (4) The electric utility shall file a notice with the
26 Commission on May 1 of 2018 and each May 1 thereafter until May

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

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

10 (220 ILCS 5/16-111.5)

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

12 (a) An electric utility that on December 31, 2005 served
13 at least 100,000 customers in Illinois shall procure power and
14 energy for its eligible retail customers in accordance with
15 the applicable provisions set forth in Section 1-75 of the
16 Illinois Power Agency Act and this Section. Beginning with the
17 delivery year commencing on June 1, 2017, such electric
18 utility shall also procure zero emission credits from zero
19 emission facilities in accordance with the applicable
20 provisions set forth in Section 1-75 of the Illinois Power
21 Agency Act, and, for years beginning on or after June 1, 2017,
22 the utility shall procure renewable energy resources in
23 accordance with the applicable provisions set forth in Section
24 1-75 of the Illinois Power Agency Act and this Section.
25 ~~Beginning with the delivery year commencing on June 1, 2022,~~

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

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

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

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

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

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

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

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

16 and

17 (iv) growth forecasts by customer class.

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

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

26 (ii) supply side needs that are projected to be

1 offset by purchases of renewable energy resources, if
2 any.

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

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

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

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

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

1 requirements;

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

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

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

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

16 (iv) the proposed mix and selection of standard
17 wholesale products for which contracts will be
18 executed during the next year, separately or in
19 combination, to meet that portion of its load
20 requirements not met through pre-existing contracts,
21 including but not limited to monthly 5 x 16 peak period
22 block energy, monthly off-peak wrap energy, monthly 7
23 x 24 energy, annual 5 x 16 energy, ~~other standardized~~
24 ~~energy or capacity products designed to provide~~
25 ~~eligible retail customer benefits from commercially~~
26 ~~deployed advanced technologies including but not~~

1 ~~limited to high voltage direct current converter~~
2 ~~stations, as such term is defined in Section 1-10 of~~
3 ~~the Illinois Power Agency Act, whether or not such~~
4 ~~product is currently available in wholesale markets,~~
5 annual off-peak wrap energy, annual 7 x 24 energy,
6 monthly capacity, annual capacity, peak load capacity
7 obligations, capacity purchase plan, and ancillary
8 services;

9 (v) proposed term structures for each wholesale
10 product type included in the proposed procurement plan
11 portfolio of products; and

12 (vi) an assessment of the price risk, load
13 uncertainty, and other factors that are associated
14 with the proposed procurement plan; this assessment,
15 to the extent possible, shall include an analysis of
16 the following factors: contract terms, time frames for
17 securing products or services, fuel costs, weather
18 patterns, transmission costs, market conditions, and
19 the governmental regulatory environment; the proposed
20 procurement plan shall also identify alternatives for
21 those portfolio measures that are identified as having
22 significant price risk ~~and mitigation in the form of~~
23 ~~additional retail customer and ratepayer price,~~
24 ~~reliability, and environmental benefits from~~
25 ~~standardized energy products delivered from~~
26 ~~commercially deployed advanced technologies,~~

1 ~~including, but not limited to, high voltage direct~~
2 ~~current converter stations, as such term is defined in~~
3 ~~Section 1-10 of the Illinois Power Agency Act, whether~~
4 ~~or not such product is currently available in~~
5 ~~wholesale markets.~~

6 (4) Proposed procedures for balancing loads. The
7 procurement plan shall include, for load requirements
8 included in the procurement plan, the process for (i)
9 hourly balancing of supply and demand and (ii) the
10 criteria for portfolio re-balancing in the event of
11 significant shifts in load.

12 (5) Long-Term Renewable Resources Procurement Plan.
13 The Agency shall prepare a long-term renewable resources
14 procurement plan for the procurement of renewable energy
15 credits under Sections 1-56 and 1-75 of the Illinois Power
16 Agency Act for delivery beginning in the 2017 delivery
17 year.

18 (i) The initial long-term renewable resources
19 procurement plan and all subsequent revisions shall be
20 subject to review and approval by the Commission. For
21 the purposes of this Section, "delivery year" has the
22 same meaning as in Section 1-10 of the Illinois Power
23 Agency Act. For purposes of this Section, "Agency"
24 shall mean the Illinois Power Agency.

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

1 (A) Electric utilities shall provide a range
2 of load forecasts to the Illinois Power Agency
3 within 45 days of the Agency's request for
4 forecasts, which request shall specify the length
5 and conditions for the forecasts including, but
6 not limited to, the quantity of distributed
7 generation expected to be interconnected for each
8 year.

9 (B) The Agency shall publish for comment the
10 initial long-term renewable resources procurement
11 plan no later than 120 days after the effective
12 date of this amendatory Act of the 99th General
13 Assembly and shall review, and may revise, the
14 plan at least every 2 years thereafter. To the
15 extent practicable, the Agency shall review and
16 propose any revisions to the long-term renewable
17 energy resources procurement plan in conjunction
18 with the Agency's other planning and approval
19 processes conducted under this Section. The
20 initial long-term renewable resources procurement
21 plan shall:

22 (aa) Identify the procurement programs and
23 competitive procurement events consistent with
24 the applicable requirements of the Illinois
25 Power Agency Act and shall be designed to
26 achieve the goals set forth in subsection (c)

1 of Section 1-75 of that Act.

2 (bb) Include a schedule for procurements
3 for renewable energy credits from
4 utility-scale wind projects, utility-scale
5 solar projects, and brownfield site
6 photovoltaic projects consistent with
7 subparagraph (G) of paragraph (1) of
8 subsection (c) of Section 1-75 of the Illinois
9 Power Agency Act.

10 (cc) Identify the process whereby the
11 Agency will submit to the Commission for
12 review and approval the proposed contracts to
13 implement the programs required by such plan.

14 Copies of the initial long-term renewable
15 resources procurement plan and all subsequent
16 revisions shall be posted and made publicly
17 available on the Agency's and Commission's
18 websites, and copies shall also be provided to
19 each affected electric utility. An affected
20 utility and other interested parties shall have 45
21 days following the date of posting to provide
22 comment to the Agency on the initial long-term
23 renewable resources procurement plan and all
24 subsequent revisions. All comments submitted to
25 the Agency shall be specific, supported by data or
26 other detailed analyses, and, if objecting to all

1 or a portion of the procurement plan, accompanied
2 by specific alternative wording or proposals. All
3 comments shall be posted on the Agency's and
4 Commission's websites. During this 45-day comment
5 period, the Agency shall hold at least one public
6 hearing within each utility's service area that is
7 subject to the requirements of this paragraph (5)
8 for the purpose of receiving public comment.
9 Within 21 days following the end of the 45-day
10 review period, the Agency may revise the long-term
11 renewable resources procurement plan based on the
12 comments received and shall file the plan with the
13 Commission for review and approval.

