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1 AMENDMENT TO SENATE BILL 1534

2 AMENDMENT NO. _____. Amend Senate Bill 1534 by replacing
3 everything after the enacting clause with the following:

4 "Article 5. Energy Transition

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

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

9 "Department" means the Department of Commerce and Economic
10 Opportunity, unless the text solely specifies a particular
11 Department.

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

15 "Apprenticeship program" means an apprenticeship and

1 training program approved by and registered with the United
2 States Department of Labor's Bureau of Apprenticeship and
3 Training.

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

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

7 (2) includes community colleges, non-profits, and
8 local governments;

9 (3) has at least one main operating office in the
10 community or region it serves; and

11 (4) demonstrates relationships with local residents
12 and other organizations serving the community.

13 "Director" means the Director of Commerce and Economic
14 Opportunity.

15 "Equity eligible contractor" or "eligible contractor"
16 means:

17 (1) a business that is majority-owned by equity
18 investment eligible individuals or persons who are or have
19 been participants in the Clean Jobs Workforce Network
20 Program, Clean Energy Contractor Incubator Program,
21 Returning Residents Clean Jobs Training Program, or Clean
22 Energy Primes Contractor Accelerator Program;

23 (2) a nonprofit or cooperative that is
24 majority-governed by equity investment eligible
25 individuals or persons who are or have been participants
26 in the Clean Jobs Workforce Network Program, Clean Energy

1 Contractor Incubator Program, Returning Residents Clean
2 Jobs Training Program, or Clean Energy Primes Contractor
3 Accelerator Program, persons who are current or former
4 participants in the Clean Jobs Workforce Network Program,
5 Clean Energy Contractor Incubator Program, Returning
6 Residents Clean Jobs Training Program, or Clean Energy
7 Primes Contractor Accelerator Program; or

8 (3) an equity investment eligible person who is or has
9 been a participant in the Clean Jobs Workforce Network
10 Program, Clean Energy Contractor Incubator Program,
11 Returning Residents Clean Jobs Training Program or Clean
12 Energy Primes Contractor Accelerator Program and who is
13 offering personal services as an independent contractor.

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

23 "Equity investment eligible community" or "eligible
24 community" means the geographic areas throughout Illinois
25 which would most benefit from equitable investments by the
26 State designed to combat discrimination and foster sustainable

1 economic growth. Specifically, "eligible community" means the
2 following areas:

3 (1) areas where residents have been historically
4 excluded from economic opportunities, including
5 opportunities in the energy sector, as defined in the
6 Cannabis Regulation and Tax Act; and

7 (2) areas where residents have been historically
8 subject to disproportionate burdens of pollution,
9 including pollution from the energy sector, as established
10 by environmental justice communities as defined by the
11 Illinois Power Agency pursuant to the Illinois Power
12 Agency Act, excluding any racial or ethnic indicators.

13 "Equity investment eligible person" or "eligible person"
14 means the persons who would most benefit from equitable
15 investments by the State designed to combat discrimination and
16 foster sustainable economic growth. Specifically, "eligible
17 person" means the following people:

18 (1) persons whose primary residence is in an equity
19 investment eligible community;

20 (2) persons whose primary residence is in a
21 municipality, or a county with a population under 100,000,
22 where the closure of an electric generating unit or mine
23 has been publicly announced, or the electric generating
24 unit or mine is in the process of closing or closed within
25 the last 5 years;

26 (3) persons who are graduates of or currently enrolled

1 in the foster care system; or

2 (4) persons who were formerly incarcerated.

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

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

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

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

16 (4) a plan to provide the following:

17 (A) preparatory classes;

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

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

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

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

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

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

22 Section 5-15. Regional Administrators.

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

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

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

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

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

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

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

13 (c) The Program shall be available to members of one or
14 more of the population groups listed as equity focused
15 populations across the State to enter and complete the career
16 pipeline leading to an industry-recognized certification or
17 credential, or postsecondary credential for clean energy or
18 related sector jobs, with the goal of serving all of the equity
19 focused populations distributed across the network.

20 (d) In admitting Program participants, for each workforce
21 Hub Site, the Regional Administrators shall:

22 (1) in each Hub Site where the applicant pool allows,
23 dedicate at least one-third of Program placements to
24 applicants who reside in eligible communities. Among
25 applicants who satisfy this criterion who live in eligible
26 communities, preference shall be given to applicants who

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

6 (2) in each Hub Site where the applicant pool allows,
7 dedicate at least two-thirds of Program placements to
8 applicants that satisfy the criterion in paragraph (1) or
9 who reside in eligible communities. Among applicants who
10 live in eligible communities, preference shall be given to
11 applicants who face barriers to employment, such as low
12 educational attainment, prior involvement with the
13 criminal legal system, and language barriers; and
14 applicants who are graduates of or currently enrolled in
15 the foster care system;

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

24 The Department and Regional Administrators shall protect
25 the confidentiality of any personal information provided by
26 Program applicants regarding the applicant's status as a

1 formerly incarcerated person or foster care recipient, however
2 the Department or Regional Administrators may publish
3 aggregated data on the number of participants that were
4 formerly incarcerated or foster care recipients so long as
5 that publication protects the identities of those persons.

6 Any person who applies to the Program may elect not to
7 share with the Department or Regional Administrators whether
8 he or she is a graduate or currently enrolled in the foster
9 care system or is justice-involved.

10 (e) Program elements for each Hub Site shall be provided
11 by a community-based organization. The Department shall
12 initially select a community-based organization in each Hub
13 Site and shall subsequently select a community-based
14 organization in each Hub Site every 3 years. Community-based
15 organizations delivering Program elements outlined in
16 subsection (g) may provide all elements required or may
17 subcontract to other entities approved by an accrediting body
18 such as the Illinois Community College Board or the Illinois
19 Board of Higher Education, for provision of portions of
20 program elements, including, but not limited to,
21 administrative soft and hard skills for program participants,
22 delivery of specific training in the core curriculum, or
23 provision of other support functions for program delivery
24 compliance.

25 (f) The Clean Jobs Workforce Network Program shall:

26 (1) coordinate with Energy Transition Navigators:

1 (A) to increase participation in the Clean Jobs
2 Workforce Network Program and clean energy and related
3 sector workforce and training opportunities;

4 (B) to coordinate recruitment, communications, and
5 ongoing engagement with potential employers,
6 including, but not limited to, activities such as job
7 matchmaking initiatives, hosting events such as job
8 fairs, and collaborating with other Hub Sites to
9 identify and implement best practices for employer
10 engagement; and

11 (C) to leverage community-based organizations,
12 educational institutions, and community-based and
13 labor-based training providers to ensure members of
14 equity focused populations across the State have
15 dedicated and sustained support to enter and complete
16 the career pipeline for clean energy and related
17 sector jobs;

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

25 (3) implement the Clean Jobs Curriculum to provide,
26 including, but not limited to, training, certification

1 preparation, job readiness, and skill development,
2 including soft skills, math skills, technical skills,
3 certification test preparation, and other development
4 needed, to Program participant members of equity focused
5 populations.

6 (g) Funding for the Program shall be made available from
7 the Energy Transition Assistance Fund.

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

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

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

23 (3) trainee job acquisition and retention statistics,
24 including the duration of employment (start and end dates
25 of hires) by race, gender, and geography;

26 (4) hourly wages, including hourly overtime pay rate,

1 and benefits of trainees placed into employment by race,
2 gender, and geography;

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

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

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

19 Section 5-25. Clean Jobs Curriculum.

20 (a) As used in this Section, "clean energy jobs" means
21 jobs in the solar energy, wind energy, energy efficiency,
22 energy storage, solar thermal, green hydrogen, geothermal,
23 electric vehicle industries, other renewable energy
24 industries, industries achieving emission reductions, and
25 other related sectors, including related industries that

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

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

22 (1) identify the core training curricular competency
23 areas needed to prepare workers to enter clean energy and
24 related sector jobs;

25 (2) identify a set of required core cross-training
26 competencies provided in each training area for clean

1 energy jobs with the goal of enabling any trainee to
2 receive a standard set of skills common to multiple
3 training areas that would provide a foundation for
4 pursuing a career composed of multiple clean energy job
5 types;

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

11 (4) identify on-the-job training formats, where
12 relevant, and identify suggested trainer certification
13 standards, where relevant.

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

22 (d) Organizations that receive funding to provide training
23 under the Clean Jobs Workforce Network Program, including, but
24 not limited to, community-based and labor-based training
25 providers, and educational institutions must use the core
26 curriculum that is developed under this Section.

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

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

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

12 (c) The Program shall be available to members of one or
13 more of the equity focused populations from communities in the
14 following order of priority:

15 (1) Communities that host coal-fired power plants or
16 coal mines.

17 (2) Communities across the State.

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

23 (e) Community-based organizations and other nonprofits
24 selected by the Department shall provide supportive services
25 described in this Section to equity focused populations

1 participating in the Clean Jobs Workforce Network Program and
2 the Illinois Climate Works Preapprenticeship Program.

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

7 (g) Funding for the Program shall be made available from
8 the Energy Transition Assistance Fund.

9 Section 5-35. Energy Transition Navigators.

10 (a) As used in this Section:

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

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

18 (b) In order to engage equity focused populations to
19 participate in the Clean Jobs Workforce Network Program and
20 the Illinois Climate Works Preapprenticeship Program and
21 utilize the services offered under the Energy Transition
22 Barrier Reduction Program, the Department shall, subject to
23 appropriation, contract with community-based providers to
24 conduct education, outreach, and recruitment services to
25 equity focused populations to make sure they are aware of and

1 engaged in the statewide and local workforce development
2 systems. Additional strategies shall include, but not be
3 limited to, recruitment activities and events.

4 (c) For members of equity focused populations who may be
5 interested in entrepreneurial pursuits, Energy Transition
6 Navigators may connect these individuals with their area Small
7 Business Development Center, Procurement Technical Assistance
8 Centers, or economic development organization to engage in
9 services such as business consulting, business planning,
10 regulatory compliance, marketing, training, accessing capital,
11 government bid, certification assistance, and others.

12 (d) Energy Transition Navigators shall build strong
13 relationships with equity focused populations, organizations
14 working with these populations, local workforce innovation
15 boards, and other stakeholders to coordinate outreach
16 initiatives promoting information about the programs and
17 services offered under the Clean Jobs Workforce Network
18 Program, the Illinois Climate Works Preapprenticeship Program,
19 and the Energy Transition Barrier Reduction Program, and
20 support clients applying for these services and programs.

21 (e) Community education, outreach, and recruitment about
22 the Clean Jobs Workforce Network Program, the Climate Works
23 Preapprenticeship Program, and the Energy Transition Barrier
24 Reduction Program shall be targeted to the equity focused
25 populations.

26 (f) Community-based providers shall partner with

1 educational institutions or organizations working with equity
2 focused populations, local employers, labor unions, and others
3 to identify members of equity focused populations in eligible
4 communities who are unable to advance in their careers due to
5 inadequate skills. Community-based providers shall provide
6 information and consultation to equity focused populations on
7 various educational opportunities and supportive services
8 available to them.

9 (g) Community-based providers shall establish partnerships
10 with employers, educational institutions, local economic
11 development organizations, environmental justice
12 organizations, trades groups, labor unions, and entities that
13 provide jobs, including businesses and other nonprofit
14 organizations, to target the skill needs of local industry.
15 The community-based provider shall work with local workforce
16 innovation boards and other relevant partners to develop skill
17 curriculum and career pathway support for disadvantaged
18 individuals in equity focused populations that meets local
19 employer's needs and establishes job placement opportunities
20 after training.

21 (h) Funding for the Program shall be made available from
22 the Energy Transition Assistance Fund. Priority in awarding
23 grants under this Section will be given to organizations that
24 also have experience serving populations impacted by climate
25 change.

26 (i) Each community-based provider that receives funding

1 from the Department as an Energy Transition Navigator shall
2 provide an annual report to the Department by April 1 of each
3 calendar year. The annual report shall include the following
4 information:

5 (1) a description of the community-based
6 organization's recruitment, screening, and training
7 efforts;

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

12 (3) any other information deemed necessary by the
13 Department.

14 Section 5-40. Illinois Climate Works Preapprenticeship
15 Program.

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

1 Upon completion of the Illinois Climate Works
2 Preapprenticeship Program, the candidates shall be connected
3 to and prepared to successfully complete an apprenticeship
4 program.

5 (b) Each Climate Works Hub that receives funding from the
6 Energy Transition Assistance Fund shall provide an annual
7 report to the Illinois Works Review Panel by April 1 of each
8 calendar year. The annual report shall include the following
9 information:

10 (1) a description of the Climate Works Hub's
11 recruitment, screening, and training efforts, including a
12 description of training related to construction and
13 building trades opportunities in clean energy jobs;

14 (2) the number of individuals who apply to,
15 participate in, and complete the Climate Works Hub's
16 program, broken down by race, gender, age, and veteran
17 status;

18 (3) the number of the individuals referenced in
19 paragraph (2) who are initially accepted and placed into
20 apprenticeship programs in the construction and building
21 trades; and

22 (4) the number of individuals referenced in paragraph
23 (2) who remain in apprenticeship programs in the
24 construction and building trades or have become journeymen
25 one calendar year after their placement, as referenced in
26 paragraph (3).

1 (c) Subject to appropriation, the Department shall provide
2 funding to 3 Climate Works Hubs throughout the State including
3 one to the Illinois Department of Transportation Region 1, one
4 to the Illinois Department of Transportation Regions 2 and 3,
5 and one to the Illinois Department of Transportation Regions 4
6 and 5. The Department shall initially select a nonprofit in
7 each region and shall subsequently select a nonprofit in each
8 region every 3 years.

9 (d) The Climate Works Hubs shall recruit, prescreen, and
10 provide preapprenticeship training to equity focused
11 populations. This training shall include information related
12 to opportunities and certifications relevant to clean energy
13 jobs in the construction and building trades.

14 (e) Training provided by the Climate Works Hubs shall be
15 available to members of equity focused populations from
16 communities in the following order of priority:

17 (1) Communities that host coal-fired power plants or
18 coal mines, or both.

19 (2) Communities across the State.

20 (f) Funding for the Illinois Climate Works
21 Preapprenticeship Program shall be made available from the
22 Energy Transition Assistance Fund.

23 (g) The Department shall adopt any rules deemed necessary
24 to implement this Section. In order to provide for the
25 expeditious and timely implementation of the Illinois Climate
26 Works Preapprenticeship Program, the Department may adopt

1 emergency rules. The adoption of emergency rules authorized by
2 this subsection is deemed to be necessary for the public
3 interest, safety, and welfare.

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

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

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

11 (2) has knowledge of construction and clean energy
12 trades;

13 (3) demonstrates relationships with local residents
14 and other organizations serving the community; and

15 (4) demonstrates the ability to effectively serve
16 diverse and underrepresented populations.

17 (b) Subject to appropriation, the Department shall
18 develop, and through the Regional Administrators, administer
19 the Clean Energy Contractor Incubator Program ("Program") to
20 create a network of 13 Program delivery Hub Sites with program
21 elements delivered by community-based organizations and its
22 subcontractors geographically distributed across the State.

23 The Contractor Incubator Program shall be made up of 13
24 Program delivery Hub Sites geographically distributed across
25 the State, including at least one Hub Site located in or near

1 each of the following areas: Chicago (South Side), Chicago
2 (Southwest and West Sides), Waukegan, Rockford, Aurora,
3 Joliet, Peoria, Champaign, Danville, Decatur, Carbondale, East
4 St. Louis, and Alton.

5 (c) The Program shall be available to clean energy
6 contractor businesses and nonprofits, whose owners are members
7 of equity focused populations, across the State to develop and
8 grow and effectively compete for, gain, and execute clean
9 energy-related projects that create clean energy jobs.

10 (d) In admitting program participants, for each Contractor
11 Incubator Hub Site the Regional Administrators shall:

12 (1) in each Hub Site where the applicant pool allows,
13 dedicate at least one-third of program placements to the
14 owners of clean energy contractor businesses and
15 nonprofits who reside in eligible communities. Among
16 applicants who live in eligible communities, preference
17 shall be given to applicants who face barriers to
18 employment, such as low educational attainment, prior
19 involvement with the criminal legal system, and language
20 barriers; and applicants that are graduates of or
21 currently enrolled in the foster care system;

22 (2) in each Hub Site where the applicant pool allows,
23 dedicate at least two-thirds of program placements to
24 applicants that satisfy the criterion in paragraph (1) or
25 who reside in a geographic area that is impacted by
26 economic or environmental challenges, defined as an area

1 that is either (i) an R3 Area, as defined pursuant to
2 Section 10-40 of the Cannabis Regulation and Tax Act, or
3 (ii) an environmental justice community, as defined by the
4 Illinois Power Agency pursuant to the Illinois Power
5 Agency Act, excluding any racial or ethnic indicators used
6 by the agency unless and until the constitutional basis
7 for their inclusion in determining program admissions is
8 established. Among applicants that satisfy these criteria,
9 preference shall be given to applicants who face barriers
10 to employment, including low educational attainment, prior
11 involvement with the criminal legal system, and language
12 barriers; and applicants that are graduates of or
13 currently enrolled in the foster care system;

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

22 The Department and Regional Administrators shall protect
23 the confidentiality of any personal information provided by
24 Program applicants regarding the applicant's status as a
25 formerly incarcerated person or foster care recipient, however
26 the Department or Regional Administrators may publish

1 aggregated data on the number of participants that were
2 formerly incarcerated or foster care recipients so long as
3 that publication protects the identities of those persons.

4 Any person who applies to the Program may elect not to
5 share with the Department or Regional Administrators whether
6 he or she is a graduate or currently enrolled in the foster
7 care system and is justice-involved.

8 (e) Program elements at each Hub Site shall be provided by
9 a local community-based organization. The Department shall
10 initially select a community-based organization in each Hub
11 Site and shall subsequently select a community-based
12 organization in each Hub Site every 3 years. Community-based
13 organizations delivering program elements outlined in
14 subsection (f) may provide all elements required or may
15 subcontract to other entities for provision of portions of
16 Program elements, including, but not limited to,
17 administrative soft and hard skills for Program participants,
18 delivery of specific training in the core curriculum, or
19 provision of other support functions for Program delivery
20 compliance.

21 (f) The Clean Energy Contractor Incubator Program shall:

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

24 (2) provide support for obtaining financial assurance,
25 including, but not limited to, bonding, back office
26 services, insurance, permits, training and certifications,

1 business planning, and low-interest loans;

2 (3) train, mentor, and provide other support needed to
3 allow participant contractors to:

4 (A) build their businesses and connect to specific
5 projects;

6 (B) register as approved vendors;

7 (C) engage in approved vendor subcontracting and
8 qualified installer opportunities;

9 (D) develop partnering and networking skills;

10 (E) compete for capital and other resources; and

11 (F) execute clean energy-related project
12 installations and subcontracts;

13 (4) ensure that participant contractors, community
14 partners, and potential contractor clients are aware of
15 and engaged in the Program;

16 (5) provide prevailing wage compliance training and
17 back office support provided by the Department of Labor to
18 implement prevailing wage practices; and

19 (6) provide recruitment and ongoing engagement with
20 entities that hire contractors and subcontractors,
21 programs providing renewable energy resource-related
22 projects, incentive programs, and approved vendor and
23 qualified installer opportunities, including, but not
24 limited to, activities such as matchmaking, events, and
25 collaborating with other Hub Sites.

26 (g) Funding for the Program and independent evaluations as

1 described in subsection (i) shall be made available from the
2 Energy Transition Assistance Fund.

3 (h) The Department shall require submission of quarterly
4 reports, including Program performance metrics by each Hub
5 Site to the Regional Administrator of their Program Delivery
6 Area. Program performance metrics may include, but are not
7 limited to:

8 (1) demographic data, including race, gender,
9 geographic location, residency in eligible communities,
10 foster care system participation, and justice-involvement
11 for the owners of contractors applying, accepted into, and
12 graduating from the Program;

13 (2) number of projects completed by participant
14 contractors, alone or in partnership, by race, gender,
15 geographic location, residency in eligible communities,
16 foster care system participation, and justice-involvement
17 for the owners of contractors;

18 (3) number of partnerships with participant
19 contractors that are expected to result in contracts for
20 work by the residency in eligible communities, foster care
21 system participation, and justice-involvement for the
22 owners of contractors;

23 (4) changes in participant contractors' business
24 revenue, by race, gender, geographic location, residency
25 in eligible communities, foster care system participation,
26 and justice-involvement for the owners of contractors;

1 (5) number of new hires by participant contractors, by
2 race, gender, geographic location, residency in eligible
3 communities, foster care system participation, and
4 justice-involvement for the owners of contractors;

5 (6) demographic data, including race, gender,
6 geographic location, residency in eligible communities,
7 foster care system participation, and justice-involvement,
8 and average wage data, for new hires by participant
9 contractors;

10 (7) certifications held by participant contractors,
11 and number of participants holding each certification,
12 including, but not limited to, registration under the
13 Business Enterprise for Minorities, Women, and Persons
14 with Disabilities Act program and other programs intended
15 to certify BIPOC entities;

16 (8) number of Program sessions attended by participant
17 contractors, aggregated by race; and

18 (9) indicators relevant for assessing the general
19 financial health of participant contractors.

20 (i) Within 3 years after the effective date of this Act,
21 the Department shall select an independent evaluator to review
22 and prepare a report on the performance of the Program and
23 regional administrators. The report shall be posted publicly.

24 Section 5-50. Returning Residents Clean Jobs Training
25 Program.

1 (a) Subject to appropriation, the Department shall develop
2 and, in coordination with the Department of Corrections,
3 administer the Returning Residents Clean Jobs Training
4 Program.

5 (b) As used in this Section:

6 "Commitment" means a judicially determined placement in
7 the custody of the Department of Corrections on the basis of a
8 conviction.

9 "Committed person" means a person committed to the
10 Department of Corrections.

11 "Community-Based Organization" means an organization that:

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

14 (2) includes community colleges, non-profits, and
15 local governments; and

16 (3) has a history of serving committed persons or
17 justice-involved persons.

18 "Correctional institution or facility" means a Department
19 of Corrections building or part of a Department of Corrections
20 building where committed persons are detained in a secure
21 manner.

22 "Department" means the Department of Commerce and Economic
23 Opportunity.

24 "Discharge" means the end of a sentence or the final
25 termination of a detainee's physical commitment to and
26 confinement in the Department of Corrections.

1 "Program" means the Returning Residents Clean Jobs
2 Training Program.

3 "Program Administrator" means, for each Program Delivery
4 Area, the administrator selected by the Department pursuant to
5 paragraph (1) of subsection (g).

6 "Returning resident" means any United States resident who
7 is: 17 years of age or older; in the physical custody of the
8 Department of Corrections; and scheduled to be reentering
9 society within 36 months.

10 (c) Returning Residents Clean Jobs Training Program.

11 (1) The Program shall prepare graduates to work in the
12 clean energy and related sector jobs as defined in Section
13 5-25.

14 (2) The Program Administrators shall, in coordination
15 with the Department of Corrections, educate committed
16 persons in both men's and women's correctional
17 institutions and facilities on the benefits of the Program
18 and how to enroll in the Program.

19 (3) The Program Administrators shall, with assistance
20 from the Regional Administrators, connect Program
21 graduates with potential employers in the clean energy and
22 related sector jobs as defined in Section 5-25.

23 (4) Participants who successfully complete all
24 assignments in the Program shall receive a Program
25 graduation certificate and any certifications or
26 credentials earned in the process.

1 (5) A committed person in a correctional institution
2 or facility is eligible if the committed person:

3 (A) is within 36 months of expected release;

4 (B) the person has consented in writing to
5 participation in the Program;

6 (C) meets all Program and testing requirements;

7 (D) is willing to follow all Program requirements;

8 (E) does not pose a safety and security risk for
9 the facility or any person.

10 The Department of Corrections shall have sole discretion
11 to determine whether a committed person's participation in the
12 Program poses a safety and security risk for the facility or
13 any person. The Department of Corrections shall determine
14 whether a committed person is eligible to participate in the
15 Program.

16 (d) To enter the Returning Residents Clean Jobs Training
17 Program, committed persons must complete a simple application,
18 undergo an interview and coaching session, and must score a
19 minimum of a 6.0 or above on the Test for Adult Basic Education
20 or assessment for determining basic skills deficiency approved
21 by the Illinois Community College Board. The Returning
22 Residents Clean Jobs Training Program shall include a one-week
23 preprogram orientation that ensures the candidates understand
24 and are interested in continuing the Program. Candidates that
25 successfully complete the orientation may continue to the full
26 Program.

1 (d-5) Once approved for the new program, candidates must
2 receive essential employability skills training as part of
3 vocational or occupational training. Training must lead to
4 certifications or credentials that prepare candidates for
5 employment.

6 (e) The Department of Corrections may remove a committed
7 person enrolled in the Program for violation of institutional
8 rules, failure to participate or meet expectations of the
9 Program, failure of a drug test, disruptive behavior, or for
10 reasons of safety, security, and order of the facility.

11 (f) A clean drug test is required to complete the
12 Returning Residents Clean Jobs Training Program. A drug test
13 shall be administered at least once prior to graduation. The
14 Department of Corrections shall be responsible for the drug
15 testing of applicants.

16 (g) Curriculum.

17 (1) The Department of Commerce and Economic
18 Opportunity, in coordination with the State Board of
19 Education, the Illinois Community College Board, the
20 Illinois Board of Higher Education, the Department of
21 Labor, the Department of Corrections, community-based
22 organizations, workforce development providers, labor
23 unions, building trades, educational institutions,
24 residents of BIPOC and low-income communities, residents
25 of environmental justice communities, clean energy
26 businesses, nonprofit organizations, worker-owned

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

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

19 (h) Program administration.

20 (1) The Department of Commerce and Economic
21 Opportunity shall select a Program Administrator for each
22 Program Delivery Area to administer and coordinate the
23 Program. The Program Administrators shall have strong
24 capabilities, experience, and knowledge related to program
25 development and economic management, cultural and language
26 competency needed to be effective in the communities to be

1 served, committed persons or justice-involved persons,
2 knowledge and experience in working with providers of
3 clean energy jobs, and awareness of trends and activities
4 in clean energy and related sector jobs as defined in
5 Section 5-25, workforce development best practices, and
6 regional workforce development needs, and community
7 development.

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

14 (2) The Program Administrators shall:

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

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

23 (C) collaborate to create and publish an employer
24 "Hiring Returning Residents" handbook that includes
25 benefits and expectations of hiring returning
26 residents, guidance on how to recruit, hire, and

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

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

16 (E) provide services such as job coaching and
17 financial coaching to Program participants to support
18 employment longevity; and

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

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

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

20 (4) The Department shall aim to include training in
21 conjunction with other prerelease procedures and
22 movements. Delays in a workshop being provided shall not
23 cause delays in discharge.

24 (5) The Program Administrators may establish shortened
25 Returning Resident Clean Jobs Training Programs to prepare
26 and place graduates in the Clean Jobs Workforce Network

1 Program following release from commitment. Graduates of
2 these programs shall receive training that leads to
3 certification or credentials designed to lead to
4 employment and shall be prioritized for placement in a
5 Clean Jobs Workforce Hubs training program.

6 (6) The Director of Corrections shall:

7 (A) Ensure that the wardens or superintendents of
8 all correctional institutions and facilities visibly
9 post information on the Program in an accessible
10 manner for committed individuals.

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

19 (i) Performance metrics.

20 (1) The Program Administrators shall collect data to
21 evaluate and ensure Program and participant success,
22 including:

23 (A) the number of returning residents who enrolled
24 in the Program;

25 (B) the number of returning residents who
26 completed the Program;

1 (C) the total number of individuals discharged;

2 (D) the demographics of each entering and
3 graduating class;

4 (E) the percentage of graduates employed at 6 and
5 12 months after release;

6 (F) the recidivism rate of Program participants at
7 3 and 5 years after release;

8 (G) the candidates interviewed and hiring status;

9 (H) the graduate employment status, such as hire
10 date, pay rates, whether full-time, part-time, or
11 seasonal, and separation date; and

12 (I) the continuing education and certifications
13 gained by Program graduates.

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

19 (j) Funding for the Program shall be made available from
20 the Energy Transition Assistance Fund and other sources.

21 (k) The Program instructors and staff must pass a
22 background check administered by the Department of Corrections
23 prior to entering a Department of Corrections institution or
24 facility. The Warden or Superintendent shall have the
25 authority to deny a program instructor or staff member entry
26 into an institution or facility for safety and security

1 concerns or failure to follow all facility procedures or
2 protocols. A Program instructor or staff member administering
3 the Program may be terminated or have his or her contract
4 cancelled if the Program instructor or staff member is denied
5 entry into an institution or facility for safety and security
6 concerns.

7 Section 5-55. Clean Energy Primes Contractor Accelerator
8 Program.

9 (a) As used in this Section:

10 "Approved vendor" has the same meaning as used by and as
11 may be updated by the Illinois Power Agency.

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

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

19 "Returning resident" has the same meaning as used in
20 Section 5-50.

21 (b) Subject to appropriation, the Department shall
22 develop, and through a Primes Program Administrator and
23 Regional Primes Program Leads, administer the Clean Energy
24 Primes Contractor Accelerator ("Program"). The Program shall
25 be administered in 3 program delivery areas: the Northern

1 Illinois Program Delivery Area covering Northern Illinois, the
2 Central Illinois Program Delivery Area covering Central
3 Illinois, and the Southern Illinois Program Delivery Area
4 covering Southern Illinois. Prior to developing the Program,
5 the Department shall solicit public comments, with a 30-day
6 comment period, to gather input on Program implementation and
7 associated community outreach options.

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

10 (1) 2 or more years of experience in a clean energy or
11 a related contracting field;

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

13 (3) a substantial and demonstrated commitment of
14 investing in and partnering with individuals and
15 institutions in equity investment eligible communities.

16 The Department shall develop a scoring criteria to select
17 contractors for the Program, which shall consider:

18 (1) projected hiring and industry job creation,
19 including wage and benefit expectations;

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

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

24 (4) capacity the applicant is anticipated to bring to
25 project development;

26 (5) willingness to assume risk;

1 (6) anticipated revenues from future projects;

2 (7) history of commitment to advancing equity as
3 demonstrated by employment of or ownership by equity
4 investment eligible persons and a history of partnership
5 with equity focused community organizations or government
6 programs; and

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

9 Applicants for Program participation shall be allowed to
10 reapply for a future cohort if they are not selected, and the
11 Primes Program Administrator shall inform each applicant of
12 this option.

13 (d) The Department, in consultation with the Primes
14 Program Administrator and Regional Primes Program Leads, shall
15 select a new cohort of participant contractors from each
16 Program Delivery Area every 18 months. Each regional cohort
17 shall include between 3 and 5 participants. The Program shall
18 cap contractors in the energy efficiency sector at 50% of
19 available cohort spots and 50% of available grants and loans,
20 if possible.

21 (e) The Department shall hire a Primes Program
22 Administrator with experience in leading a large
23 contractor-based business in Illinois, coaching and mentoring,
24 the Illinois clean energy industry, and working with equity
25 investment eligible community members, organizations, and
26 businesses.

1 (f) The Department shall select 3 Regional Primes Program
2 Leads who will report directly to the Primes Program
3 Administrator. The Regional Primes Program Leads shall be
4 located within their Program Delivery Area and have experience
5 in leading a large contractor-based business in Illinois,
6 coaching and mentoring, the Illinois clean energy industry,
7 developing relationships with companies in the Program
8 Delivery Area, and working with equity investment eligible
9 community members, organizations, and businesses.

10 (g) The Department may determine how program elements will
11 be delivered or may contract with organizations with
12 experience delivering the Program elements described in
13 paragraph (h).

14 (h) The Clean Energy Primes Contractor Accelerator Program
15 shall provide participants with:

16 (1) a 5-year, 6-month progressive course of one-on-one
17 coaching to assist each participant in developing an
18 achievable 5-year business plan, including review of
19 monthly metrics, and advice on achieving participant's
20 goals;

21 (2) operational support grants not to exceed
22 \$1,000,000 annually to support the growth of participant
23 contractors with access to capital for upfront project
24 costs and predevelopment funding, among others. The amount
25 of the grant shall be based on anticipated project size
26 and scopes;

1 (3) business coaching based on the participant's
2 needs;

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

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

7 (6) assistance with applying for Minority Business
8 Enterprise certification and other relevant certifications
9 and approved vendor status for programs offered by
10 utilities or other entities;

11 (7) assistance with preparing bids and Request for
12 Proposal applications;

13 (8) opportunities to be listed in any relevant
14 directories and databases organized by the Department of
15 Central Management Services;

16 (9) opportunities to connect with participants in
17 other Department programs;

18 (10) opportunities to connect with funding
19 opportunities from the Illinois Power Agency's Adjustable
20 Block Program and Illinois Solar for All Program and
21 utility programs; and

22 (11) financial development assistance programs such as
23 zero-interest and low-interest loans with the Green Bank
24 as established by Article 850 of the Illinois Finance
25 Authority Act or a comparable financing mechanism. The
26 Illinois Finance Authority shall retain authority to

1 determine loan repayment terms and conditions.

2 (i) The Primes Program Administrator shall:

3 (1) collect and report performance metrics as
4 described in this Section;

5 (2) review and assess:

6 (A) participant work plans and annual goals; and

7 (B) the mentorship program, including approved
8 mentor companies and their stipend awards;

9 (3) work with the Regional Primes Program Leads to
10 publicize the Program, design and implement a mentorship
11 program, and ensure participants are quickly on-boarded.

12 (j) The Regional Primes Program Leads shall:

13 (1) publicize the Program. The budget shall include
14 funds to pay community-based organizations with a track
15 record of working with equity investment eligible
16 communities to complete this work;

17 (2) recruit qualified Program applicants;

18 (3) assist Program applicants with the application
19 process;

20 (4) introduce participants to the Program offerings;

21 (5) conduct entry and annual assessments with
22 participants to identify training, coaching, and other
23 Program service needs;

24 (6) assist participants in developing goals on entry
25 and annually assessing progress toward meeting the goals;

26 (7) establish a metric reporting system with each

1 participant and track the metrics for progress against the
2 contractor's work plan and Program goals;

3 (8) assist participants in receiving their Minority
4 Business Enterprise certification and any other relevant
5 certifications and approved vendor statuses;

6 (9) match participants with Clean Energy Contractor
7 Incubator Program offerings and individualized expert
8 coaching, including training on working with returning
9 residents and companies that employ them;

10 (10) pair participants with a mentor company;

11 (11) facilitate connections between participants and
12 potential subcontractors and employees;

13 (12) dispense participants' awarded operational grant
14 funding;

15 (13) connect participants to zero-interest and
16 low-interest loans from the Green Bank as established by
17 Article 850 of the Illinois Finance Authority Act, Clean
18 Energy Jobs and Justice Fund, or a comparable financing
19 mechanism;

20 (14) encourage participants to apply for appropriate
21 State and private business opportunities;

22 (15) review participants' progress and make a
23 recommendation to the Department about whether the
24 participant should continue in the Program, be considered
25 a Program graduate, and whether adjustments should be made
26 to participant's grant funding, loans, and related

1 services;

2 (16) solicit information from participants, which
3 participants shall be required to provide, necessary to
4 understand the participant's business, including financial
5 and income information, certifications that the
6 participant is seeking to obtain, ownership, employee, and
7 subcontractor data including compensation, length of
8 service, and demographics; and

9 (17) perform other duties as required.

10 (k) The Primes Program Administrator and Regional Primes
11 Program Leads shall collaborate to collect and report the
12 following metrics quarterly to the Department and Advisory
13 Council. Data shall be anonymized where needed to protect
14 participant privacy:

15 (1) demographic information on cohort recruiting and
16 formation, including racial, gender, geographic
17 distribution data, and data on the number and percentage
18 of R3 residents, environmental justice community
19 residents, foster care alumni and justice-involved persons
20 who are cohort applicants and admitted participants;

21 (2) participant contractor engagement in other
22 Illinois clean energy programs such as the Adjustable
23 Block Program, Illinois Solar for All, and the utility-run
24 energy efficiency and electric vehicle programs. The
25 Department shall make such reports publicly available on
26 its website;

- 1 (3) retention of participants in each cohort;
- 2 (4) total projects bid, started, and completed by
- 3 participants, including information about revenue, hiring,
- 4 and subcontractor relationships with projects;
- 5 (5) certifications issued;
- 6 (6) employment data for contractor hires and industry
- 7 jobs created, including demographic, salary, length of
- 8 service, and geographic data;
- 9 (7) grants and loans distributed; and
- 10 (8) participant satisfaction with the Program.

11 The metrics in paragraphs (2), (4), and (6) shall be
12 collected from Program participants and graduates for 10 years
13 from their entrance into the Program to help the Department
14 and Program administrators understand the Program's long term
15 effect.