14 (C) Within 14 days after the filing of the
15 initial long-term renewable resources procurement
16 plan or any subsequent revisions, any person
17 objecting to the plan may file an objection with
18 the Commission. Within 21 days after the filing of
19 the plan, the Commission shall determine whether a
20 hearing is necessary. The Commission shall enter
21 its order confirming or modifying the initial
22 long-term renewable resources procurement plan or
23 any subsequent revisions within 120 days after the
24 filing of the plan by the Illinois Power Agency.

25 (D) The Commission shall approve the initial
26 long-term renewable resources procurement plan and

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

16 ~~In approving any long term renewable resources~~
17 ~~procurement plan after the effective date of this~~
18 ~~amendatory Act of the 102nd General Assembly, the~~
19 ~~Commission shall approve or modify the Agency's~~
20 ~~proposal for minimum equity standards pursuant to~~
21 ~~subsection (c-10) of Section 1-75 of the Illinois~~
22 ~~Power Agency Act. The Commission shall consider~~
23 ~~any analysis performed by the Agency in developing~~
24 ~~its proposal, including past performance,~~
25 ~~availability of equity eligible contractors, and~~
26 ~~availability of equity eligible persons at the~~

1 ~~time the long-term renewable resources procurement~~
2 ~~plan is approved.~~

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

24 (iv) An electric utility shall recover its costs
25 associated with the procurement of renewable energy
26 credits under this Section ~~and pursuant to subsection~~

1 ~~(c-5) of Section 1-75 of the Illinois Power Agency Act~~
2 through an automatic adjustment clause tariff under
3 subsection (k) ~~or a tariff pursuant to subsection~~
4 ~~(i-5), as applicable,~~ of Section 16-108 of this Act. A
5 utility shall not be required to advance any payment
6 or pay any amounts under this Section that exceed the
7 actual amount of revenues collected by the utility
8 under paragraph (6) of subsection (c) of Section 1-75
9 of the Illinois Power Agency Act, ~~subsection (c-5) of~~
10 ~~Section 1-75 of the Illinois Power Agency Act,~~ and
11 subsection (k) ~~or subsection (i-5), as applicable,~~ of
12 Section 16-108 of this Act, and contracts executed
13 under this Section shall expressly incorporate this
14 limitation.

15 (v) For the public interest, safety, and welfare,
16 the Agency and the Commission may adopt rules to carry
17 out the provisions of this Section on an emergency
18 basis immediately following the effective date of this
19 amendatory Act of the 99th General Assembly.

20 (vi) On or before July 1 of each year, the
21 Commission shall hold an informal hearing for the
22 purpose of receiving comments on the prior year's
23 procurement process and any recommendations for
24 change.

25 (b-5) (Blank). ~~An electric utility that as of January 1,~~
26 ~~2019 served more than 300,000 retail customers in this State~~

1 ~~shall purchase renewable energy credits from new renewable~~
2 ~~energy facilities constructed at or adjacent to the sites of~~
3 ~~coal-fueled electric generating facilities in this State in~~
4 ~~accordance with subsection (c-5) of Section 1-75 of the~~
5 ~~Illinois Power Agency Act. Except as expressly provided in~~
6 ~~this Section, the plans and procedures for such procurements~~
7 ~~shall not be included in the procurement plans provided for in~~
8 ~~this Section, but rather shall be conducted and implemented~~
9 ~~solely in accordance with subsection (c-5) of Section 1-75 of~~
10 ~~the Illinois Power Agency Act.~~

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

- 1 (1) The procurement administrator shall:
- 2 (i) design the final procurement process in
3 accordance with Section 1-75 of the Illinois Power
4 Agency Act and subsection (e) of this Section
5 following Commission approval of the procurement plan;
- 6 (ii) develop benchmarks in accordance with
7 subsection (e)(3) to be used to evaluate bids; these
8 benchmarks shall be submitted to the Commission for
9 review and approval on a confidential basis prior to
10 the procurement event;
- 11 (iii) serve as the interface between the electric
12 utility and suppliers;
- 13 (iv) manage the bidder pre-qualification and
14 registration process;
- 15 (v) obtain the electric utilities' agreement to
16 the final form of all supply contracts and credit
17 collateral agreements;
- 18 (vi) administer the request for proposals process;
- 19 (vii) have the discretion to negotiate to
20 determine whether bidders are willing to lower the
21 price of bids that meet the benchmarks approved by the
22 Commission; any post-bid negotiations with bidders
23 shall be limited to price only and shall be completed
24 within 24 hours after opening the sealed bids and
25 shall be conducted in a fair and unbiased manner; in
26 conducting the negotiations, there shall be no

1 disclosure of any information derived from proposals
2 submitted by competing bidders; if information is
3 disclosed to any bidder, it shall be provided to all
4 competing bidders;

5 (viii) maintain confidentiality of supplier and
6 bidding information in a manner consistent with all
7 applicable laws, rules, regulations, and tariffs;

8 (ix) submit a confidential report to the
9 Commission recommending acceptance or rejection of
10 bids;

11 (x) notify the utility of contract counterparties
12 and contract specifics; and

13 (xi) administer related contingency procurement
14 events.

15 (2) The procurement monitor, who shall be retained by
16 the Commission, shall:

17 (i) monitor interactions among the procurement
18 administrator, suppliers, and utility;

19 (ii) monitor and report to the Commission on the
20 progress of the procurement process;

21 (iii) provide an independent confidential report
22 to the Commission regarding the results of the
23 procurement event;

24 (iv) assess compliance with the procurement plans
25 approved by the Commission for each utility that on
26 December 31, 2005 provided electric service to at

1 least 100,000 customers in Illinois and for each small
2 multi-jurisdictional utility that on December 31, 2005
3 served less than 100,000 customers in Illinois;

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

7 (vi) provide expert advice to the Commission and
8 consult with the procurement administrator regarding
9 issues related to procurement process design, rules,
10 protocols, and policy-related matters; and

11 (vii) consult with the procurement administrator
12 regarding the development and use of benchmark
13 criteria, standard form contracts, credit policies,
14 and bid documents.

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

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

1 utility shall provide supporting data and assumptions for
2 each of the scenarios.

3 (2) Beginning in 2008, the Illinois Power Agency shall
4 prepare a procurement plan by August 15th of each year, or
5 such other date as may be required by the Commission. The
6 procurement plan shall identify the portfolio of
7 demand-response and power and energy products to be
8 procured. Cost-effective demand-response measures shall be
9 procured as set forth in item (iii) of subsection (b) of
10 this Section. Copies of the procurement plan shall be
11 posted and made publicly available on the Agency's and
12 Commission's websites, and copies shall also be provided
13 to each affected electric utility. An affected utility
14 shall have 30 days following the date of posting to
15 provide comment to the Agency on the procurement plan.
16 Other interested entities also may comment on the
17 procurement plan. All comments submitted to the Agency
18 shall be specific, supported by data or other detailed
19 analyses, and, if objecting to all or a portion of the
20 procurement plan, accompanied by specific alternative
21 wording or proposals. All comments shall be posted on the
22 Agency's and Commission's websites. During this 30-day
23 comment period, the Agency shall hold at least one public
24 hearing within each utility's service area for the purpose
25 of receiving public comment on the procurement plan.
26 Within 14 days following the end of the 30-day review

1 period, the Agency shall revise the procurement plan as
2 necessary based on the comments received and file the
3 procurement plan with the Commission and post the
4 procurement plan on the websites.

5 (3) Within 5 days after the filing of the procurement
6 plan, any person objecting to the procurement plan shall
7 file an objection with the Commission. Within 10 days
8 after the filing, the Commission shall determine whether a
9 hearing is necessary. The Commission shall enter its order
10 confirming or modifying the procurement plan within 90
11 days after the filing of the procurement plan by the
12 Illinois Power Agency.

13 (4) The Commission shall approve the procurement plan,
14 including expressly the forecast used in the procurement
15 plan, if the Commission determines that it will ensure
16 adequate, reliable, affordable, efficient, and
17 environmentally sustainable electric service at the lowest
18 total cost over time, taking into account any benefits of
19 price stability.

20 (4.5) (Blank). ~~The Commission shall review the~~
21 ~~Agency's recommendations for the selection of applicants~~
22 ~~to enter into long term contracts for the sale and~~
23 ~~delivery of renewable energy credits from new renewable~~
24 ~~energy facilities to be constructed at or adjacent to the~~
25 ~~sites of coal-fueled electric generating facilities in~~
26 ~~this State in accordance with the provisions of subsection~~

1 ~~(c 5) of Section 1-75 of the Illinois Power Agency Act,~~
2 ~~and shall approve the Agency's recommendations if the~~
3 ~~Commission determines that the applicants recommended by~~
4 ~~the Agency for selection, the proposed new renewable~~
5 ~~energy facilities to be constructed, the amounts of~~
6 ~~renewable energy credits to be delivered pursuant to the~~
7 ~~contracts, and the other terms of the contracts, are~~
8 ~~consistent with the requirements of subsection (c 5) of~~
9 ~~Section 1-75 of the Illinois Power Agency Act.~~

10 (e) The procurement process shall include each of the
11 following components:

12 (1) Solicitation, pre-qualification, and registration
13 of bidders. The procurement administrator shall
14 disseminate information to potential bidders to promote a
15 procurement event, notify potential bidders that the
16 procurement administrator may enter into a post-bid price
17 negotiation with bidders that meet the applicable
18 benchmarks, provide supply requirements, and otherwise
19 explain the competitive procurement process. In addition
20 to such other publication as the procurement administrator
21 determines is appropriate, this information shall be
22 posted on the Illinois Power Agency's and the Commission's
23 websites. The procurement administrator shall also
24 administer the prequalification process, including
25 evaluation of credit worthiness, compliance with
26 procurement rules, and agreement to the standard form

1 contract developed pursuant to paragraph (2) of this
2 subsection (e). The procurement administrator shall then
3 identify and register bidders to participate in the
4 procurement event.

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

25 (3) Establishment of a market-based price benchmark.
26 As part of the development of the procurement process, the

1 procurement administrator, in consultation with the
2 Commission staff, Agency staff, and the procurement
3 monitor, shall establish benchmarks for evaluating the
4 final prices in the contracts for each of the products
5 that will be procured through the procurement process. The
6 benchmarks shall be based on price data for similar
7 products for the same delivery period and same delivery
8 hub, or other delivery hubs after adjusting for that
9 difference. The price benchmarks may also be adjusted to
10 take into account differences between the information
11 reflected in the underlying data sources and the specific
12 products and procurement process being used to procure
13 power for the Illinois utilities. The benchmarks shall be
14 confidential but shall be provided to, and will be subject
15 to Commission review and approval, prior to a procurement
16 event.

17 (4) Request for proposals competitive procurement
18 process. The procurement administrator shall design and
19 issue a request for proposals to supply electricity in
20 accordance with each utility's procurement plan, as
21 approved by the Commission. The request for proposals
22 shall set forth a procedure for sealed, binding commitment
23 bidding with pay-as-bid settlement, and provision for
24 selection of bids on the basis of price.

25 (5) A plan for implementing contingencies in the event
26 of supplier default or failure of the procurement process

1 to fully meet the expected load requirement due to
2 insufficient supplier participation, Commission rejection
3 of results, or any other cause.

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

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

23 (iii) In all cases where there is insufficient
24 supply provided under contracts awarded through the
25 procurement process to fully meet the electric
26 utility's load requirement, the utility shall meet the

1 load requirement by procuring power and energy from
2 the applicable regional transmission organization
3 market, including ancillary services, capacity, and
4 day-ahead or real time energy, or both; provided,
5 however, that if a needed product is not available
6 through the regional transmission organization market
7 it shall be purchased from the wholesale market.

8 (6) The procurement processes described in this
9 subsection and in subsection (c-5) of Section 1-75 of the
10 Illinois Power Agency Act are exempt from the requirements
11 of the Illinois Procurement Code, pursuant to Section
12 20-10 of that Code.

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

1 administrator and procurement monitor, and shall accept or
2 reject the recommendations of the procurement administrator
3 within 2 business days after receipt of the reports.

4 (g) Within 3 business days after the Commission decision
5 approving the results of a procurement event, the utility
6 shall enter into binding contractual arrangements with the
7 winning suppliers using the standard form contracts; except
8 that the utility shall not be required either directly or
9 indirectly to execute the contracts if a tariff that is
10 consistent with subsection (l) of this Section has not been
11 approved and placed into effect for that utility.