16 (1) Mentorship Program.

17 (1) The Regional Primes Program Leads shall recruit,
18 and the Primes Program Administrator shall select, with
19 approval from the Department, private companies with the
20 following qualifications to mentor participants and assist
21 them in succeeding in the clean energy industry:

22 (A) excellent standing with State clean energy
23 programs;

24 (B) 4 or more years of experience in their field;
25 and

26 (C) a proven track record of success in their

1 field.

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

5 (3) The Primes Program Administrator shall develop
6 guidelines for mentor company-mentee profit sharing or
7 purchased services agreements.

8 (4) The Regional Primes Program Leads shall:

9 (A) collaborate with mentor companies and
10 participants to create a plan for ongoing contact such
11 as on-the-job training, site walkthroughs, business
12 process and structure walkthroughs, quality assurance
13 and quality control reviews, and other relevant
14 activities;

15 (B) recommend the mentor company-mentee pairings
16 and associated mentor company stipends for approval.

17 (C) conduct an annual review of each mentor
18 company-mentee pairing and recommend whether it
19 continues for a second year and the level of stipend
20 that is appropriate. The review will also ensure that
21 any profit sharing and purchased services agreements
22 adhere to the guidelines established by the Primes
23 Program Administrator.

24 (5) Contractors may request reassignment to a new
25 mentor company.

26 (m) Within 3 months after the Program launch, the Program

1 Administrator shall evaluate whether sufficient information is
2 available to conduct a social scientific study that measures
3 the presence and impact of racial discrimination in the
4 Program and begin such a study as quickly as is feasible. If
5 sufficient information is unavailable, the Program
6 Administrator shall identify measures to develop or obtain
7 such information. The Department shall begin conducting, as
8 soon as practical but no less than 18 months after program
9 launch, a social scientific study that measures the impact of
10 discrimination on minority businesses and workers in the
11 Program and issue a report of its findings and recommendations
12 for remedies, including, but not limited to, race-conscious
13 remedies if appropriate, to rapidly eliminate discrimination
14 on minority businesses and workers in the Program. Remedies
15 shall be developed through consultation with individuals,
16 companies, and organizations that have expertise on
17 discrimination faced in the market and potential remedies for
18 addressing it. Notwithstanding any other requirement of this
19 Section, the Program Administrator may modify Program
20 participation criteria, standards, or goals upon publication
21 of the report consistent with State and federal law, to
22 rapidly eliminate discrimination on minority businesses and
23 workers in the Program. This study will be paid for with funds
24 from the Energy Transition Assistance Fund.

25 (n) Program budget.

26 (1) The Department shall allocate \$3,000,000 annually

1 to the Primes Program Administrator for each of the 3
2 regional budgets from the Energy Transition Assistance
3 Fund.

4 (2) The Primes Program Administrator shall work with
5 the Illinois Finance Authority and the Green Bank as
6 established by Article 850 of the Illinois Finance
7 Authority Act or comparable financing institution so that
8 loan loss reserves may be sufficient to underwrite
9 \$7,000,000 in low-interest loans in each of the 3 Program
10 Delivery Areas.

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

13 Section 5-60. Jobs and Environmental Justice Grant
14 Program.

15 (a) In order to provide upfront capital to support the
16 development of projects, businesses, community organizations,
17 and jobs creating opportunity for historically disadvantaged
18 populations, and to provide seed capital to support community
19 ownership of renewable energy projects, the Department of
20 Commerce and Economic Opportunity and Illinois Power Agency
21 shall create and administer a Jobs and Environmental Justice
22 Grant Program. The grant program shall be designed to help
23 remove barriers to project, community, and business
24 development caused by a lack of capital.

25 (b) The grant program shall provide grant awards of up to

1 \$1,000,000 per application to support the development of
2 renewable energy resources, as defined in Section 1-75 of the
3 Illinois Power Agency Act, and Energy Efficiency projects as
4 defined in Sections 8-103B and 8-104 of the Public Utilities
5 Act. The amount of a grant award shall be based on a project's
6 size and scope. Grants shall be provided upfront, in advance
7 of other incentives, to provide businesses, organizations, and
8 community groups with capital needed to plan, develop, and
9 execute a project. Grants shall be designed to coordinate with
10 and supplement existing incentive programs, such as the
11 Adjustable Block Program, the Illinois Solar for All Program,
12 the Community Renewable Generation Program, and renewable
13 energy procurements as described in the Illinois Power Agency
14 Act, as well as utility Energy Efficiency programs as
15 described in Sections 8-103B and 8-104 of the Public Utilities
16 Act.

17 (c) The grant program shall include 2 subprograms: one
18 subprogram titled the Equitable Energy Future Grant Program
19 and one subprogram titled the Community Solar Energy
20 Sovereignty Grant Program.

21 (d) The Equitable Energy Future Grant Program is designed
22 to provide seed funding and predevelopment funding
23 opportunities for disadvantaged contractors and to projects
24 that earn Equitable Energy Future Certification under Section
25 1-75 of the Illinois Power Agency Act.

26 (1) Through the Equitable Energy Future Grant Program,

1 the Department of Commerce and Economic Opportunity shall
2 award grants to businesses and nonprofit organizations for
3 costs related to the following activities and project
4 needs:

5 (A) planning and project development, including
6 costs for professional services such as architecture,
7 design, engineering, auditing, consulting, and
8 developer services;

9 (B) project application, deposit, and approval;

10 (C) purchasing and leasing of land;

11 (D) permitting and zoning;

12 (E) interconnection application costs and fees,
13 studies, and expenses;

14 (F) equipment and supplies;

15 (G) community outreach, marketing, and engagement;

16 (H) staff and operations expenses.

17 (2) Grants shall be awarded to projects that most
18 effectively provide opportunities for equity eligible
19 contractors and equity investment eligible communities,
20 and shall consider the following criteria:

21 (A) projects that provide community benefits, as
22 defined by projects that have one or more of the
23 following characteristics:

24 (i) greater than 50% of the project's energy
25 provided or saved benefits low-income residents;

26 or

1 (ii) the project benefits not-for-profit
2 organizations providing services to low-income
3 households, affordable housing owners, or
4 community-based limited liability companies
5 providing services to low-income households;

6 (B) projects that are located in equity investment
7 eligible communities;

8 (C) projects that provide on-the-job training;

9 (D) projects that contract with contractors who
10 are participating or have participated in the Clean
11 Energy Contractor Incubator Program, Clean Energy
12 Primes Contractor Accelerator Program, or similar
13 programs; and

14 (E) projects that employ a minimum of 51% of its
15 workforce from participants and graduates of the Clean
16 Jobs Workforce Network Program and Returning Residents
17 Clean Jobs Training Program.

18 (3) Grants shall be awarded to applicants that meet
19 the following criteria:

20 (A) earn Equitable Energy Future certification per
21 the equity accountability systems described in item
22 (3) of subparagraph (Q) of paragraph (1) of subsection
23 (c) of Section 1-75 of the Illinois Power Agency Act,
24 or meet the equity building criteria in paragraph
25 (9.5) of subsection (g) of Section 8-103B of the
26 Public Utilities Act or in Section 8-104 of the Public

1 Utilities Act; and

2 (B) provide demonstrable proof of a historical or
3 future, and persisting, long-term partnership with the
4 community in which the project will be located.

5 (e) The Community Solar Energy Sovereignty Grant Program
6 shall be designed to support the predevelopment and
7 development of community solar projects that promote community
8 ownership and energy sovereignty.

9 (1) Through the Community Solar Energy Sovereignty
10 Grant Program, the Illinois Power Agency shall award
11 grants to applicants that best demonstrate the ability and
12 intent to create community ownership and other local
13 community benefits, including local community wealth
14 building via community renewable generation projects.
15 Grants shall be prioritized to applicants for whom:

16 (A) the proposed project is located in and
17 supporting an equity investment eligible community or
18 Communities;

19 (B) the proposed project provides additional
20 benefits for participating low-income households.

21 (2) Grant funds shall be awarded to support project
22 predevelopment work and may also be awarded to support the
23 development of programs and entities to assist in the
24 long-term governance, management, and maintenance of
25 community-solar projects, such as community solar
26 cooperatives. Funds may be awarded for:

- 1 (A) early stage project planning;
- 2 (B) project team organization;
- 3 (C) site identification;
- 4 (D) organizing a project business model and
- 5 securing financing;
- 6 (E) procurement and contracting;
- 7 (F) customer outreach and enrollment;
- 8 (G) preliminary site assessments;
- 9 (H) the development of cooperative or community
- 10 ownership model; and
- 11 (I) the development of project models that
- 12 allocate benefits to equity investment eligible
- 13 communities.

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

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

25 (5) The amount of a grant shall be based on the size
26 and scope of a project. Grants shall allow for a

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

5 (f) The Department of Commerce and Economic Opportunity
6 and Illinois Power Agency shall coordinate its grant
7 subprograms with the Clean Energy Jobs and Justice Fund and
8 the Green Bank to coordinate grants under this Program with
9 low-interest and no-interest financing opportunities offered
10 by the fund.

11 (g) The grant subprograms shall have a budget of
12 \$20,000,000 per year, for a minimum of 4 years, and continue
13 after that until funds are no longer available or the Program
14 is ended by the Department. No more than 25% of the allocated
15 budget shall go to the Community Solar Energy Sovereignty
16 Grant Program.

17 Section 5-65. Energy Workforce Advisory Council.

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

20 (b) The Council shall consist of the following voting
21 members, chosen to ensure diverse geographic representation:

22 (1) two members representing trade associations
23 representing companies active in the clean energy
24 industries;

25 (2) two members representing a labor union;

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

3 (4) two members representing higher education;

4 (5) two members representing economic development
5 organizations;

6 (6) two members representing local workforce
7 innovation boards;

8 (7) two residents of environmental justice
9 communities;

10 (8) three members from community-based organizations
11 in environmental justice communities and community-based
12 organizations serving low-income persons and families;

13 (9) two members who are policy or implementation
14 experts on small business development, contractor
15 incubation, or small business lending and financing needs;

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

23 (11) two representatives of clean energy businesses,
24 nonprofit organizations, or other groups that provide
25 clean energy.

26 The President of the Senate, the Minority Leader of the

1 Senate, the Speaker of the House of Representatives, and the
2 Minority Leader of the House of Representatives shall each
3 appoint one nonvoting member of the Council.

4 (c) The Council shall:

5 (1) Coordinate and inform on worker and contractor
6 support priorities beyond current federal, State, local,
7 and private programs and resources.

8 (2) Advise and produce recommendations for further
9 federal, State, and local programs and activities.

10 (3) Fulfill other duties determined by the Council to
11 further the success of the workforce hubs, incubators, and
12 returning residents programs.

13 (4) Review program performance metrics.

14 (5) Provide recommendations to the Department on the
15 administration of the following programs:

16 (A) the Clean Jobs Workforce Network Program;

17 (B) the Illinois Climate Works Preapprenticeship
18 Program;

19 (C) the Clean Energy Contractor Incubator Program;

20 (D) the Returning Residents Clean Jobs Training
21 Program; and

22 (E) the Clean Energy Primes Contractor Accelerator
23 Program.

24 (6) Recommend outreach opportunities to ensure that
25 program contracting, training, and other opportunities are
26 widely publicized.

1 (7) Participate in independent program evaluations.

2 (8) Assist the Department by providing insight into
3 how relevant State, local, and federal programs are viewed
4 by residents, businesses, and institutions within their
5 respective communities.

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

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

16 Section 5-90. The Illinois Administrative Procedure Act is
17 amended by adding Section 5-45.10 as follows:

18 (5 ILCS 100/5-45.10 new)

19 Sec. 5-45.10. Emergency rulemaking; Illinois Climate Works
20 Preapprenticeship Program. To provide for the expeditious and
21 timely implementation of the Illinois Climate Works
22 Preapprenticeship Program, emergency rules implementing
23 Section 5-40 of the Energy Transition Act may be adopted in
24 accordance with Section 5-45 by the Department of Commerce and

1 Economic Development. The adoption of emergency rules
2 authorized by Section 5-45 and this Section is deemed to be
3 necessary for the public interest, safety, and welfare.

4 This Section is repealed one year after the effective date
5 of this amendatory Act of the 102nd General Assembly.

6 Section 5-95. The Illinois Finance Authority Act is
7 amended by changing Sections 801-1, 801-5, 801-10, and 801-40
8 and adding Article 850 as follows:

9 (20 ILCS 3501/801-1)

10 Sec. 801-1. Short Title. Articles 801 through 850 ~~845~~ of
11 this Act may be cited as the Illinois Finance Authority Act.
12 References to "this Act" in Articles 801 through 850 ~~845~~ are
13 references to the Illinois Finance Authority Act.

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

15 (20 ILCS 3501/801-5)

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

18 (a) that there are a number of existing State authorities
19 authorized to issue bonds to alleviate the conditions and
20 promote the objectives set forth below; and to provide a
21 stronger, better coordinated development effort, it is
22 determined to be in the interest of promoting the health,
23 safety, morals and general welfare of all the people of the

1 State to consolidate certain of such existing authorities into
2 one finance authority;

3 (b) that involuntary unemployment affects the health,
4 safety, morals and general welfare of the people of the State
5 of Illinois;

6 (c) that the economic burdens resulting from involuntary
7 unemployment fall in part upon the State in the form of public
8 assistance and reduced tax revenues, and in the event the
9 unemployed worker and his family migrate elsewhere to find
10 work, may also fall upon the municipalities and other taxing
11 districts within the areas of unemployment in the form of
12 reduced tax revenues, thereby endangering their financial
13 ability to support necessary governmental services for their
14 remaining inhabitants;

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

17 (e) that protection against involuntary unemployment, its
18 economic burdens and the spread of economic stagnation can
19 best be provided by promoting, attracting, stimulating and
20 revitalizing industry, manufacturing and commerce in the
21 State;

22 (f) that the State has a responsibility to help create a
23 favorable climate for new and improved job opportunities for
24 its citizens by encouraging the development of commercial
25 businesses and industrial and manufacturing plants within the
26 State;

1 (g) that increased availability of funds for construction
2 of new facilities and the expansion and improvement of
3 existing facilities for industrial, commercial and
4 manufacturing facilities will provide for new and continued
5 employment in the construction industry and alleviate the
6 burden of unemployment;

7 (h) that in the absence of direct governmental subsidies
8 the unaided operations of private enterprise do not provide
9 sufficient resources for residential construction,
10 rehabilitation, rental or purchase, and that support from
11 housing related commercial facilities is one means of
12 stimulating residential construction, rehabilitation, rental
13 and purchase;

14 (i) that it is in the public interest and the policy of
15 this State to foster and promote by all reasonable means the
16 provision of adequate capital markets and facilities for
17 borrowing money by units of local government, and for the
18 financing of their respective public improvements and other
19 governmental purposes within the State from proceeds of bonds
20 or notes issued by those governmental units; and to assist
21 local governmental units in fulfilling their needs for those
22 purposes by use of creation of indebtedness;

23 (j) that it is in the public interest and the policy of
24 this State to the extent possible, to reduce the costs of
25 indebtedness to taxpayers and residents of this State and to
26 encourage continued investor interest in the purchase of bonds

1 or notes of governmental units as sound and preferred
2 securities for investment; and to encourage governmental units
3 to continue their independent undertakings of public
4 improvements and other governmental purposes and the financing
5 thereof, and to assist them in those activities by making
6 funds available at reduced interest costs for orderly
7 financing of those purposes, especially during periods of
8 restricted credit or money supply, and particularly for those
9 governmental units not otherwise able to borrow for those
10 purposes;

11 (k) that in this State the following conditions exist: (i)
12 an inadequate supply of funds at interest rates sufficiently
13 low to enable persons engaged in agriculture in this State to
14 pursue agricultural operations at present levels; (ii) that
15 such inability to pursue agricultural operations lessens the
16 supply of agricultural commodities available to fulfill the
17 needs of the citizens of this State; (iii) that such inability
18 to continue operations decreases available employment in the
19 agricultural sector of the State and results in unemployment
20 and its attendant problems; (iv) that such conditions prevent
21 the acquisition of an adequate capital stock of farm equipment
22 and machinery, much of which is manufactured in this State,
23 therefore impairing the productivity of agricultural land and,
24 further, causing unemployment or lack of appropriate increase
25 in employment in such manufacturing; (v) that such conditions
26 are conducive to consolidation of acreage of agricultural land

1 with fewer individuals living and farming on the traditional
2 family farm; (vi) that these conditions result in a loss in
3 population, unemployment and movement of persons from rural to
4 urban areas accompanied by added costs to communities for
5 creation of new public facilities and services; (vii) that
6 there have been recurrent shortages of funds for agricultural
7 purposes from private market sources at reasonable rates of
8 interest; (viii) that these shortages have made the sale and
9 purchase of agricultural land to family farmers a virtual
10 impossibility in many parts of the State; (ix) that the
11 ordinary operations of private enterprise have not in the past
12 corrected these conditions; and (x) that a stable supply of
13 adequate funds for agricultural financing is required to
14 encourage family farmers in an orderly and sustained manner
15 and to reduce the problems described above;

16 (1) that for the benefit of the people of the State of
17 Illinois, the conduct and increase of their commerce, the
18 protection and enhancement of their welfare, the development
19 of continued prosperity and the improvement of their health
20 and living conditions it is essential that all the people of
21 the State be given the fullest opportunity to learn and to
22 develop their intellectual and mental capacities and skills;
23 that to achieve these ends it is of the utmost importance that
24 private institutions of higher education within the State be
25 provided with appropriate additional means to assist the
26 people of the State in achieving the required levels of

1 learning and development of their intellectual and mental
2 capacities and skills and that cultural institutions within
3 the State be provided with appropriate additional means to
4 expand the services and resources which they offer for the
5 cultural, intellectual, scientific, educational and artistic
6 enrichment of the people of the State;

7 (m) that in order to foster civic and neighborhood pride,
8 citizens require access to facilities such as educational
9 institutions, recreation, parks and open spaces, entertainment
10 and sports, a reliable transportation network, cultural
11 facilities and theaters and other facilities as authorized by
12 this Act, and that it is in the best interests of the State to
13 lower the costs of all such facilities by providing financing
14 through the State;

15 (n) that to preserve and protect the health of the
16 citizens of the State, and lower the costs of health care, that
17 financing for health facilities should be provided through the
18 State; and it is hereby declared to be the policy of the State,
19 in the interest of promoting the health, safety, morals and
20 general welfare of all the people of the State, to address the
21 conditions noted above, to increase job opportunities and to
22 retain existing jobs in the State, by making available through
23 the Illinois Finance Authority, hereinafter created, funds for
24 the development, improvement and creation of industrial,
25 housing, local government, educational, health, public purpose
26 and other projects; to issue its bonds and notes to make funds

1 at reduced rates and on more favorable terms for borrowing by
2 local governmental units through the purchase of the bonds or
3 notes of the governmental units; and to make or acquire loans
4 for the acquisition and development of agricultural
5 facilities; to provide financing for private institutions of
6 higher education, cultural institutions, health facilities and
7 other facilities and projects as authorized by this Act; and
8 to grant broad powers to the Illinois Finance Authority to
9 accomplish and to carry out these policies of the State which
10 are in the public interest of the State and of its taxpayers
11 and residents;

12 (o) that providing financing alternatives for projects
13 that are located outside the State that are owned, operated,
14 leased, managed by, or otherwise affiliated with, institutions
15 located within the State would promote the economy of the
16 State for the benefit of the health, welfare, safety, trade,
17 commerce, industry, and economy of the people of the State by
18 creating employment opportunities in the State and lowering
19 the cost of accessing healthcare, private education, or
20 cultural institutions in the State by reducing the cost of
21 financing or operating those projects; ~~and~~

22 (p) that the realization of the objectives of the
23 Authority identified in this Act including, without
24 limitation, those designed (1) to assist and enable veterans,
25 minorities, women and disabled individuals to own and operate
26 small businesses; (2) to assist in the delivery of

1 agricultural assistance; and (3) to aid, assist, and encourage
2 economic growth and development within this State, will be
3 enhanced by empowering the Authority to purchase loan
4 participations from participating lenders;~~;~~

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

7 (r) combating climate change is necessary to preserve and
8 enhance the health, welfare, and prosperity of all the
9 residents of the State;

10 (s) that the promotion of the development and
11 implementation of clean energy is necessary to combat climate
12 change and is hereby declared to be the policy of the State;
13 and

14 (t) that designating the Authority as the "Green Bank" to
15 aid in all respects with providing financial assistance,
16 programs, and products to finance and otherwise develop and
17 implement equitable clean energy opportunities in the State to
18 mitigate or adapt to the negative consequences of climate
19 change in an equitable manner will further the clean energy
20 policy of the State.

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

22 (20 ILCS 3501/801-10)

23 Sec. 801-10. Definitions. The following terms, whenever
24 used or referred to in this Act, shall have the following
25 meanings, except in such instances where the context may

1 clearly indicate otherwise:

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

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

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

1 of the Illinois Pension Code.

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

1 relating thereto or (2) any addition to, renovation,
2 rehabilitation or improvement of a capital project or a clean
3 energy project, or (3) any activity or undertaking within or
4 outside the State, provided that, with respect to a project
5 involving property located outside the State, the property
6 must be owned, operated, leased or managed by an entity
7 located within the State or an entity affiliated with an
8 entity located within the State, which the Authority
9 determines will aid, assist or encourage economic growth,
10 development or redevelopment within the State or any area
11 thereof, will promote the expansion, retention or
12 diversification of employment opportunities within the State
13 or any area thereof or will aid in stabilizing or developing
14 any industry or economic sector of the State economy. The term
15 "industrial project" also means the production of motion
16 pictures.

17 (e) The term "bond" or "bonds" shall include bonds, notes
18 (including bond, grant or revenue anticipation notes),
19 certificates and/or other evidences of indebtedness
20 representing an obligation to pay money, including refunding
21 bonds.

22 (f) The terms "lease agreement" and "loan agreement" shall
23 mean: (i) an agreement whereby a project acquired by the
24 Authority by purchase, gift or lease is leased to any person,
25 corporation or unit of local government which will use or
26 cause the project to be used as a project as heretofore defined

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

19 (g) The term "financial aid" means the expenditure of
20 Authority funds or funds provided by the Authority through the
21 issuance of its bonds, notes or other evidences of
22 indebtedness or from other sources for the development,
23 construction, acquisition or improvement of a project.

24 (h) The term "person" means an individual, corporation,
25 unit of government, business trust, estate, trust, partnership
26 or association, 2 or more persons having a joint or common

1 interest, or any other legal entity.

2 (i) The term "unit of government" means the federal
3 government, the State or unit of local government, a school
4 district, or any agency or instrumentality, office, officer,
5 department, division, bureau, commission, college or
6 university thereof.

7 (j) The term "health facility" means: (a) any public or
8 private institution, place, building, or agency required to be
9 licensed under the Hospital Licensing Act; (b) any public or
10 private institution, place, building, or agency required to be
11 licensed under the Nursing Home Care Act, the Specialized
12 Mental Health Rehabilitation Act of 2013, the ID/DD Community
13 Care Act, or the MC/DD Act; (c) any public or licensed private
14 hospital as defined in the Mental Health and Developmental
15 Disabilities Code; (d) any such facility exempted from such
16 licensure when the Director of Public Health attests that such
17 exempted facility meets the statutory definition of a facility
18 subject to licensure; (e) any other public or private health
19 service institution, place, building, or agency which the
20 Director of Public Health attests is subject to certification
21 by the Secretary, U.S. Department of Health and Human Services
22 under the Social Security Act, as now or hereafter amended, or
23 which the Director of Public Health attests is subject to
24 standard-setting by a recognized public or voluntary
25 accrediting or standard-setting agency; (f) any public or
26 private institution, place, building or agency engaged in

1 providing one or more supporting services to a health
2 facility; (g) any public or private institution, place,
3 building or agency engaged in providing training in the
4 healing arts, including, but not limited to, schools of
5 medicine, dentistry, osteopathy, optometry, podiatry, pharmacy
6 or nursing, schools for the training of x-ray, laboratory or
7 other health care technicians and schools for the training of
8 para-professionals in the health care field; (h) any public or
9 private congregate, life or extended care or elderly housing
10 facility or any public or private home for the aged or infirm,
11 including, without limitation, any Facility as defined in the
12 Life Care Facilities Act; (i) any public or private mental,
13 emotional or physical rehabilitation facility or any public or
14 private educational, counseling, or rehabilitation facility or
15 home, for those persons with a developmental disability, those
16 who are physically ill or disabled, the emotionally disturbed,
17 those persons with a mental illness or persons with learning
18 or similar disabilities or problems; (j) any public or private
19 alcohol, drug or substance abuse diagnosis, counseling
20 treatment or rehabilitation facility, (k) any public or
21 private institution, place, building or agency licensed by the
22 Department of Children and Family Services or which is not so
23 licensed but which the Director of Children and Family
24 Services attests provides child care, child welfare or other
25 services of the type provided by facilities subject to such
26 licensure; (l) any public or private adoption agency or

1 facility; and (m) any public or private blood bank or blood
2 center. "Health facility" also means a public or private
3 structure or structures suitable primarily for use as a
4 laboratory, laundry, nurses or interns residence or other
5 housing or hotel facility used in whole or in part for staff,
6 employees or students and their families, patients or
7 relatives of patients admitted for treatment or care in a
8 health facility, or persons conducting business with a health
9 facility, physician's facility, surgicenter, administration
10 building, research facility, maintenance, storage or utility
11 facility and all structures or facilities related to any of
12 the foregoing or required or useful for the operation of a
13 health facility, including parking or other facilities or
14 other supporting service structures required or useful for the
15 orderly conduct of such health facility. "Health facility"
16 also means, with respect to a project located outside the
17 State, any public or private institution, place, building, or
18 agency which provides services similar to those described
19 above, provided that such project is owned, operated, leased
20 or managed by a participating health institution located
21 within the State, or a participating health institution
22 affiliated with an entity located within the State.

23 (k) The term "participating health institution" means (i)
24 a private corporation or association or (ii) a public entity
25 of this State, in either case authorized by the laws of this
26 State or the applicable state to provide or operate a health

1 facility as defined in this Act and which, pursuant to the
2 provisions of this Act, undertakes the financing, construction
3 or acquisition of a project or undertakes the refunding or
4 refinancing of obligations, loans, indebtedness or advances as
5 provided in this Act.

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

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

22 (n) The term "property" means any real, personal or mixed
23 property, whether tangible or intangible, or any interest
24 therein, including, without limitation, any real estate,
25 leasehold interests, appurtenances, buildings, easements,
26 equipment, furnishings, furniture, improvements, machinery,

1 rights of way, structures, accounts, contract rights or any
2 interest therein.

3 (o) The term "revenues" means, with respect to any
4 project, the rents, fees, charges, interest, principal
5 repayments, collections and other income or profit derived
6 therefrom.

7 (p) The term "higher education project" means, in the case
8 of a private institution of higher education, an educational
9 facility to be acquired, constructed, enlarged, remodeled,
10 renovated, improved, furnished, or equipped, or any
11 combination thereof.

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

16 (r) The term "educational facility" means any property
17 located within the State, or any property located outside the
18 State, provided that, if the property is located outside the
19 State, it must be owned, operated, leased or managed by an
20 entity located within the State or an entity affiliated with
21 an entity located within the State, in each case constructed
22 or acquired before or after the effective date of this Act,
23 which is or will be, in whole or in part, suitable for the
24 instruction, feeding, recreation or housing of students, the
25 conducting of research or other work of a private institution
26 of higher education, the use by a private institution of

1 higher education in connection with any educational, research
2 or related or incidental activities then being or to be
3 conducted by it, or any combination of the foregoing,
4 including, without limitation, any such property suitable for
5 use as or in connection with any one or more of the following:
6 an academic facility, administrative facility, agricultural
7 facility, assembly hall, athletic facility, auditorium,
8 boating facility, campus, communication facility, computer
9 facility, continuing education facility, classroom, dining
10 hall, dormitory, exhibition hall, fire fighting facility, fire
11 prevention facility, food service and preparation facility,
12 gymnasium, greenhouse, health care facility, hospital,
13 housing, instructional facility, laboratory, library,
14 maintenance facility, medical facility, museum, offices,
15 parking area, physical education facility, recreational
16 facility, research facility, stadium, storage facility,
17 student union, study facility, theatre or utility.

18 (s) The term "cultural facility" means any property
19 located within the State, or any property located outside the
20 State, provided that, if the property is located outside the
21 State, it must be owned, operated, leased or managed by an
22 entity located within the State or an entity affiliated with
23 an entity located within the State, in each case constructed
24 or acquired before or after the effective date of this Act,
25 which is or will be, in whole or in part, suitable for the
26 particular purposes or needs of a cultural institution,

1 including, without limitation, any such property suitable for
2 use as or in connection with any one or more of the following:
3 an administrative facility, aquarium, assembly hall,
4 auditorium, botanical garden, exhibition hall, gallery,
5 greenhouse, library, museum, scientific laboratory, theater or
6 zoological facility, and shall also include, without
7 limitation, books, works of art or music, animal, plant or
8 aquatic life or other items for display, exhibition or
9 performance. The term "cultural facility" includes buildings
10 on the National Register of Historic Places which are owned or
11 operated by nonprofit entities.

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

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

21 (2) Provides an educational program for which it
22 awards a bachelor's degree, or provides an educational
23 program, admission into which is conditioned upon the
24 prior attainment of a bachelor's degree or its equivalent,
25 for which it awards a postgraduate degree, or provides not
26 less than a 2-year program which is acceptable for full

1 credit toward such a degree, or offers a 2-year program in
2 engineering, mathematics, or the physical or biological
3 sciences which is designed to prepare the student to work
4 as a technician and at a semiprofessional level in
5 engineering, scientific, or other technological fields
6 which require the understanding and application of basic
7 engineering, scientific, or mathematical principles or
8 knowledge;

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

19 (4) Does not discriminate in the admission of students
20 on the basis of race or color. "Private institution of
21 higher education" also includes any "academic
22 institution".

23 (u) The term "academic institution" means any
24 not-for-profit institution which is not owned by the State or
25 any political subdivision, agency, instrumentality, district
26 or municipality thereof, which institution engages in, or

1 facilitates academic, scientific, educational or professional
2 research or learning in a field or fields of study taught at a
3 private institution of higher education. Academic institutions
4 include, without limitation, libraries, archives, academic,
5 scientific, educational or professional societies,
6 institutions, associations or foundations having such
7 purposes.

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

18 (w) The term "affiliate" means, with respect to financing
19 of an agricultural facility or an agribusiness, any lender,
20 any person, firm or corporation controlled by, or under common
21 control with, such lender, and any person, firm or corporation
22 controlling such lender.

23 (x) The term "agricultural facility" means land, any
24 building or other improvement thereon or thereto, and any
25 personal properties deemed necessary or suitable for use,
26 whether or not now in existence, in farming, ranching, the

1 production of agricultural commodities (including, without
2 limitation, the products of aquaculture, hydroponics and
3 silviculture) or the treating, processing or storing of such
4 agricultural commodities when such activities are customarily
5 engaged in by farmers as a part of farming and which land,
6 building, improvement or personal property is located within
7 the State, or is located outside the State, provided that, if
8 such property is located outside the State, it must be owned,
9 operated, leased, or managed by an entity located within the
10 State or an entity affiliated with an entity located within
11 the State.

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

25 (z) The term "agribusiness" means any sole proprietorship,
26 limited partnership, co-partnership, joint venture,

1 corporation or cooperative which operates or will operate a
2 facility located within the State or outside the State,
3 provided that, if any facility is located outside the State,
4 it must be owned, operated, leased, or managed by an entity
5 located within the State or an entity affiliated with an
6 entity located within the State, that is related to the
7 processing of agricultural commodities (including, without
8 limitation, the products of aquaculture, hydroponics and
9 silviculture) or the manufacturing, production or construction
10 of agricultural buildings, structures, equipment, implements,
11 and supplies, or any other facilities or processes used in
12 agricultural production. Agribusiness includes but is not
13 limited to the following:

14 (1) grain handling and processing, including grain
15 storage, drying, treatment, conditioning, mailing and
16 packaging;

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

18 (3) fruit and vegetable processing, including
19 preparation, canning and packaging;

20 (4) processing of livestock and livestock products,
21 dairy products, poultry and poultry products, fish or
22 apiarian products, including slaughter, shearing,
23 collecting, preparation, canning and packaging;

24 (5) fertilizer and agricultural chemical
25 manufacturing, processing, application and supplying;

26 (6) farm machinery, equipment and implement

1 manufacturing and supplying;

2 (7) manufacturing and supplying of agricultural
3 commodity processing machinery and equipment, including
4 machinery and equipment used in slaughter, treatment,
5 handling, collecting, preparation, canning or packaging of
6 agricultural commodities;

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

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

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

14 (11) facilities and equipment for processing and
15 packaging agricultural commodities specifically for
16 export;

17 (12) facilities and equipment for forestry product
18 processing and supplying, including sawmilling operations,
19 wood chip operations, timber harvesting operations, and
20 manufacturing of prefabricated buildings, paper, furniture
21 or other goods from forestry products;

22 (13) facilities and equipment for research and
23 development of products, processes and equipment for the
24 production, processing, preparation or packaging of
25 agricultural commodities and byproducts.

26 (aa) The term "asset" with respect to financing of any

1 agricultural facility or any agribusiness, means, but is not
2 limited to the following: cash crops or feed on hand;
3 livestock held for sale; breeding stock; marketable bonds and
4 securities; securities not readily marketable; accounts
5 receivable; notes receivable; cash invested in growing crops;
6 net cash value of life insurance; machinery and equipment;
7 cars and trucks; farm and other real estate including life
8 estates and personal residence; value of beneficial interests
9 in trusts; government payments or grants; and any other
10 assets.

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

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

19 (dd) The term "housing project" means a specific work or
20 improvement located within the State or outside the State and
21 undertaken to provide residential dwelling accommodations,
22 including the acquisition, construction or rehabilitation of
23 lands, buildings and community facilities and in connection
24 therewith to provide nonhousing facilities which are part of
25 the housing project, including land, buildings, improvements,
26 equipment and all ancillary facilities for use for offices,

1 stores, retirement homes, hotels, financial institutions,
2 service, health care, education, recreation or research
3 establishments, or any other commercial purpose which are or
4 are to be related to a housing development, provided that any
5 work or improvement located outside the State is owned,
6 operated, leased or managed by an entity located within the
7 State, or any entity affiliated with an entity located within
8 the State.

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

16 (ff) The term "significant presence" means the existence
17 within the State of the national or regional headquarters of
18 an entity or group or such other facility of an entity or group
19 of entities where a significant amount of the business
20 functions are performed for such entity or group of entities.

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

1 (hh) The term "municipal bond program project" means a
2 program for the funding of the purchase of bonds, notes or
3 other obligations issued by or on behalf of a municipal bond
4 issuer.

5 (ii) The term "participating lender" means any trust
6 company, bank, savings bank, credit union, merchant bank,
7 investment bank, broker, investment trust, pension fund,
8 building and loan association, savings and loan association,
9 insurance company, venture capital company, or other
10 institution approved by the Authority which provides a portion
11 of the financing for a project.

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

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

18 ~~(ll) The term "clean energy" means energy generation that~~
19 ~~is 90% or greater free of carbon dioxide emissions.~~

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

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

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

10 (oo) The term "equity investment eligible community" or
11 "eligible community" means the geographic areas throughout
12 Illinois that would most benefit from equitable investments by
13 the State designed to combat discrimination, as established by
14 the Illinois Power Agency pursuant to Section 1-75 of the
15 Illinois Power Agency Act. Specifically, "eligible community"
16 means the following areas:

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

21 (2) areas where residents have been historically
22 subject to disproportionate burdens of pollution,
23 including pollution from the energy sector, as established
24 by environmental justice communities as defined by the
25 Illinois Power Agency pursuant to the Illinois Power
26 Agency Act, excluding any racial or ethnic indicators.

1 (pp) The term "equity investment eligible person" or
2 "eligible person" means the persons who would most benefit
3 from equitable investments by the State designed to combat
4 discrimination. Specifically, eligible persons means the
5 following people:

6 (1) persons whose primary residence is in an equity
7 investment eligible community;

8 (2) persons whose primary residence is in a
9 municipality, or a county with a population under 100,000,
10 where the closure of an electric generating unit or mine
11 has been publicly announced, or the electric generating
12 unit or mine is in the process of closing or closed within
13 the last 5 years;

14 (3) persons who are graduates of or currently enrolled
15 in the foster care system; or

16 (4) persons who were formerly incarcerated.

17 (qq) The term "environmental justice community" has the
18 same meaning of that term based on existing methodologies and
19 findings used and as may be updated by the Illinois Power
20 Agency and its program administrator in the Illinois Solar for
21 All Program.

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

23 (20 ILCS 3501/801-40)

24 Sec. 801-40. In addition to the powers otherwise
25 authorized by law and in addition to the foregoing general

1 corporate powers, the Authority shall also have the following
2 additional specific powers to be exercised in furtherance of
3 the purposes of this Act.

4 (a) The Authority shall have power (i) to accept grants,
5 loans or appropriations from the federal government or the
6 State, or any agency or instrumentality thereof, or, in the
7 case of clean energy projects, any not-for-profit
8 philanthropic or other charitable organization, public or
9 private, to be used for the operating expenses of the
10 Authority, or for any purposes of the Authority, including the
11 making of direct loans of such funds with respect to projects,
12 and (ii) to enter into any agreement with the federal
13 government or the State, or any agency or instrumentality
14 thereof, in relationship to such grants, loans or
15 appropriations.

16 (b) The Authority shall have power to procure and enter
17 into contracts for any type of insurance and indemnity
18 agreements covering loss or damage to property from any cause,
19 including loss of use and occupancy, or covering any other
20 insurable risk.

21 (c) The Authority shall have the continuing power to issue
22 bonds for its corporate purposes. Bonds may be issued by the
23 Authority in one or more series and may provide for the payment
24 of any interest deemed necessary on such bonds, of the costs of
25 issuance of such bonds, of any premium on any insurance, or of
26 the cost of any guarantees, letters of credit or other similar

1 documents, may provide for the funding of the reserves deemed
2 necessary in connection with such bonds, and may provide for
3 the refunding or advance refunding of any bonds or for
4 accounts deemed necessary in connection with any purpose of
5 the Authority. The bonds may bear interest payable at any time
6 or times and at any rate or rates, notwithstanding any other
7 provision of law to the contrary, and such rate or rates may be
8 established by an index or formula which may be implemented or
9 established by persons appointed or retained therefor by the
10 Authority, or may bear no interest or may bear interest
11 payable at maturity or upon redemption prior to maturity, may
12 bear such date or dates, may be payable at such time or times
13 and at such place or places, may mature at any time or times
14 not later than 40 years from the date of issuance, may be sold
15 at public or private sale at such time or times and at such
16 price or prices, may be secured by such pledges, reserves,
17 guarantees, letters of credit, insurance contracts or other
18 similar credit support or liquidity instruments, may be
19 executed in such manner, may be subject to redemption prior to
20 maturity, may provide for the registration of the bonds, and
21 may be subject to such other terms and conditions all as may be
22 provided by the resolution or indenture authorizing the
23 issuance of such bonds. The holder or holders of any bonds
24 issued by the Authority may bring suits at law or proceedings
25 in equity to compel the performance and observance by any
26 person or by the Authority or any of its agents or employees of

1 any contract or covenant made with the holders of such bonds
2 and to compel such person or the Authority and any of its
3 agents or employees to perform any duties required to be
4 performed for the benefit of the holders of any such bonds by
5 the provision of the resolution authorizing their issuance,
6 and to enjoin such person or the Authority and any of its
7 agents or employees from taking any action in conflict with
8 any such contract or covenant. Notwithstanding the form and
9 tenor of any such bonds and in the absence of any express
10 recital on the face thereof that it is non-negotiable, all
11 such bonds shall be negotiable instruments. Pending the
12 preparation and execution of any such bonds, temporary bonds
13 may be issued as provided by the resolution. The bonds shall be
14 sold by the Authority in such manner as it shall determine. The
15 bonds may be secured as provided in the authorizing resolution
16 by the receipts, revenues, income and other available funds of
17 the Authority and by any amounts derived by the Authority from
18 the loan agreement or lease agreement with respect to the
19 project or projects; and bonds may be issued as general
20 obligations of the Authority payable from such revenues, funds
21 and obligations of the Authority as the bond resolution shall
22 provide, or may be issued as limited obligations with a claim
23 for payment solely from such revenues, funds and obligations
24 as the bond resolution shall provide. The Authority may grant
25 a specific pledge or assignment of and lien on or security
26 interest in such rights, revenues, income, or amounts and may

1 grant a specific pledge or assignment of and lien on or
2 security interest in any reserves, funds or accounts
3 established in the resolution authorizing the issuance of
4 bonds. Any such pledge, assignment, lien or security interest
5 for the benefit of the holders of the Authority's bonds shall
6 be valid and binding from the time the bonds are issued without
7 any physical delivery or further act, and shall be valid and
8 binding as against and prior to the claims of all other parties
9 having claims against the Authority or any other person
10 irrespective of whether the other parties have notice of the
11 pledge, assignment, lien or security interest. As evidence of
12 such pledge, assignment, lien and security interest, the
13 Authority may execute and deliver a mortgage, trust agreement,
14 indenture or security agreement or an assignment thereof. A
15 remedy for any breach or default of the terms of any such
16 agreement by the Authority may be by mandamus proceedings in
17 any court of competent jurisdiction to compel the performance
18 and compliance therewith, but the agreement may prescribe by
19 whom or on whose behalf such action may be instituted. It is
20 expressly understood that the Authority may, but need not,
21 acquire title to any project with respect to which it
22 exercises its authority.

23 (d) With respect to the powers granted by this Act, the
24 Authority may adopt rules and regulations prescribing the
25 procedures by which persons may apply for assistance under
26 this Act. Nothing herein shall be deemed to preclude the

1 Authority, prior to the filing of any formal application, from
2 conducting preliminary discussions and investigations with
3 respect to the subject matter of any prospective application.

4 (e) The Authority shall have power to acquire by purchase,
5 lease, gift or otherwise any property or rights therein from
6 any person useful for its purposes, whether improved for the
7 purposes of any prospective project, or unimproved. The
8 Authority may also accept any donation of funds for its
9 purposes from any such source. The Authority shall have no
10 independent power of condemnation but may acquire any property
11 or rights therein obtained upon condemnation by any other
12 authority, governmental entity or unit of local government
13 with such power.

14 (f) The Authority shall have power to develop, construct
15 and improve either under its own direction, or through
16 collaboration with any approved applicant, or to acquire
17 through purchase or otherwise, any project, using for such
18 purpose the proceeds derived from the sale of its bonds or from
19 governmental loans or grants, and to hold title in the name of
20 the Authority to such projects.

21 (g) The Authority shall have power to lease pursuant to a
22 lease agreement any project so developed and constructed or
23 acquired to the approved tenant on such terms and conditions
24 as may be appropriate to further the purposes of this Act and
25 to maintain the credit of the Authority. Any such lease may
26 provide for either the Authority or the approved tenant to

1 assume initially, in whole or in part, the costs of
2 maintenance, repair and improvements during the leasehold
3 period. In no case, however, shall the total rentals from any
4 project during any initial leasehold period or the total loan
5 repayments to be made pursuant to any loan agreement, be less
6 than an amount necessary to return over such lease or loan
7 period (1) all costs incurred in connection with the
8 development, construction, acquisition or improvement of the
9 project and for repair, maintenance and improvements thereto
10 during the period of the lease or loan; provided, however,
11 that the rentals or loan repayments need not include costs met
12 through the use of funds other than those obtained by the
13 Authority through the issuance of its bonds or governmental
14 loans; (2) a reasonable percentage additive to be agreed upon
15 by the Authority and the borrower or tenant to cover a properly
16 allocable portion of the Authority's general expenses,
17 including, but not limited to, administrative expenses,
18 salaries and general insurance, and (3) an amount sufficient
19 to pay when due all principal of, interest and premium, if any
20 on, any bonds issued by the Authority with respect to the
21 project. The portion of total rentals payable under clause (3)
22 of this subsection (g) shall be deposited in such special
23 accounts, including all sinking funds, acquisition or
24 construction funds, debt service and other funds as provided
25 by any resolution, mortgage or trust agreement of the
26 Authority pursuant to which any bond is issued.

1 (h) The Authority has the power, upon the termination of
2 any leasehold period of any project, to sell or lease for a
3 further term or terms such project on such terms and
4 conditions as the Authority shall deem reasonable and
5 consistent with the purposes of the Act. The net proceeds from
6 all such sales and the revenues or income from such leases
7 shall be used to satisfy any indebtedness of the Authority
8 with respect to such project and any balance may be used to pay
9 any expenses of the Authority or be used for the further
10 development, construction, acquisition or improvement of
11 projects. In the event any project is vacated by a tenant prior
12 to the termination of the initial leasehold period, the
13 Authority shall sell or lease the facilities of the project on
14 the most advantageous terms available. The net proceeds of any
15 such disposition shall be treated in the same manner as the
16 proceeds from sales or the revenues or income from leases
17 subsequent to the termination of any initial leasehold period.

18 (i) The Authority shall have the power to make loans, or to
19 purchase loan participations in loans made, to persons to
20 finance a project, to enter into loan agreements or agreements
21 with participating lenders with respect thereto, and to accept
22 guarantees from persons of its loans or the resultant
23 evidences of obligations of the Authority.

24 (j) The Authority may fix, determine, charge and collect
25 any premiums, fees, charges, costs and expenses, including,
26 without limitation, any application fees, commitment fees,

1 program fees, financing charges or publication fees from any
2 person in connection with its activities under this Act.

3 (k) In addition to the funds established as provided
4 herein, the Authority shall have the power to create and
5 establish such reserve funds and accounts as may be necessary
6 or desirable to accomplish its purposes under this Act and to
7 deposit its available monies into the funds and accounts.

8 (l) At the request of the governing body of any unit of
9 local government, the Authority is authorized to market such
10 local government's revenue bond offerings by preparing bond
11 issues for sale, advertising for sealed bids, receiving bids
12 at its offices, making the award to the bidder that offers the
13 most favorable terms or arranging for negotiated placements or
14 underwritings of such securities. The Authority may, at its
15 discretion, offer for concurrent sale the revenue bonds of
16 several local governments. Sales by the Authority of revenue
17 bonds under this Section shall in no way imply State guarantee
18 of such debt issue. The Authority may require such financial
19 information from participating local governments as it deems
20 necessary in order to carry out the purposes of this
21 subsection (1).

22 (m) The Authority may make grants to any county to which
23 Division 5-37 of the Counties Code is applicable to assist in
24 the financing of capital development, construction and
25 renovation of new or existing facilities for hospitals and
26 health care facilities under that Act. Such grants may only be

1 made from funds appropriated for such purposes from the Build
2 Illinois Bond Fund.

3 (n) The Authority may establish an urban development
4 action grant program for the purpose of assisting
5 municipalities in Illinois which are experiencing severe
6 economic distress to help stimulate economic development
7 activities needed to aid in economic recovery. The Authority
8 shall determine the types of activities and projects for which
9 the urban development action grants may be used, provided that
10 such projects and activities are broadly defined to include
11 all reasonable projects and activities the primary objectives
12 of which are the development of viable urban communities,
13 including decent housing and a suitable living environment,
14 and expansion of economic opportunity, principally for persons
15 of low and moderate incomes. The Authority shall enter into
16 grant agreements from monies appropriated for such purposes
17 from the Build Illinois Bond Fund. The Authority shall monitor
18 the use of the grants, and shall provide for audits of the
19 funds as well as recovery by the Authority of any funds
20 determined to have been spent in violation of this subsection
21 (n) or any rule or regulation promulgated hereunder. The
22 Authority shall provide technical assistance with regard to
23 the effective use of the urban development action grants. The
24 Authority shall file an annual report to the General Assembly
25 concerning the progress of the grant program.

26 (o) The Authority may establish a Housing Partnership

1 Program whereby the Authority provides zero-interest loans to
2 municipalities for the purpose of assisting in the financing
3 of projects for the rehabilitation of affordable multi-family
4 housing for low and moderate income residents. The Authority
5 may provide such loans only upon a municipality's providing
6 evidence that it has obtained private funding for the
7 rehabilitation project. The Authority shall provide 3 State
8 dollars for every 7 dollars obtained by the municipality from
9 sources other than the State of Illinois. The loans shall be
10 made from monies appropriated for such purpose from the Build
11 Illinois Bond Fund. The total amount of loans available under
12 the Housing Partnership Program shall not exceed \$30,000,000.
13 State loan monies under this subsection shall be used only for
14 the acquisition and rehabilitation of existing buildings
15 containing 4 or more dwelling units. The terms of any loan made
16 by the municipality under this subsection shall require
17 repayment of the loan to the municipality upon any sale or
18 other transfer of the project. In addition, the Authority may
19 use any moneys appropriated for such purpose from the Build
20 Illinois Bond Fund, including funds loaned under this
21 subsection and repaid as principal or interest, and investment
22 income on such funds, to make the loans authorized by
23 subsection (z), without regard to any restrictions or
24 limitations provided in this subsection.

25 (p) The Authority may award grants to universities and
26 research institutions, research consortiums and other

1 not-for-profit entities for the purposes of: remodeling or
2 otherwise physically altering existing laboratory or research
3 facilities, expansion or physical additions to existing
4 laboratory or research facilities, construction of new
5 laboratory or research facilities or acquisition of modern
6 equipment to support laboratory or research operations
7 provided that such grants (i) be used solely in support of
8 project and equipment acquisitions which enhance technology
9 transfer, and (ii) not constitute more than 60 percent of the
10 total project or acquisition cost.

11 (q) Grants may be awarded by the Authority to units of
12 local government for the purpose of developing the appropriate
13 infrastructure or defraying other costs to the local
14 government in support of laboratory or research facilities
15 provided that such grants may not exceed 40% of the cost to the
16 unit of local government.

17 (r) In addition to the powers granted to the Authority
18 under subsection (i), and in all cases supplemental to it, the
19 Authority may establish a direct loan program to make loans
20 to, or may purchase participations in loans made by
21 participating lenders to, individuals, partnerships,
22 corporations, or other business entities for the purpose of
23 financing an industrial project, as defined in Section 801-10
24 of this Act. For the purposes of such program and not by way of
25 limitation on any other program of the Authority, including,
26 without limitation, programs established under subsection (i),

1 the Authority shall have the power to issue bonds, notes, or
2 other evidences of indebtedness including commercial paper for
3 purposes of providing a fund of capital from which it may make
4 such loans. The Authority shall have the power to use any
5 appropriations from the State made especially for the
6 Authority's direct loan program, or moneys at any time held by
7 the Authority under this Act outside the State treasury in the
8 custody of either the Treasurer of the Authority or a trustee
9 or depository appointed by the Authority, for additional
10 capital to make such loans or purchase such loan
11 participations, or for the purposes of reserve funds or
12 pledged funds which secure the Authority's obligations of
13 repayment of any bond, note or other form of indebtedness
14 established for the purpose of providing capital for which it
15 intends to make such loans or purchase such loan
16 participations. For the purpose of obtaining such capital, the
17 Authority may also enter into agreements with financial
18 institutions, participating lenders, and other persons for the
19 purpose of administering a loan participation program, selling
20 loans or developing a secondary market for such loans or loan
21 participations. Loans made under the direct loan program
22 specifically established under this subsection (r), including
23 loans under such program made by participating lenders in
24 which the Authority purchases a participation, may be in an
25 amount not to exceed \$600,000 and shall be made for a portion
26 of an industrial project which does not exceed 50% of the total

1 project. No loan may be made by the Authority unless approved
2 by the affirmative vote of at least 8 members of the board. The
3 Authority shall establish procedures and publish rules which
4 shall provide for the submission, review, and analysis of each
5 direct loan and loan participation application and which shall
6 preserve the ability of each board member and the Executive
7 Director, as applicable, to reach an individual business
8 judgment regarding the propriety of each direct loan or loan
9 participation. The collective discretion of the board to
10 approve or disapprove each loan shall be unencumbered. The
11 Authority may establish and collect such fees and charges,
12 determine and enforce such terms and conditions, and charge
13 such interest rates as it determines to be necessary and
14 appropriate to the successful administration of the direct
15 loan program, including purchasing loan participations. The
16 Authority may require such interests in collateral and such
17 guarantees as it determines are necessary to protect the
18 Authority's interest in the repayment of the principal and
19 interest of each loan and loan participation made under the
20 direct loan program. The restrictions established under this
21 subsection (r) shall not be applicable to any loan or loan
22 participation made under subsection (i) or to any loan or loan
23 participation made under any other Section of this Act.

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

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

4 (u) The Authority shall have the power to issue bonds,
5 notes or other evidences of indebtedness, which may be used to
6 make loans to units of local government which are authorized
7 to enter into loan agreements and other documents and to issue
8 bonds, notes and other evidences of indebtedness for the
9 purpose of financing the protection of storm sewer outfalls,
10 the construction of adequate storm sewer outfalls, and the
11 provision for flood protection of sanitary sewage treatment
12 plans, in counties that have established a stormwater
13 management planning committee in accordance with Section
14 5-1062 of the Counties Code. Any such loan shall be made by the
15 Authority pursuant to the provisions of Section 820-5 to
16 820-60 of this Act. The unit of local government shall pay back
17 to the Authority the principal amount of the loan, plus annual
18 interest as determined by the Authority. The Authority shall
19 have the power, subject to appropriations by the General
20 Assembly, to subsidize or buy down a portion of the interest on
21 such loans, up to 4% per annum.

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

25 (w) Moral Obligation. In the event that the Authority
26 determines that monies of the Authority will not be sufficient

1 for the payment of the principal of and interest on its bonds
2 during the next State fiscal year, the Chairperson, as soon as
3 practicable, shall certify to the Governor the amount required
4 by the Authority to enable it to pay such principal of and
5 interest on the bonds. The Governor shall submit the amount so
6 certified to the General Assembly as soon as practicable, but
7 no later than the end of the current State fiscal year. This
8 subsection shall apply only to any bonds or notes as to which
9 the Authority shall have determined, in the resolution
10 authorizing the issuance of the bonds or notes, that this
11 subsection shall apply. Whenever the Authority makes such a
12 determination, that fact shall be plainly stated on the face
13 of the bonds or notes and that fact shall also be reported to
14 the Governor. In the event of a withdrawal of moneys from a
15 reserve fund established with respect to any issue or issues
16 of bonds of the Authority to pay principal or interest on those
17 bonds, the Chairperson of the Authority, as soon as
18 practicable, shall certify to the Governor the amount required
19 to restore the reserve fund to the level required in the
20 resolution or indenture securing those bonds. The Governor
21 shall submit the amount so certified to the General Assembly
22 as soon as practicable, but no later than the end of the
23 current State fiscal year. The Authority shall obtain written
24 approval from the Governor for any bonds and notes to be issued
25 under this Section. In addition to any other bonds authorized
26 to be issued under Sections 825-60, 825-65(e), 830-25 and

1 845-5, the principal amount of Authority bonds outstanding
2 issued under this Section 801-40(w) or under 20 ILCS 3850/1-80
3 or 30 ILCS 360/2-6(c), which have been assumed by the
4 Authority, shall not exceed \$150,000,000. This subsection (w)
5 shall in no way be applied to any bonds issued by the Authority
6 on behalf of the Illinois Power Agency under Section 825-90 of
7 this Act.

8 (x) The Authority may enter into agreements or contracts
9 with any person necessary or appropriate to place the payment
10 obligations of the Authority under any of its bonds in whole or
11 in part on any interest rate basis, cash flow basis, or other
12 basis desired by the Authority, including without limitation
13 agreements or contracts commonly known as "interest rate swap
14 agreements", "forward payment conversion agreements", and
15 "futures", or agreements or contracts to exchange cash flows
16 or a series of payments, or agreements or contracts, including
17 without limitation agreements or contracts commonly known as
18 "options", "puts", or "calls", to hedge payment, rate spread,
19 or similar exposure; provided that any such agreement or
20 contract shall not constitute an obligation for borrowed money
21 and shall not be taken into account under Section 845-5 of this
22 Act or any other debt limit of the Authority or the State of
23 Illinois.

24 (y) The Authority shall publish summaries of projects and
25 actions approved by the members of the Authority on its
26 website. These summaries shall include, but not be limited to,

1 information regarding the:

2 (1) project;

3 (2) Board's action or actions;

4 (3) purpose of the project;

5 (4) Authority's program and contribution;

6 (5) volume cap;

7 (6) jobs retained;

8 (7) projected new jobs;

9 (8) construction jobs created;

10 (9) estimated sources and uses of funds;

11 (10) financing summary;

12 (11) project summary;

13 (12) business summary;

14 (13) ownership or economic disclosure statement;

15 (14) professional and financial information;

16 (15) service area; and

17 (16) legislative district.

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

20 (z) Consistent with the findings and declaration of policy
21 set forth in item (j) of Section 801-5 of this Act, the
22 Authority shall have the power to make loans to the Police
23 Officers' Pension Investment Fund authorized by Section
24 22B-120 of the Illinois Pension Code and to make loans to the
25 Firefighters' Pension Investment Fund authorized by Section
26 22C-120 of the Illinois Pension Code. Notwithstanding anything

1 in this Act to the contrary, loans authorized by Section
2 22B-120 and Section 22C-120 of the Illinois Pension Code may
3 be made from any of the Authority's funds, including, but not
4 limited to, funds in its Illinois Housing Partnership Program
5 Fund, its Industrial Project Insurance Fund, or its Illinois
6 Venture Investment Fund.

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

8 (20 ILCS 3501/Art. 850 heading new)

9 ARTICLE 850

10 GENERAL PROVISIONS

11 (20 ILCS 3501/850-5 new)

12 Sec. 850-5. Green Bank. The General Assembly designates
13 the Authority as the Green Bank to aid in all respects with
14 providing financial assistance, programs, and products to
15 finance and otherwise develop and facilitate opportunities to
16 develop clean energy and provide clean water, drinking water,
17 and wastewater treatment in the State. Nothing in this Section
18 shall be deemed to supersede powers and regulatory duties
19 conferred to other State agencies or governmental units.

20 (20 ILCS 3501/850-10 new)

21 Sec. 850-10. Powers and duties.

22 (a) The Authority shall have the powers enumerated in this
23 Act to assist in the development and implementation of clean

1 energy in the State. The powers enumerated in this Article
2 shall be in addition to all other powers of the Authority
3 conferred in this Act, including those related to clean energy
4 and the provision of clean water, drinking water, and
5 wastewater treatment. The powers of the Authority to issue
6 bonds, notes, and other obligations to finance loans
7 administered by the Environmental Protection Agency under the
8 Public Water Supply Loan Program or the Water Pollution
9 Control Loan Program or other similar programs shall not be
10 limited or otherwise affected by this amendatory Act of the
11 102nd General Assembly.

12 (b) In its role as the Green Bank of the State, the
13 Authority shall have the power to:

14 (1) administer programs and funds appropriated by the
15 General Assembly for clean energy projects in eligible
16 communities and environmental justice communities or owned
17 by eligible persons;

18 (2) support investment in the clean energy and clean
19 water, drinking water, and wastewater treatment;

20 (3) support and otherwise promote investment in clean
21 energy projects to foster the growth, development and
22 commercialization of clean energy projects and related
23 enterprises; and

24 (4) stimulate demand for clean energy and the
25 development of clean energy projects.

26 (c) In addition to, and not in limitation of, any other

1 power of the Authority set forth in this Section or any other
2 provisions of the general statutes, the Authority shall have
3 and may exercise the following powers in furtherance of or in
4 carrying out its clean energy powers and purposes:

5 (1) To enter into joint ventures and invest in, and
6 participate with any person, including, but not limited
7 to, government entities and private corporations, in the
8 formation, ownership, management and operation of business
9 entities, including stock and nonstock corporations,
10 limited liability companies, and general or limited
11 partnerships, formed primarily to advance the purposes of
12 clean energy, provided that members of the Authority or
13 officers may serve as directors, members or officers of
14 any such business entity, and such service shall be deemed
15 to be in the discharge of the duties or within the scope of
16 the employment of any such member or officer, or Authority
17 or officers, as the case may be, so long as such member or
18 officer does not receive any compensation or direct or
19 indirect financial benefit as a result of serving in such
20 role.

21 (2) To do all other acts and things necessary or
22 convenient to carry out the clean energy purposes and
23 powers of the Authority.

24 (3) To utilize funding sources, including, but not
25 limited to:

26 (A) funds repurposed from existing programs

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

6 (B) any federal funds that can be used for clean
7 energy purposes;

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

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

17 (4) To enter into contracts with private sources to
18 raise capital.

19 (d) The Authority may finance working capital, refinance
20 outstanding indebtedness of any person, and otherwise assist
21 in the investment of equity from any source, public or
22 private, in connection with a clean energy project.

23 (e) The Authority may assess reasonable fees on its
24 financing activities to cover its reasonable costs and
25 expenses, as determined by it.

26 (f) The Authority shall make information regarding the

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

11 (20 ILCS 3501/850-15 new)

12 Sec. 850-15. Purposes; Green Bank. In its role as the
13 Green Bank for the State, the Authority shall consider the
14 following purposes:

15 (1) the distribution of the benefits of clean energy
16 in an equitable manner, including by evaluating benefits
17 to eligible communities and equity investment eligible
18 persons;

19 (2) making clean energy accessible to all, especially
20 eligible persons, through financing opportunities and
21 grants for minority-owned businesses as defined in the
22 Business Enterprise for Minorities, Women, and Persons
23 with Disabilities Act, participants in the Clean Energy
24 Primes Contractor Accelerator Program, participants in the
25 Clean Energy Contractor Incubator Program, and for

1 low-income communities, eligible communities,
2 environmental justice communities, and the businesses that
3 serve these communities; and

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

8 Article 10. Energy Community Reinvestment Act

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

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

21 The General Assembly finds and declares that the health,
22 safety, and welfare of the people of this State are dependent
23 upon a healthy economy and vibrant communities; that the

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

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

21 Section 10-10. Definitions. As used in this Act:

22 "Agencies" or "State agencies" has the same meaning as
23 "State agencies" under Section 1-7 of the Illinois State
24 Auditing Act.

25 "Commission" means the Energy Transition Workforce

1 Commission.

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

4 "Displaced energy worker" means an energy worker who has
5 lost employment, or is anticipated by the Department to lose
6 employment within the next 2 years, due to the reduced
7 operation or closure of a fossil fuel power plant, nuclear
8 power plant, or coal mine.

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

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

25 "Investor-owned electric generating plant" means a unit
26 that is an electric generating unit or fossil fuel-fired unit

1 that itself has a nameplate capacity or serves a generator
2 that has a nameplate capacity greater than 25 MWe and that
3 produces electricity, including, but not limited to,
4 coal-fired, coal-derived, oil-fired, natural gas-fired, and
5 cogeneration units.

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

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

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

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

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

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

25 Section 10-40. Energy Transition Workforce Commission.

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

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

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

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

8 (3) 5 members appointed by the Governor, with the
9 advice and consent of the Senate, of which at least one
10 shall be a representative of a local labor organization,
11 at least one shall be a resident of an environmental
12 justice community, at least one shall be a representative
13 of a national labor organization, and at least one shall
14 be a representative of the administrator of workforce
15 training programs created by this Act. Designees shall be
16 appointed within 60 days after a vacancy; and

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

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

25 (d) Within 240 days after the effective date of this Act,
26 the Commission shall produce an Energy Transition Workforce

1 Report regarding the anticipated impact of the energy
2 transition and a comprehensive set of recommendations to
3 address changes to the Illinois workforce during the period of
4 2020 through 2050, or a later year. The report shall contain
5 the following elements, designed to be used for the programs
6 created in this Act:

7 (1) Information related to the impact on current
8 workers, including:

9 (A) the anticipated schedule of closures of fossil
10 fuel power plants, nuclear power plants, and coal
11 mines across the State; when information is
12 unavailable to provide exact data, the report shall
13 include approximations based upon the best available
14 information; and

15 (B) an estimate of worker impacts due to scheduled
16 closures, including layoffs, early retirements, salary
17 changes, and other factors the Commission finds
18 relevant.

19 (2) Information regarding impact on communities and
20 local governments, including:

21 (A) changes in the revenue for units of local
22 government in areas that currently or recently have
23 had a closure or reduction in operation of a fossil
24 fuel power plant, nuclear power plant, coal mine, or
25 related industry; and

26 (B) economic impacts of the energy transition,

1 including, but not limited to, the supply chain
2 impacts of the energy transition shift toward new
3 energy sources across the State.

4 (3) Information on emerging industries and State
5 economic development opportunities in regions that have
6 historically been the site of fossil fuel power plants,
7 nuclear power plants, or coal mining.

8 (e) The Department shall periodically review its findings
9 in the developed reports and make modifications to the report
10 and programs based on new findings. The Commission shall
11 conduct a comprehensive reevaluation of the report, and
12 publish a modified version, on each of the following years
13 following initial publication: 2023; 2027; 2030; 2035; 2040;
14 and any year thereafter which the Department determines is
15 necessary or prudent.

16 Section 10-45. Energy Transition Community Grants.

17 (a) Subject to appropriation, the Department shall
18 establish an Energy Transition Community Grant Program to
19 award grants to promote economic development in eligible
20 communities.

21 (b) Funds shall be made available from the Energy
22 Transition Assistance Fund to the Department to provide these
23 grants.

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

1 (1) the area contains a fossil fuel or nuclear power
2 plant that was retired from service or has significantly
3 reduced service within 5 years before the application for
4 designation or will be retired or have service
5 significantly reduced within 5 years following the
6 application for designation;

7 (2) the area contains a coal mine that was closed or
8 had operations significantly reduced within 5 years before
9 the application for designation or is anticipated to be
10 closed or have operations; or

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

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

19 (e) To receive grant funds, an eligible community must
20 submit an application to the Department, using a form
21 developed by the Department.

22 (f) For grants awarded to counties or other entities that
23 are not the city that hosts or has hosted the investor-owned
24 electric generating plant, a resolution of support for the
25 project from the city or cities that hosts or has hosted the
26 investor-owned electric generating plant is required to be

1 submitted with the application.

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

5 (h) Project applications shall include community input and
6 consultation with a diverse set of stakeholders including, but
7 not limited to: Regional Planning Councils, where applicable;
8 economic development organizations; low-income or
9 environmental justice communities; educational institutions;
10 elected and appointed officials; organizations representing
11 workers; and other relevant organizations.

12 (i) Grant costs are authorized to procure third-party
13 vendors for grant writing and implementation costs, including
14 for guidance and opportunities to apply for additional
15 federal, State, local and private funding resources. If the
16 application is approved for preaward, one-time reimbursable
17 costs to apply for the Energy Transition Community Grant are
18 authorized up to 3% of the award.

19 Section 10-50. Displaced Energy Workers Bill of Rights.

20 (a) As used in this Section, "closure" means the permanent
21 shutdown of an investor-owned electric generating unit or coal
22 mine.

23 (b) The Department, in collaboration with the Department
24 of Employment Security, shall have the authority to implement
25 the Displaced Energy Workers Bill of Rights, and shall be

1 responsible for the implementation of the Displaced Energy
2 Workers Bill of Rights programs and rights created under this
3 Section. The Department shall provide the following benefits
4 to displaced energy workers:

5 (1) The Department shall notify all energy workers of
6 the upcoming closure of any qualifying facility as far in
7 advance of the scheduled closing date as it can. The
8 Department shall engage the employer and energy workers
9 within 30 days of a closure or deactivation notice being
10 filed by the plant owner to the Regional Transmission
11 Organization of jurisdiction, within 30 days of the
12 announced closure of a coal mine, within 30 days of a WARN
13 notice being filed with the Department, or within 30 days
14 of an announcement or requirement of cessation of
15 operations of a plant or mine from another authoritative
16 source, whichever is first.

17 (2) The Department shall take reasonable steps to
18 ensure that all displaced energy workers are educated on
19 the various programs available through the Department to
20 assist with the energy transition, including, but not
21 limited to, the Illinois Dislocated Worker and Rapid
22 Response programs. The Department will develop an outreach
23 strategy, workforce toolkit and quick action plan to
24 deploy when closures are announced. This strategy shall
25 include identifying any additional resources that may be
26 needed to aid worker transitions that would require

1 contracting services.

2 (3) The Department shall provide information and
3 consultation to displaced energy workers on various
4 employment and educational opportunities available to
5 them, supportive services, and advise workers on which
6 opportunities meet their skills, needs, and preferences.

7 (A) Available services shall include reemployment
8 services, training services, work-based learning
9 services, and financial and retirement planning
10 Support.

11 (B) The Department shall provide skills matching
12 as part of career counseling services to enable
13 assessment of the displaced energy worker's skills and
14 map those skills to emerging occupations in the region
15 or nationally, or both, depending on the displaced
16 worker's preferences.

17 (C) For energy workers who may be interested in
18 entrepreneurial pursuits, the Department shall connect
19 these individuals with their area Small Business
20 Development Center, Procurement Technical Assistance
21 Centers, and economic development organization to
22 engage in services including, but not limited to,
23 business consulting, business planning, regulatory
24 compliance, marketing, training, accessing capital,
25 and government bid certification assistance.

26 (c) Plant owners and the owners of coal mines located in

1 Illinois shall be required to comply with the requirements set
2 out in this subsection. The owners shall be required to take
3 the following actions:

4 (1) Provide written notice of deactivation or closure
5 filing with the Regional Transmission Organization of
6 jurisdiction to the Department within 48 hours, if
7 applicable.

8 (2) Provide employment information for energy workers;
9 90 days prior to the closure of an electric generating
10 unit or mine, the owners of the power plant or mine shall
11 provide energy workers information on whether there are
12 employment opportunities provided by their employer.

13 (3) Annually report to the Department on announced
14 closures of qualifying facilities. The report must include
15 information on expected closure date, number of employees,
16 planning processes, services offered for employees, such
17 as training opportunities, leading up to the closure,
18 efforts made to retain employees through other employment
19 opportunities within the company, and any other
20 information that the Department requires in order to
21 implement this Section.

22 (4) Ninety days prior to closure date, the owners of
23 the power plant or mine shall provide a final closure
24 report to the Department that includes expected closure
25 date, number of employees and salaries, transition support
26 the company is providing to employee and timelines,

1 including assistance for training opportunities,
2 transportation support or child care resources to attend
3 training, career counseling, resume support, and others.
4 The closure report will be made available to the chief
5 elected official of each municipal and county government
6 within which the employment loss, relocation, or mass
7 layoff occurs. It shall not be made publicly available.

8 (5) The owners of the power plant or mine shall
9 provide job descriptions for each employee at the plant or
10 mine to the Department and the entity providing career and
11 training counseling.

12 (6) The owners of the power plant or mine shall make
13 available to the Department and the entity providing
14 career and training counseling any industry related
15 certifications and on-the-job training the employee earned
16 to allow union training programs, community colleges, or
17 other certification programs to award credit for life
18 experiences in order to reduce the amount of time to
19 complete training, certificates or degrees for the
20 dislocated employee.

21 Section 10-55. Displaced Energy Worker Dependent
22 Transition Scholarship.

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

1 (b) Any natural child, legally adopted child, or
2 step-child of an eligible dislocated energy worker who
3 possesses all necessary entrance requirements shall, upon
4 application and proper proof, be awarded a transition
5 scholarship consisting of the equivalent of one calendar year
6 of full-time enrollment including summer terms, to the
7 State-supported Illinois institution of higher learning of his
8 or her choice.

9 (c) As used in this Section, "eligible dislocated energy
10 worker" means an energy worker who has lost employment due to
11 the reduced operation or closure of a fossil fuel power plant
12 or coal mine.

13 (d) Full-time enrollment means 12 or more semester hours
14 of courses per semester, or 12 or more quarter hours of courses
15 per quarter, or the equivalent thereof per term. Scholarships
16 utilized by dependents enrolled in less than full-time study
17 shall be computed in the proportion which the number of hours
18 so carried bears to full-time enrollment.

19 (e) Scholarships awarded under this Section may be used by
20 a child without regard to his or her age. The holder of a
21 Scholarship awarded under this Section shall be subject to all
22 examinations and academic standards, including the maintenance
23 of minimum grade levels, that are applicable generally to
24 other enrolled students at the Illinois institution of higher
25 learning where the Scholarship is being used.

26 (f) An applicant is eligible for a scholarship under this

1 Section when the Commission finds the applicant:

2 (1) is the natural child, legally adopted child, or
3 step-child of an eligible dislocated energy worker; and

4 (2) in the absence of transition scholarship
5 assistance, will be deterred by financial considerations
6 from completing an educational program at the
7 State-supported Illinois institution of higher learning of
8 his or her choice.

9 (g) Funds shall be made available from the Energy
10 Transition Assistance Fund to the Commission to provide these
11 grants.

12 (h) The scholarship shall only cover tuition and fees at
13 the In-District/In-State rates but shall not exceed the cost
14 equivalent of one calendar year of full-time enrollment,
15 including summer terms, at the University of Illinois. The
16 Commission shall determine the grant amount for each student.

17 Section 10-60. Energy Community Reinvestment Report.
18 Beginning 365 days after the effective date of this Act, and at
19 least once each calendar year thereafter, the Department shall
20 create or commission the creation of a report on the energy
21 worker and transition programs created in this Act and publish
22 the report on its website. The report shall, at a minimum,
23 contain information on program metrics, the demographics of
24 participants, program impact, and recommendations for future
25 modifications to the services provided by the Department under

1 these programs.