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

1 reports be admissible in any proceeding other than one for law
2 enforcement purposes. ~~For the procurement of standard~~
3 ~~wholesale products, the names of the successful bidders and~~
4 ~~the load weighted average of the winning bid prices for each~~
5 ~~contract type and for each contract term shall be made~~
6 ~~available to the public at the time of Commission approval of a~~
7 ~~procurement event. For procurements conducted to meet the~~
8 ~~requirements of subsection (b) of Section 1-56 or subsection~~
9 ~~(c) of Section 1-75 of the Illinois Power Agency Act governed~~
10 ~~by the provisions of this Section, the address and nameplate~~
11 ~~capacity of the new renewable energy generating facility~~
12 ~~proposed by a winning bidder shall also be made available to~~
13 ~~the public at the time of Commission approval of a procurement~~
14 ~~event, along with the business address and contact information~~
15 ~~for any winning bidder. An estimate or approximation of the~~
16 ~~nameplate capacity of the new renewable energy generating~~
17 ~~facility may be disclosed if necessary to protect the~~
18 ~~confidentiality of individual bid prices.~~

19 ~~The Commission, the procurement monitor, the procurement~~
20 ~~administrator, the Illinois Power Agency, and all participants~~
21 ~~in the procurement process shall maintain the confidentiality~~
22 ~~of all other supplier and bidding information in a manner~~
23 ~~consistent with all applicable laws, rules, regulations, and~~
24 ~~tariffs. Confidential information, including the confidential~~
25 ~~reports submitted by the procurement administrator and~~
26 ~~procurement monitor pursuant to subsection (f) of this~~

1 ~~Section, shall not be made publicly available and shall not be~~
2 ~~discoverable by any party in any proceeding, absent a~~
3 ~~compelling demonstration of need, nor shall those reports be~~
4 ~~admissible in any proceeding other than one for law~~
5 ~~enforcement purposes.~~

6 (i) Within 2 business days after a Commission decision
7 approving the results of a procurement event or such other
8 date as may be required by the Commission from time to time,
9 the utility shall file for informational purposes with the
10 Commission its actual or estimated retail supply charges, as
11 applicable, by customer supply group reflecting the costs
12 associated with the procurement and computed in accordance
13 with the tariffs filed pursuant to subsection (l) of this
14 Section and approved by the Commission.

15 (j) Within 60 days following August 28, 2007 (the
16 effective date of Public Act 95-481), each electric utility
17 that on December 31, 2005 provided electric service to at
18 least 100,000 customers in Illinois shall prepare and file
19 with the Commission an initial procurement plan, which shall
20 conform in all material respects to the requirements of the
21 procurement plan set forth in subsection (b); provided,
22 however, that the Illinois Power Agency Act shall not apply to
23 the initial procurement plan prepared pursuant to this
24 subsection. The initial procurement plan shall identify the
25 portfolio of power and energy products to be procured and
26 delivered for the period June 2008 through May 2009, and shall

1 identify the proposed procurement administrator, who shall
2 have the same experience and expertise as is required of a
3 procurement administrator hired pursuant to Section 1-75 of
4 the Illinois Power Agency Act. Copies of the procurement plan
5 shall be posted and made publicly available on the
6 Commission's website. The initial procurement plan may include
7 contracts for renewable resources that extend beyond May 2009.

8 (i) Within 14 days following filing of the initial
9 procurement plan, any person may file a detailed objection
10 with the Commission contesting the procurement plan
11 submitted by the electric utility. All objections to the
12 electric utility's plan shall be specific, supported by
13 data or other detailed analyses. The electric utility may
14 file a response to any objections to its procurement plan
15 within 7 days after the date objections are due to be
16 filed. Within 7 days after the date the utility's response
17 is due, the Commission shall determine whether a hearing
18 is necessary. If it determines that a hearing is
19 necessary, it shall require the hearing to be completed
20 and issue an order on the procurement plan within 60 days
21 after the filing of the procurement plan by the electric
22 utility.

23 (ii) The order shall approve or modify the procurement
24 plan, approve an independent procurement administrator,
25 and approve or modify the electric utility's tariffs that
26 are proposed with the initial procurement plan. The

1 Commission shall approve the procurement plan if the
2 Commission determines that it will ensure adequate,
3 reliable, affordable, efficient, and environmentally
4 sustainable electric service at the lowest total cost over
5 time, taking into account any benefits of price stability.

6 (k) (Blank).

7 (k-5) (Blank).

8 (l) An electric utility shall recover its costs incurred
9 under this Section ~~and subsection (c-5) of Section 1-75 of the~~
10 ~~Illinois Power Agency Act~~, including, but not limited to, the
11 costs of procuring power and energy demand-response resources
12 under this Section ~~and its costs for purchasing renewable~~
13 ~~energy credits pursuant to subsection (c-5) of Section 1-75 of~~
14 ~~the Illinois Power Agency Act~~. The utility shall file with the
15 initial procurement plan its proposed tariffs through which
16 its costs of procuring power that are incurred pursuant to a
17 Commission-approved procurement plan and those other costs
18 identified in this subsection (l), will be recovered. The
19 tariffs shall include a formula rate or charge designed to
20 pass through both the costs incurred by the utility in
21 procuring a supply of electric power and energy for the
22 applicable customer classes with no mark-up or return on the
23 price paid by the utility for that supply, plus any just and
24 reasonable costs that the utility incurs in arranging and
25 providing for the supply of electric power and energy. The
26 formula rate or charge shall also contain provisions that

1 ensure that its application does not result in over or under
2 recovery due to changes in customer usage and demand patterns,
3 and that provide for the correction, on at least an annual
4 basis, of any accounting errors that may occur. A utility
5 shall recover through the tariff all reasonable costs incurred
6 to implement or comply with any procurement plan that is
7 developed and put into effect pursuant to Section 1-75 of the
8 Illinois Power Agency Act and this Section, ~~and for the~~
9 ~~procurement of renewable energy credits pursuant to subsection~~
10 ~~(c 5) of Section 1-75 of the Illinois Power Agency Act,~~
11 including any fees assessed by the Illinois Power Agency,
12 costs associated with load balancing, and contingency plan
13 costs. The electric utility shall also recover its full costs
14 of procuring electric supply for which it contracted before
15 the effective date of this Section in conjunction with the
16 provision of full requirements service under fixed-price
17 bundled service tariffs subsequent to December 31, 2006. All
18 such costs shall be deemed to have been prudently incurred.
19 The pass-through tariffs that are filed and approved pursuant
20 to this Section shall not be subject to review under, or in any
21 way limited by, Section 16-111(i) of this Act. All of the costs
22 incurred by the electric utility associated with the purchase
23 of zero emission credits in accordance with subsection (d-5)
24 of Section 1-75 of the Illinois Power Agency Act, ~~all costs~~
25 ~~incurred by the electric utility associated with the purchase~~
26 ~~of carbon mitigation credits in accordance with subsection~~

1 ~~(d-10) of Section 1-75 of the Illinois Power Agency Act,~~ and,
2 beginning June 1, 2017, all of the costs incurred by the
3 electric utility associated with the purchase of renewable
4 energy resources in accordance with Sections 1-56 and 1-75 of
5 the Illinois Power Agency Act, ~~and all of the costs incurred by~~
6 ~~the electric utility in purchasing renewable energy credits in~~
7 ~~accordance with subsection (c-5) of Section 1-75 of the~~
8 ~~Illinois Power Agency Act,~~ shall be recovered through the
9 electric utility's tariffed charges applicable to all of its
10 retail customers, as specified in subsection (k) ~~or subsection~~
11 ~~(i-5), as applicable,~~ of Section 16-108 of this Act, and shall
12 not be recovered through the electric utility's tariffed
13 charges for electric power and energy supply to its eligible
14 retail customers.

15 (m) The Commission has the authority to adopt rules to
16 carry out the provisions of this Section. For the public
17 interest, safety, and welfare, the Commission also has
18 authority to adopt rules to carry out the provisions of this
19 Section on an emergency basis immediately following August 28,
20 2007 (the effective date of Public Act 95-481).

21 (n) Notwithstanding any other provision of this Act, any
22 affiliated electric utilities that submit a single procurement
23 plan covering their combined needs may procure for those
24 combined needs in conjunction with that plan, and may enter
25 jointly into power supply contracts, purchases, and other
26 procurement arrangements, and allocate capacity and energy and

1 cost responsibility therefor among themselves in proportion to
2 their requirements.

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

7 (p) An electric utility subject to this Section may
8 propose to invest, lease, own, or operate an electric
9 generation facility as part of its procurement plan, provided
10 the utility demonstrates that such facility is the least-cost
11 option to provide electric service to those retail customers
12 included in the plan's electric supply service requirements.
13 If the facility is shown to be the least-cost option and is
14 included in a procurement plan prepared in accordance with
15 Section 1-75 of the Illinois Power Agency Act and this
16 Section, then the electric utility shall make a filing
17 pursuant to Section 8-406 of this Act, and may request of the
18 Commission any statutory relief required thereunder. If the
19 Commission grants all of the necessary approvals for the
20 proposed facility, such supply shall thereafter be considered
21 as a pre-existing contract under subsection (b) of this
22 Section. The Commission shall in any order approving a
23 proposal under this subsection specify how the utility will
24 recover the prudently incurred costs of investing in, leasing,
25 owning, or operating such generation facility through just and
26 reasonable rates charged to those retail customers included in

1 the plan's electric supply service requirements. Cost recovery
2 for facilities included in the utility's procurement plan
3 pursuant to this subsection shall not be subject to review
4 under or in any way limited by the provisions of Section
5 16-111(i) of this Act. Nothing in this Section is intended to
6 prohibit a utility from filing for a fuel adjustment clause as
7 is otherwise permitted under Section 9-220 of this Act.

8 (q) If the Illinois Power Agency filed with the
9 Commission, under Section 16-111.5 of this Act, its proposed
10 procurement plan for the period commencing June 1, 2017, and
11 the Commission has not yet entered its final order approving
12 the plan on or before the effective date of this amendatory Act
13 of the 99th General Assembly, then the Illinois Power Agency
14 shall file a notice of withdrawal with the Commission, after
15 the effective date of this amendatory Act of the 99th General
16 Assembly, to withdraw the proposed procurement of renewable
17 energy resources to be approved under the plan, other than the
18 procurement of renewable energy credits from distributed
19 renewable energy generation devices using funds previously
20 collected from electric utilities' retail customers that take
21 service pursuant to electric utilities' hourly pricing tariff
22 or tariffs and, for an electric utility that serves less than
23 100,000 retail customers in the State, other than the
24 procurement of renewable energy credits from distributed
25 renewable energy generation devices. Upon receipt of the
26 notice, the Commission shall enter an order that approves the

1 withdrawal of the proposed procurement of renewable energy
2 resources from the plan. The initially proposed procurement of
3 renewable energy resources shall not be approved or be the
4 subject of any further hearing, investigation, proceeding, or
5 order of any kind.

6 This amendatory Act of the 99th General Assembly preempts
7 and supersedes any order entered by the Commission that
8 approved the Illinois Power Agency's procurement plan for the
9 period commencing June 1, 2017, to the extent it is
10 inconsistent with the provisions of this amendatory Act of the
11 99th General Assembly. To the extent any previously entered
12 order approved the procurement of renewable energy resources,
13 the portion of that order approving the procurement shall be
14 void, other than the procurement of renewable energy credits
15 from distributed renewable energy generation devices using
16 funds previously collected from electric utilities' retail
17 customers that take service under electric utilities' hourly
18 pricing tariff or tariffs and, for an electric utility that
19 serves less than 100,000 retail customers in the State, other
20 than the procurement of renewable energy credits for
21 distributed renewable energy generation devices.

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

23 Section 30. The Environmental Protection Act is amended by
24 changing Section 9.15 as follows:

1 (415 ILCS 5/9.15)

2 Sec. 9.15. Greenhouse gases.

3 (a) An air pollution construction permit shall not be
4 required due to emissions of greenhouse gases if the
5 equipment, site, or source is not subject to regulation, as
6 defined by 40 CFR 52.21, as now or hereafter amended, for
7 greenhouse gases. This exemption does ~~or is otherwise not~~
8 ~~addressed in this Section or by the Board in regulations for~~
9 ~~greenhouse gases. These exemptions do~~ not relieve an owner or
10 operator from the obligation to comply with other applicable
11 rules or regulations.

12 (b) An air pollution operating permit shall not be
13 required due to emissions of greenhouse gases if the
14 equipment, site, or source is not subject to regulation, as
15 defined by Section 39.5 of this Act, for greenhouse gases.
16 This exemption does ~~or is otherwise not~~ addressed in this
17 ~~Section or by the Board in regulations for greenhouse gases.~~
18 ~~These exemptions do~~ not relieve an owner or operator from the
19 obligation to comply with other applicable rules or
20 regulations.

21 (c) Notwithstanding any provision to the contrary in this
22 Section, an air pollution construction or operating permit
23 shall not be required due to emissions of greenhouse gases if
24 any of the following events occur: ~~(Blank).~~

25 (1) enactment of federal legislation depriving the
26 Administrator of the USEPA of authority to regulate

1 greenhouse gases under the Clean Air Act;

2 (2) the issuance of any opinion, ruling, judgment,
3 order, or decree by a federal court depriving the
4 Administrator of the USEPA of authority to regulate
5 greenhouse gases under the Clean Air Act; or

6 (3) action by the President of the United States or
7 the President's authorized agent, including the
8 Administrator of the USEPA, to repeal or withdraw the
9 Greenhouse Gas Tailoring Rule (75 Fed. Reg. 31514, June 3,
10 2010).