2 Section 10-65. Administrative review. All final
3 administrative decisions, including, but not limited to,
4 funding allocation and rules issued by the Department under
5 this Act are subject to judicial review under the
6 Administrative Review Law. No action may be commenced under
7 this Section prior to 60 days after the complainant has given
8 notice in writing of the action to the Department.

9 Article 15. Community Energy and Climate Planning

10 Section 15-1. Short title. This Article may be cited as
11 the Community Energy and Climate Planning Act. References in
12 this Article to "this Act" mean this Article.

13 Section 15-5. Findings and purpose. The General Assembly
14 makes the following findings:

15 (1) The health, welfare, and prosperity of Illinois
16 citizens require that Illinois take all steps possible to
17 combat climate change, address harmful environmental impacts
18 deriving from the generation of electricity, ensure affordable
19 utility service, equitable and affordable access to
20 transportation, and clean, safe, affordable housing.

21 (2) The achievement of these goals will depend on strong
22 community engagement to ensure that programs and policy

1 solutions meet the needs of disparate communities.

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

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

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

12 "Energy efficiency improvement" means equipment, devices,
13 or materials intended to decrease energy consumption or
14 promote a more efficient use of electricity, natural gas,
15 propane, or other forms of energy on property, including, but
16 not limited to, all of the following: (1) insulation in walls,
17 roofs, floors, foundations, or heating and cooling
18 distribution systems; (2) storm windows and doors,
19 multi-glazed windows and doors, heat-absorbing or
20 heat-reflective glazed and coated window and door systems, and
21 additional glazing, reductions in glass area, and other window
22 and door system modifications that reduce energy consumption;
23 (3) automated energy control systems; (4) high efficiency
24 heating, ventilating, or air-conditioning and distribution
25 system modifications or replacements; (5) caulking,

1 weather-stripping, and air sealing; (6) replacement or
2 modification of lighting fixtures to reduce the energy use of
3 the lighting system; (7) energy controls or recovery systems;
4 (8) day lighting systems; (9) any energy efficiency project,
5 as defined in Section 825-65 of the Illinois Finance Authority
6 Act; and (10) any other installation or modification of
7 equipment, devices, or materials approved as a utility
8 cost-savings measure by the governing body.

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

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

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

23 "Renewable energy resource" includes energy and its
24 associated renewable energy credit or renewable energy credits
25 from wind energy, solar thermal energy, geothermal energy,
26 photovoltaic cells and panels, biodiesel, anaerobic digestion,

1 and hydropower that does not involve new construction or
2 significant expansion of hydropower dams. For purposes of this
3 Act, landfill gas produced in the State is considered a
4 renewable energy resource. "Renewable energy resource" does
5 not include the incineration or burning of any solid material.

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

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

17 Section 15-15. Community Energy and Climate Plans;
18 creation.

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

22 (b) Community Energy and Climate Plans are intended to aid
23 local governments develop a comprehensive approach to
24 combining different energy and climate programs and funding
25 resources to achieve complementary impact. An effective

1 planning process may:

2 (1) help communities discover ways that their local
3 government, businesses, and residents can control their
4 energy use and bills;

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

7 (3) expand access to workforce development and job
8 training opportunities in the emerging clean energy
9 economy;

10 (4) promote economic development through improvements
11 in community infrastructure, transit, and support for
12 local business;

13 (5) improve the health of Illinois communities by
14 reducing emissions, addressing existing brownfield areas,
15 and promoting the integration of distributed energy
16 resources;

17 (6) enable greater customer engagement, empowerment,
18 and options for energy services, and ultimately reduce
19 utility bills for Illinoisans;

20 (7) bring the benefits of grid modernization and the
21 deployment of distributed energy resources to economically
22 disadvantaged communities throughout Illinois;

23 (8) support existing Illinois policy goals promoting
24 energy efficiency, demand response and investments in
25 renewable energy resources; and

26 (9) ensure minorities, women, people with

1 disabilities, and veterans meaningfully participate in the
2 transition to a clean energy economy.

3 (c) A Community Energy and Climate Plan may include
4 discussion of:

5 (1) the demographics of the community, including
6 information on the mix of residential and commercial areas
7 and populations, ages, languages, education and workforce
8 training. This includes an examination of the average
9 utility bills paid within the community by class and
10 census area, the percentage and locations of individuals
11 requiring energy assistance, and the participation of
12 community members in other assistance programs. This also
13 includes an examination of the community's energy use, for
14 electricity, natural gas, transportation, and other fuels;

15 (2) the geography of the community, including the
16 amount of green space, brownfield sites, open space for
17 potential development, location of critical infrastructure
18 such as emergency response facilities, health care and
19 education facilities, and public transportation routes;
20 and

21 (3) information on economic development opportunities,
22 commercial usage, and employment opportunities.

23 (d) A Community Energy and Climate Plan may address the
24 following areas:

25 (1) distributed energy resources, including energy
26 efficiency, demand response, dynamic pricing, energy

1 storage, solar (thermal, rooftop, and community);

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

3 (3) vehicle miles traveled; and

4 (4) transit options, including individual car
5 ownership, ride sharing, buses, trains, bicycles, and
6 pedestrian walkways.

7 (e) A Community Energy and Climate Plan may conclude with
8 proposals to:

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

11 (2) maximize the system-wide benefits of
12 transportation electrification;

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

18 (4) increase the integration of distributed energy
19 resources in the community;

20 (5) significantly expand the percentage of net-zero
21 housing and net-zero buildings in the community;

22 (6) improve utility bill affordability;

23 (7) increase mass transit ridership;

24 (8) decrease vehicle miles traveled;

25 (9) reduce local emissions of greenhouse gases, NOx,
26 SOx, particulate matter, and other air pollutants; and

1 (10) expand opportunities for minorities, women,
2 people with disabilities, and veterans to meaningfully
3 participate in the transition to a clean energy economy.

4 Section 15-20. Community Energy and Climate Planning
5 Process.

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

14 (b) An effective planning process shall engage with
15 individual members of the community as much as possible to
16 ensure that the Plans receive input from as diverse a set of
17 perspectives as possible.

18 (c) Plan materials and meetings related to the Plan shall
19 be translated into languages that reflect the makeup of the
20 local community.

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

24 (e) The Community Energy and Climate Plans shall take into
25 account other applicable or relevant economic development

1 plans, such as a Comprehensive Economic Development Strategy,
2 developed by a local unit of government, economic development
3 organization, or Regional Planning Council.

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

11 Section 15-30. Clean energy goals.

12 (a) Article XI of the Constitution of the State of
13 Illinois provides that every citizen deserves a healthful
14 environment, that it is the public policy of the State to
15 maintain a healthful environment for this generation and
16 future generations and that the General Assembly should enable
17 this policy.

18 (b) To fulfill this policy, Illinois has a responsibility
19 to protect its citizens and economy against the threats of
20 climate change, including threats to our economy, health,
21 safety, and national security.

22 (c) Moving Illinois toward a goal of 100% clean energy by
23 2050 is in furtherance of the State's policy to provide a
24 healthful environment for its citizens. To accomplish this

1 goal, the State must undertake several policy initiatives,
2 such as incentivizing renewable energy and other low or zero
3 carbon sources of energy, adopting measures to reduce our
4 energy usage, and improving the reliability and affordability
5 of our energy system.

6 (d) The move toward 100% clean energy will allow Illinois
7 to take advantage of the clean energy economy that can provide
8 new quality jobs and economic opportunities, and wealth
9 building in economically disadvantaged communities that have
10 borne a disproportionate burden of pollution and climate
11 change. It will further improve health outcomes through
12 reduction of co-emissions of pollutants other than greenhouse
13 gases for all citizens of the State. These improved health
14 outcomes also provide economic benefits for the State.

15 (e) These initiatives must ensure that the development of
16 a clean energy economy will provide benefits and opportunities
17 for economically disadvantaged communities, communities of
18 color and environmental justice communities, and a just
19 transition for communities and workers who rely on existing
20 power plants for jobs, property tax revenues, and other
21 economic benefits.

22 (f) Energy efficiency should be prominent in the State's
23 clean energy policy, since it is the most cost-effective
24 energy resource. Energy efficiency upgrades help customers
25 manage their individual energy bills, while reducing the total
26 energy needs of the State and the cost of the energy system.

1 (g) The transportation sector is now the leading source of
2 carbon pollution in Illinois, responsible for roughly
3 one-third of carbon emissions in the State. The State should
4 adopt policies that will encourage and expand access to public
5 transit, promote walking and biking mobility, and increase
6 electric vehicle adoption. If properly implemented,
7 transitioning to electric vehicles can greatly decrease
8 emissions from the transportation sector, provide reliability
9 assistance to the electric power grid, and potentially lower
10 electric bills for customers by moving electric demand to
11 off-peak hours.

12 (h) The transition to a clean energy economy will also
13 provide an impetus for the development of new technologies and
14 products and the potential for manufacturing some of these
15 products in Illinois.

16 (i) Energy storage can provide many services and benefits
17 to the electricity grid, including reducing peak load,
18 frequency regulation, voltage support, and the greater
19 utilization of renewable energy, which will provide many
20 benefits.

21 (j) Greater implementation of these new technologies and
22 generation sources will provide for greater customer choice in
23 their energy sources and usage. To help further these goals,
24 new and innovative regulatory policies are needed to
25 transition to a more resilient grid that is equipped to
26 implement the clean energy economy, while also achieving

1 reliability and affordability goals.

2 (k) It is hereby declared that the State shall strive to
3 attain:

4 (1) a reduction to net-zero greenhouse gas emissions
5 from coal-fired generation in excess of 25 MW by 2035;

6 (2) a reduction to net-zero greenhouse gas emissions
7 from natural gas by 2045; and

8 (3) 100% clean energy by 2050.

9 (l) The Director of each State agency shall, consistent
10 with the agency's mission and exclusively through the
11 authorities vested in the agency by law, develop a plan for
12 actions to be taken in coordination with other agencies to
13 make significant progress to meeting these goals.

14 Article 20. Illinois Clean Energy

15 Jobs and Justice Fund Act

16 Section 20-1. Short title. This Article may be cited as
17 the Illinois Clean Energy Jobs and Justice Fund Act.
18 References in this Article to "this Act" mean this Article.

19 Section 20-5. Purpose. The purpose of this Act is to
20 promote the health, welfare, and prosperity of all the
21 residents of this State by ensuring access to financial
22 products that allow Illinois residents and businesses to
23 invest in clean energy. Furthermore, the Illinois Clean Energy

1 Jobs and Justice Fund, is designed to fill the following
2 purposes:

3 (1) ensure that the benefits of the clean energy
4 economy are equitably distributed;

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

11 (3) prioritize the provision of public and private
12 capital for clean energy investment to MBEs and other
13 contractors of color, and to businesses serving
14 low-income, environmental justice, and BIPOC communities;

15 (4) accelerate the flow of private capital into clean
16 energy markets;

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

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

22 (7) develop financing products designed to compensate
23 for historical and structural barriers preventing
24 low-income, environmental justice, and BIPOC communities
25 from accessing traditional financing;

26 (8) leverage private investment in clean energy

1 projects and in projects developed by MBEs and other
2 contractors of color; and

3 (9) pursue financial self-sustainability through
4 innovative financing products.

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

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

11 "Board" means the Board of Directors of the Illinois Clean
12 Energy Jobs and Justice Fund.

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

22 "Environmental justice communities" has the same meaning
23 of that term based on existing methodologies and findings used
24 by the Illinois Power Agency and its Administrator of the
25 Illinois Solar for All Program.

1 "Fund" means the Illinois Clean Energy Jobs and Justice
2 Fund.

3 "Low-income" means households whose income does not exceed
4 80% of Area Median Income (AMI), adjusted for family size and
5 revised every 5 years.

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

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

11 "Municipality" means a city, village, or incorporated
12 town.

13 "Person" means any natural person, firm, partnership,
14 corporation, either domestic or foreign, company, association,
15 limited liability company, joint stock company, or association
16 and includes any trustee, receiver, assignee, or personal
17 representative thereof.

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

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

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

24 (c) The full faith and credit of the State shall not extend
25 to the Fund.

1 (d) The Fund shall:

2 (1) be an organization described in subsection (c)
3 Section 501 of the Internal Revenue Code of 1986 and
4 exempt from taxation under subsection (a) of Section 501
5 of that Code;

6 (2) ensure that no part of the income or assets of the
7 Fund shall inure to the benefit of any director, officer,
8 or employee, except as reasonable compensation for
9 services or reimbursement for expenses; and

10 (3) not contribute to or otherwise support any
11 political party or candidate for elective office.

12 Section 20-20. Board of Directors.

13 (a) The Fund shall be managed by, and its powers,
14 functions, and duties shall be exercised through, a Board to
15 be composed of 11 members. The initial members of the Board
16 shall be selected as follows:

17 (1) Five members shall be appointed by the Governor
18 within 60 days after the effective date of this Act.
19 Members of the Board shall be broadly representative of
20 the communities that the Fund is designed to serve. Of
21 such members:

22 (A) at least one member shall be selected from
23 each of the following geographic regions in the State:
24 northeast, northwest, central, and southern;

25 (B) at least one member shall have experience in

1 providing energy-related services to low-income,
2 environmental justice, or BIPOC communities;

3 (C) at least one member shall own or be employed by
4 an MBE or BIPOC-owned business focused on the
5 deployment of clean energy; and

6 (D) at least one member shall be a policy or
7 implementation expert in serving low-income,
8 environmental justice or BIPOC communities or
9 individuals, including environmental justice
10 communities, BIPOC communities, justice-involved
11 persons, persons who are or were in the child welfare
12 system, displaced energy workers, gender nonconforming
13 and transgender individuals, or youth.

14 Board members can fulfill multiple criteria, such as
15 representing the southern region and a MBE or BIPOC-owned
16 business focused on the deployment of clean energy.

17 (2) Six members shall be elected unanimously by the 5
18 members appointed pursuant to paragraph (1) within 120
19 days after the effective date of this Act. Members of the
20 Board shall be broadly representative of the communities
21 that the Fund is designed to serve. Of such members:

22 (A) at least one member shall be selected from
23 each of the following geographic regions in the State:
24 northeast, northwest, central, and southern;

25 (B) at least one member shall be from a
26 community-based organization with a specific mission

1 to support racially and socioeconomically diverse
2 environmental justice communities;

3 (C) at least one member shall own or be employed by
4 an MBE or BIPOC-owned business focused on the
5 deployment of clean energy; and

6 (D) at least one member shall be from an
7 organization specializing in providing energy-related
8 services to low-income, environmental justice, or
9 BIPOC communities.

10 Board members can fulfill multiple criteria, such as
11 representing the southern region and an MBE or BIPOC-owned
12 business focused on the deployment of clean energy.

13 (3) The terms of the initial members of the Board
14 shall be as follows:

15 (A) The 5 members appointed and confirmed under
16 paragraph (1) of subsection (a) shall have initial
17 5-year terms.

18 (B) Of the 6 members elected under paragraph (2)
19 of subsection (a), 3 shall have initial 4-year terms
20 and 3 shall have initial 3-year terms.

21 (b) Subsequent composition and terms.

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

26 (2) A member of the Board shall be disqualified from

1 voting for any position on the Board for which such member
2 is a candidate.

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

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

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

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

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

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

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

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

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

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

9 (g) No director, nor member of his or her immediate family
10 shall, either directly or indirectly, be employed for
11 compensation as a staff member or consultant of the Fund.

12 (h) The Board shall hold regular meetings at least once
13 every 3 months on such dates and at such places as it may
14 determine. Meetings may be held by teleconference or
15 videoconference. Special meetings may be called by the
16 president or by a majority of the directors upon at least 7
17 days' advance written notice. The act of the majority of the
18 directors, present at a meeting at which a quorum is present,
19 shall be the act of the Board of Directors unless the act of a
20 greater number is required by this Act or bylaws. A summary of
21 the minutes of every Board meeting shall be made available to
22 each public library in the State upon request and to
23 individuals upon request. Board of Directors meeting minutes
24 shall be posted on the Fund's website within 14 days after
25 Board approval of the minutes.

26 (i) A director may not receive any compensation for his or

1 her services but shall be reimbursed for necessary expenses,
2 including travel expenses incurred in the discharge of duties.
3 The Board shall establish standard allowances for mileage,
4 room and meals and the purposes for which such allowances may
5 be made and shall determine the reasonableness and necessity
6 for such reimbursements.

7 (j) In the event of a vacancy on the Board, the Board of
8 Directors shall appoint a temporary member, consistent with
9 the requirements of the Board composition, to serve the
10 remainder of the term for the vacant seat.

11 (k) The Board shall adopt rules for its own management and
12 government, including bylaws and a conflict of interest
13 policy.

14 (l) The Board of Directors of the Fund shall adopt written
15 procedures for:

16 (1) adopting an annual budget and plan of operations,
17 including a requirement of Board approval before the
18 budget or plan may take effect;

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

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

26 (4) contracting for financial, legal, bond

1 underwriting and other professional services, including
2 requirements that the Fund (i) solicit proposals at least
3 once every 3 years for each such service that it uses, and
4 (ii) ensure equitable contracting with diverse suppliers;

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

7 (6) awarding loans, grants and other financial
8 assistance, including (i) eligibility criteria, the
9 application process and the role played by the Fund's
10 staff and Board of Directors, and (ii) ensuring racial
11 equity in the awarding of loans, grants, and other
12 financial assistance.

13 (m) The Board shall develop a robust set of metrics to
14 measure the degree to which the program is meeting the
15 purposes set forth in Section 5-10, and especially measuring
16 adherence to the racial equity purposes set forth there, and a
17 reporting format and schedule to be adhered to by the Fund
18 officers and staff. These metrics and reports shall be posted
19 quarterly on the Fund's website.

20 (n) The Board of Directors has the responsibility to make
21 program adjustments necessary to ensure the Clean Energy Jobs
22 and Justice Fund is meeting the purposes set forth in this Act.
23 Fund officers and staff and the Board of Directors are
24 responsible for ensuring capital providers and Fund officers
25 and staff, partners, and financial institutions are held to
26 State and federal standards for ethics and predatory lending

1 practices and shall immediately remove any offending products
2 and sponsoring organizations from Fund participation.

3 (o) The Board shall issue annually a report reviewing the
4 activities of the Fund in detail and shall provide a copy of
5 such report to the joint standing committees of the General
6 Assembly having cognizance of matters relating to energy and
7 commerce. The report shall be published on the Fund's website
8 within 3 days after its submission to the General Assembly.

9 Section 20-25. Powers and duties.

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

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

15 (2) Support financing or other expenditures that
16 promote investment in clean energy sources in order to (i)
17 foster the development and commercialization of clean
18 energy projects, including projects serving low-income,
19 environmental justice, and BIPOC communities, and (ii)
20 support project development by MBE and other contractors
21 of color.

22 (3) Prioritize the provision of public and private
23 capital for clean energy investment to MBEs and other
24 contractors of color, and to clean energy investment in
25 low-income, environmental justice, and BIPOC communities.

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

5 (5) Provide financial assistance in the form of
6 grants, loans, loan guarantees or debt and equity
7 investments, as approved in accordance with written
8 procedures.

9 (6) Assume or take title to any real property, convey
10 or dispose of its assets and pledge its revenues to secure
11 any borrowing, convey or dispose of its assets and pledge
12 its revenues to secure any borrowing, for the purpose of
13 developing, acquiring, constructing, refinancing,
14 rehabilitating or improving its assets or supporting its
15 programs, provided each such borrowing or mortgage, unless
16 otherwise provided by the Board or the Fund, shall be a
17 special obligation of the Fund, which obligation may be in
18 the form of bonds, bond anticipation notes or other
19 obligations which evidence an indebtedness to the extent
20 permitted under this Act to Fund, refinance and refund the
21 same and provide for the rights of holders thereof, and to
22 secure the same by pledge of revenues, notes and mortgages
23 of others, and which shall be payable solely from the
24 assets, revenues and other resources of the Fund and such
25 bonds may be secured by a special capital reserve Fund
26 contributed to by the State.

1 (7) Contract with community-based organizations to
2 design and implement program marketing, communications,
3 and outreach to potential users of the Fund's products,
4 particularly potential users in low-income, environmental
5 justice, and BIPOC communities. These contracts shall
6 include funding to ensure that the contracted
7 community-based organizations provide materials and
8 outreach support, including payments for time and
9 expenses, to other community organizations, professional
10 organizations, and subcontractors that have an interest in
11 the Fund's financial products.

12 (8) Collect the following data and perform monthly and
13 quarterly reporting to the Board in accordance with the
14 reporting format and schedule developed by the Board of
15 Directors:

16 (A) baseline data on capital sources or providers,
17 loan recipients, projects funded, loan terms, and
18 other relevant financial data;

19 (B) diversity and equity data, including race,
20 gender, socioeconomic, and geographic region; and

21 (C) program administration and servicing data.
22 These reports shall be published to the Fund's website
23 monthly and quarterly. Reports published to the
24 website may be anonymized to protect the data of
25 individual program participants.

26 (9) Have the purposes as provided by resolution of the

1 Fund's Board of Directors, which purposes shall be
2 consistent with this Section and Section 5-10. No further
3 action is required for the establishment of the Fund,
4 except the adoption of a resolution for the Fund.

5 (b) In addition to, and not in limitation of, any other
6 power of the Fund set forth in this Section or any other
7 provision of the general statutes, the Fund shall have and may
8 exercise the following powers in furtherance of or in carrying
9 out its purposes:

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

13 (2) make and enter into all contracts and agreements
14 that are necessary or incidental to the conduct of its
15 business;

16 (3) invest in, acquire, lease, purchase, own, manage,
17 hold, sell and dispose of real or personal property or any
18 interest therein;

19 (4) borrow money or guarantee a return to investors or
20 lenders;

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

23 (6) employ such assistants, agents, and employees as
24 may be necessary or desirable, and establish all necessary
25 or appropriate personnel practices and policies, including
26 those relating to hiring, promotion, compensation and

1 retirement, and engage consultants, attorneys, financial
2 advisers, appraisers, and other professional advisers as
3 may be necessary or desirable;

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

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

10 (9) enter into joint ventures and invest in, and
11 participate with any person, including, but not limited
12 to, government entities and private corporations, in the
13 formation, ownership, management and operation of business
14 entities, including stock and nonstock corporations,
15 limited liability companies and general or limited
16 partnerships, formed to advance the purposes of the Fund,
17 provided members of the Board of Directors or officers or
18 employees of the Fund may serve as directors, members or
19 officers of any such business entity, and such service
20 shall be deemed to be in the discharge of the duties or
21 within the scope of the employment of any such director,
22 officer or employee, as the case may be, so long as such
23 director, officer or employee does not receive any
24 compensation or financial benefit as a result of serving
25 in such role; and

26 (10) all other acts necessary or convenient to carry

1 out the purposes of this Act.

2 (c) Before making any loan, loan guarantee, or such other
3 form of financing support or risk management for a clean
4 energy project, the Fund shall develop standards to govern the
5 administration of the Fund through rules, policies and
6 procedures that specify borrower eligibility, terms and
7 conditions of support, and other relevant criteria, standards,
8 or procedures.

9 (d) Funding sources specifically authorized include, but
10 are not limited to:

11 (1) funds repurposed from existing programs providing
12 financing support for clean energy projects, provided any
13 transfer of funds from such existing programs shall be
14 subject to approval by the General Assembly and shall be
15 used for expenses of financing, grants and loans;

16 (2) any federal funds that can be used for the
17 purposes specified in this Act;

18 (3) charitable gifts, grants, contributions as well as
19 loans from individuals, corporations, university
20 endowments and philanthropic foundations; and

21 (4) earnings and interest derived from financing
22 support activities for clean energy projects backed by the
23 Fund.

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

26 (f) The Fund may assess reasonable fees on its financing

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

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

14 (h) The powers enumerated in this Section shall be
15 interpreted broadly to effectuate the purposes established in
16 this Section and shall not be construed as a limitation of
17 powers.

18 Section 20-30. Primary responsibilities in early program
19 development.

20 (a) Consistent with the goals of this Act, the Fund has the
21 authority to pursue a broad range of financial products and
22 services. In early development of products and services
23 offered, the Fund shall consider the following programs as its
24 initial set of investment initiatives:

25 (1) a solar lease, power-purchase agreement, or

1 loan-to-own product specifically designed to complement
2 and grow the Illinois Solar for All Program;

3 (2) direct capitalization of contractors of color
4 participating in or graduating from the workforce and
5 business development programs established in the Energy
6 Transition Act;

7 (3) providing direct capitalization of community-based
8 projects in environmental justice communities through
9 upfront grants. Project applications shall provide a
10 community benefit, align with environmental justice
11 communities, be in support of this Act's contractor and
12 workforce development goals, and support upfront planning,
13 development, and start up costs that often are not covered
14 prior to applying for program incentives and other loan
15 products;

16 (4) providing loan loss reserve products to secure
17 stable and low-interest financing for individual projects
18 and portfolios consistent with the goals of this Act that
19 would be otherwise unable to receive financing; and

20 (5) offering financing and administrative services for
21 municipal utilities and rural electric cooperatives to
22 create their own version of the on-bill Equitable Energy
23 Upgrade Program such as the Pay As You Save program
24 developed by the Energy Efficiency Institute.

25 Section 20-35. Executive director and fund management.

1 (a) The executive director hired by the Board shall have
2 the same qualifications as a director pursuant to subsection
3 (d) of Section 20-10. The executive director may not be a
4 candidate for the Board of Directors while serving as
5 executive director. The executive director must have 5 or more
6 years of experience in equitable and inclusive financing
7 serving racially and socioeconomically diverse communities.

8 (b) To hire the executive director, the Board shall adhere
9 to any applicable State or federal law prohibiting
10 discrimination in employment.

11 (c) The Board shall require all applicants for the
12 position of executive director of the Fund to file a financial
13 statement consistent with requirements established by the
14 Board. The Board shall require the executive director to file
15 a current statement annually.

16 (d) The Fund shall be administered by the executive
17 director and the staff and overseen by the Board of Directors.
18 Fund officers and staff shall receive training in how to best
19 provide services and support to low-income, environmental
20 justice, and BIPOC communities and on supporting borrowers
21 with loan applications, loan underwriting, and loan services.

22 Section 20-40. Dissolution. The Fund may dissolve or be
23 dissolved under the General Not for Profit Corporation Act.

1 Section 90-1. Legislative findings. The General Assembly
2 finds and declares:

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

11 (2) For many years, a significant portion of the
12 electricity consumed by consumers and businesses in this
13 State, particularly in the downstate region, has been
14 produced by large coal-fueled electric generating stations
15 located in the downstate region. However, in recent years,
16 the prices for electric generating capacity and energy
17 available to coal-fueled electric generating stations
18 located in the downstate region of this State have been
19 insufficient to enable many electric generating facilities
20 located within the downstate region to remain in
21 operation, and have placed other electric generating
22 stations at risk of closure. Changes in environmental
23 regulations and, significantly, increasing concerns about
24 the effects of carbon emissions on the climate, have also
25 contributed to the retirement of coal-fueled generating

1 stations in the downstate region. As a result, the vast
2 majority of the coal-fueled generation located in
3 Illinois, and particularly in the downstate region, has
4 recently been retired or will be retired by no later than
5 the end of 2027.

6 (3) Reliable electric service at all times is
7 essential to the functioning of a modern economy and of
8 society in general. The health, welfare, and prosperity of
9 Illinois citizens, including the attractiveness of the
10 State to business and industry, requires the availability
11 of sufficient electric generating capacity, including
12 energy storage capacity, to meet the demands of consumers
13 and businesses in this State at all times. However, to a
14 significant extent, electricity, when generated, cannot be
15 stored for future use in any significant amount relative
16 to the total amount of electricity that existing
17 generating facilities can produce. Rather, for the most
18 part, electricity must be produced instantaneously at the
19 time and in the amount that it is demanded by residential
20 and business consumers. The development of energy storage
21 facilities provides some opportunity to store some amounts
22 of electricity for use at later times; but energy storage
23 facilities with sufficient capacity to deliver electricity
24 to meet the demands of consumers in this State, 24 hours
25 per day, 7 days per week on every day of the year, have not
26 yet been built.

1 (4) Both the Midcontinent Independent System Operator,
2 Inc., which is the independent transmission system
3 operator for downstate Illinois, and its Independent
4 Market Monitor, have expressed concerns about the
5 sufficiency of electric generating resources in downstate
6 Illinois over the next several years, due primarily to the
7 announced and anticipated retirements of coal-fueled
8 electric generating facilities and concerns about how
9 quickly and extensively new wind and solar generating
10 facilities will be placed into service. Concerns have also
11 been expressed, based on the intermittent nature of wind
12 and solar generating facilities, as to whether the grid
13 can operate reliably without sufficient dispatchable
14 generation resources or significant additions of energy
15 storage facilities to balance the output of renewable
16 generating facilities. The General Assembly believes that
17 the State cannot afford to find itself in a situation of
18 insufficient electric generating resources to meet the
19 needs of Illinois residential and business consumers 24
20 hours a day, 7 days a week. Thus, consistent with the
21 overall objectives of the regulation of the electric
22 utility industry in this State and the interests of the
23 State in protecting the health and welfare of its
24 residents, regulation should ensure that sufficient
25 generating resources, including energy storage resources,
26 are available to enable the electric utility grid to meet

1 the demands of Illinois electricity consumers at all
2 times.

3 (5) Through previous enactments beginning in 2007, the
4 General Assembly has provided financial incentives for the
5 construction and operation of wind, solar, and other types
6 of renewable energy facilities to serve load in Illinois.
7 In such enactments, the General Assembly has recognized
8 that providing opportunities to enter into long-term
9 contracts for the purchase of renewable energy credits
10 from renewable energy facilities creates incentives, and
11 in fact is necessary, for the construction and operation
12 of such resources. Developers typically cannot,
13 financially, develop new, large-scale renewable energy
14 generating resources without having secured long-term
15 contracts for the renewable energy credits that the new
16 facilities will produce.

17 (6) The permitting and siting of new wind and solar
18 generating facilities in Illinois are subject to local
19 governmental control, and in many areas of this State,
20 there has been strong opposition to the siting and
21 construction of new utility-scale wind and solar
22 generating facilities, which in turn has resulted in the
23 denial of, or withdrawal of requests for, necessary
24 approvals for some projects and the enactment of local
25 zoning ordinances imposing requirements and restrictions
26 that increase the costs and reduce the economic

1 attractiveness of such projects. This has resulted in
2 delay or cancellation of a number of renewable energy
3 projects. This experience demonstrates the advantages of
4 targeting the installation of new utility-scale renewable
5 energy facilities at sites that are already suitable for
6 installation of such facilities and can be readily
7 permitted.

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

15 (8) The sites of many of the large coal-fueled
16 electric generating stations located in the downstate
17 region of this State that have recently been retired or
18 announced for retirement, or are at risk of retirement,
19 have existing infrastructure and other characteristics
20 which make them suitable potential sites for development
21 of new renewable energy generating facilities and
22 electricity storage facilities. This infrastructure and
23 other characteristics include large amounts of available
24 land situated at a suitable distance from populated areas,
25 suitable levels of exposure to sunlight, and high voltage
26 interconnections to nearby bulk electric system

1 transmission grid facilities at strategic locations.
2 Development of these generating plant sites for
3 large-scale renewable energy generating facilities,
4 particularly photovoltaic facilities which require large
5 amounts of space, and electricity storage facilities, can
6 help advance this State's objective of increasing the
7 portion of the State's total electricity usage that is
8 supplied by zero emission resources, and reducing the
9 proportion of the electricity produced in this State that
10 is produced by carbon-emitting resources, while supporting
11 the reliability of electric service in the downstate
12 region. Accordingly, the General Assembly finds that it is
13 in the public interest to encourage the redevelopment of
14 the sites of retired and still-operating coal-fueled
15 electric generating stations as locations for renewable
16 energy generating facilities and electricity storage
17 facilities.

18 (9) Many, if not all, of the coal-fueled electric
19 generating plants in this State that have recently been
20 retired or announced for retirement, or are at near-term
21 risk of retirement, were at one time owned, at whole or in
22 part, by a public utility as defined in Section 3-105 of
23 the Public Utilities Act and were thereby devoted to
24 public service and the public use in Illinois, with their
25 costs paid for by rates paid by public utility ratepayers
26 in Illinois. The General Assembly finds that it is

1 appropriate to provide incentives to the owners of the
2 sites of coal-fueled electric generating facilities in
3 this State that were once owned by public utilities, to
4 repurpose those sites in a manner that continues to
5 benefit the public by providing for the generation of
6 carbon-free, non-emitting electricity and reliable bulk
7 electric service.

8 (10) The General Assembly finds it is appropriate for
9 the State to establish a program to provide incentives for
10 the installation and operation of new renewable energy
11 facilities, along with energy storage facilities, at the
12 sites of retired and at-risk coal-fueled electric
13 generating facilities in this State, to help expedite the
14 transition of this State's electric generation fleet to
15 lower-emitting resources while ensuring the availability
16 of sufficient electric energy resources to meet the
17 demands of residential and business electricity consumers
18 in this State.

19 (11) In light of the foregoing findings, the purpose
20 of the program established in this subsection of Section
21 1-75 of the Illinois Power Agency Act, is to incentivize
22 and support conversion and development of unused (or to be
23 unused) sites of recently retired and soon to-be-retired
24 coal-fueled power plants in this State to productive new
25 uses as sites for the generation and provision of
26 electricity from renewable energy facilities and energy

1 storage facilities, thereby contributing to the State's
2 efforts to reduce carbon emissions from facilities in this
3 State and increase the production of the State's
4 electricity needs from clean energy resources. The
5 provisions of this Act also shall support the reliability
6 of the bulk power grid in this State by incentivizing and
7 supporting installation of new generating facilities and
8 energy storage facilities at locations on the grid where
9 synchronous generation was formerly located.

10 Section 90-3. The Illinois Administrative Procedure Act is
11 amended by adding 5-45.9 as follows:

12 (5 ILCS 100/5-45.9 new)

13 Sec. 5-45.9. Emergency rulemaking; Multi-Year Integrated
14 Grid Plans. To provide for the expeditious and timely
15 implementation of Section 16-105.17 of the Public Utilities
16 Act, emergency rules implementing Section 16-105.17 of the
17 Public Utilities Act may be adopted in accordance with Section
18 5-45 by the Illinois Commerce Commission. The adoption of
19 emergency rules authorized by Section 5-45 and this Section is
20 deemed to be necessary for the public interest, safety, and
21 welfare.

22 This Section is repealed one year after the effective date
23 of this amendatory Act of the 102nd General Assembly.

1 Section 90-5. The Illinois Governmental Ethics Act is
2 amended by adding Section 1-121 and by changing Sections
3 4A-102 and 4A-103 as follows:

4 (5 ILCS 420/1-121 new)

5 Sec. 1-121. Public utility. "Public utility" has the
6 meaning provided in Section 3-105 of the Public Utilities Act.

7 (5 ILCS 420/4A-102) (from Ch. 127, par. 604A-102)

8 Sec. 4A-102. The statement of economic interests required
9 by this Article shall include the economic interests of the
10 person making the statement as provided in this Section. The
11 interest (if constructively controlled by the person making
12 the statement) of a spouse or any other party, shall be
13 considered to be the same as the interest of the person making
14 the statement. Campaign receipts shall not be included in this
15 statement.

16 (a) The following interests shall be listed by all
17 persons required to file:

18 (1) The name, address and type of practice of any
19 professional organization or individual professional
20 practice in which the person making the statement was
21 an officer, director, associate, partner or
22 proprietor, or served in any advisory capacity, from
23 which income in excess of \$1200 was derived during the
24 preceding calendar year;

1 (2) The nature of professional services (other
2 than services rendered to the unit or units of
3 government in relation to which the person is required
4 to file) and the nature of the entity to which they
5 were rendered if fees exceeding \$5,000 were received
6 during the preceding calendar year from the entity for
7 professional services rendered by the person making
8 the statement.

9 (3) The identity (including the address or legal
10 description of real estate) of any capital asset from
11 which a capital gain of \$5,000 or more was realized in
12 the preceding calendar year.

13 (4) The name of any unit of government which has
14 employed the person making the statement during the
15 preceding calendar year other than the unit or units
16 of government in relation to which the person is
17 required to file.

18 (5) The name of any entity from which a gift or
19 gifts, or honorarium or honoraria, valued singly or in
20 the aggregate in excess of \$500, was received during
21 the preceding calendar year.