11 This subsection (c) does not relieve an owner or operator
12 from the obligation to comply with applicable rules or
13 regulations other than those relating to greenhouse gases.

14 (d) If any event listed in subsection (c) of this Section
15 occurs, permits issued after such event shall not impose
16 permit terms or conditions addressing greenhouse gases during
17 the effectiveness of any event listed in subsection (c).

18 ~~(Blank).~~

19 (e) If an event listed in subsection (c) of this Section
20 occurs, any owner or operator with a permit that includes
21 terms or conditions addressing greenhouse gases may elect to
22 submit an application to the Agency to address a revision or
23 repeal of such terms or conditions. The Agency shall
24 expeditiously process such permit application in accordance
25 with applicable laws and regulations. ~~(Blank).~~

26 (f) (Blank). As used in this Section:

1 ~~"Carbon dioxide emission" means the plant annual CO₂ total~~
2 ~~output emission as measured by the United States Environmental~~
3 ~~Protection Agency in its Emissions & Generation Resource~~
4 ~~Integrated Database (eGrid), or its successor.~~

5 ~~"Carbon dioxide equivalent emissions" or "CO₂e" means the~~
6 ~~sum total of the mass amount of emissions in tons per year,~~
7 ~~calculated by multiplying the mass amount of each of the 6~~
8 ~~greenhouse gases specified in Section 3.207, in tons per year,~~
9 ~~by its associated global warming potential as set forth in 40~~
10 ~~CFR 98, subpart A, table A 1 or its successor, and then adding~~
11 ~~them all together.~~

12 ~~"Cogeneration" or "combined heat and power" refers to any~~
13 ~~system that, either simultaneously or sequentially, produces~~
14 ~~electricity and useful thermal energy from a single fuel~~
15 ~~source.~~

16 ~~"Copollutants" refers to the 6 criteria pollutants that~~
17 ~~have been identified by the United States Environmental~~
18 ~~Protection Agency pursuant to the Clean Air Act.~~

19 ~~"Electric generating unit" or "EGU" means a fossil~~
20 ~~fuel-fired stationary boiler, combustion turbine, or combined~~
21 ~~cycle system that serves a generator that has a nameplate~~
22 ~~capacity greater than 25 MWe and produces electricity for~~
23 ~~sale.~~

24 ~~"Environmental justice community" means the definition of~~
25 ~~that term based on existing methodologies and findings, used~~
26 ~~and as may be updated by the Illinois Power Agency and its~~

1 ~~program administrator in the Illinois Solar for All Program.~~

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

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

13 ~~(2) areas where residents have been historically~~
14 ~~subject to disproportionate burdens of pollution,~~
15 ~~including pollution from the energy sector, as established~~
16 ~~by environmental justice communities as defined by the~~
17 ~~Illinois Power Agency pursuant to the Illinois Power~~
18 ~~Agency Act, excluding any racial or ethnic indicators.~~

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

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

26 ~~(2) persons whose primary residence is in a~~

1 ~~municipality, or a county with a population under 100,000,~~
2 ~~where the closure of an electric generating unit or mine~~
3 ~~has been publicly announced or the electric generating~~
4 ~~unit or mine is in the process of closing or closed within~~
5 ~~the last 5 years;~~

6 ~~(3) persons who are graduates of or currently enrolled~~
7 ~~in the foster care system; or~~

8 ~~(4) persons who were formerly incarcerated.~~

9 ~~"Existing emissions" means:~~

10 ~~(1) for CO₂e, the total average tons per year of CO₂e~~
11 ~~emitted by the EGU or large GHG emitting unit either in~~
12 ~~the years 2018 through 2020 or, if the unit was not yet in~~
13 ~~operation by January 1, 2018, in the first 3 full years of~~
14 ~~that unit's operation; and~~

15 ~~(2) for any copollutant, the total average~~
16 ~~tons per year of that copollutant emitted by the EGU or~~
17 ~~large GHG emitting unit either in the years 2018 through~~
18 ~~2020 or, if the unit was not yet in operation by January 1,~~
19 ~~2018, in the first 3 full years of that unit's operation.~~

20 ~~"Green hydrogen" means a power plant technology in which~~
21 ~~an EGU creates electric power exclusively from electrolytic~~
22 ~~hydrogen, in a manner that produces zero carbon and~~
23 ~~copollutant emissions, using hydrogen fuel that is~~
24 ~~electrolyzed using a 100% renewable zero carbon emission~~
25 ~~energy source.~~

26 ~~"Large greenhouse gas emitting unit" or "large~~

1 ~~GHG emitting unit" means a unit that is an electric generating~~
2 ~~unit or other fossil fuel fired unit that itself has a~~
3 ~~nameplate capacity or serves a generator that has a nameplate~~
4 ~~capacity greater than 25 MWe and that produces electricity,~~
5 ~~including, but not limited to, coal fired, coal derived,~~
6 ~~oil fired, natural gas fired, and cogeneration units.~~

7 ~~"NO_x emission rate" means the plant annual NO_x total output~~
8 ~~emission rate as measured by the United States Environmental~~
9 ~~Protection Agency in its Emissions & Generation Resource~~
10 ~~Integrated Database (eGrid), or its successor, in the most~~
11 ~~recent year for which data is available.~~

12 ~~"Public greenhouse gas emitting units" or "public~~
13 ~~GHG emitting unit" means large greenhouse gas emitting units,~~
14 ~~including EGUs, that are wholly owned, directly or indirectly,~~
15 ~~by one or more municipalities, municipal corporations, joint~~
16 ~~municipal electric power agencies, electric cooperatives, or~~
17 ~~other governmental or nonprofit entities, whether organized~~
18 ~~and created under the laws of Illinois or another state.~~

19 ~~"SO₂ emission rate" means the "plant annual SO₂ total~~
20 ~~output emission rate" as measured by the United States~~
21 ~~Environmental Protection Agency in its Emissions & Generation~~
22 ~~Resource Integrated Database (eGrid), or its successor, in the~~
23 ~~most recent year for which data is available.~~

24 (g) (Blank). ~~All EGUs and large greenhouse gas emitting~~
25 ~~units that use coal or oil as a fuel and are not public~~
26 ~~GHG emitting units shall permanently reduce all CO₂e and~~

1 ~~copollutant emissions to zero no later than January 1, 2030.~~

2 (h) (Blank). ~~All EGUs and large greenhouse gas emitting~~
3 ~~units that use coal as a fuel and are public GHG emitting units~~
4 ~~shall permanently reduce CO₂e emissions to zero no later than~~
5 ~~December 31, 2045. Any source or plant with such units must~~
6 ~~also reduce their CO₂e emissions by 45% from existing~~
7 ~~emissions by no later than January 1, 2035. If the emissions~~
8 ~~reduction requirement is not achieved by December 31, 2035,~~
9 ~~the plant shall retire one or more units or otherwise reduce~~
10 ~~its CO₂e emissions by 45% from existing emissions by June 30,~~
11 ~~2038.~~

12 (i) (Blank). ~~All EGUs and large greenhouse gas emitting~~
13 ~~units that use gas as a fuel and are not public GHG emitting~~
14 ~~units shall permanently reduce all CO₂e and copollutant~~
15 ~~emissions to zero, including through unit retirement or the~~
16 ~~use of 100% green hydrogen or other similar technology that is~~
17 ~~commercially proven to achieve zero carbon emissions,~~
18 ~~according to the following:~~

19 ~~(1) No later than January 1, 2030: all EGUs and large~~
20 ~~greenhouse gas emitting units that have a NO_x emissions~~
21 ~~rate of greater than 0.12 lbs/MWh or a SO₂ emission rate of~~
22 ~~greater than 0.006 lb/MWh, and are located in or within 3~~
23 ~~miles of an environmental justice community designated as~~
24 ~~of January 1, 2021 or an equity investment eligible~~
25 ~~community.~~

26 ~~(2) No later than January 1, 2040: all EGUs and large~~

~~greenhouse gas emitting units that have a NO_x emission rate of greater than 0.12 lbs/MWh or a SO₂ emission rate greater than 0.006 lb/MWh, and are not located in or within 3 miles of an environmental justice community designated as of January 1, 2021 or an equity investment eligible community. After January 1, 2035, each such EGU and large greenhouse gas emitting unit shall reduce its CO₂e emissions by at least 50% from its existing emissions for CO₂e, and shall be limited in operation to, on average, 6 hours or less per day, measured over a calendar year, and shall not run for more than 24 consecutive hours except in emergency conditions, as designated by a Regional Transmission Organization or Independent System Operator.~~

~~(3) No later than January 1, 2035: all EGUs and large greenhouse gas emitting units that began operation prior to the effective date of this amendatory Act of the 102nd General Assembly and have a NO_x emission rate of less than or equal to 0.12 lb/MWh and a SO₂ emission rate less than or equal to 0.006 lb/MWh, and are located in or within 3 miles of an environmental justice community designated as of January 1, 2021 or an equity investment eligible community. Each such EGU and large greenhouse gas emitting unit shall reduce its CO₂e emissions by at least 50% from its existing emissions for CO₂e no later than January 1, 2030.~~

~~(4) No later than January 1, 2040: All remaining EGUs~~

1 ~~and large greenhouse gas emitting units that have a heat~~
2 ~~rate greater than or equal to 7000 BTU/kWh. Each such EGU~~
3 ~~and large greenhouse gas emitting unit shall reduce its~~
4 ~~CO₂e emissions by at least 50% from its existing emissions~~
5 ~~for CO₂e no later than January 1, 2035.~~

6 ~~(5) No later than January 1, 2045: all remaining EGUs~~
7 ~~and large greenhouse gas emitting units.~~

8 (j) (Blank). ~~All EGUs and large greenhouse gas emitting~~
9 ~~units that use gas as a fuel and are public GHG emitting units~~
10 ~~shall permanently reduce all CO₂e and copollutant emissions to~~
11 ~~zero, including through unit retirement or the use of 100%~~
12 ~~green hydrogen or other similar technology that is~~
13 ~~commercially proven to achieve zero carbon emissions by~~
14 ~~January 1, 2045.~~

15 (k) (Blank). ~~All EGUs and large greenhouse gas emitting~~
16 ~~units that utilize combined heat and power or cogeneration~~
17 ~~technology shall permanently reduce all CO₂e and copollutant~~
18 ~~emissions to zero, including through unit retirement or the~~
19 ~~use of 100% green hydrogen or other similar technology that is~~
20 ~~commercially proven to achieve zero carbon emissions by~~
21 ~~January 1, 2045.~~

22 (k-5) (Blank). ~~No EGU or large greenhouse gas emitting~~
23 ~~unit that uses gas as a fuel and is not a public GHG emitting~~
24 ~~unit may emit, in any 12-month period, CO₂e or copollutants in~~
25 ~~excess of that unit's existing emissions for those pollutants.~~

26 (l) (Blank). ~~Notwithstanding subsections (g) through~~

1 ~~(k-5), large GHG emitting units including EGUs may temporarily~~
2 ~~continue emitting CO₂e and copollutants after any applicable~~
3 ~~deadline specified in any of subsections (g) through (k-5) if~~
4 ~~it has been determined, as described in paragraphs (1) and (2)~~
5 ~~of this subsection, that ongoing operation of the EGU is~~
6 ~~necessary to maintain power grid supply and reliability or~~
7 ~~ongoing operation of large GHG emitting unit that is not an~~
8 ~~EGU is necessary to serve as an emergency backup to~~
9 ~~operations. Up to and including the occurrence of an emission~~
10 ~~reduction deadline under subsection (i), all EGUs and large~~
11 ~~GHG emitting units must comply with the following terms:~~

12 ~~(1) if an EGU or large GHG emitting unit that is a~~
13 ~~participant in a regional transmission organization~~
14 ~~intends to retire, it must submit documentation to the~~
15 ~~appropriate regional transmission organization by the~~
16 ~~appropriate deadline that meets all applicable regulatory~~
17 ~~requirements necessary to obtain approval to permanently~~
18 ~~cease operating the large GHG emitting unit;~~

19 ~~(2) if any EGU or large GHG emitting unit that is a~~
20 ~~participant in a regional transmission organization~~
21 ~~receives notice that the regional transmission~~
22 ~~organization has determined that continued operation of~~
23 ~~the unit is required, the unit may continue operating~~
24 ~~until the issue identified by the regional transmission~~
25 ~~organization is resolved. The owner or operator of the~~
26 ~~unit must cooperate with the regional transmission~~

1 ~~organization in resolving the issue and must reduce its~~
2 ~~emissions to zero, consistent with the requirements under~~
3 ~~subsection (g), (h), (i), (j), (k), or (k-5), as~~
4 ~~applicable, as soon as practicable when the issue~~
5 ~~identified by the regional transmission organization is~~
6 ~~resolved; and~~