22 (b) The following interests shall also be listed by
23 persons listed in items (a) through (f), item (l), item
24 (n), and item (p) of Section 4A-101:

25 (1) The name and instrument of ownership in any
26 entity doing business in the State of Illinois, in

1 which an ownership interest held by the person at the
2 date of filing is in excess of \$5,000 fair market value
3 or from which dividends of in excess of \$1,200 were
4 derived during the preceding calendar year. (In the
5 case of real estate, location thereof shall be listed
6 by street address, or if none, then by legal
7 description). No time or demand deposit in a financial
8 institution, nor any debt instrument need be listed;

9 (2) Except for professional service entities, the
10 name of any entity and any position held therein from
11 which income of in excess of \$1,200 was derived during
12 the preceding calendar year, if the entity does
13 business in the State of Illinois. No time or demand
14 deposit in a financial institution, nor any debt
15 instrument need be listed.

16 (3) The identity of any compensated lobbyist with
17 whom the person making the statement maintains a close
18 economic association, including the name of the
19 lobbyist and specifying the legislative matter or
20 matters which are the object of the lobbying activity,
21 and describing the general type of economic activity
22 of the client or principal on whose behalf that person
23 is lobbying.

24 (c) The following interests shall also be listed by
25 persons listed in items (a) through (c) and item (e) of
26 Section 4A-101.5:

1 (1) The name and instrument of ownership in any
2 entity doing business with a unit of local government
3 in relation to which the person is required to file if
4 the ownership interest of the person filing is greater
5 than \$5,000 fair market value as of the date of filing
6 or if dividends in excess of \$1,200 were received from
7 the entity during the preceding calendar year. (In the
8 case of real estate, location thereof shall be listed
9 by street address, or if none, then by legal
10 description). No time or demand deposit in a financial
11 institution, nor any debt instrument need be listed.

12 (2) Except for professional service entities, the
13 name of any entity and any position held therein from
14 which income in excess of \$1,200 was derived during
15 the preceding calendar year if the entity does
16 business with a unit of local government in relation
17 to which the person is required to file. No time or
18 demand deposit in a financial institution, nor any
19 debt instrument need be listed.

20 (3) The name of any entity and the nature of the
21 governmental action requested by any entity which has
22 applied to a unit of local government in relation to
23 which the person must file for any license, franchise
24 or permit for annexation, zoning or rezoning of real
25 estate during the preceding calendar year if the
26 ownership interest of the person filing is in excess

1 of \$5,000 fair market value at the time of filing or if
2 income or dividends in excess of \$1,200 were received
3 by the person filing from the entity during the
4 preceding calendar year.

5 (d) The following interest shall also be listed by
6 persons listed in items (a) through (f) of Section 4A-101:
7 the name of any spouse or immediate family member living
8 with such person employed by a public utility in this
9 State and the name of the public utility that employs such
10 person.

11 For the purposes of this Section, the unit of local
12 government in relation to which a person is required to file
13 under item (e) of Section 4A-101.5 shall be the unit of local
14 government that contributes to the pension fund of which such
15 person is a member of the board.

16 (Source: P.A. 101-221, eff. 8-9-19.)

17 (5 ILCS 420/4A-103) (from Ch. 127, par. 604A-103)
18 Sec. 4A-103. The statement of economic interests required
19 by this Article to be filed with the Secretary of State shall
20 be filled in by typewriting or hand printing, shall be
21 verified, dated, and signed by the person making the statement
22 and shall contain substantially the following:

23 STATEMENT OF ECONOMIC INTEREST

24 (TYPE OR HAND PRINT)

25

1 (name)
2

3 (each office or position of employment for which this
4 statement is filed)

5

6 (full mailing address)
7 GENERAL DIRECTIONS:

8 The interest (if constructively controlled by the person
9 making the statement) of a spouse or any other party, shall be
10 considered to be the same as the interest of the person making
11 the statement.

12 Campaign receipts shall not be included in this statement.

13 If additional space is needed, please attach supplemental
14 listing.

15 1. List the name and instrument of ownership in any entity
16 doing business in the State of Illinois, in which the
17 ownership interest held by the person at the date of filing is
18 in excess of \$5,000 fair market value or from which dividends
19 in excess of \$1,200 were derived during the preceding calendar
20 year. (In the case of real estate, location thereof shall be
21 listed by street address, or if none, then by legal
22 description.) No time or demand deposit in a financial
23 institution, nor any debt instrument need be listed.

24 Business Entity Instrument of Ownership
25
26

1
2

3 2. List the name, address and type of practice of any
4 professional organization in which the person making the
5 statement was an officer, director, associate, partner or
6 proprietor or served in any advisory capacity, from which
7 income in excess of \$1,200 was derived during the preceding
8 calendar year.

9	Name	Address	Type of Practice
10
11
12

13 3. List the nature of professional services rendered
14 (other than to the State of Illinois) to each entity from which
15 income exceeding \$5,000 was received for professional services
16 rendered during the preceding calendar year by the person
17 making the statement.

18
19

20 4. List the identity (including the address or legal
21 description of real estate) of any capital asset from which a
22 capital gain of \$5,000 or more was realized during the
23 preceding calendar year.

24
25

26 5. List the identity of any compensated lobbyist with whom

1 the person making the statement maintains a close economic
2 association, including the name of the lobbyist and specifying
3 the legislative matter or matters which are the object of the
4 lobbying activity, and describing the general type of economic
5 activity of the client or principal on whose behalf that
6 person is lobbying.

7	Lobbyist	Legislative Matter	Client or Principal
8	.....	.....	.....
9	.....	.....	.....

10 6. List the name of any entity doing business in the State
11 of Illinois from which income in excess of \$1,200 was derived
12 during the preceding calendar year other than for professional
13 services and the title or description of any position held in
14 that entity. (In the case of real estate, location thereof
15 shall be listed by street address, or if none, then by legal
16 description). No time or demand deposit in a financial
17 institution nor any debt instrument need be listed.

18	Entity	Position Held
19	.....	.....
20	.....	.....
21	.....	.....

22 7. List the name of any unit of government which employed
23 the person making the statement during the preceding calendar
24 year other than the unit or units of government in relation to
25 which the person is required to file.

26

1

2 8. List the name of any entity from which a gift or gifts,
3 or honorarium or honoraria, valued singly or in the aggregate
4 in excess of \$500, was received during the preceding calendar
5 year.

6

7 9. List the name of any spouse or immediate family member
8 living with the person making this statement employed by a
9 public utility in this State and the name of the public utility
10 that employs the relative.

<u>Name and relation</u>	<u>Public Utility</u>
.....
.....
.....

15 VERIFICATION:

16 "I declare that this statement of economic interests
17 (including any accompanying schedules and statements) has been
18 examined by me and to the best of my knowledge and belief is a
19 true, correct and complete statement of my economic interests
20 as required by the Illinois Governmental Ethics Act. I
21 understand that the penalty for willfully filing a false or
22 incomplete statement shall be a fine not to exceed \$1,000 or
23 imprisonment in a penal institution other than the
24 penitentiary not to exceed one year, or both fine and
25 imprisonment."
26

1 (date of filing) (signature of person making the statement)
2 (Source: P.A. 95-173, eff. 1-1-08.)

3 Section 90-10. The State Officials and Employees Ethics
4 Act is amended by changing Section 5-50 as follows:

5 (5 ILCS 430/5-50)

6 Sec. 5-50. Ex parte communications; special government
7 agents.

8 (a) This Section applies to ex parte communications made
9 to any agency listed in subsection (e).

10 (b) "Ex parte communication" means any written or oral
11 communication by any person that imparts or requests material
12 information or makes a material argument regarding potential
13 action concerning regulatory, quasi-adjudicatory, investment,
14 or licensing matters pending before or under consideration by
15 the agency. "Ex parte communication" does not include the
16 following: (i) statements by a person publicly made in a
17 public forum; (ii) statements regarding matters of procedure
18 and practice, such as format, the number of copies required,
19 the manner of filing, and the status of a matter; and (iii)
20 statements made by a State employee of the agency to the agency
21 head or other employees of that agency.

22 (b-5) An ex parte communication received by an agency,
23 agency head, or other agency employee from an interested party
24 or his or her official representative or attorney shall

1 promptly be memorialized and made a part of the record.

2 (c) An ex parte communication received by any agency,
3 agency head, or other agency employee, other than an ex parte
4 communication described in subsection (b-5), shall immediately
5 be reported to that agency's ethics officer by the recipient
6 of the communication and by any other employee of that agency
7 who responds to the communication. The ethics officer shall
8 require that the ex parte communication be promptly made a
9 part of the record. The ethics officer shall promptly file the
10 ex parte communication with the Executive Ethics Commission,
11 including all written communications, all written responses to
12 the communications, and a memorandum prepared by the ethics
13 officer stating the nature and substance of all oral
14 communications, the identity and job title of the person to
15 whom each communication was made, all responses made, the
16 identity and job title of the person making each response, the
17 identity of each person from whom the written or oral ex parte
18 communication was received, the individual or entity
19 represented by that person, any action the person requested or
20 recommended, and any other pertinent information. The
21 disclosure shall also contain the date of any ex parte
22 communication.

23 (d) "Interested party" means a person or entity whose
24 rights, privileges, or interests are the subject of or are
25 directly affected by a regulatory, quasi-adjudicatory,
26 investment, or licensing matter. For purposes of an ex parte

1 communication received by either the Illinois Commerce
2 Commission or the Illinois Power Agency, "interested party"
3 also includes: (1) an organization comprised of 2 or more
4 businesses, persons, non-profit entities, or any combination
5 thereof, that are working in concert to advance public policy
6 advocated by the organization, or (2) any party selling
7 renewable energy resources procured by the Illinois Power
8 Agency pursuant to Section 16-111.5 of the Public Utilities
9 Act and Section 1-75 of the Illinois Power Agency Act.

10 (e) This Section applies to the following agencies:

- 11 Executive Ethics Commission
- 12 Illinois Commerce Commission
- 13 Illinois Power Agency
- 14 Educational Labor Relations Board
- 15 State Board of Elections
- 16 Illinois Gaming Board
- 17 Health Facilities and Services Review Board
- 18 Illinois Workers' Compensation Commission
- 19 Illinois Labor Relations Board
- 20 Illinois Liquor Control Commission
- 21 Pollution Control Board
- 22 Property Tax Appeal Board
- 23 Illinois Racing Board
- 24 Illinois Purchased Care Review Board
- 25 Department of State Police Merit Board
- 26 Motor Vehicle Review Board

- 1 Prisoner Review Board
- 2 Civil Service Commission
- 3 Personnel Review Board for the Treasurer
- 4 Merit Commission for the Secretary of State
- 5 Merit Commission for the Office of the Comptroller
- 6 Court of Claims
- 7 Board of Review of the Department of Employment Security
- 8 Department of Insurance
- 9 Department of Professional Regulation and licensing boards
- 10 under the Department
- 11 Department of Public Health and licensing boards under the
- 12 Department
- 13 Office of Banks and Real Estate and licensing boards under
- 14 the Office
- 15 State Employees Retirement System Board of Trustees
- 16 Judges Retirement System Board of Trustees
- 17 General Assembly Retirement System Board of Trustees
- 18 Illinois Board of Investment
- 19 State Universities Retirement System Board of Trustees
- 20 Teachers Retirement System Officers Board of Trustees

21 (f) Any person who fails to (i) report an ex parte
22 communication to an ethics officer, (ii) make information part
23 of the record, or (iii) make a filing with the Executive Ethics
24 Commission as required by this Section or as required by
25 Section 5-165 of the Illinois Administrative Procedure Act
26 violates this Act.

1 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

2 Section 90-15. The Department of Commerce and Economic
3 Opportunity Law of the Civil Administrative Code of Illinois
4 is amended by adding Section 605-1065 as follows:

5 (20 ILCS 605/605-1065 new)

6 Sec. 605-1065. Energy Transition Assistance Fund.

7 (a) The General Assembly hereby declares that management
8 of several economic development programs requires a
9 consolidated funding source to improve resource efficiency.
10 The General Assembly specifically recognizes that properly
11 servicing communities and workers impacted by the energy
12 transition requires that the Department of Commerce and
13 Economic Opportunity have access to the resources required for
14 the execution of the programs for workforce and contractor
15 development, just transition investments and community
16 support, and the implementation and administration of energy
17 and justice efforts by the State.

18 (b) The Department shall be responsible for the
19 administration of the Energy Transition Assistance Fund and
20 shall allocate funding on the basis of priorities established
21 in this Section. Each year, the Department shall determine the
22 available amount of resources in the Fund that can be
23 allocated to the programs identified in this Section, and
24 allocate the funding accordingly. The Department shall, to the

1 extent practical, consider both the short-term and long-term
2 costs of the programs and allocate funding so that the
3 Department is able to cover both the short-term and long-term
4 costs of these programs using projected revenue.

5 The available funding for each year shall be allocated
6 from the Fund in the following order of priority:

7 (1) for costs related to the Clean Jobs Workforce
8 Network Program, up to \$21,000,000 annually;

9 (2) for costs related to the Clean Energy Contractor
10 Incubator Program, up to \$21,000,000 annually;

11 (3) for costs related to the Clean Energy Primes
12 Contractor Accelerator Program, up to \$9,000,000 annually;

13 (4) for costs related to the Energy Transition Barrier
14 Reduction Program, up to \$21,000,000 annually;

15 (5) for costs related to the Jobs and Environmental
16 Justice Grant Program, up to \$34,000,000 annually;

17 (6) for costs related to the Clean Energy Jobs and
18 Justice Fund, up to \$1,000,000 annually;

19 (7) for costs related to the Returning Residents Clean
20 Jobs Training Program, up to \$6,000,000 annually;

21 (8) for costs related to Energy Transition Navigators,
22 up to \$6,000,000 annually;

23 (9) for costs related to Energy Transition Community
24 Support Grants, for a total of \$40,000,000 annually;

25 (10) for costs related to the Displaced Energy Worker
26 Dependent Scholarship, upon request by the Illinois

1 Student Assistance Commission, up to \$1,100,000 annually;

2 (11) up to \$10,000,000 annually shall be transferred
3 to the Public Utilities Fund for use by the Illinois
4 Commerce Commission for costs of administering the changes
5 made to the Public Utilities Act by this amendatory Act of
6 the 102nd General Assembly;

7 (12) up to \$4,000,000 annually shall be transferred to
8 the Illinois Power Agency Operations Fund for use by the
9 Illinois Power Agency;

10 (13) up to \$7,000,000 annually shall be transferred to
11 the Energy Efficiency Trust Fund and the Clean Air Act
12 Permit Fund for use by the Illinois Environmental
13 Protection Agency for costs related to energy efficiency
14 and weatherization, and costs of implementation,
15 administration, and enforcement of the Clean Air Act;

16 (14) for costs related to the development of Stretch
17 Energy Codes and other standards at the Capital
18 Development Board, up to \$500,000 annually, at the request
19 of the Board;

20 (15) for costs related to State fleet electrification
21 at the Department of Central Management Services, up to
22 \$10,000,000 annually, at the request of the Department;
23 and

24 (16) up to \$2,000,000 annually, from the effective
25 date of this amendatory Act of the 102nd General Assembly
26 to June 30, 2035, to be retained in the Fund and used,

1 subject to appropriation, by the Department for a grant to
2 Prairie State Energy Campus for decommissioning costs.

3 The Department is authorized to utilize up to 10% of the
4 Energy Transition Assistance Fund for administrative and
5 operational expenses to implement the requirements of this
6 Act.

7 (c) Within 30 days of the effective date of this
8 amendatory Act of the 102nd General Assembly, each electric
9 utility serving more than 500,000 customers in the State shall
10 report to the Department its number of customer accounts as of
11 the effective date of this amendatory Act of the 102nd General
12 Assembly. By October 31, 2021 and each October 31 thereafter,
13 each electric utility serving more than 500,000 customers in
14 the State shall report to the Department its number of
15 customer accounts as of the immediately preceding September
16 30.

17 (d) The Department shall, within 60 days of this
18 amendatory Act of the 102nd General Assembly:

19 (1) determine the amount necessary to meet the funding
20 needs of the programs reliant upon the Energy Transition
21 Assistance Fund as a revenue source for the period between
22 the effective date of this amendatory Act of the 102nd
23 General Assembly and December 31, 2021 and report that
24 information to each electric utility serving more than
25 500,000 customers in the State for purposes of filing the
26 tariff pursuant to Section 16-108.3 of the Public

1 Utilities Act; and

2 (2) report the energy transition assistance charge
3 applicable until December 31, 2021 to each electric
4 utility serving more than 500,000 customers in the State
5 and the Illinois Commerce Commission.

6 (e) The Department shall by November 30, 2021, and each
7 November 30 thereafter:

8 (1) determine the amount necessary to meet the funding
9 needs of the programs reliant upon the Energy Transition
10 Assistance Fund as a revenue source for the immediately
11 following calendar year and report that information to
12 each electric utility serving more than 500,000 customers
13 in the State for purposes of filing the tariff pursuant to
14 Section 16-108.3 of the Public Utilities Act; and

15 (2) report the energy transition assistance charge
16 applicable for the immediately following calendar year to
17 each electric utility serving more than 500,000 customers
18 in the State and the Illinois Commerce Commission.

19 Section 90-20. The Electric Vehicle Act is amended by
20 changing Section 15 and by adding Sections 40, 45, 50, 55, and
21 60 as follows:

22 (20 ILCS 627/15)

23 Sec. 15. Electric Vehicle Coordinator. The Governor, with
24 the advice and consent of the Senate, shall appoint a person

1 within the Environmental Protection Agency ~~Department of~~
2 ~~Commerce and Economic Opportunity~~ to serve as the Electric
3 Vehicle Coordinator for the State of Illinois. This person may
4 be an existing employee with other duties. The Coordinator
5 shall act as a point person for electric vehicle-related and
6 electric vehicle charging-related ~~electric vehicle related~~
7 policies and activities in Illinois, including, but not
8 limited to, the issuance of electric vehicle rebates for
9 consumers and electric vehicle charging rebates for
10 organizations and companies.

11 (Source: P.A. 97-89, eff. 7-11-11.)

12 (20 ILCS 627/40 new)

13 Sec. 40. Rulemaking; resources. The Agency shall adopt
14 rules as necessary and dedicate sufficient resources to
15 implement Sections 45, 50, and 55.

16 (20 ILCS 627/45 new)

17 Sec. 45. Beneficial electrification.

18 (a) It is the intent of the General Assembly to decrease
19 reliance on fossil fuels, reduce pollution from the
20 transportation sector, increase access to electrification for
21 all consumers, and ensure that electric vehicle adoption and
22 increased electricity usage and demand do not place
23 significant additional burdens on the electric system and
24 create benefits for Illinois residents.

1 (1) Illinois should increase the adoption of electric
2 vehicles in the State to 1,000,000 by 2030.

3 (2) Illinois should strive to be the best state in the
4 nation in which to drive and manufacture electric
5 vehicles.

6 (3) Widespread adoption of electric vehicles is
7 necessary to electrify the transportation sector,
8 diversify the transportation fuel mix, drive economic
9 development, and protect air quality.

10 (4) Accelerating the adoption of electric vehicles
11 will drive the decarbonization of Illinois' transportation
12 sector.

13 (5) Expanded infrastructure investment will help
14 Illinois more rapidly decarbonize the transportation
15 sector.

16 (6) Statewide adoption of electric vehicles requires
17 increasing access to electrification for all consumers.

18 (7) Widespread adoption of electric vehicles requires
19 increasing public access to charging equipment throughout
20 Illinois, especially in low-income and environmental
21 justice communities, where levels of air pollution burden
22 tend to be higher.

23 (8) Widespread adoption of electric vehicles and
24 charging equipment has the potential to provide customers
25 with fuel cost savings and electric utility customers with
26 cost-saving benefits.

1 (9) Widespread adoption of electric vehicles can
2 improve an electric utility's electric system efficiency
3 and operational flexibility, including the ability of the
4 electric utility to integrate renewable energy resources
5 and make use of off-peak generation resources that support
6 the operation of charging equipment.

7 (10) Widespread adoption of electric vehicles should
8 stimulate innovation, competition, and increased choices
9 in charging equipment and networks and should also attract
10 private capital investments and create high-quality jobs
11 in Illinois.

12 (b) As used in this Section:

13 "Agency" means the Environmental Protection Agency.

14 "Beneficial electrification programs" means programs that
15 lower carbon dioxide emissions, replace fossil fuel use,
16 create cost savings, improve electric grid operations, reduce
17 increases to peak demand, improve electric usage load shape,
18 and align electric usage with times of renewable generation.
19 All beneficial electrification programs shall provide for
20 incentives such that customers are induced to use electricity
21 at times of low overall system usage or at times when
22 generation from renewable energy sources is high. "Beneficial
23 electrification programs" include a portfolio of the
24 following:

25 (1) time-of-use electric rates;

26 (2) hourly pricing electric rates;

1 (3) optimized charging programs or programs that
2 encourage charging at times beneficial to the electric
3 grid;

4 (4) optional demand-response programs specifically
5 related to electrification efforts;

6 (5) incentives for electrification and associated
7 infrastructure tied to using electricity at off-peak
8 times;

9 (6) incentives for electrification and associated
10 infrastructure targeted to medium-duty and heavy-duty
11 vehicles used by transit agencies;

12 (7) incentives for electrification and associated
13 infrastructure targeted to school buses;

14 (8) incentives for electrification and associated
15 infrastructure for medium-duty and heavy-duty government
16 and private fleet vehicles;

17 (9) low-income programs that provide access to
18 electric vehicles for communities where car ownership or
19 new car ownership is not common;

20 (10) incentives for electrification in eligible
21 communities;

22 (11) incentives or programs to enable quicker adoption
23 of electric vehicles by developing public charging
24 stations in dense areas, workplaces, and low-income
25 communities;

26 (12) incentives or programs to develop electric

1 vehicle infrastructure that minimizes range anxiety,
2 filling the gaps in deployment, particularly in rural
3 areas and along highway corridors;

4 (13) incentives to encourage the development of
5 electrification and renewable energy generation in close
6 proximity in order to reduce grid congestion;

7 (14) offer support to low-income communities who are
8 experiencing financial and accessibility barriers such
9 that electric vehicle ownership is not an option; and

10 (15) other such programs as defined by the Commission.

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

16 "Commission" means the Illinois Commerce Commission.

17 "Coordinator" means the Electric Vehicle Coordinator.

18 "Council" means the Electric Vehicle Advisory Council.

19 "Electric vehicle" means a vehicle that is exclusively
20 powered by and refueled by electricity, must be plugged in to
21 charge, and is licensed to drive on public roadways. "Electric
22 vehicle" does not include electric motorcycles or hybrid
23 electric vehicles and extended-range electric vehicles that
24 are also equipped with conventional fueled propulsion or
25 auxiliary engines.

26 "Electric vehicle charging station" means a station that

1 delivers electricity from a source outside an electric vehicle
2 into one or more electric vehicles.

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

7 "Equity investment eligible community" or "eligible
8 community" means the geographic areas throughout Illinois
9 which would most benefit from equitable investments by the
10 State designed to combat discrimination and foster sustainable
11 economic growth. Specifically, "eligible community" means the
12 following areas:

13 (1) areas where residents have been historically
14 excluded from economic opportunities, including
15 opportunities in the energy sector, as defined pursuant to
16 Section 10-40 of the Cannabis Regulation and Tax Act; and

17 (2) areas where residents have been historically
18 subject to disproportionate burdens of pollution,
19 including pollution from the energy sector, as established
20 by environmental justice communities as defined by the
21 Illinois Power Agency pursuant to Illinois Power Agency
22 Act, excluding any racial or ethnic indicators.

23 "Equity investment eligible person" or "eligible person"
24 means the persons who would most benefit from equitable
25 investments by the State designed to combat discrimination and
26 foster sustainable economic growth. Specifically, "eligible

1 person" means the following people:

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

4 (2) persons whose primary residence is in a
5 municipality, or a county with a population under 100,000,
6 where the closure of an electric generating unit or mine
7 has been publicly announced, or the electric generating
8 unit or mine is in the process of closing or closed within
9 the last 5 years;

10 (3) persons who are graduates of or currently enrolled
11 in the foster care system; or

12 (4) persons who were formerly incarcerated.

13 "Low-income" means persons and families whose income does
14 not exceed 80% of the state median income for the current State
15 fiscal year as established by the U.S. Department of Health
16 and Human Services.

17 "Make-ready infrastructure" means the electrical and
18 construction work necessary between the distribution circuit
19 to the connection point of charging equipment.

20 "Optimized charging programs" mean programs whereby owners
21 of electric vehicles can set their vehicles to be charged
22 based on the electric system's current demand, retail or
23 wholesale market rates, incentives, the carbon or other
24 pollution intensity of the electric generation mix, the
25 provision of grid services, efficient use of the electric
26 grid, or the availability of clean energy generation.

1 Optimized charging programs may be operated by utilities as
2 well as third parties.

3 (c) The Commission shall initiate a workshop process no
4 later than November 30, 2021 for the purpose of soliciting
5 input on the design of beneficial electrification programs
6 that the utility shall offer. The workshop shall be
7 coordinated by the Staff of the Commission, or a facilitator
8 retained by Staff, and shall be organized and facilitated in a
9 manner that encourages representation from diverse
10 stakeholders, including stakeholders representing
11 environmental justice and low-income communities, and ensures
12 equitable opportunities for participation, without requiring
13 formal intervention or representation by an attorney.

14 The stakeholder workshop process shall take into
15 consideration the benefits of electric vehicle adoption and
16 barriers to adoption, including:

17 (1) the benefit of lower bills for customers who do
18 not charge electric vehicles;

19 (2) benefits to the distribution system from electric
20 vehicle usage;

21 (3) the avoidance and reduction in capacity costs from
22 optimized charging and off-peak charging;

23 (4) energy price and cost reductions;

24 (5) environmental benefits, including greenhouse gas
25 emission and other pollution reductions;

26 (6) current barriers to mass-market adoption,

1 including cost of ownership and availability of charging
2 stations;

3 (7) current barriers to increasing access among
4 populations that have limited access to electric vehicle
5 ownership, communities significantly impacted by
6 transportation-related pollution, and market segments that
7 create disproportionate pollution impacts;

8 (8) benefits of and incentives for medium-duty and
9 heavy-duty fleet vehicle electrification;

10 (9) opportunities for eligible communities to benefit
11 from electrification;

12 (10) geographic areas and market segments that should
13 be prioritized for electrification infrastructure
14 investment.

15 The workshops shall consider barriers, incentives,
16 enabling rate structures, and other opportunities for the bill
17 reduction and environmental benefits described in this
18 subsection.

19 The workshop process shall conclude no later than February
20 28, 2022. Following the workshop, the Staff of the Commission,
21 or the facilitator retained by the Staff, shall prepare and
22 submit a report, no later than March 31, 2022, to the
23 Commission that includes, but is not limited to,
24 recommendations for transportation electrification investment
25 or incentives in the following areas:

26 (i) publicly accessible Level 2 and fast-charging

1 stations, with a focus on bringing access to
2 transportation electrification in densely populated areas
3 and workplaces within eligible communities;

4 (ii) medium-duty and heavy-duty charging
5 infrastructure used by government and private fleet
6 vehicles that serve or travel through environmental
7 justice or eligible communities;

8 (iii) medium-duty and heavy-duty charging
9 infrastructure used in school bus operations, whether
10 private or public, that primarily serve governmental or
11 educational institutions, and also serve or travel through
12 environmental justice or eligible communities;

13 (iv) public transit medium-duty and heavy-duty
14 charging infrastructure, developed in consultation with
15 public transportation agencies; and

16 (v) publicly accessible Level 2 and fast-charging
17 stations targeted to fill gaps in deployment, particularly
18 in rural areas and along State highway corridors.

19 The report must also identify the participants in the
20 process, program designs proposed during the process,
21 estimates of the costs and benefits of proposed programs, any
22 material issues that remained unresolved at the conclusions of
23 such process, and any recommendations for workshop process
24 improvements. The report shall be used by the Commission to
25 inform and evaluate the cost effectiveness and achievement of
26 goals within the submitted beneficial electrification plans.

1 (d) No later than July 1, 2022, electric utilities serving
2 greater than 500,000 customers in the State shall file a
3 Beneficial Electrification Plan with the Illinois Commerce
4 Commission for programs that start no later than January 1,
5 2023. The plan shall take into consideration recommendations
6 from the workshop report described in this Section. Within 45
7 days after the filing of the Beneficial Electrification Plan,
8 the Commission shall, with reasonable notice, open an
9 investigation to consider whether the plan meets the
10 objectives and contains the information required by this
11 Section. The Commission shall determine if the proposed plan
12 is cost-beneficial and in the public interest. When
13 considering if the plan is in the public interest and
14 determining appropriate levels of cost recovery for
15 investments and expenditures related to programs proposed by
16 an electric utility, the Commission shall consider whether the
17 investments and other expenditures are designed and reasonably
18 expected to:

19 (1) maximize total energy cost savings and rate
20 reductions so that nonparticipants can benefit;

21 (2) address environmental justice interests by
22 ensuring there are significant opportunities for residents
23 and businesses in eligible communities to directly
24 participate in and benefit from beneficial electrification
25 programs;

26 (3) support at least a 40% investment of make-ready

1 infrastructure incentives to facilitate the rapid
2 deployment of charging equipment in or serving
3 environmental justice, low-income, and eligible
4 communities; however, nothing in this subsection is
5 intended to require a specific amount of spending in a
6 particular geographic area;

7 (4) support at least a 5% investment target in
8 electrifying medium-duty and heavy-duty school bus and
9 diesel public transportation vehicles located in or
10 serving environmental justice, low-income, and eligible
11 communities in order to provide those communities and
12 businesses with greater economic investment,
13 transportation opportunities, and a cleaner environment so
14 they can directly benefit from transportation
15 electrification efforts; however, nothing in this
16 subsection is intended to require a specific amount of
17 spending in a particular geographic area;

18 (5) stimulate innovation, competition, private
19 investment, and increased consumer choices in electric
20 vehicle charging equipment and networks;

21 (6) contribute to the reduction of carbon emissions
22 and meeting air quality standards, including improving air
23 quality in eligible communities who disproportionately
24 suffer from emissions from the medium-duty and heavy-duty
25 transportation sector;

26 (7) support the efficient and cost-effective use of

1 the electric grid in a manner that supports electric
2 vehicle charging operations; and

3 (8) provide resources to support private investment in
4 charging equipment for uses in public and private charging
5 applications, including residential, multi-family, fleet,
6 transit, community, and corridor applications.

7 The plan shall be determined to be cost-beneficial if the
8 total cost of beneficial electrification expenditures is less
9 than the net present value of increased electricity costs
10 (defined as marginal avoided energy, avoided capacity, and
11 avoided transmission and distribution system costs) avoided by
12 programs under the plan, the net present value of reductions
13 in other customer energy costs, net revenue from all electric
14 charging in the service territory, and the societal value of
15 reduced carbon emissions and surface-level pollutants,
16 particularly in environmental justice communities. The
17 calculation of costs and benefits should be based on net
18 impacts, including the impact on customer rates.

19 The Commission shall approve, approve with modifications,
20 or reject the plan within 270 days from the date of filing. The
21 Commission may approve the plan if it finds that the plan will
22 achieve the goals described in this Section and contains the
23 information described in this Section. Proceedings under this
24 Section shall proceed according to the rules provided by
25 Article IX of the Public Utilities Act. Information contained
26 in the approved plan shall be considered part of the record in

1 any Commission proceeding under Section 16-107.6 of the Public
2 Utilities Act, provided that a final order has not been
3 entered prior to the initial filing date. The Beneficial
4 Electrification Plan shall specifically address, at a minimum,
5 the following:

6 (i) make-ready investments to facilitate the rapid
7 deployment of charging equipment throughout the State,
8 facilitate the electrification of public transit and other
9 vehicle fleets in the light-duty, medium-duty, and
10 heavy-duty sectors, and align with Agency-issued rebates
11 for charging equipment;

12 (ii) the development and implementation of beneficial
13 electrification programs, including time-of-use rates and
14 their benefit for electric vehicle users and for all
15 customers, optimized charging programs to achieve savings
16 identified, and new contracts and compensation for
17 services in those programs, through signals that allow
18 electric vehicle charging to respond to local system
19 conditions, manage critical peak periods, serve as a
20 demand response or peak resource, and maximize renewable
21 energy use and integration into the grid;

22 (iii) optional commercial tariffs utilizing
23 alternatives to traditional demand-based rate structures
24 to facilitate charging for light duty, heavy duty, and
25 fleet electric vehicles;

26 (iv) financial and other challenges to electric

1 vehicle usage in low-income communities, and strategies
2 for overcoming those challenges, particularly in
3 communities and for people for whom car ownership is not
4 an option;

5 (v) methods of minimizing ratepayer impacts and
6 exempting or minimizing, to the extent possible,
7 low-income ratepayers from the costs associated with
8 facilitating the expansion of electric vehicle charging;

9 (vi) plans to increase access to Level 3 Public
10 Electric Vehicle Charging Infrastructure to serve vehicles
11 that need quicker charging times and vehicles of persons
12 who have no other access to charging infrastructure,
13 regardless of whether those projects participate in
14 optimized charging programs;

15 (vii) whether to establish charging standards for type
16 of plugs eligible for investment or incentive programs,
17 and if so, what standards;

18 (viii) opportunities for coordination and cohesion
19 with electric vehicle and electric vehicle charging
20 equipment incentives established by any agency,
21 department, board, or commission of the State, any other
22 unit of government in the State, any national programs, or
23 any unit of the federal government;

24 (ix) ideas for the development of online tools,
25 applications, and data sharing that provide essential
26 information to those charging electric vehicles, and

1 enable an automated charging response to price signals,
2 emission signals, real-time renewable generation
3 production, and other Commission-approved or
4 customer-desired indicators of beneficial charging times;
5 and

6 (x) customer education, outreach, and incentive
7 programs that increase awareness of the programs and the
8 benefits of transportation electrification, including
9 direct outreach to eligible communities;

10 (e) Proceedings under this Section shall proceed according
11 to the rules provided by Article IX of the Public Utilities
12 Act. Information contained in the approved plan shall be
13 considered part of the record in any Commission proceeding
14 under Section 16-107.6 of the Public Utilities Act, provided
15 that a final order has not been entered prior to the initial
16 filing date.

17 (f) The utility shall file an update to the plan on July 1,
18 2024 and every 3 years thereafter. This update shall describe
19 transportation investments made during the prior plan period,
20 investments planned for the following 24 months, and updates
21 to the information required by this Section. Beginning with
22 the first update, the utility shall develop the plan in
23 conjunction with the distribution system planning process
24 described in Section 16-105.17, including incorporation of
25 stakeholder feedback from that process.

26 (g) Within 35 days after the utility files its report, the

1 Commission shall, upon its own initiative, open an
2 investigation regarding the utility's plan update to
3 investigate whether the objectives described in this Section
4 are being achieved. The Commission shall determine whether
5 investment targets should be increased based on achievement of
6 spending goals outlined in the beneficial electrification plan
7 and consistency with outcomes directed in the plan stakeholder
8 workshop report. If the Commission finds, after notice and
9 hearing, that the utility's plan is materially deficient, the
10 Commission shall issue an order requiring the utility to
11 devise a corrective action plan, subject to Commission
12 approval, to bring the plan into compliance with the goals of
13 this Section. The Commission's order shall be entered within
14 270 days after the utility files its annual report. The
15 contents of a plan filed under this Section shall be available
16 for evidence in Commission proceedings. However, omission from
17 an approved plan shall not render any future utility
18 expenditure to be considered unreasonable or imprudent. The
19 Commission may, upon sufficient evidence, allow expenditures
20 that were not part of any particular distribution plan. The
21 Commission shall consider revenues from electric vehicles in
22 the utility's service territory in evaluating the retail rate
23 impact. The retail rate impact from the development of
24 electric vehicle infrastructure shall not exceed 1% per year
25 of the total annual revenue requirements of the utility.

26 (h) In meeting the requirements of this Section, the

1 utility shall demonstrate efforts to increase the use of
2 contractors and electric vehicle charging station installers
3 that meet multiple workforce equity actions, including, but
4 not limited to:

5 (1) the business is headquartered in or the person
6 resides in an eligible community;

7 (2) the business is majority owned by eligible person
8 or the contractor is an eligible person;

9 (3) the business or person is certified by another
10 municipal, State, federal, or other certification for
11 disadvantaged businesses;

12 (4) the business or person meets the eligibility
13 criteria for a certification program such as:

14 (A) certified under Section 2 of the Business
15 Enterprise for Minorities, Women, and Persons with
16 Disabilities Act;

17 (B) certified by another municipal, State,
18 federal, or other certification for disadvantaged
19 businesses;

20 (C) submits an affidavit showing that the vendor
21 meets the eligibility criteria for a certification
22 program such as those in items (A) and (B); or

23 (D) if the vendor is a nonprofit, meets any of the
24 criteria in those in item (A), (B), or (C) with the
25 exception that the nonprofit is not required to meet
26 any criteria related to being a for-profit entity, or

1 is controlled by a board of directors that consists of
2 51% or greater individuals who are equity investment
3 eligible persons; or

4 (E) ensuring that program implementation
5 contractors and electric vehicle charging station
6 installers pay employees working on electric vehicle
7 charging installations at or above the prevailing wage
8 rate when such a wage rate has been published by the
9 Department of Labor and pay employees working on
10 energy efficiency programs at or above the median wage
11 rate for a similar job description in the nearest
12 metropolitan area when there is no applicable
13 published prevailing wage rate.