7 ~~(3) any large GHG emitting unit that is not a~~
8 ~~participant in a regional transmission organization shall~~
9 ~~be allowed to continue emitting CO₂e and copollutants~~
10 ~~after the zero emission date specified in subsection (g),~~
11 ~~(h), (i), (j), (k), or (k-5), as applicable, in the~~
12 ~~capacity of an emergency backup unit if approved by the~~
13 ~~Illinois Commerce Commission.~~

14 (m) (Blank). ~~No variance, adjusted standard, or other~~
15 ~~regulatory relief otherwise available in this Act may be~~
16 ~~granted to the emissions reduction and elimination obligations~~
17 ~~in this Section.~~

18 (n) (Blank). ~~By June 30 of each year, beginning in 2025,~~
19 ~~the Agency shall prepare and publish on its website a report~~
20 ~~setting forth the actual greenhouse gas emissions from~~
21 ~~individual units and the aggregate statewide emissions from~~
22 ~~all units for the prior year.~~

23 (o) (Blank). ~~Every 5 years beginning in 2025, the~~
24 ~~Environmental Protection Agency, Illinois Power Agency, and~~
25 ~~Illinois Commerce Commission shall jointly prepare, and~~
26 ~~release publicly, a report to the General Assembly that~~

~~examines the State's current progress toward its renewable energy resource development goals, the status of CO₂e and copollutant emissions reductions, the current status and progress toward developing and implementing green hydrogen technologies, the current and projected status of electric resource adequacy and reliability throughout the State for the period beginning 5 years ahead, and proposed solutions for any findings. The Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission shall consult PJM Interconnection, LLC and Midcontinent Independent System Operator, Inc., or their respective successor organizations regarding forecasted resource adequacy and reliability needs, anticipated new generation interconnection, new transmission development or upgrades, and any announced large GHG emitting unit closure dates and include this information in the report. The report shall be released publicly by no later than December 15 of the year it is prepared. If the Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission jointly conclude in the report that the data from the regional grid operators, the pace of renewable energy development, the pace of development of energy storage and demand response utilization, transmission capacity, and the CO₂e and copollutant emissions reductions required by subsection (i) or (k-5) reasonably demonstrate that a resource adequacy shortfall will occur, including whether there will be sufficient in state capacity to meet the zonal requirements of~~

1 ~~MISO Zone 4 or the PJM ComEd Zone, per the requirements of the~~
2 ~~regional transmission organizations, or that the regional~~
3 ~~transmission operators determine that a reliability violation~~
4 ~~will occur during the time frame the study is evaluating, then~~
5 ~~the Illinois Power Agency, in conjunction with the~~
6 ~~Environmental Protection Agency shall develop a plan to reduce~~
7 ~~or delay CO₂e and copollutant emissions reductions~~
8 ~~requirements only to the extent and for the duration necessary~~
9 ~~to meet the resource adequacy and reliability needs of the~~
10 ~~State, including allowing any plants whose emission reduction~~
11 ~~deadline has been identified in the plan as creating a~~
12 ~~reliability concern to continue operating, including operating~~
13 ~~with reduced emissions or as emergency backup where~~
14 ~~appropriate. The plan shall also consider the use of renewable~~
15 ~~energy, energy storage, demand response, transmission~~
16 ~~development, or other strategies to resolve the identified~~
17 ~~resource adequacy shortfall or reliability violation.~~

18 ~~(1) In developing the plan, the Environmental~~
19 ~~Protection Agency and the Illinois Power Agency shall hold~~
20 ~~at least one workshop open to, and accessible at a time and~~
21 ~~place convenient to, the public and shall consider any~~
22 ~~comments made by stakeholders or the public. Upon~~
23 ~~development of the plan, copies of the plan shall be~~
24 ~~posted and made publicly available on the Environmental~~
25 ~~Protection Agency's, the Illinois Power Agency's, and the~~
26 ~~Illinois Commerce Commission's websites. All interested~~

1 ~~parties shall have 60 days following the date of posting~~
2 ~~to provide comment to the Environmental Protection Agency~~
3 ~~and the Illinois Power Agency on the plan. All comments~~
4 ~~submitted to the Environmental Protection Agency and the~~
5 ~~Illinois Power Agency shall be encouraged to be specific,~~
6 ~~supported by data or other detailed analyses, and, if~~
7 ~~objecting to all or a portion of the plan, accompanied by~~
8 ~~specific alternative wording or proposals. All comments~~
9 ~~shall be posted on the Environmental Protection Agency's,~~
10 ~~the Illinois Power Agency's, and the Illinois Commerce~~
11 ~~Commission's websites. Within 30 days following the end of~~
12 ~~the 60 day review period, the Environmental Protection~~
13 ~~Agency and the Illinois Power Agency shall revise the plan~~
14 ~~as necessary based on the comments received and file its~~
15 ~~revised plan with the Illinois Commerce Commission for~~
16 ~~approval.~~

17 ~~(2) Within 60 days after the filing of the revised~~
18 ~~plan at the Illinois Commerce Commission, any person~~
19 ~~objecting to the plan shall file an objection with the~~
20 ~~Illinois Commerce Commission. Within 30 days after the~~
21 ~~expiration of the comment period, the Illinois Commerce~~
22 ~~Commission shall determine whether an evidentiary hearing~~
23 ~~is necessary. The Illinois Commerce Commission shall also~~
24 ~~host 3 public hearings within 90 days after the plan is~~
25 ~~filed. Following the evidentiary and public hearings, the~~
26 ~~Illinois Commerce Commission shall enter its order~~

1 ~~approving or approving with modifications the reliability~~
2 ~~mitigation plan within 180 days.~~

3 ~~(3) The Illinois Commerce Commission shall only~~
4 ~~approve the plan if the Illinois Commerce Commission~~
5 ~~determines that it will resolve the resource adequacy or~~
6 ~~reliability deficiency identified in the reliability~~
7 ~~mitigation plan at the least amount of CO₂e and copollutant~~
8 ~~emissions, taking into consideration the emissions impacts~~
9 ~~on environmental justice communities, and that it will~~
10 ~~ensure adequate, reliable, affordable, efficient, and~~
11 ~~environmentally sustainable electric service at the lowest~~
12 ~~total cost over time, taking into account the impact of~~
13 ~~increases in emissions.~~

14 ~~(4) If the resource adequacy or reliability deficiency~~
15 ~~identified in the reliability mitigation plan is resolved~~
16 ~~or reduced, the Environmental Protection Agency and the~~
17 ~~Illinois Power Agency may file an amended plan adjusting~~
18 ~~the reduction or delay in CO₂e and copollutant emission~~
19 ~~reduction requirements identified in the plan.~~

20 (Source: P.A. 102-662, eff. 9-15-21; 102-1031, eff. 5-27-22.)