14 If necessary, utilities may conduct surveys to establish
15 the median wage rate for a given job description. Utilities
16 shall establish reporting procedures for vendors that ensure
17 compliance with this subsection, but are structured to avoid,
18 wherever possible, placing an undue administrative burden on
19 vendors.

20 (i) Program data collection.

21 (1) In order to ensure that the benefits provided to
22 Illinois residents and business by the clean energy
23 economy are equitably distributed across the State, it is
24 necessary to accurately measure the applicants and
25 recipients of this Program. The purpose of this paragraph
26 is to require the implementing utilities to collect all

1 data from Program applicants and beneficiaries to track
2 and improve equitable distribution of benefits across
3 Illinois communities. The further purpose is to measure
4 any potential impact of racial discrimination on the
5 distribution of benefits and provide the utilities the
6 information necessary to correct any discrimination
7 through methods consistent with State and federal law.

8 (2) The implementing utilities shall collect
9 demographic and geographic data for each applicant and
10 each person or business awarded benefits or contracts
11 under this Program.

12 (3) The implementing utilities shall collect the
13 following information from applicants and Program or
14 procurement beneficiaries where applicable:

15 (A) demographic information, including racial or
16 ethnic identity for real persons employed, contracted,
17 or subcontracted through the program;

18 (B) demographic information, including racial or
19 ethnic identity of business owners;

20 (C) geographic location of the residency of real
21 persons or geographic location of the headquarters for
22 businesses; and

23 (D) any other information necessary for the
24 purpose of achieving the purpose of this paragraph.

25 (4) The utility shall publish, at least annually,
26 aggregated information on the demographics of program and

1 procurement applicants and beneficiaries. The utilities
2 shall protect personal and confidential business
3 information as necessary.

4 (5) The utilities shall conduct a regular review
5 process to confirm the accuracy of reported data.

6 (6) On a quarterly basis, utilities shall collect data
7 necessary to ensure compliance with this Section and shall
8 communicate progress toward compliance to program
9 implementation contractors and electric vehicle charging
10 station installation vendors.

11 (7) Utilities filing Beneficial Electrification Plans
12 under this Section shall report annually to the Illinois
13 Commerce Commission and the General Assembly on how
14 hiring, contracting, job training, and other practices
15 related to its Beneficial Electrification programs enhance
16 the diversity of vendors working on such programs. These
17 reports must include data on vendor and employee
18 diversity.

19 (j) The provisions of this Section are severable under
20 Section 1.31 of the Statute on Statutes.

21 (20 ILCS 627/50 new)

22 Sec. 50. Plan updates. The utility shall file an update to
23 the plan on July 1, 2024 and every 3 years thereafter. This
24 update shall describe transportation investments made during
25 the prior plan period, investments planned for the following

1 24 months, and updates to the information required by this
2 Section. Within 35 days after the utility files its report,
3 the Commission shall, upon its own initiative, open an
4 investigation regarding the utility's plan update to
5 investigate whether the objectives described in this Section
6 are being achieved. If the Commission finds, after notice and
7 hearing, that the utility's plan is materially deficient, the
8 Commission shall issue an order requiring the utility to
9 devise a corrective action plan, subject to Commission
10 approval, to bring the plan into compliance with the goals of
11 this Section. The Commission's order shall be entered within
12 270 days after the utility files its annual report.

13 The contents of a plan filed under this Section shall be
14 available for evidence in Commission proceedings. However,
15 omission from an approved plan shall not render any future
16 utility expenditure to be considered unreasonable or
17 imprudent. The Commission may, upon sufficient evidence, allow
18 expenditures that were not part of any particular distribution
19 plan.

20 (20 ILCS 627/55 new)

21 Sec. 55. Charging rebate program.

22 (a) In order to substantially offset the installation
23 costs of electric vehicle charging infrastructure, beginning
24 July 1, 2022, and continuing as long as funds are available,
25 the Agency shall issue rebates, consistent with the

1 Commission-approved Transportation Electrification Plans in
2 accordance with Section 35, to public and private
3 organizations and companies to install and maintain Level 2 or
4 Level 3 charging stations.

5 (b) The Agency shall award rebates or grants that fund up
6 to 80% of the cost of the installation of charging stations.
7 The Agency shall award additional incentives per port for
8 every charging station installed in an eligible community and
9 every charging station located to support eligible persons. In
10 order to be eligible to receive a rebate or grant, the
11 organization or company must submit an application to the
12 Agency and commit to paying the prevailing wage for the
13 installation project. The Agency shall by rule provide
14 application and other programmatic details and requirements,
15 including additional incentives for eligible communities. The
16 Agency may determine per port or project caps based on a review
17 of best practices and stakeholder engagement. The Agency shall
18 accept applications on a rolling basis and shall award rebates
19 or grants within 60 days of each application. The Agency may
20 not award rebates or grants to an organization or company that
21 does not pay the prevailing wage for the installation of a
22 charging station for which it seeks a rebate or grant.

23 (20 ILCS 627/60 new)

24 Sec. 60. Study on loss infrastructure funds and
25 replacement options. The Department of Transportation shall

1 conduct a study to be delivered to the members of the General
2 Assembly and made available to the public no later than
3 September 30, 2022. The study shall consider how the
4 proliferation of electric vehicles will adversely affect
5 resources needed for transportation infrastructure and take
6 into consideration any relevant federal actions. The study
7 shall identify the potential revenue loss and offer multiple
8 options for replacing those lost revenues. The Department of
9 Transportation shall collaborate with organizations
10 representing businesses involved in designing and building
11 transportation infrastructure, organized labor, the general
12 business community, and users of the system. In addition, the
13 Department of Transportation may collaborate with other State
14 agencies, including, but not limited to, the Secretary of
15 State and the Department of Revenue.

16 This Section is repealed on January 1, 2024.

17 Section 90-25. The Energy Efficient Building Act is
18 amended by changing Sections 10, 15, 20, 30, and 45 and by
19 adding Section 55 as follows:

20 (20 ILCS 3125/10)

21 Sec. 10. Definitions.

22 "Board" means the Capital Development Board.

23 "Building" includes both residential buildings and
24 commercial buildings.

1 "Code" means the latest published edition of the
2 International Code Council's International Energy Conservation
3 Code as adopted by the Board, including any published
4 supplements adopted by the Board and any amendments and
5 adaptations to the Code that are made by the Board.

6 "Commercial building" means any building except a building
7 that is a residential building, as defined in this Section.

8 "Department" means the Department of Commerce and Economic
9 Opportunity.

10 "Municipality" means any city, village, or incorporated
11 town.

12 "Residential building" means (i) a detached one-family or
13 2-family dwelling or (ii) any building that is 3 stories or
14 less in height above grade that contains multiple dwelling
15 units, in which the occupants reside on a primarily permanent
16 basis, such as a townhouse, a row house, an apartment house, a
17 convent, a monastery, a rectory, a fraternity or sorority
18 house, a dormitory, and a rooming house; provided, however,
19 that when applied to a building located within the boundaries
20 of a municipality having a population of 1,000,000 or more,
21 the term "residential building" means a building containing
22 one or more dwelling units, not exceeding 4 stories above
23 grade, where occupants are primarily permanent.

24 "Site energy index" means a scalar published by the
25 Pacific Northwest National Laboratories representing the ratio
26 of the site energy performance of an evaluated code compared

1 to the site energy performance of the 2006 International
2 Energy Conservation Code. "Site energy index" includes only
3 conservation measures and excludes net energy credit for any
4 on-site or off-site energy production.

5 (Source: P.A. 101-144, eff. 7-26-19.)

6 (20 ILCS 3125/15)

7 Sec. 15. Energy Efficient Building Code. The Board, in
8 consultation with the Department, shall adopt the Code as
9 minimum requirements for commercial buildings, applying to the
10 construction of, renovations to, and additions to all
11 commercial buildings in the State. The Board, in consultation
12 with the Department, shall also adopt the Code as the minimum
13 and maximum requirements for residential buildings, applying
14 to the construction of, renovations to, and additions to all
15 residential buildings in the State, except as provided for in
16 Section 45 of this Act. The Board may appropriately adapt the
17 International Energy Conservation Code to apply to the
18 particular economy, population distribution, geography, and
19 climate of the State and construction therein, consistent with
20 the public policy objectives of this Act.

21 (Source: P.A. 96-778, eff. 8-28-09.)

22 (20 ILCS 3125/20)

23 Sec. 20. Applicability.

24 (a) The Board shall review and adopt the Code within one

1 year after its publication. The Code shall take effect within
2 6 months after it is adopted by the Board, except that,
3 beginning January 1, 2012, the Code adopted in 2012 shall take
4 effect on January 1, 2013. Except as otherwise provided in
5 this Act, the Code shall apply to (i) any new building or
6 structure in this State for which a building permit
7 application is received by a municipality or county and (ii)
8 beginning on the effective date of this amendatory Act of the
9 100th General Assembly, each State facility specified in
10 Section 4.01 of the Capital Development Board Act. In the case
11 of any addition, alteration, renovation, or repair to an
12 existing residential or commercial structure, the Code adopted
13 under this Act applies only to the portions of that structure
14 that are being added, altered, renovated, or repaired. The
15 changes made to this Section by this amendatory Act of the 97th
16 General Assembly shall in no way invalidate or otherwise
17 affect contracts entered into on or before the effective date
18 of this amendatory Act of the 97th General Assembly.

19 (b) The following buildings shall be exempt from the Code:

20 (1) Buildings otherwise exempt from the provisions of
21 a locally adopted building code and buildings that do not
22 contain a conditioned space.

23 (2) Buildings that do not use either electricity or
24 fossil fuel for comfort conditioning. For purposes of
25 determining whether this exemption applies, a building
26 will be presumed to be heated by electricity, even in the

1 absence of equipment used for electric comfort heating,
2 whenever the building is provided with electrical service
3 in excess of 100 amps, unless the code enforcement
4 official determines that this electrical service is
5 necessary for purposes other than providing electric
6 comfort heating.

7 (3) Historic buildings. This exemption shall apply to
8 those buildings that are listed on the National Register
9 of Historic Places or the Illinois Register of Historic
10 Places, and to those buildings that have been designated
11 as historically significant by a local governing body that
12 is authorized to make such designations.

13 (4) (Blank).

14 (5) Other buildings specified as exempt by the
15 International Energy Conservation Code.

16 (c) Additions, alterations, renovations, or repairs to an
17 existing building, building system, or portion thereof shall
18 conform to the provisions of the Code as they relate to new
19 construction without requiring the unaltered portion of the
20 existing building or building system to comply with the Code.
21 The following need not comply with the Code, provided that the
22 energy use of the building is not increased: (i) storm windows
23 installed over existing fenestration, (ii) glass-only
24 replacements in an existing sash and frame, (iii) existing
25 ceiling, wall, or floor cavities exposed during construction,
26 provided that these cavities are filled with insulation, and

1 (iv) construction where the existing roof, wall, or floor is
2 not exposed.

3 (d) A unit of local government that does not regulate
4 energy efficient building standards is not required to adopt,
5 enforce, or administer the Code; however, any energy efficient
6 building standards adopted by a unit of local government must
7 comply with this Act. If a unit of local government does not
8 regulate energy efficient building standards, any
9 construction, renovation, or addition to buildings or
10 structures is subject to the provisions contained in this Act.

11 (Source: P.A. 100-729, eff. 8-3-18.)

12 (20 ILCS 3125/30)

13 Sec. 30. Enforcement. The Board, in consultation with the
14 Department, shall determine procedures for compliance with the
15 Code. These procedures may include but need not be limited to
16 certification by a national, State, or local accredited energy
17 conservation program or inspections from private
18 Code-certified inspectors using the Code. For purposes of the
19 Illinois Stretch Energy Code under Section 55, the Board shall
20 allow and encourage, as an alternative compliance mechanism,
21 project certification by a nationally recognized nonprofit
22 certification organization specializing in high-performance
23 passive buildings and offering climate-specific building
24 energy standards that require equal or better energy
25 performance than the Illinois Stretch Energy Code.

1 (Source: P.A. 93-936, eff. 8-13-04.)

2 (20 ILCS 3125/45)

3 Sec. 45. Home rule.

4 (a) (Blank). ~~No unit of local government, including any~~
5 ~~home rule unit, may regulate energy efficient building~~
6 ~~standards for commercial buildings in a manner that is less~~
7 ~~stringent than the provisions contained in this Act.~~

8 (b) No unit of local government, including any home rule
9 unit, may regulate energy efficient building standards for
10 residential buildings in a manner that is either less or more
11 stringent than the standards established pursuant to this Act;
12 provided, however, that the following entities may regulate
13 energy efficient building standards for residential or
14 commercial buildings in a manner that is more stringent than
15 the provisions contained in this Act: (i) a unit of local
16 government, including a home rule unit, that has, on or before
17 May 15, 2009, adopted or incorporated by reference energy
18 efficient building standards for residential or commercial
19 buildings that are equivalent to or more stringent than the
20 2006 International Energy Conservation Code, (ii) a unit of
21 local government, including a home rule unit, that has, on or
22 before May 15, 2009, provided to the Capital Development
23 Board, as required by Section 10.18 of the Capital Development
24 Board Act, an identification of an energy efficient building
25 code or amendment that is equivalent to or more stringent than

1 the 2006 International Energy Conservation Code, (ii-5) a
2 municipality that has adopted the Illinois Stretch Energy
3 Code, and (iii) a municipality with a population of 1,000,000
4 or more.

5 (c) No unit of local government, including any home rule
6 unit or unit of local government that is subject to State
7 regulation under the Code as provided in Section 15 of this
8 Act, may hereafter enact any annexation ordinance or
9 resolution, or require or enter into any annexation agreement,
10 that imposes energy efficient building standards for
11 residential or commercial buildings that are either less or
12 more stringent than the energy efficiency standards in effect,
13 at the time of construction, throughout the unit of local
14 government, except for the Illinois Stretch Energy Code.

15 (d) This Section is a denial and limitation of home rule
16 powers and functions under subsection (i) of Section 6 of
17 Article VII of the Illinois Constitution on the concurrent
18 exercise by home rule units of powers and functions exercised
19 by the State. Nothing in this Section, however, prevents a
20 unit of local government from adopting an energy efficiency
21 code or standards for commercial buildings that are more
22 stringent than the Code under this Act.

23 (Source: P.A. 99-639, eff. 7-28-16.)

24 (20 ILCS 3125/55 new)

25 Sec. 55. Illinois Stretch Energy Code.

1 (a) The Board, in consultation with the Department, shall
2 create and adopt the Illinois Stretch Energy Code, to allow
3 municipalities and projects authorized or funded by the Board
4 to achieve more energy efficiency in buildings than the
5 Illinois Energy Conservation Code through a consistent pathway
6 across the State. The Illinois Stretch Energy Code shall be
7 available for adoption by any municipality and shall set
8 minimum energy efficiency requirements, taking the place of
9 the Illinois Energy Conservation Code within any municipality
10 that adopts the Illinois Stretch Energy Code.

11 (b) The Illinois Stretch Energy Code shall have separate
12 components for commercial and residential buildings, which may
13 be adopted by the municipality jointly or separately.

14 (c) The Illinois Stretch Energy Code shall apply to all
15 projects to which an energy conservation code is applicable
16 that are authorized or funded in any part by the Board after
17 January 1, 2024.

18 (d) Development of the Illinois Stretch Energy Code shall
19 be completed and available for adoption by municipalities by
20 December 31, 2023.

21 (e) Consistent with the requirements under paragraph (2.5)
22 of subsection (g) of Section 8-103B of the Public Utilities
23 Act and under Section 8-104 of the Public Utilities Act,
24 municipalities that adopt the Illinois Stretch Energy Code may
25 use utility programs to support compliance with the Illinois
26 Stretch Energy Code. The amount of savings from such utility

1 efforts that may be counted toward achievement of their annual
2 savings goals shall be based on reasonable estimates of the
3 increase in savings resulting from the utility efforts,
4 relative to reasonable approximations of what would have
5 occurred absent the utility involvement.

6 (f) The Illinois Stretch Energy Code's residential
7 components shall:

8 (1) apply to residential buildings as defined under
9 Section 10;

10 (2) set performance targets using a site energy index
11 with reductions relative to the 2006 International Energy
12 Conservation Code; and

13 (3) include stretch energy codes with site energy
14 index standards and adoption dates as follows: by no later
15 than December 31, 2023, the Board shall create and adopt a
16 stretch energy code with a site energy index no greater
17 than 0.50 of the 2006 International Energy Conservation
18 Code; by no later than December 31, 2026, the Board shall
19 create and adopt a stretch energy code with a site energy
20 index no greater than 0.40 of the 2006 International
21 Energy Conservation Code, unless the Board identifies
22 unanticipated burdens associated with the stretch energy
23 code adopted in 2023, in which case the Board may adopt a
24 stretch energy code with a site energy index no greater
25 than 0.42 of the 2006 International Energy Conservation
26 Code, provided that the more relaxed standard has a site

1 energy index that is at least 0.05 more restrictive than
2 the 2024 International Energy Conservation Code; by no
3 later than December 31, 2029, the Board shall create and
4 adopt a stretch energy code with a site energy index no
5 greater than 0.33 of the 2006 International Energy
6 Conservation Code, unless the Board identifies
7 unanticipated burdens associated with the stretch energy
8 code adopted in 2026, in which case the Board may adopt a
9 stretch energy code with a site energy index no greater
10 than 0.35 of the 2006 International Energy Conservation
11 Code, but only if that more relaxed standard has a site
12 energy index that is at least 0.05 more restrictive than
13 the 2027 International Energy Conservation Code; and by no
14 later than December 31, 2032, the Board shall create and
15 adopt a stretch energy code with a site energy index no
16 greater than 0.25 of the 2006 International Energy
17 Conservation Code.

18 (g) The Illinois Stretch Energy Code's commercial
19 components shall:

20 (1) apply to commercial buildings as defined under
21 Section 10;

22 (2) set performance targets using a site energy index
23 with reductions relative to the 2006 International Energy
24 Conservation Code; and

25 (3) include stretch energy codes with site energy
26 index standards and adoption dates as follows: by no later

1 than December 31, 2023, the Board shall create and adopt a
2 stretch energy code with a site energy index no greater
3 than 0.60 of the 2006 International Energy Conservation
4 Code; by no later than December 31, 2026, the Board shall
5 create and adopt a stretch energy code with a site energy
6 index no greater than 0.50 of the 2006 International
7 Energy Conservation Code; by no later than December 31,
8 2029, the Board shall create and adopt a stretch energy
9 code with a site energy index no greater than 0.44 of the
10 2006 International Energy Conservation Code; and by no
11 later than December 31, 2032, the Board shall create and
12 adopt a stretch energy code with a site energy index no
13 greater than 0.39 of the 2006 International Energy
14 Conservation Code.

15 (h) The process for the creation of the Illinois Stretch
16 Energy Code includes:

17 (1) within 60 days after the effective date of this
18 amendatory Act of the 102nd General Assembly, the Capital
19 Development Board shall establish an Illinois Stretch
20 Energy Code Task Force to advise and provide technical
21 assistance and recommendations to the Capital Development
22 Board for the Illinois Stretch Energy Code, which shall:

23 (A) advise the Capital Development Board on
24 creation of interim performance targets, code
25 requirements, and an implementation plan for the
26 Illinois Stretch Energy Code;

1 (B) recommend amendments to proposed rules issued
2 by the Capital Development Board;

3 (C) recommend complimentary programs or policies;

4 (D) complete recommendations and development for
5 the Illinois Stretch Energy Code elements and
6 requirements by July 31, 2023;

7 (E) be composed of, but not limited to,
8 representatives, or their designees, from the
9 following entities:

10 (i) a representative from a group that
11 represents environmental justice;

12 (ii) a representative of a nonprofit or
13 professional association advocating for the
14 environment;

15 (iii) a representative of an organization
16 representing local governments in the metropolitan
17 Chicago region;

18 (iv) a representative of the City of Chicago;

19 (v) a representative of an organization
20 representing local governments outside the
21 metropolitan Chicago region;

22 (vi) a representative for the investor-owned
23 utilities of Illinois;

24 (vii) an energy-efficiency advocate with
25 technical expertise in single-family residential
26 buildings;

1 (viii) an energy-efficiency advocate with
2 technical expertise in commercial buildings;

3 (ix) an energy-efficiency advocate with
4 technical expertise in multifamily buildings, such
5 as an affordable housing developer;

6 (x) a representative from the architecture or
7 engineering industry;

8 (xi) a representative from a home builders
9 association;

10 (xii) a representative from the commercial
11 building industry;

12 (xiii) a representative of the enforcement
13 industry, such as a code official or energy rater;

14 (xiv) a representative of organized labor; and

15 (xv) other experts or organizations deemed
16 necessary by the Capital Development Board; and

17 (F) be co-chaired by:

18 (i) a representative of the environmental
19 community;

20 (ii) a representative of the environmental
21 justice community; and

22 (iii) a municipal representative.

23 (2) As part of its deliberations, the Illinois Stretch
24 Energy Code Task Force shall actively solicit input from
25 other energy code stakeholders and interested parties.

1 Section 90-30. The Illinois Power Agency Act is amended by
2 changing Sections 1-5, 1-10, 1-20, 1-35, 1-56, 1-70, 1-75,
3 1-92, and 1-125 as follows:

4 (20 ILCS 3855/1-5)

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

7 (1) The health, welfare, and prosperity of all
8 Illinois residents ~~citizens~~ require the provision of
9 adequate, reliable, affordable, efficient, and
10 environmentally sustainable electric service at the lowest
11 total cost over time, taking into account any benefits of
12 price stability.

13 (1.5) To provide the highest quality of life for the
14 residents of Illinois and to provide for a clean and
15 healthy environment, it is the policy of this State to
16 rapidly transition to 100% clean energy by 2050.

17 (2) (Blank).

18 (3) (Blank).

19 (4) It is necessary to improve the process of
20 procuring electricity to serve Illinois residents, to
21 promote investment in energy efficiency and
22 demand-response measures, and to maintain and support
23 development of clean coal technologies, generation
24 resources that operate at all hours of the day and under
25 all weather conditions, zero emission facilities, and

1 renewable resources.

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

6 (6) Including renewable resources and zero emission
7 credits from zero emission facilities in that portfolio
8 will reduce long-term direct and indirect costs to
9 consumers by decreasing environmental impacts and by
10 avoiding or delaying the need for new generation,
11 transmission, and distribution infrastructure. Developing
12 new renewable energy resources in Illinois, including
13 brownfield solar projects and community solar projects,
14 will help to diversify Illinois electricity supply, avoid
15 and reduce pollution, reduce peak demand, and enhance
16 public health and well-being of Illinois residents.

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

20 (8) Developing brownfield solar projects in Illinois
21 will help return blighted or contaminated land to
22 productive use while enhancing public health and the
23 well-being of Illinois residents, including those in
24 environmental justice communities.

25 (9) Energy efficiency, demand-response measures, zero
26 emission energy, and renewable energy are resources

1 currently underused in Illinois. These resources should be
2 used, when cost effective, to reduce costs to consumers,
3 improve reliability, and improve environmental quality and
4 public health.

5 (10) The State should encourage the use of advanced
6 clean coal technologies that capture and sequester carbon
7 dioxide emissions to advance environmental protection
8 goals and to demonstrate the viability of coal and
9 coal-derived fuels in a carbon-constrained economy.

10 (10.5) The State should create a level playing field
11 for new technologies including high-voltage direct current
12 transmission lines using Voltage Source Conversion
13 technology with converter stations located in the State
14 with other power generation and capacity resources, to
15 facilitate participation of such new technologies in the
16 Agency's procurements of energy, capacity, and renewable
17 energy resources in a way that provides benefits to
18 ratepayers and eligible retail customers and incentivize
19 the environmental benefits of high-voltage direct current
20 transmission facilities that contract with renewable
21 energy resources.

22 (11) The General Assembly enacted Public Act 96-0795
23 to reform the State's purchasing processes, recognizing
24 that government procurement is susceptible to abuse if
25 structural and procedural safeguards are not in place to
26 ensure independence, insulation, oversight, and

1 transparency.

2 (12) The principles that underlie the procurement
3 reform legislation apply also in the context of power
4 purchasing.

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

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

22 (A) Develop electricity procurement plans to ensure
23 adequate, reliable, affordable, efficient, and
24 environmentally sustainable electric service at the lowest
25 total cost over time, taking into account any benefits of
26 price stability, for electric utilities that on December

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

11 (B) Conduct the competitive procurement processes
12 identified in this Act.

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

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

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

24 (F) Continue to review its policies and practices to
25 determine how best to meet its mission of providing the
26 lowest cost power to the greatest number of people, at any

1 given point in time, in accordance with applicable law.

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

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

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

14 (20 ILCS 3855/1-10)

15 Sec. 1-10. Definitions.

16 "Agency" means the Illinois Power Agency.

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

25 "Authority" means the Illinois Finance Authority.

1 "Brownfield site photovoltaic project" means photovoltaics
2 that are either:

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

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

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

18 (C) the Illinois Environmental Protection Agency
19 under the Illinois Site Remediation Program; or

20 (D) the Illinois Environmental Protection Agency
21 under the Illinois Solid Waste Program; or.

22 (2) located at the site of a coal mine that has
23 permanently ceased coal production, permanently halted any
24 remining operations, and is no longer accepting any coal
25 combustion residues, and has both completed all clean-up
26 and remediation obligations under the federal Surface

1 Mining and Reclamation Act of 1977 and all applicable
2 State rules and any other clean-up, remediation, or
3 ongoing monitoring to safeguard the health and well-being
4 of the people of the State, as well as demonstrated
5 compliance with all applicable federal and State
6 environmental rules and regulations, including, but not
7 limited, to 35 Ill. Adm. Code Part 845 and any rules for
8 historic fill of coal combustion residuals, including any
9 rules finalized in Subdocket A of Illinois Pollution
10 Control Board docket R2020-019.

11 "Clean coal facility" means an electric generating
12 facility that uses primarily coal as a feedstock and that
13 captures and sequesters carbon dioxide emissions at the
14 following levels: at least 50% of the total carbon dioxide
15 emissions that the facility would otherwise emit if, at the
16 time construction commences, the facility is scheduled to
17 commence operation before 2016, at least 70% of the total
18 carbon dioxide emissions that the facility would otherwise
19 emit if, at the time construction commences, the facility is
20 scheduled to commence operation during 2016 or 2017, and at
21 least 90% of the total carbon dioxide emissions that the
22 facility would otherwise emit if, at the time construction
23 commences, the facility is scheduled to commence operation
24 after 2017. The power block of the clean coal facility shall
25 not exceed allowable emission rates for sulfur dioxide,
26 nitrogen oxides, carbon monoxide, particulates and mercury for

1 a natural gas-fired combined-cycle facility the same size as
2 and in the same location as the clean coal facility at the time
3 the clean coal facility obtains an approved air permit. All
4 coal used by a clean coal facility shall have high volatile
5 bituminous rank and greater than 1.7 pounds of sulfur per
6 million btu content, unless the clean coal facility does not
7 use gasification technology and was operating as a
8 conventional coal-fired electric generating facility on June
9 1, 2009 (the effective date of Public Act 95-1027).

10 "Clean coal SNG brownfield facility" means a facility that
11 (1) has commenced construction by July 1, 2015 on an urban
12 brownfield site in a municipality with at least 1,000,000
13 residents; (2) uses a gasification process to produce
14 substitute natural gas; (3) uses coal as at least 50% of the
15 total feedstock over the term of any sourcing agreement with a
16 utility and the remainder of the feedstock may be either
17 petroleum coke or coal, with all such coal having a high
18 bituminous rank and greater than 1.7 pounds of sulfur per
19 million Btu content unless the facility reasonably determines
20 that it is necessary to use additional petroleum coke to
21 deliver additional consumer savings, in which case the
22 facility shall use coal for at least 35% of the total feedstock
23 over the term of any sourcing agreement; and (4) captures and
24 sequesters at least 85% of the total carbon dioxide emissions
25 that the facility would otherwise emit.

26 "Clean coal SNG facility" means a facility that uses a

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

13 "Clean energy" means energy generation that is 90% or
14 greater free of carbon dioxide emissions.

15 "Commission" means the Illinois Commerce Commission.

16 "Community renewable generation project" means an electric
17 generating facility that:

18 (1) is powered by wind, solar thermal energy,
19 photovoltaic cells or panels, biodiesel, crops and
20 untreated and unadulterated organic waste biomass, ~~tree~~
21 ~~waste~~, and hydropower that does not involve new
22 construction or significant expansion of hydropower dams;

23 (2) is interconnected at the distribution system level
24 of an electric utility as defined in this Section, a
25 municipal utility as defined in this Section that owns or
26 operates electric distribution facilities, a public

1 utility as defined in Section 3-105 of the Public
2 Utilities Act, or an electric cooperative, as defined in
3 Section 3-119 of the Public Utilities Act;

4 (3) credits the value of electricity generated by the
5 facility to the subscribers of the facility; and

6 (4) is limited in nameplate capacity to less than or
7 equal to 5,000 ~~2,000~~ kilowatts.

8 "Costs incurred in connection with the development and
9 construction of a facility" means:

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

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

17 (3) all origination, commitment, utilization,
18 facility, placement, underwriting, syndication, credit
19 enhancement, and rating agency fees;

20 (4) engineering, design, procurement, consulting,
21 legal, accounting, title insurance, survey, appraisal,
22 escrow, trustee, collateral agency, interest rate hedging,
23 interest rate swap, capitalized interest, contingency, as
24 required by lenders, and other financing costs, and other
25 expenses for professional services; and

26 (5) the costs of plans, specifications, site study and

1 investigation, installation, surveys, other Agency costs
2 and estimates of costs, and other expenses necessary or
3 incidental to determining the feasibility of any project,
4 together with such other expenses as may be necessary or
5 incidental to the financing, insuring, acquisition, and
6 construction of a specific project and starting up,
7 commissioning, and placing that project in operation.

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

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

13 "Department" means the Department of Commerce and Economic
14 Opportunity.

15 "Director" means the Director of the Illinois Power
16 Agency.

17 "Demand-response" means measures that decrease peak
18 electricity demand or shift demand from peak to off-peak
19 periods.

20 "Distributed renewable energy generation device" means a
21 device that is:

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

1 waste heat to power systems, or qualified combined heat
2 and power systems;

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

9 (3) located on the customer side of the customer's
10 electric meter and is primarily used to offset that
11 customer's electricity load; and

12 (4) (blank). ~~limited in nameplate capacity to less~~
13 ~~than or equal to 2,000 kilowatts.~~

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

23 "Electric utility" has the same definition as found in
24 Section 16-102 of the Public Utilities Act.

25 "Equitable Energy Future Certification" or "EEFC" means a
26 certification provided to an applicant by the Illinois Power

1 Agency where an applicant commits that a project will meet one
2 or more of the following criteria:

3 (1) more than 50% of the work on the project have or
4 will be performed by eligible persons; or

5 (2) more than 50% of the work on the project have or
6 will be done by equity eligible contractors.

7 The Agency shall establish Equitable Energy Future
8 Certification standards for entities where certification by
9 individual project is infeasible, which can include
10 certification of a portfolio of projects if an entity can
11 demonstrate consistent EEFC eligibility across that portfolio.

12 "Equity investment eligible community" or "eligible
13 community" means the geographic areas throughout Illinois
14 which would most benefit from equitable investments by the
15 State designed to combat discrimination. Specifically,
16 "eligible community" means the following areas:

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

22 (2) areas where residents have been historically
23 subject to disproportionate burdens of pollution,
24 including pollution from the energy sector, as established
25 by environmental justice communities as defined by in the
26 most recent revision to the long-term renewable resource

1 procurement plan approved by the Illinois Commerce
2 Commission pursuant to paragraph (5) of subsection (d) of
3 Section 16-111.5 of the Public Utilities Act, with any
4 racial or ethnic indicators excluded.

5 "Equity eligible persons" or "eligible persons" means
6 persons who would most benefit from equitable investments by
7 the State designed to combat discrimination, specifically:

8 (1) persons who graduate from or are current or former
9 participants in the Clean Jobs Workforce Network Program,
10 the Clean Energy Contractor Incubator Program, the
11 Illinois Climate Works Preapprenticeship Program,
12 Returning Residents Clean Jobs Training Program, or the
13 Clean Energy Primes Contractor Accelerator Program, and
14 the solar training pipeline and multi-cultural jobs
15 program created in paragraphs (1) and (3) of subsection
16 (a) of Section 16-108.12 of the Public Utilities Act;

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

19 (3) persons who were formerly incarcerated; or

20 (4) persons whose primary residence is in an equity
21 investment eligible community.

22 "Equity eligible contractor" means a business that is
23 majority-owned by eligible persons, or a non-profit or
24 cooperative that is majority-governed by eligible persons, or
25 is a natural person that is an eligible person offering
26 personal services as an independent contractor.

1 "Facility" means an electric generating unit or a
2 co-generating unit that produces electricity along with
3 related equipment necessary to connect the facility to an
4 electric transmission or distribution system.

5 "General Contractor" means the entity or organization with
6 main responsibility for the building of a construction project
7 and who is the party signing the prime construction contract
8 for the project.

9 "Governmental aggregator" means one or more units of local
10 government that individually or collectively procure
11 electricity to serve residential retail electrical loads
12 located within its or their jurisdiction.

13 "HVDC converter station" means the collection of equipment
14 that converts direct current energy from an HVDC transmission
15 line into alternating current using Voltage Source Conversion
16 technology and that is interconnected with transmission or
17 distribution assets located in Illinois.

18 "HVDC renewable energy credit" means a renewable energy
19 credit associated with a renewable energy resource where the
20 renewable energy resource has entered into a contract to
21 transmit the energy associated with such renewable energy
22 credit over HVDC transmission facilities.

23 "HVDC transmission facilities" means the collection of
24 installed equipment that converts alternating current energy
25 in one location to direct current and transmits that direct
26 current energy to an HVDC converter station using Voltage

1 Source Conversion technology. "HVDC transmission facilities"
2 include the HVDC converter station itself and associated HVDC
3 transmission line.

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

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

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

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

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

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

25 "Nameplate capacity" means the aggregate inverter
26 nameplate capacity in kilowatts AC.

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

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

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

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

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

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

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

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

1 performed by underrepresented minorities and women.

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

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

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

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

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

24 "Renewable energy resources" includes energy and its
25 associated renewable energy credit or renewable energy credits
26 from wind, solar thermal energy, photovoltaic cells and

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

23 "Retail customer" has the same definition as found in
24 Section 16-102 of the Public Utilities Act.

25 "Revenue bond" means any bond, note, or other evidence of
26 indebtedness issued by the Authority, the principal and

1 interest of which is payable solely from revenues or income
2 derived from any project or activity of the Agency.

3 "Seller" means the supplier of a renewable energy credit
4 produced from a new utility-scale wind project or a new
5 utility-scale photovoltaic project.

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

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

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

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

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

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

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

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

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

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

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

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

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

10 (1) generates electricity using photovoltaic cells;
11 and

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

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

16 (1) generates electricity using wind; and

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

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

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

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

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

3 (Source: P.A. 98-90, eff. 7-15-13; 99-906, eff. 6-1-17.)

4 (20 ILCS 3855/1-20)

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

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

7 (1) Develop electricity procurement plans to ensure
8 adequate, reliable, affordable, efficient, and
9 environmentally sustainable electric service at the lowest
10 total cost over time, taking into account any benefits of
11 price stability, for electric utilities that on December
12 31, 2005 provided electric service to at least 100,000
13 customers in Illinois and for small multi-jurisdictional
14 electric utilities that (A) on December 31, 2005 served
15 less than 100,000 customers in Illinois and (B) request a
16 procurement plan for their Illinois jurisdictional load.

17 Except as provided in paragraph (1.5) of this subsection

18 (a), the electricity procurement plans shall be updated on
19 an annual basis and shall include electricity generated
20 from renewable resources sufficient to achieve the
21 standards specified in this Act. Beginning with the
22 delivery year commencing June 1, 2017, develop procurement
23 plans to include zero emission credits generated from zero
24 emission facilities sufficient to achieve the standards
25 specified in this Act. Beginning on June 1, 2022, develop

1 carbon mitigation credit procurement plans to include
2 carbon mitigation credits generated from carbon-free
3 energy resources sufficient to achieve the standards
4 specified in this Act.

5 (1.5) Develop a long-term renewable resources
6 procurement plan in accordance with subsection (c) of
7 Section 1-75 of this Act for renewable energy credits in
8 amounts sufficient to achieve the standards specified in
9 this Act for delivery years commencing June 1, 2017 and
10 for the programs and renewable energy credits specified in
11 Section 1-56 of this Act. Electricity procurement plans
12 for delivery years commencing after May 31, 2017, shall
13 not include procurement of renewable energy resources.

14 (2) Conduct competitive procurement processes to
15 procure the supply resources identified in the electricity
16 procurement plan, pursuant to Section 16-111.5 of the
17 Public Utilities Act, and, for the delivery year
18 commencing June 1, 2017, conduct procurement processes to
19 procure zero emission credits from zero emission
20 facilities, under subsection (d-5) of Section 1-75 of this
21 Act. For the delivery year commencing June 1, 2022,
22 conduct procurement processes to procure carbon mitigation
23 credits from carbon-free energy resources, under
24 subsection (d-10) of Section 1-75.

25 (2.5) Beginning with the procurement for the 2017
26 delivery year, conduct competitive procurement processes

1 and implement programs to procure renewable energy credits
2 identified in the long-term renewable resources
3 procurement plan developed and approved under subsection
4 (c) of Section 1-75 of this Act and Section 16-111.5 of the
5 Public Utilities Act.

6 (2.10) Oversee the procurement by electric utilities
7 that served more than 300,000 customers in this State as
8 of January 1, 2019 of renewable energy credits from new
9 renewable energy facilities to be installed, along with
10 energy storage facilities, at or adjacent to the sites of
11 electric generating facilities that burned coal as their
12 primary fuel source as of January 1, 2016 in accordance
13 with subsection (c-5) of Section 1-75.

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

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

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

26 (1) To have a corporate seal, and to alter that seal at

1 pleasure, and to use it by causing it or a facsimile to be
2 affixed or impressed or reproduced in any other manner.

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

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

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

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

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

24 (7) To sell, convey, lease, exchange, transfer,
25 abandon, or otherwise dispose of, or mortgage, pledge, or
26 create a security interest in, any of its assets,

1 properties, or any interest therein, wherever situated.

2 (8) To purchase, take, receive, subscribe for, or
3 otherwise acquire, hold, make a tender offer for, vote,
4 employ, sell, lend, lease, exchange, transfer, or
5 otherwise dispose of, mortgage, pledge, or grant a
6 security interest in, use, and otherwise deal in and with,
7 bonds and other obligations, shares, or other securities
8 (or interests therein) issued by others, whether engaged
9 in a similar or different business or activity.

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

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

24 (11) To borrow money at such rate or rates of interest
25 as the Agency may determine, issue its notes, bonds, or
26 other obligations to evidence that indebtedness, and

1 secure any of its obligations by mortgage or pledge of its
2 real or personal property, machinery, equipment,
3 structures, fixtures, inventories, revenues, grants, and
4 other funds as provided or any interest therein, wherever
5 situated.

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

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

14 (14) To negotiate and enter into agreements with
15 trustees or receivers appointed by United States
16 bankruptcy courts or federal district courts or in other
17 proceedings involving adjustment of debts and authorize
18 proceedings involving adjustment of debts and authorize
19 legal counsel for the Agency to appear in any such
20 proceedings.

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

24 (16) To enter into management agreements for the
25 operation of any of the property or facilities owned by
26 the Agency.

1 (17) To enter into an agreement to transfer and to
2 transfer any land, facilities, fixtures, or equipment of
3 the Agency to one or more municipal electric systems,
4 governmental aggregators, or rural electric agencies or
5 cooperatives, for such consideration and upon such terms
6 as the Agency may determine to be in the best interest of
7 the residents ~~citizens~~ of Illinois.

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

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

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

18 (21) To accept and expend appropriations.

19 (22) To engage in any activity or operation that is
20 incidental to and in furtherance of efficient operation to
21 accomplish the Agency's purposes, including hiring
22 employees that the Director deems essential for the
23 operations of the Agency.

24 (23) To adopt, revise, amend, and repeal rules with
25 respect to its operations, properties, and facilities as
26 may be necessary or convenient to carry out the purposes

1 of this Act, subject to the provisions of the Illinois
2 Administrative Procedure Act and Sections 1-22 and 1-35 of
3 this Act.

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

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

10 (26) To review, revise, and approve sourcing
11 agreements and mediate and resolve disputes between gas
12 utilities and the clean coal SNG brownfield facility
13 pursuant to subsection (h-1) of Section 9-220 of the
14 Public Utilities Act.

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

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

1 established in subparagraph (Q) of paragraph (1) of subsection
2 (c) of Section 1-75.

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

4 (20 ILCS 3855/1-35)

5 Sec. 1-35. Agency rules. The Agency shall adopt rules as
6 may be necessary and appropriate for the operation of the
7 Agency. In addition to other rules relevant to the operation
8 of the Agency, the Agency shall adopt rules that accomplish
9 each of the following:

10 (1) Establish procedures for monitoring the
11 administration of any contract administered directly or
12 indirectly by the Agency; except that the procedures shall
13 not extend to executed contracts between electric
14 utilities and their suppliers.

15 (2) If deemed necessary by the Agency, establish
16 ~~Establish~~ procedures for the recovery of costs incurred in
17 connection with the development and construction of a
18 facility should the Agency cancel a project, provided that
19 no such costs shall be passed on to public utilities or
20 their customers or paid from the Illinois Power Agency
21 Operations Fund.

22 (3) Implement accounting rules and a system of
23 accounts, in accordance with State law, permitting all
24 reporting (i) required by the State, (ii) required under
25 this Act, (iii) required by the Authority, or (iv)

1 required under the Public Utilities Act.

2 The Agency shall not adopt any rules that infringe upon
3 the authority granted to the Commission.

4 (Source: P.A. 95-481, eff. 8-28-07.)

5 (20 ILCS 3855/1-56)

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

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

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

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

20 (2) The Illinois Power Agency Renewable Energy
21 Resources Fund shall also be used to create the Illinois
22 Solar for All Program, which provides ~~shall include~~
23 incentives for low-income distributed generation and
24 community solar projects, and other associated approved
25 expenditures. The objectives of the Illinois Solar for All

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

1 procurement plan authorized by subsection (c) of Section
2 1-75 of this Act, and the program shall be designed to grow
3 the low-income solar market. The Agency or utility, as
4 applicable, shall purchase renewable energy credits from
5 the (i) photovoltaic distributed renewable energy
6 generation projects and (ii) community solar projects that
7 are procured under procurement processes authorized by the
8 long-term renewable resources procurement plans approved
9 by the Commission.

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

1 of subsection (c) of Section 1-75 of this Act, shall
2 initially be allocated among the programs described in
3 this paragraph (2), as follows: 35% ~~22.5%~~ of these funds
4 shall be allocated to programs described in subparagraphs
5 ~~subparagraph~~ (A) and (E) of this paragraph (2), 40% ~~37.5%~~
6 of these funds shall be allocated to programs described in
7 subparagraph (B) of this paragraph (2), and 25% ~~15%~~ of
8 these funds shall be allocated to programs described in
9 subparagraph (C) of this paragraph (2), ~~and 25% of these~~
10 ~~funds, but in no event more than \$50,000,000, shall be~~
11 ~~allocated to programs described in subparagraph (D) of~~
12 ~~this paragraph (2).~~ The allocation of funds among
13 subparagraphs (A), (B), ~~or~~ (C), and (E) of this paragraph
14 (2) may be changed if the Agency, after receiving input
15 through a stakeholder process, ~~or administrator, through~~
16 ~~delegated authority,~~ determines incentives in
17 subparagraphs (A), (B), ~~or~~ (C), or (E) of this paragraph
18 (2) have not been adequately subscribed to fully utilize
19 available Illinois Solar for All Program funds ~~the~~
20 ~~Illinois Power Agency Renewable Energy Resources Fund.~~ The
21 ~~determination shall include input through a stakeholder~~
22 ~~process.~~ The program offerings described in subparagraphs
23 ~~(A) through (D) of this paragraph (2) shall also be~~
24 ~~implemented through contracts funded from such additional~~
25 ~~amounts as are allocated to one or more of the programs in~~
26 ~~the long term renewable resources procurement plans as~~

1 ~~specified in subsection (c) of Section 1-75 of this Act~~
2 ~~and subparagraph (O) of paragraph (1) of such subsection~~
3 ~~(c).~~

4 Contracts that will be paid with funds in the Illinois
5 Power Agency Renewable Energy Resources Fund shall be
6 executed by the Agency. Contracts that will be paid with
7 funds collected by an electric utility shall be executed
8 by the electric utility.

9 Contracts under the Illinois Solar for All Program
10 shall include an approach, as set forth in the long-term
11 renewable resources procurement plans, to ensure the
12 wholesale market value of the energy is credited to
13 participating low-income customers or organizations and to
14 ensure tangible economic benefits flow directly to program
15 participants, except in the case of low-income
16 multi-family housing where the low-income customer does
17 not directly pay for energy. Priority shall be given to
18 projects that demonstrate meaningful involvement of
19 low-income community members in designing the initial
20 proposals. Acceptable proposals to implement projects must
21 demonstrate the applicant's ability to conduct initial
22 community outreach, education, and recruitment of
23 low-income participants in the community. Projects must
24 include job training opportunities if available, with the
25 specific level of trainee usage to be determined through
26 the Agency's long-term renewable resources procurement

1 plan, and the Illinois Solar for All Program Administrator
2 shall ~~endeavor to~~ coordinate with the job training
3 programs described in paragraph (1) of subsection (a) of
4 Section 16-108.12 of the Public Utilities Act and in the
5 Energy Transition Act.

6 The Agency shall make every effort to ensure that
7 small and emerging businesses, particularly those located
8 in low-income and environmental justice communities, are
9 able to participate in the Illinois Solar for All Program.
10 These efforts may include, but shall not be limited to,
11 proactive support from the program administrator,
12 different or preferred access to subprograms and
13 administrator-identified customers or grassroots
14 education provider-identified customers, and different
15 incentive levels. The Agency shall report on progress and
16 barriers to participation of small and emerging businesses
17 in the Illinois Solar for All Program at least once a year.
18 The report shall be made available on the Agency's website
19 and, in years when the Agency is updating its long-term
20 renewable resources procurement plan, included in that
21 Plan.

22 (A) Low-income single-family and small multifamily
23 solar distributed generation incentive. This program
24 will provide incentives to low-income customers,
25 either directly or through solar providers, to
26 increase the participation of low-income households in

1 photovoltaic on-site distributed generation at
2 residential buildings containing one to 4 units.

3 Companies participating in this program that install
4 solar panels shall commit to hiring job trainees for a
5 portion of their low-income installations, and an
6 administrator shall facilitate partnering the
7 companies that install solar panels with entities that
8 provide solar panel installation job training. It is a
9 goal of this program that a minimum of 25% of the
10 incentives for this program be allocated to projects
11 located within environmental justice communities.
12 Contracts entered into under this paragraph may be
13 entered into with an entity that will develop and
14 administer the program and shall also include
15 contracts for renewable energy credits from the
16 photovoltaic distributed generation that is the
17 subject of the program, as set forth in the long-term
18 renewable resources procurement plan. Additionally:

19 (i) The Agency shall reserve a portion of this
20 program for projects that promote energy
21 sovereignty through ownership of projects by
22 low-income households, not-for-profit
23 organizations providing services to low-income
24 households, affordable housing owners, community
25 cooperatives, or community-based limited liability
26 companies providing services to low-income

1 households. Projects that feature energy
2 sovereignty should ensure that local people have
3 control of the project and reap benefits from the
4 project over and above energy bill savings. The
5 Agency may consider the inclusion of projects that
6 promote ownership over time or that involve
7 partial project ownership by communities, as
8 promoting energy sovereignty. Incentives for
9 projects that promote energy sovereignty may be
10 higher than incentives for equivalent projects
11 that do not promote energy sovereignty under this
12 same program.

13 (ii) The Agency shall make every effort to
14 enable solar providers already participating in
15 the Adjustable Block-Program under subparagraph
16 (K) of paragraph (1) of subsection (c) of Section
17 1-75, and particularly solar providers developing
18 projects under item (i) of subparagraph (K) of
19 paragraph (1) of subsection (c) of Section 1-75 to
20 easily participate in the Low-Income Distributed
21 Generation Incentive program described under this
22 subparagraph, and vice versa. This effort may
23 include, but shall not be limited to, utilizing
24 similar or the same application systems and
25 processes, similar or the same forms and formats
26 of communication, and providing active outreach to

1 companies participating in one program but not the
2 other. The Agency shall report on efforts made to
3 encourage this cross-participation in its
4 long-term renewable resources procurement plan.

5 (B) Low-Income Community Solar Project Initiative.

6 Incentives shall be offered to low-income customers,
7 either directly or through developers, to increase the
8 participation of low-income subscribers of community
9 solar projects. The developer of each project shall
10 identify its partnership with community stakeholders
11 regarding the location, development, and participation
12 in the project, provided that nothing shall preclude a
13 project from including an anchor tenant that does not
14 qualify as low-income. Companies participating in this
15 program that develop or install solar projects shall
16 commit to hiring job trainees for a portion of their
17 low-income installations, and an administrator shall
18 facilitate partnering the companies that install solar
19 projects with entities that provide solar installation
20 and related job training. ~~Incentives should also be~~
21 ~~offered to community solar projects that are 100%~~
22 ~~low-income subscriber owned, which includes low-income~~
23 ~~households, not for profit organizations, and~~
24 ~~affordable housing owners.~~ It is a goal of this
25 program that a minimum of 25% of the incentives for
26 this program be allocated to community photovoltaic

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

22 (C) Incentives for non-profits and public
23 facilities. Under this program funds shall be used to
24 support on-site photovoltaic distributed renewable
25 energy generation devices to serve the load associated
26 with not-for-profit customers and to support

1 photovoltaic distributed renewable energy generation
2 that uses photovoltaic technology to serve the load
3 associated with public sector customers taking service
4 at public buildings. Companies participating in this
5 program that develop or install solar projects shall
6 commit to hiring job trainees for a portion of their
7 low-income installations, and an administrator shall
8 facilitate partnering the companies that install solar
9 projects with entities that provide solar installation
10 and related job training. It is a goal of this program
11 that at least 25% of the incentives for this program be
12 allocated to projects located in environmental justice
13 communities. Contracts entered into under this
14 paragraph may be entered into with an entity that will
15 develop and administer the program or with developers
16 and shall also include contracts for renewable energy
17 credits related to the program. To be eligible for
18 these incentives, the applicable facility of that
19 not-for-profit or public sector customer must provide
20 services that primarily serve low-income residents.

21 (D) (Blank). ~~Low-Income Community Solar Pilot~~
22 ~~Projects. Under this program, persons, including, but~~
23 ~~not limited to, electric utilities, shall propose~~
24 ~~pilot community solar projects. Community solar~~
25 ~~projects proposed under this subparagraph (D) may~~
26 ~~exceed 2,000 kilowatts in nameplate capacity, but the~~

1 ~~amount paid per project under this program may not~~
2 ~~exceed \$20,000,000. Pilot projects must result in~~
3 ~~economic benefits for the members of the community in~~
4 ~~which the project will be located. The proposed pilot~~
5 ~~project must include a partnership with at least one~~
6 ~~community based organization. Approved pilot projects~~
7 ~~shall be competitively bid by the Agency, subject to~~
8 ~~fair and equitable guidelines developed by the Agency.~~
9 ~~Funding available under this subparagraph (D) may not~~
10 ~~be distributed solely to a utility, and at least some~~
11 ~~funds under this subparagraph (D) must include a~~
12 ~~project partnership that includes community ownership~~
13 ~~by the project subscribers. Contracts entered into~~
14 ~~under this paragraph may be entered into with an~~
15 ~~entity that will develop and administer the program or~~
16 ~~with developers and shall also include contracts for~~
17 ~~renewable energy credits related to the program. A~~
18 ~~project proposed by a utility that is implemented~~
19 ~~under this subparagraph (D) shall not be included in~~
20 ~~the utility's ratebase.~~

21 (E) Low-income large multifamily solar incentive.
22 This program shall provide incentives to low-income
23 customers, either directly or through solar providers,
24 to increase the participation of low-income households
25 in photovoltaic on-site distributed generation at
26 residential buildings with 5 or more units. Companies

1 participating in this program that develop or install
2 solar projects shall commit to hiring job trainees for
3 a portion of their low-income installations, and an
4 administrator shall facilitate partnering the
5 companies that install solar projects with entities
6 that provide solar installation and related job
7 training. It is a goal of this program that a minimum
8 of 25% of the incentives for this program be allocated
9 to projects located within environmental justice
10 communities. The Agency shall reserve a portion of
11 this program for projects that promote energy
12 sovereignty through ownership of projects by
13 low-income households, not-for-profit organizations
14 providing services to low-income households,
15 affordable housing owners, or community-based limited
16 liability companies providing services to low-income
17 households. Projects that feature energy sovereignty
18 should ensure that local people have control of the
19 project and reap benefits from the project over and
20 above energy bill savings. The Agency may consider the
21 inclusion of projects that promote ownership over time
22 or that involve partial project ownership by
23 communities, as promoting energy sovereignty.
24 Incentives for projects that promote energy
25 sovereignty may be higher than incentives for
26 equivalent projects that do not promote energy

1 sovereignty under this same program. Contracts entered
2 into under this paragraph may be entered into with an
3 entity that will develop and administer the program
4 and shall include contracts for renewable energy
5 credits from the photovoltaic distributed generation
6 that is the subject of the program, as set forth in the
7 long-term renewable resources procurement plan.

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

12 In addition to the programs outlined in paragraphs (A)
13 through (E), the Agency and other parties may propose
14 additional programs through the long-term renewable
15 resources procurement plan developed and approved under
16 paragraph (5) of subsection (b) of Section 16-111.5 of the
17 Public Utilities Act. Additional programs may target
18 market segments not specified above and may also include
19 incentives targeted to increase the uptake of
20 nonphotovoltaic technologies by low-income customers,
21 including energy storage paired with photovoltaics, if the
22 Commission determines that the Illinois Solar for All
23 Program would provide greater benefits to the public
24 health and well-being of low-income residents through also
25 supporting that additional program versus supporting
26 programs already authorized.

1 (3) Costs associated with the Illinois Solar for All
2 Program and its components described in paragraph (2) of
3 this subsection (b), including, but not limited to, costs
4 associated with procuring experts, consultants, and the
5 program administrator referenced in this subsection (b)
6 and related incremental costs, costs related to income
7 verification and facilitating customer participation in
8 the program, and costs related to the evaluation of the
9 Illinois Solar for All Program, may be paid for using
10 monies in the Illinois Power Agency Renewable Energy
11 Resources Fund, and funds allocated pursuant to
12 subparagraph (O) of paragraph (1) of subsection (c) of
13 Section 1-75, but the Agency or program administrator
14 shall strive to minimize costs in the implementation of
15 the program. The Agency or contracting electric utility
16 shall purchase renewable energy credits from generation
17 that is the subject of a contract under subparagraphs (A)
18 through (E) ~~(D)~~ of ~~this~~ paragraph (2) of this subsection
19 (b), and may pay for such renewable energy credits through
20 an upfront payment per installed kilowatt of nameplate
21 capacity paid once the device is interconnected at the
22 distribution system level of the interconnecting utility
23 and verified as is energized. Payments for renewable
24 energy credits ~~The payment~~ shall be in exchange for ~~an~~
25 ~~assignment of~~ all renewable energy credits generated by
26 the system during the first 15 years of operation and

1 shall be structured to overcome barriers to participation
2 in the solar market by the low-income community. The
3 incentives provided for in this Section may be implemented
4 through the pricing of renewable energy credits where the
5 prices paid for the credits are higher than the prices
6 from programs offered under subsection (c) of Section 1-75
7 of this Act to account for the additional capital
8 necessary to successfully access targeted market segments
9 ~~incentives. The Agency shall ensure collaboration with~~
10 ~~community agencies, and allocate up to 5% of the funds~~
11 ~~available under the Illinois Solar for All Program to~~
12 ~~community-based groups to assist in grassroots education~~
13 ~~efforts related to the Illinois Solar for All Program. The~~
14 Agency or contracting electric utility shall retire any
15 renewable energy credits purchased under ~~from~~ this program
16 and the credits shall count towards the obligation under
17 subsection (c) of Section 1-75 of this Act for the
18 electric utility to which the project is interconnected,
19 if applicable.

20 The Agency shall direct that up to 5% of the funds
21 available under the Illinois Solar for All Program to
22 community-based groups and other qualifying organizations
23 to assist in community-driven education efforts related to
24 the Illinois Solar for All Program, including general
25 energy education, job training program outreach efforts,
26 and other activities deemed to be qualified by the Agency.

1 Grassroots education funding shall not be used to support
2 the marketing by solar project development firms and
3 organizations, unless such education provides equal
4 opportunities for all applicable firms and organizations.

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

1 or a party may propose adjustments to the program terms,
2 conditions, and requirements, including the price offered
3 to new systems, to ensure the long-term viability and
4 success of the program. The Commission shall review and
5 approve any modifications to the program through the plan
6 revision process described in Section 16-111.5 of the
7 Public Utilities Act.

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

1 described in subparagraphs (K) through (M) of paragraph
2 (1) of subsection (c) of Section 1-75. The Agency, through
3 its long-term renewable resources procurement plan
4 approval process, shall also determine if individual
5 subprograms of the Illinois Solar for All Program are
6 better served by a different or separate Program
7 Administrator.

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

1 low-income solar customers with any existing deferred
2 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, the Agency shall plan
18 for:

19 (A) actions to refer customers from the Illinois
20 Solar for All Program to electric and natural gas
21 income-qualified energy efficiency programs, and vice
22 versa, with the goal of increasing participation in
23 both of these programs;

24 (B) effective procedures for data sharing, as
25 needed, to effectuate referrals between the Illinois
26 Solar for All Program and both electric and natural

1 gas income-qualified energy efficiency programs,
2 including sharing customer information directly with
3 the utilities, as needed and appropriate; and

4 (C) efforts to identify any existing deferred
5 maintenance programs for which prospective Solar for
6 All customers may be eligible and connect prospective
7 customers for whom deferred maintenance is or may be a
8 barrier to solar installation to those programs.

9 As used in this subsection (b), "low-income households"
10 means persons and families whose income does not exceed 80% of
11 area median income, adjusted for family size and revised every
12 5 years.

13 For the purposes of this subsection (b), the Agency shall
14 define "environmental justice community" based on the
15 methodologies and findings established by the Agency and the
16 Administrator for the Illinois Solar for All program in its
17 initial long-term renewable resources procurement plan and as
18 updated by the Agency and the Administrator for the Illinois
19 Solar for All Program as part of the long-term renewable
20 resources procurement plan update ~~development, to ensure, to~~
21 ~~the extent practicable, compatibility with other agencies'~~
22 ~~definitions and may, for guidance, look to the definitions~~
23 ~~used by federal, state, or local governments.~~

24 (b-5) After the receipt of all payments required by
25 Section 16-115D of the Public Utilities Act, no additional
26 funds shall be deposited into the Illinois Power Agency

1 Renewable Energy Resources Fund unless directed by order of
2 the Commission.

3 (b-10) After the receipt of all payments required by
4 Section 16-115D of the Public Utilities Act and payment in
5 full of all contracts executed by the Agency under subsections
6 (b) and (i) of this Section, if the balance of the Illinois
7 Power Agency Renewable Energy Resources Fund is under \$5,000,
8 then the Fund shall be inoperative and any remaining funds and
9 any funds submitted to the Fund after that date, shall be
10 transferred to the Supplemental Low-Income Energy Assistance
11 Fund for use in the Low-Income Home Energy Assistance Program,
12 as authorized by the Energy Assistance Act.

13 (c) (Blank).

14 (d) (Blank).

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

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

23 (g) All disbursements from the Illinois Power Agency
24 Renewable Energy Resources Fund shall be made only upon
25 warrants of the Comptroller drawn upon the Treasurer as
26 custodian of the Fund upon vouchers signed by the Director or

1 by the person or persons designated by the Director for that
2 purpose. The Comptroller is authorized to draw the warrant
3 upon vouchers so signed. The Treasurer shall accept all
4 warrants so signed and shall be released from liability for
5 all payments made on those warrants.

6 (h) The Illinois Power Agency Renewable Energy Resources
7 Fund shall not be subject to sweeps, administrative charges,
8 or chargebacks, including, but not limited to, those
9 authorized under Section 8h of the State Finance Act, that
10 would in any way result in the transfer of any funds from this
11 Fund to any other fund of this State or in having any such
12 funds utilized for any purpose other than the express purposes
13 set forth in this Section.

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

18 (i) Supplemental procurement process.

19 (1) Within 90 days after the effective date of this
20 amendatory Act of the 98th General Assembly, the Agency
21 shall develop a one-time supplemental procurement plan
22 limited to the procurement of renewable energy credits, if
23 available, from new or existing photovoltaics, including,
24 but not limited to, distributed photovoltaic generation.
25 Nothing in this subsection (i) requires procurement of
26 wind generation through the supplemental procurement.

1 Renewable energy credits procured from new
2 photovoltaics, including, but not limited to, distributed
3 photovoltaic generation, under this subsection (i) must be
4 procured from devices installed by a qualified person. In
5 its supplemental procurement plan, the Agency shall
6 establish contractually enforceable mechanisms for
7 ensuring that the installation of new photovoltaics is
8 performed by a qualified person.

9 For the purposes of this paragraph (1), "qualified
10 person" means a person who performs installations of
11 photovoltaics, including, but not limited to, distributed
12 photovoltaic generation, and who: (A) has completed an
13 apprenticeship as a journeyman electrician from a United
14 States Department of Labor registered electrical
15 apprenticeship and training program and received a
16 certification of satisfactory completion; or (B) does not
17 currently meet the criteria under clause (A) of this
18 paragraph (1), but is enrolled in a United States
19 Department of Labor registered electrical apprenticeship
20 program, provided that the person is directly supervised
21 by a person who meets the criteria under clause (A) of this
22 paragraph (1); or (C) has obtained one of the following
23 credentials in addition to attesting to satisfactory
24 completion of at least 5 years or 8,000 hours of
25 documented hands-on electrical experience: (i) a North
26 American Board of Certified Energy Practitioners (NABCEP)

1 Installer Certificate for Solar PV; (ii) an Underwriters
2 Laboratories (UL) PV Systems Installer Certificate; (iii)
3 an Electronics Technicians Association, International
4 (ETAI) Level 3 PV Installer Certificate; or (iv) an
5 Associate in Applied Science degree from an Illinois
6 Community College Board approved community college program
7 in renewable energy or a distributed generation
8 technology.

9 For the purposes of this paragraph (1), "directly
10 supervised" means that there is a qualified person who
11 meets the qualifications under clause (A) of this
12 paragraph (1) and who is available for supervision and
13 consultation regarding the work performed by persons under
14 clause (B) of this paragraph (1), including a final
15 inspection of the installation work that has been directly
16 supervised to ensure safety and conformity with applicable
17 codes.

18 For the purposes of this paragraph (1), "install"
19 means the major activities and actions required to
20 connect, in accordance with applicable building and
21 electrical codes, the conductors, connectors, and all
22 associated fittings, devices, power outlets, or
23 apparatuses mounted at the premises that are directly
24 involved in delivering energy to the premises' electrical
25 wiring from the photovoltaics, including, but not limited
26 to, to distributed photovoltaic generation.

1 The renewable energy credits procured pursuant to the
2 supplemental procurement plan shall be procured using up
3 to \$30,000,000 from the Illinois Power Agency Renewable
4 Energy Resources Fund. The Agency shall not plan to use
5 funds from the Illinois Power Agency Renewable Energy
6 Resources Fund in excess of the monies on deposit in such
7 fund or projected to be deposited into such fund. The
8 supplemental procurement plan shall ensure adequate,
9 reliable, affordable, efficient, and environmentally
10 sustainable renewable energy resources (including credits)
11 at the lowest total cost over time, taking into account
12 any benefits of price stability.

13 To the extent available, 50% of the renewable energy
14 credits procured from distributed renewable energy
15 generation shall come from devices of less than 25
16 kilowatts in nameplate capacity. Procurement of renewable
17 energy credits from distributed renewable energy
18 generation devices shall be done through multi-year
19 contracts of no less than 5 years. The Agency shall create
20 credit requirements for counterparties. In order to
21 minimize the administrative burden on contracting
22 entities, the Agency shall solicit the use of third
23 parties to aggregate distributed renewable energy. These
24 third parties shall enter into and administer contracts
25 with individual distributed renewable energy generation
26 device owners. An individual distributed renewable energy

1 generation device owner shall have the ability to measure
2 the output of his or her distributed renewable energy
3 generation device.

4 In developing the supplemental procurement plan, the
5 Agency shall hold at least one workshop open to the public
6 within 90 days after the effective date of this amendatory
7 Act of the 98th General Assembly and shall consider any
8 comments made by stakeholders or the public. Upon
9 development of the supplemental procurement plan within
10 this 90-day period, copies of the supplemental procurement
11 plan shall be posted and made publicly available on the
12 Agency's and Commission's websites. All interested parties
13 shall have 14 days following the date of posting to
14 provide comment to the Agency on the supplemental
15 procurement plan. All comments submitted to the Agency
16 shall be specific, supported by data or other detailed
17 analyses, and, if objecting to all or a portion of the
18 supplemental procurement plan, accompanied by specific
19 alternative wording or proposals. All comments shall be
20 posted on the Agency's and Commission's websites. Within
21 14 days following the end of the 14-day review period, the
22 Agency shall revise the supplemental procurement plan as
23 necessary based on the comments received and file its
24 revised supplemental procurement plan with the Commission
25 for approval.

26 (2) Within 5 days after the filing of the supplemental

1 procurement plan at the Commission, any person objecting
2 to the supplemental procurement plan shall file an
3 objection with the Commission. Within 10 days after the
4 filing, the Commission shall determine whether a hearing
5 is necessary. The Commission shall enter its order
6 confirming or modifying the supplemental procurement plan
7 within 90 days after the filing of the supplemental
8 procurement plan by the Agency.

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

18 (4) The supplemental procurement process under this
19 subsection (i) shall include each of the following
20 components:

21 (A) Procurement administrator. The Agency may
22 retain a procurement administrator in the manner set
23 forth in item (2) of subsection (a) of Section 1-75 of
24 this Act to conduct the supplemental procurement or
25 may elect to use the same procurement administrator
26 administering the Agency's annual procurement under

1 Section 1-75.

2 (B) Procurement monitor. The procurement monitor
3 retained by the Commission pursuant to Section
4 16-111.5 of the Public Utilities Act shall:

5 (i) monitor interactions among the procurement
6 administrator and bidders and suppliers;

7 (ii) monitor and report to the Commission on
8 the progress of the supplemental procurement
9 process;

10 (iii) provide an independent confidential
11 report to the Commission regarding the results of
12 the procurement events;

13 (iv) assess compliance with the procurement
14 plan approved by the Commission for the
15 supplemental procurement process;

16 (v) preserve the confidentiality of supplier
17 and bidding information in a manner consistent
18 with all applicable laws, rules, regulations, and
19 tariffs;

20 (vi) provide expert advice to the Commission
21 and consult with the procurement administrator
22 regarding issues related to procurement process
23 design, rules, protocols, and policy-related
24 matters;

25 (vii) consult with the procurement
26 administrator regarding the development and use of

1 benchmark criteria, standard form contracts,
2 credit policies, and bid documents; and

3 (viii) perform, with respect to the
4 supplemental procurement process, any other
5 procurement monitor duties specifically delineated
6 within subsection (i) of this Section.

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

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

1 contract in advance so that winning bids are selected
2 solely on the basis of price.

3 (E) Requests for proposals; competitive
4 procurement process. The procurement administrator
5 shall design and issue requests for proposals to
6 supply renewable energy credits in accordance with the
7 supplemental procurement plan, as approved by the
8 Commission. The requests for proposals shall set forth
9 a procedure for sealed, binding commitment bidding
10 with pay-as-bid settlement, and provision for
11 selection of bids on the basis of price, provided,
12 however, that no bid shall be accepted if it exceeds
13 the benchmark developed pursuant to item (F) of this
14 paragraph (4).

15 (F) Benchmarks. Benchmarks for each product to be
16 procured shall be developed by the procurement
17 administrator in consultation with Commission staff,
18 the Agency, and the procurement monitor for use in
19 this supplemental procurement.

20 (G) A plan for implementing contingencies in the
21 event of supplier default, Commission rejection of
22 results, or any other cause.

23 (5) Within 2 business days after opening the sealed
24 bids, the procurement administrator shall submit a
25 confidential report to the Commission. The report shall
26 contain the results of the bidding for each of the

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

16 (6) Within 3 business days after the Commission
17 decision approving the results of a procurement event, the
18 Agency shall enter into binding contractual arrangements
19 with the winning suppliers using the standard form
20 contracts.

21 (7) The names of the successful bidders and the
22 average of the winning bid prices for each contract type
23 and for each contract term shall be made available to the
24 public within 2 days after the supplemental procurement
25 event. The Commission, the procurement monitor, the
26 procurement administrator, the Agency, and all

1 participants in the procurement process shall maintain the
2 confidentiality of all other supplier and bidding
3 information in a manner consistent with all applicable
4 laws, rules, regulations, and tariffs. Confidential
5 information, including the confidential reports submitted
6 by the procurement administrator and procurement monitor
7 pursuant to this Section, shall not be made publicly
8 available and shall not be discoverable by any party in
9 any proceeding, absent a compelling demonstration of need,
10 nor shall those reports be admissible in any proceeding
11 other than one for law enforcement purposes.

12 (8) The supplemental procurement provided in this
13 subsection (i) shall not be subject to the requirements
14 and limitations of subsections (c) and (d) of this
15 Section.

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

1 supplemental procurement process.

2 (Source: P.A. 98-672, eff. 6-30-14; 99-906, eff. 6-1-17.)

3 (20 ILCS 3855/1-70)

4 Sec. 1-70. Agency officials.

5 (a) The Agency shall have a Director who meets the
6 qualifications specified in Section 5-222 of the Civil
7 Administrative Code of Illinois.

8 (b) Within the Illinois Power Agency, the Agency shall
9 establish a Planning and Procurement Bureau and may establish
10 a Resource Development Bureau. Each Bureau shall report to the
11 Director.

12 (c) The Chief of the Planning and Procurement Bureau shall
13 be appointed by the Director, at the Director's sole
14 discretion, and (i) shall have at least 5 years of direct
15 experience in electricity supply planning and procurement and
16 (ii) shall also hold an advanced degree in risk management,
17 law, business, or a related field.

18 (d) The Chief of the Resource Development Bureau may be
19 appointed by the Director and (i) shall have at least 5 years
20 of direct experience in electric generating project
21 development and (ii) shall also hold an advanced degree in
22 economics, engineering, law, business, or a related field.

23 (e) For terms ending before December 31, 2019, the
24 Director shall receive an annual salary of \$100,000 or as set
25 by the Executive Ethics Commission based on a review of

1 comparable State agency director salaries, whichever is
2 higher. Compensation Review Board, whichever is higher. For
3 terms ending before December 31, 2019, the Bureau Chiefs shall
4 each receive an annual salary of \$85,000 or as set by the
5 Compensation Review Board, whichever is higher. For terms
6 beginning after the effective date of this amendatory Act of
7 the 100th General Assembly, the annual salaries for the
8 Director and the Bureau Chiefs shall be an amount equal to 15%
9 more than the respective position's annual salary as of
10 December 31, 2018. The calculation of the 2018 salary base for
11 this adjustment shall not include any cost of living
12 adjustments, as authorized by Senate Joint Resolution 192 of
13 the 86th General Assembly, for the period beginning July 1,
14 2009 to June 30, 2019. Beginning July 1, 2019 and each July 1
15 thereafter, the Director and the Bureau Chiefs shall receive
16 an increase in salary based on a cost of living adjustment as
17 authorized by Senate Joint Resolution 192 of the 86th General
18 Assembly.

19 (f) The Director and Bureau Chiefs shall not, for 2 years
20 prior to appointment or for 2 years after he or she leaves his
21 or her position, be employed by an electric utility,
22 independent power producer, power marketer, or alternative
23 retail electric supplier regulated by the Commission or the
24 Federal Energy Regulatory Commission.

25 (g) The Director and Bureau Chiefs are prohibited from:
26 (i) owning, directly or indirectly, 5% or more of the voting

1 capital stock of an electric utility, independent power
2 producer, power marketer, or alternative retail electric
3 supplier; (ii) being in any chain of successive ownership of
4 5% or more of the voting capital stock of any electric utility,
5 independent power producer, power marketer, or alternative
6 retail electric supplier; (iii) receiving any form of
7 compensation, fee, payment, or other consideration from an
8 electric utility, independent power producer, power marketer,
9 or alternative retail electric supplier, including legal fees,
10 consulting fees, bonuses, or other sums. These limitations do
11 not apply to any compensation received pursuant to a defined
12 benefit plan or other form of deferred compensation, provided
13 that the individual has otherwise severed all ties to the
14 utility, power producer, power marketer, or alternative retail
15 electric supplier.

16 (Source: P.A. 99-536, eff. 7-8-16; 100-1179, eff. 1-18-19.)

17 (20 ILCS 3855/1-75)

18 Sec. 1-75. Planning and Procurement Bureau. The Planning
19 and Procurement Bureau has the following duties and
20 responsibilities:

21 (a) The Planning and Procurement Bureau shall each year,
22 beginning in 2008, develop procurement plans and conduct
23 competitive procurement processes in accordance with the
24 requirements of Section 16-111.5 of the Public Utilities Act
25 for the eligible retail customers of electric utilities that

1 on December 31, 2005 provided electric service to at least
2 100,000 customers in Illinois. Beginning with the delivery
3 year commencing on June 1, 2017, the Planning and Procurement
4 Bureau shall develop plans and processes for the procurement
5 of zero emission credits from zero emission facilities in
6 accordance with the requirements of subsection (d-5) of this
7 Section. Beginning June 1, 2021, the Planning and Procurement
8 Bureau shall develop plans and processes for the procurement
9 of carbon mitigation credits from carbon-free energy resources
10 in accordance with the requirements of subsection (d-10). The
11 Planning and Procurement Bureau shall also develop procurement
12 plans and conduct competitive procurement processes in
13 accordance with the requirements of Section 16-111.5 of the
14 Public Utilities Act for the eligible retail customers of
15 small multi-jurisdictional electric utilities that (i) on
16 December 31, 2005 served less than 100,000 customers in
17 Illinois and (ii) request a procurement plan for their
18 Illinois jurisdictional load. This Section shall not apply to
19 a small multi-jurisdictional utility until such time as a
20 small multi-jurisdictional utility requests the Agency to
21 prepare a procurement plan for their Illinois jurisdictional
22 load. For the purposes of this Section, the term "eligible
23 retail customers" has the same definition as found in Section
24 16-111.5(a) of the Public Utilities Act.

25 Beginning with the plan or plans to be implemented in the
26 2017 delivery year, the Agency shall no longer include the

1 procurement of renewable energy resources in the annual
2 procurement plans required by this subsection (a), except as
3 provided in subsection (q) of Section 16-111.5 of the Public
4 Utilities Act, and shall instead develop a long-term renewable
5 resources procurement plan in accordance with subsection (c)
6 of this Section and Section 16-111.5 of the Public Utilities
7 Act.

8 In accordance with subsection (c-5), the Planning and
9 Procurement Bureau shall oversee the procurement by electric
10 utilities that served more than 300,000 retail customers in
11 this State as of January 1, 2019 of renewable energy credits
12 from new photovoltaic projects to be installed, along with
13 energy storage facilities, at or adjacent to the sites of
14 electric generating facilities that, as of January 1, 2016,
15 burned coal as their primary fuel source.

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

22 (A) direct previous experience assembling
23 large-scale power supply plans or portfolios for
24 end-use customers;

25 (B) an advanced degree in economics, mathematics,
26 engineering, risk management, or a related area of

1 study;

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

4 (D) expertise in wholesale electricity market
5 rules, including those established by the Federal
6 Energy Regulatory Commission and regional transmission
7 organizations;

8 (E) expertise in credit protocols and familiarity
9 with contract protocols;

10 (F) adequate resources to perform and fulfill the
11 required functions and responsibilities; and

12 (G) the absence of a conflict of interest and
13 inappropriate bias for or against potential bidders or
14 the affected electric utilities.

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

21 (A) direct previous experience administering a
22 large-scale competitive procurement process;

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

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

1 (D) expertise in wholesale electricity market
2 rules, including those established by the Federal
3 Energy Regulatory Commission and regional transmission
4 organizations;

5 (E) expertise in credit and contract protocols;

6 (F) adequate resources to perform and fulfill the
7 required functions and responsibilities; and

8 (G) the absence of a conflict of interest and
9 inappropriate bias for or against potential bidders or
10 the affected electric utilities.

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

26 (A) failure to satisfy qualification criteria;

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

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

4 The Agency shall remove experts or expert consulting
5 firms from the lists within 10 days if there is a
6 reasonable basis for an objection and provide the updated
7 lists to the affected utilities and other interested
8 parties. If the Agency fails to remove an expert or expert
9 consulting firm from a list, an objecting party may seek
10 review by the Commission within 5 days thereafter by
11 filing a petition, and the Commission shall render a
12 ruling on the petition within 10 days. There is no right of
13 appeal of the Commission's ruling.

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

18 (5) The Agency shall select an expert or expert
19 consulting firm to develop procurement plans based on the
20 proposals submitted and shall award contracts of up to 5
21 years to those selected.

22 (6) The Agency shall select an expert or expert
23 consulting firm, with approval of the Commission, to serve
24 as procurement administrator based on the proposals
25 submitted. If the Commission rejects, within 5 days, the
26 Agency's selection, the Agency shall submit another

1 recommendation within 3 days based on the proposals
2 submitted. The Agency shall award a 5-year contract to the
3 expert or expert consulting firm so selected with
4 Commission approval.

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

19 (c) Renewable portfolio standard.

20 (1) (A) The Agency shall develop a long-term renewable
21 resources procurement plan that shall include procurement
22 programs and competitive procurement events necessary to
23 meet the goals set forth in this subsection (c). The
24 initial long-term renewable resources procurement plan
25 shall be released for comment no later than 160 days after
26 June 1, 2017 (the effective date of Public Act 99-906).

1 The Agency shall review, and may revise on an expedited
2 basis, the long-term renewable resources procurement plan
3 at least every 2 years, which shall be conducted in
4 conjunction with the procurement plan under Section
5 16-111.5 of the Public Utilities Act to the extent
6 practicable to minimize administrative expense. No later
7 than 120 days after the effective date of this amendatory
8 Act of the 102nd General Assembly, the Agency shall
9 release for comment a revision to the long-term renewable
10 resources plan, updating elements of the most recently
11 approved plan as needed to comply with this amendatory Act
12 of the 102nd General Assembly. The long-term renewable
13 resources procurement plans shall be subject to review and
14 approval by the Commission under Section 16-111.5 of the
15 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 ~~include~~ the goals for procurement of
19 renewable energy credits at levels of ~~to meet~~ at least the
20 following overall percentages: 13% by the 2017 delivery
21 year; increasing by at least 1.5% each delivery year
22 thereafter to at least 25% by the 2025 delivery year;
23 increasing by at least 3% each delivery year thereafter to
24 at least 40% by the 2030 delivery year, and continuing at
25 no less than 40% ~~25%~~ for each delivery year thereafter. In
26 the event of a conflict between these goals and the new

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

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

22 For the delivery year beginning June 1, 2018, the
23 procurement plan shall attempt to include, subject to the
24 prioritization outlined in this subparagraph,
25 cost-effective renewable energy resources equal to at
26 least 14.5% of each utility's load for eligible retail

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

6 For the delivery year beginning June 1, 2019, and for
7 each year thereafter, the procurement plans shall attempt
8 to include, subject to the prioritization outlined in this
9 subparagraph (B), cost-effective renewable energy
10 resources equal to a minimum percentage of each utility's
11 load for all retail customers as follows: 16% by June 1,
12 2019; increasing by 1.5% each year thereafter to 25% by
13 June 1, 2025; and 25% by June 1, 2026; increasing by at
14 least 3% each delivery year thereafter to at least 40% by
15 the 2030 delivery year, and continuing at no less than 40%
16 for each delivery year thereafter.

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

24 ~~(C) Of the renewable energy credits procured under~~
25 ~~this subsection (c), at least 75% shall come from wind and~~
26 ~~photovoltaic projects.~~ The long-term renewable resources

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

5 (i) 10,000,000 renewable energy credits delivered
6 annually by the end of the 2021 delivery year, and
7 increasing ratably to reach 45,000,000 new renewable
8 energy credits delivered annually from wind and solar
9 projects by the end of delivery year 2030 such that the
10 goals in subparagraph (B) are met entirely by
11 procurements of new renewable energy credits from wind
12 and photovoltaic projects. Of ~~By the end of the 2020~~
13 delivery year: ~~At least 2,000,000 renewable energy~~
14 credits for each delivery year shall come from new
15 wind projects; and ~~At least 2,000,000 renewable energy~~
16 credits for each delivery year shall come from new
17 photovoltaic projects; of that amount, to the extent
18 possible, the Agency shall procure 45% from wind
19 projects and 55% from photovoltaic projects. Of the
20 amount to be procured from photovoltaic projects, the
21 Agency shall procure: at least 50% from solar
22 photovoltaic projects using the program outlined in
23 subparagraph (K) of this paragraph (1) from
24 distributed renewable energy generation devices or
25 community renewable generation projects; at least 47%
26 ~~40%~~ from utility-scale solar projects; at least 3% 2%

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

6 In developing the long-term renewable resources
7 procurement plan, the Agency shall consider other
8 approaches, in addition to competitive procurements,
9 that can be used to procure renewable energy credits
10 from brownfield site photovoltaic projects and thereby
11 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, as defined using
15 existing methodologies and findings used by the Agency
16 and its Administrator in its Illinois Solar for All
17 Program.

18 (ii) In any given delivery year, if forecasted
19 expenses are less than the maximum budget available
20 under subparagraph (E), the Agency shall continue to
21 procure new renewable energy credits until that budget
22 is exhausted in the manner outlined in item (i). ~~By the~~
23 ~~end of the 2025 delivery year:~~

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

1 ~~At least 3,000,000 renewable energy credits~~
2 ~~for each delivery year shall come from new~~
3 ~~photovoltaic projects; of that amount, to the~~
4 ~~extent possible, the Agency shall procure: at~~
5 ~~least 50% from solar photovoltaic projects using~~
6 ~~the program outlined in subparagraph (K) of this~~
7 ~~paragraph (1) from distributed renewable energy~~
8 ~~devices or community renewable generation~~
9 ~~projects; at least 40% from utility-scale solar~~
10 ~~projects; at least 2% from brownfield site~~
11 ~~photovoltaic projects that are not community~~
12 ~~renewable generation projects; and the remainder~~
13 ~~shall be determined through the long-term planning~~
14 ~~process described in subparagraph (A) of this~~
15 ~~paragraph (1).~~

16 ~~(iii) By the end of the 2030 delivery year:~~

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

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

1 ~~devices or community renewable generation~~
2 ~~projects; at least 40% from utility-scale solar~~
3 ~~projects; at least 2% from brownfield site~~
4 ~~photovoltaic projects that are not community~~
5 ~~renewable generation projects; and the remainder~~
6 ~~shall be determined through the long term planning~~
7 ~~process described in subparagraph (A) of this~~
8 ~~paragraph (1).~~

9 (iii) For purposes of this Section:

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

15 "New photovoltaic projects" means photovoltaic
16 renewable energy facilities that are energized after
17 June 1, 2017.

18 Photovoltaic projects developed under Section 1-56 of
19 this Act shall not apply towards the new photovoltaic
20 project requirements in this subparagraph (C).

21 For purposes of calculating whether the Agency has
22 procured enough new wind and solar renewable energy
23 credits required by this subparagraph, renewable energy
24 facilities that have a multi-year renewable energy credit
25 delivery contract with the utility through at least
26 delivery year 2030 shall be considered new, however no

1 renewable energy credits from contracts entered into
2 before June 1, 2021 shall be used to calculate whether the
3 Agency has procured the correct proportion of new wind and
4 new solar contracts described in this subparagraph for
5 delivery year 2021 and thereafter.

6 (D) Renewable energy credits shall be cost effective.
7 For purposes of this subsection (c), "cost effective"
8 means that the costs of procuring renewable energy
9 resources do not cause the limit stated in subparagraph
10 (E) of this paragraph (1) to be exceeded and, for
11 renewable energy credits procured through a competitive
12 procurement event, do not exceed benchmarks based on
13 market prices for like products in the region. For
14 purposes of this subsection (c), "like products" means
15 contracts for renewable energy credits from the same or
16 substantially similar technology, same or substantially
17 similar vintage (new or existing), the same or
18 substantially similar quantity, and the same or
19 substantially similar contract length and structure.
20 Confidential benchmarks ~~Benchmarks~~ shall be developed by
21 the procurement administrator, in consultation with the
22 Commission staff, Agency staff, and the procurement
23 monitor and shall be subject to Commission review and
24 approval. If price benchmarks for like products in the
25 region are not available, the procurement administrator
26 shall establish price benchmarks based on publicly

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

7 (E) For purposes of this subsection (c), the required
8 procurement of cost-effective renewable energy resources
9 for a particular year commencing prior to June 1, 2017
10 shall be measured as a percentage of the actual amount of
11 electricity (megawatt-hours) supplied by the electric
12 utility to eligible retail customers in the delivery year
13 ending immediately prior to the procurement, and, for
14 delivery years commencing on and after June 1, 2017, the
15 required procurement of cost-effective renewable energy
16 resources for a particular year shall be measured as a
17 percentage of the actual amount of electricity
18 (megawatt-hours) delivered by the electric utility in the
19 delivery year ending immediately prior to the procurement,
20 to all retail customers in its service territory. For
21 purposes of this subsection (c), the amount paid per
22 kilowatthour means the total amount paid for electric
23 service expressed on a per kilowatthour basis. For
24 purposes of this subsection (c), the total amount paid for
25 electric service includes without limitation amounts paid
26 for supply, transmission, capacity, distribution,

1 surcharges, and add-on taxes.

2 Notwithstanding the requirements of this subsection
3 (c), the total of renewable energy resources procured
4 under the procurement plan for any single year shall be
5 subject to the limitations of this subparagraph (E). Such
6 procurement shall be reduced for all retail customers
7 based on the amount necessary to limit the annual
8 estimated average net increase due to the costs of these
9 resources included in the amounts paid by eligible retail
10 customers in connection with electric service to no more
11 than 4.25% ~~the greater of 2.015%~~ of the amount paid per
12 kilowatthour by those customers during the year ending May
13 31, 2009 ~~2007~~ ~~or the incremental amount per kilowatthour~~
14 ~~paid for these resources in 2011~~. To arrive at a maximum
15 dollar amount of renewable energy resources to be procured
16 for the particular delivery year, the resulting per
17 kilowatthour amount shall be applied to the actual amount
18 of kilowatthours of electricity delivered, or applicable
19 portion of such amount as specified in paragraph (1) of
20 this subsection (c), as applicable, by the electric
21 utility in the delivery year immediately prior to the
22 procurement to all retail customers in its service
23 territory. The calculations required by this subparagraph
24 (E) shall be made only once for each delivery year at the
25 time that the renewable energy resources are procured.
26 Once the determination as to the amount of renewable

1 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 (E-5) If the limitation on the amount of renewable
10 energy resources procured in subparagraph (E) of this
11 paragraph (1) would prevent the Agency from meeting all of
12 the goals in this subsection, the Agency shall procure
13 additional renewable energy resources using additional
14 funds collected pursuant to subsection (k) of Section
15 16-108 of the Public Utilities Act if so authorized by the
16 Illinois Commerce Commission in approving the Agency's
17 long-term renewable energy resources procurement plan, but
18 only if required to (i) ensure that any contractual
19 obligations existing at the time of that determination are
20 fully met or (ii) ensure that program and procurement
21 activity would not be subject to prolonged cessation. The
22 utilities shall be entitled to recover the total cost
23 associated with procuring renewable energy credits
24 required by this Section regardless of whether the costs
25 are subject to the limitations described in subparagraph
26 (E) through the automatic adjustment clause tariff under

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

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

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

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

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

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

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

24 (i) Notwithstanding whether a long-term renewable
25 resources procurement plan has been approved, the
26 Agency shall conduct an initial forward procurement

1 for renewable energy credits from new utility-scale
2 wind projects within 160 days after June 1, 2017 (the
3 effective date of Public Act 99-906). For the purposes
4 of this initial forward procurement, the Agency shall
5 solicit 15-year contracts for delivery of 1,000,000
6 renewable energy credits delivered annually from new
7 utility-scale wind projects to begin delivery on June
8 1, 2019, if available, but not later than June 1, 2023
9 ~~2021~~, unless the project has delays in the
10 establishment of an operating interconnection with the
11 applicable transmission or distribution system as a
12 result of the actions or inactions of the transmission
13 or distribution provider, or other causes for force
14 majeure as outlined in the procurement contract, in
15 which case, not later than June 1, 2022. Payments to
16 suppliers of renewable energy credits shall commence
17 upon delivery. Renewable energy credits procured under
18 this initial procurement shall be included in the
19 Agency's long-term plan and shall apply to all
20 renewable energy goals in this subsection (c).

21 (ii) Notwithstanding whether a long-term renewable
22 resources procurement plan has been approved, the
23 Agency shall conduct an initial forward procurement
24 for renewable energy credits from new utility-scale
25 solar projects and brownfield site photovoltaic
26 projects within one year after June 1, 2017 (the

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

22 (iii) Notwithstanding whether the Commission has
23 approved the periodic long-term renewable resources
24 procurement plan revision described in Section
25 16-111.5 of the Public Utilities Act, the Agency shall
26 conduct at least one subsequent forward procurement

1 for renewable energy credits from new utility-scale
2 wind projects, new utility-scale solar projects, and
3 new brownfield site photovoltaic projects within 240
4 days after the effective date of this amendatory Act
5 of the 102nd General Assembly in quantities necessary
6 to meet the requirements of subparagraph (C) through
7 the delivery year beginning June 1, 2021. Subsequent
8 ~~forward procurements for utility scale wind projects~~
9 ~~shall solicit at least 1,000,000 renewable energy~~
10 ~~credits delivered annually per procurement event and~~
11 ~~shall be planned, scheduled, and designed such that~~
12 ~~the cumulative amount of renewable energy credits~~
13 ~~delivered from all new wind projects in each delivery~~
14 ~~year shall not exceed the Agency's projection of the~~
15 ~~cumulative amount of renewable energy credits that~~
16 ~~will be delivered from all new photovoltaic projects,~~
17 ~~including utility scale and distributed photovoltaic~~
18 ~~devices, in the same delivery year at the time~~
19 ~~scheduled for wind contract delivery.~~

20 (iv) Notwithstanding whether the Commission has
21 approved the periodic long-term renewable resources
22 procurement plan revision described in Section
23 16-111.5 of the Public Utilities Act, the Agency shall
24 open capacity for each category in the Adjustable
25 Block program within 90 days after the effective date
26 of this amendatory Act of the 102nd General Assembly

1 manner:

2 (1) The Agency shall open the first block of
3 annual capacity for the category described in item
4 (i) of subparagraph (K). The first block of annual
5 capacity for item (i) shall be for at least 75
6 megawatts of total nameplate capacity. The price
7 of the renewable energy credit for this block of
8 capacity shall be 4% less than the price of the
9 last open block in this category. Projects on a
10 waitlist shall be awarded contracts first in the
11 order in which they appear on the waitlist.
12 Notwithstanding anything to the contrary, for
13 those renewable energy credits that qualify and
14 are procured under this subitem, the renewable
15 energy credit delivery contract value shall be
16 paid in full, based on the estimated generation
17 during the first 15 years of operation, by the
18 contracting utilities at the time that the
19 facility producing the renewable energy credits is
20 interconnected at the distribution system level of
21 the utility and verified as energized and in
22 compliance by the Program Administrator. The
23 electric utility shall receive and retire all
24 renewable energy credits generated by the project
25 for the first 15 years of operation. Renewable
26 energy credits generated by the project thereafter

1 shall not be transferred under the renewable
2 energy credit delivery contract with the
3 counterparty electric utility.

4 (2) The Agency shall open the first block of
5 annual capacity for the category described in item
6 (ii) of subparagraph (K). The first block of
7 annual capacity for item (ii) shall be for at
8 least 75 megawatts of total nameplate capacity.

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

1 category before the opening of this block 20%
2 of the renewable energy credit delivery
3 contract value, based on the estimated
4 generation during the first 15 years of
5 operation, shall be paid by the contracting
6 utilities at the time that the facility
7 producing the renewable energy credits is
8 interconnected at the distribution system
9 level of the utility and verified as energized
10 by the Program Administrator. The remaining
11 portion shall be paid ratably over the
12 subsequent 4-year period. The electric utility
13 shall receive and retire all renewable energy
14 credits generated by the project during the
15 first 15 years of operation. Renewable energy
16 credits generated by the project thereafter
17 shall not be transferred under the renewable
18 energy credit delivery contract with the
19 counterparty electric utility.

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

1 applicable. Projects not on a waitlist as of
2 the opening of this block shall be subject to
3 the contract provisions outlined in item (iii)
4 of subparagraph (L). The Agency shall strive
5 to publish updated prices and an updated
6 renewable energy credit delivery contract as
7 quickly as possible.

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

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

25 (A) The geographic balance of selected
26 projects shall follow the Group classification

1 found in the Agency's revised long-term
2 renewable resources procurement plan, with 70%
3 of capacity allocated to projects on the Group
4 B waitlist and 30% of capacity allocated to
5 projects on the Group A waitlist.

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

12 (i) Each applicant firm having a
13 waitlisted project eligible for selection
14 shall receive no less than 500 kilowatts
15 in awarded capacity across all groups, and
16 no approved vendor may receive more than
17 20% of each Group's waitlist allocation.

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

24 (iii) Assuming all other program
25 requirements are met, applicant firms may
26 adjust the nameplate capacity of applicant

1 projects without losing waitlist
2 eligibility, so long as no project is
3 greater than 2,000 kilowatts in size.

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

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

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

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

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

14 (i) Renewable Energy Credit prices
15 shall be 10% lower than prices applicable
16 to the last open block for this category,
17 inclusive of any adders available for
18 achieving a minimum of 50% of subscribers
19 to the project's nameplate capacity being
20 residential or small commercial customers
21 with subscriptions of below 25 kilowatts
22 in size;

23 (ii) A requirement that a minimum of
24 50% of subscribers to the project's
25 nameplate capacity be residential or small
26 commercial customers with subscriptions of

1 below 25 kilowatts in size;

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

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

23 (F) To be eligible for an award, the
24 applicant firm shall certify that not less
25 than prevailing wage, as determined pursuant
26 to the Illinois Prevailing Wage Act, was or

1 will be paid to employees who are engaged in
2 construction activities associated with a
3 selected project.

4 (4) The Agency shall open the first block of
5 annual capacity for the category described in item
6 (iv) of subparagraph (K). The first block of
7 annual capacity for item (iv) shall be for at
8 least 50 megawatts of total nameplate capacity.
9 The pricing of renewable energy credits for this
10 block of capacity shall be equal to the prices in
11 the last open block in the category described in
12 item (ii) of subparagraph (K). Pricing for future
13 blocks of annual capacity for this category may be
14 adjusted in the Agency's second revision to its
15 long-term renewable resources procurement plan.
16 Projects in this category shall be subject to the
17 contract terms outlined in item (iv) of
18 subparagraph (L).

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

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

12 (6) The Agency shall open the first blocks of
13 annual capacity for the category described in item
14 (vi) of subparagraph (K), with allocations of
15 capacity within the block generally matching the
16 historical share of block capacity allocated
17 between the category described in items (i) and
18 (ii) of subparagraph (K) of this paragraph (1).
19 The first 2 blocks of annual capacity for item
20 (vi) shall be for at least 75 megawatts of total
21 nameplate capacity. The price of renewable energy
22 credits for the blocks of capacity shall be 4%
23 less than the price of the last open blocks in the
24 categories described in items (i) and (ii) of
25 subparagraph (K) of this paragraph (1). Pricing
26 for future blocks of annual capacity for this

1 category may be adjusted in the Agency's second
2 revision to its long-term renewable resources
3 procurement plan. Projects in this category shall
4 be subject to the applicable contract terms
5 outlined in items (ii) and (iii) of subparagraph
6 (L). ~~If, at any time after the time set for~~
7 ~~delivery of renewable energy credits pursuant to~~
8 ~~the initial procurements in items (i) and (ii) of~~
9 ~~this subparagraph (G), the cumulative amount of~~
10 ~~renewable energy credits projected to be delivered~~
11 ~~from all new wind projects in a given delivery~~
12 ~~year exceeds the cumulative amount of renewable~~
13 ~~energy credits projected to be delivered from all~~
14 ~~new photovoltaic projects in that delivery year by~~
15 ~~200,000 or more renewable energy credits, then the~~
16 ~~Agency shall within 60 days adjust the procurement~~
17 ~~programs in the long term renewable resources~~
18 ~~procurement plan to ensure that the projected~~
19 ~~cumulative amount of renewable energy credits to~~
20 ~~be delivered from all new wind projects does not~~
21 ~~exceed the projected cumulative amount of~~
22 ~~renewable energy credits to be delivered from all~~
23 ~~new photovoltaic projects by 200,000 or more~~
24 ~~renewable energy credits, provided that nothing in~~
25 ~~this Section shall preclude the projected~~
26 ~~cumulative amount of renewable energy credits to~~

1 ~~be delivered from all new photovoltaic projects~~
2 ~~from exceeding the projected cumulative amount of~~
3 ~~renewable energy credits to be delivered from all~~
4 ~~new wind projects in each delivery year and~~
5 ~~provided further that nothing in this item (iv)~~
6 ~~shall require the curtailment of an executed~~
7 ~~contract. The Agency shall update, on a quarterly~~
8 ~~basis, its projection of the renewable energy~~
9 ~~credits to be delivered from all projects in each~~
10 ~~delivery year. Notwithstanding anything to the~~
11 ~~contrary, the Agency may adjust the timing of~~
12 ~~procurement events conducted under this~~
13 ~~subparagraph (G). The long-term renewable~~
14 ~~resources procurement plan shall set forth the~~
15 ~~process by which the adjustments may be made.~~

16 (v) Upon the effective date of this amendatory Act
17 of the 102nd General Assembly, for all competitive
18 procurements and any procurements of renewable energy
19 credit from new utility-scale wind and new
20 utility-scale photovoltaic projects, the Agency shall
21 procure indexed renewable energy credits and direct
22 respondents to offer a strike price.

23 (1) The purchase price of the indexed
24 renewable energy credit payment shall be
25 calculated for each settlement period. That
26 payment, for any settlement period, shall be equal

1 to the difference resulting from subtracting the
2 strike price from the index price for that
3 settlement period. If this difference results in a
4 negative number, the indexed REC counterparty
5 shall owe the seller the absolute value multiplied
6 by the quantity of energy produced in the relevant
7 settlement period. If this difference results in a
8 positive number, the seller shall owe the indexed
9 REC counterparty this amount multiplied by the
10 quantity of energy produced in the relevant
11 settlement period.

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

15 (3) To ensure funding in the annual budget
16 established under subparagraph (E) for indexed
17 renewable energy credit procurements for each year
18 of the term of such contracts, which must have a
19 minimum tenure of 20 calendar years, the
20 procurement administrator, Agency, Commission
21 staff, and procurement monitor shall quantify the
22 annual cost of the contract by utilizing an
23 industry-standard, third-party forward price curve
24 for energy at the appropriate hub or load zone,
25 including the estimated magnitude and timing of
26 the price effects related to federal carbon

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

1 consultation with the Agency, Commission staff,
2 and procurement monitors, using then-currently
3 available price forecast data and additional
4 budget dollars shall be obligated or reobligated
5 as appropriate.

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

16 (vi) ~~(v)~~ All procurements under this subparagraph
17 (G) shall comply with the geographic requirements in
18 subparagraph (I) of this paragraph (1) and shall
19 follow the procurement processes and procedures
20 described in this Section and Section 16-111.5 of the
21 Public Utilities Act to the extent practicable, and
22 these processes and procedures may be expedited to
23 accommodate the schedule established by this
24 subparagraph (G).

25 (vii) In the event of a contract default by a
26 seller under a renewable energy credit delivery

1 contract executed pursuant to a procurement event
2 conducted under this subparagraph, the project awarded
3 that contract for the delivery of renewable energy
4 credits shall be prohibited from participating in any
5 other procurement events conducted pursuant to this
6 subparagraph (G).

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

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

24 The informational filing shall identify each
25 facility that was eligible to satisfy the alternative
26 retail electric supplier's obligations under Section

1 16-115D of the Public Utilities Act as described in
2 this item (i).

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

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

24 For the delivery year beginning June 1, 2018,
25 the maximum amount of renewable energy credits to
26 be supplied by an alternative retail electric

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

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

22 For each delivery year, the total amount of
23 renewable energy credits supplied by all alternative
24 retail electric suppliers under this subparagraph (H)
25 shall not exceed 9% of the Illinois target renewable
26 energy credit quantity. The Illinois target renewable

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

9 If the requirements set forth in items (i) through
10 (iii) of this subparagraph (H) are met, the charges
11 that would otherwise be applicable to the retail
12 customers of the alternative retail electric supplier
13 under paragraph (6) of this subsection (c) for the
14 applicable delivery year shall be reduced by the ratio
15 of the quantity of renewable energy credits supplied
16 by the alternative retail electric supplier compared
17 to that supplier's target renewable energy credit
18 quantity. The supplier's target renewable energy
19 credit quantity for the delivery year beginning June
20 1, 2018 is 14.5% multiplied by the total amount of
21 metered electricity (megawatt-hours) delivered by the
22 alternative retail supplier in that delivery year,
23 provided that the 14.5% shall increase by 1.5% each
24 delivery year thereafter to 25% by the delivery year
25 beginning June 1, 2025, and thereafter the 25% value
26 shall apply to each delivery year.

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

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

1 qualifying direct current project described in subsection
2 (b-5) of Section 8-406 of the Public Utilities Act to a
3 delivery point on the electric transmission grid located
4 in this State or a state adjacent to Illinois, if the
5 generator demonstrates and the Agency determines that the
6 operation of such facility or facilities will help promote
7 the State's interest in the health, safety, and welfare of
8 its residents based on the public interest criteria
9 described above. For the purposes of this Section,
10 renewable resources that are delivered via an HVDC
11 converter station located in Illinois shall be deemed
12 generated in Illinois at the time and location the energy
13 is converted to alternating current by the HVDC converter
14 station. To ensure that the public interest criteria are
15 applied to the procurement and given full effect, the
16 Agency's long-term procurement plan shall describe in
17 detail how each public interest factor shall be considered
18 and weighted for facilities located in states adjacent to
19 Illinois.

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

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

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

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

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

17 The Adjustable Block program shall include for each
18 category of eligible projects for each delivery year: a
19 single block of nameplate capacity, a price for renewable
20 energy credits within that block, and the terms and
21 conditions for securing a spot on a waitlist once the
22 block is ~~: a schedule of standard block purchase prices to~~
23 ~~be offered; a series of steps, with associated nameplate~~
24 ~~capacity and purchase prices that adjust from step to~~
25 ~~step; and automatic opening of the next step as soon as the~~
26 ~~nameplate capacity and available purchase prices for an~~

1 ~~open step are~~ fully committed or reserved. Except as
2 outlined below, the waitlist of projects in a given year
3 will carry over to apply to the subsequent year when
4 another block is opened. Only projects energized on or
5 after June 1, 2017 shall be eligible for the Adjustable
6 Block program. For each category for each delivery year
7 ~~block group~~ the Agency shall determine ~~the number of~~
8 ~~blocks,~~ the amount of generation capacity in each block,
9 and the purchase price for each block, provided that the
10 purchase price provided and the total amount of generation
11 in all blocks for all categories ~~block groups~~ shall be
12 sufficient to meet the goals in this subsection (c). The
13 Agency shall strive to issue a single block sized to
14 provide for stability and market growth. The Agency shall
15 establish program eligibility requirements that ensure
16 that projects that enter the program are sufficiently
17 mature to indicate a demonstrable path to completion. The
18 Agency may periodically review its prior decisions
19 establishing ~~the number of blocks,~~ the amount of
20 generation capacity in each block, and the purchase price
21 for each block, and may propose, on an expedited basis,
22 changes to these previously set values, including but not
23 limited to redistributing these amounts and the available
24 funds as necessary and appropriate, subject to Commission
25 approval as part of the periodic plan revision process
26 described in Section 16-111.5 of the Public Utilities Act.

1 The Agency may define different block sizes, purchase
2 prices, or other distinct terms and conditions for
3 projects located in different utility service territories
4 if the Agency deems it necessary to meet the goals in this
5 subsection (c).

6 The Adjustable Block program shall include ~~at least~~
7 the following categories ~~block groups~~ in at least the
8 following amounts, ~~which may be adjusted upon review by~~
9 ~~the Agency and approval by the Commission as described in~~
10 ~~this subparagraph (K):~~

11 (i) At least 20% ~~25%~~ from distributed renewable
12 energy generation devices with a nameplate capacity of
13 no more than 25 ~~10~~ kilowatts.

14 (ii) At least 20% ~~25%~~ from distributed renewable
15 energy generation devices with a nameplate capacity of
16 more than 25 ~~10~~ kilowatts and no more than 5,000 ~~2,000~~
17 kilowatts. The Agency may create sub-categories within
18 this category to account for the differences between
19 projects for small commercial customers, large
20 commercial customers, and public or non-profit
21 customers.

22 (iii) At least 30% ~~25%~~ from photovoltaic community
23 renewable generation projects. Capacity for this
24 category for the first 2 delivery years after the
25 effective date of this amendatory Act of the 102nd
26 General Assembly shall be allocated to waitlist

1 projects as provided in paragraph (3) of item (iv) of
2 subparagraph (G). Starting in the third delivery year
3 after the effective date of this amendatory Act of the
4 102nd General Assembly or earlier if the Agency
5 determines there is additional capacity needed for to
6 meet previous delivery year requirements, the
7 following shall apply:

8 (1) the Agency shall select projects on a
9 first-come, first-serve basis, however the Agency
10 may suggest additional methods to prioritize
11 projects that are submitted at the same time;

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

16 (3) projects shall not be colocated with
17 another community renewable energy generation
18 project, as defined in the Agency's long-term
19 renewable resource procurement plan; and

20 (4) projects greater than 2 MW may not apply
21 until after the approval of the Agency's revised
22 long-term renewable resources procurement plan
23 after the effective date of this amendatory Act of
24 the 102nd General Assembly.

25 (iv) At least 15% from distributed renewable
26 generation devices or photovoltaic community renewable

1 generation projects installed at public schools or
2 Community Renewable Generation Projects that pay
3 prevailing wage to employees engaged in construction
4 activities associated with the project. The Agency may
5 create sub-categories within this category to account
6 for the differences between project size or location.
7 Projects located within environmental justice
8 communities or within Organizational Units that fall
9 within Tier 1 or Tier 2 shall be given priority. Each
10 of the Agency's periodic updates to its long-term
11 renewable resources procurement plan to incorporate
12 the procurement described in this subparagraph shall
13 also include the proposed quantities or blocks,
14 pricing, and contract terms applicable to the
15 procurement as indicated herein. In each such update
16 and procurement, the Agency shall set the renewable
17 energy credit price and establish payment terms for
18 the renewable energy credits procured pursuant to this
19 subparagraph (iv) that make it feasible and affordable
20 for public schools to install photovoltaic distributed
21 renewable energy devices on their premises, including,
22 but not limited to, those public schools subject to
23 the prioritization provisions of this subparagraph.
24 For the purposes of this item:

25 "Environmental Justice Community" shall have the
26 same meaning set forth in the Agency's long-term

1 renewable resources procurement plan.

2 "Organization Unit", "Tier 1", and "Tier 2" shall
3 have the meanings set for in Section 18-8.15 of the
4 School Code.

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

7 (v) At least 5% from community-driven community
8 solar projects intended to provide more direct and
9 tangible connection and benefits to the communities
10 which they serve or in which they operate and,
11 additionally, to increase the variety of community
12 solar locations, models, and options in Illinois. As
13 part of its long-term renewable resources procurement
14 plan, the Agency shall develop selection criteria for
15 projects participating in this category. Nothing in
16 this section shall preclude the Agency from creating a
17 selection process that maximizes community ownership
18 and community benefits in selecting projects to
19 receive renewable energy credits. Selection criteria
20 shall include:

21 (1) community ownership or community
22 wealth-building;

23 (2) additional direct and indirect community
24 benefit, beyond project participation as a
25 subscriber, including, but not limited to,
26 economic, environmental, social, cultural, and

1 physical benefits;

2 (3) meaningful involvement in project
3 organization and development by community members
4 or nonprofit organizations or public entities
5 located in or serving the community;

6 (4) engagement in project operations and
7 management by nonprofit organizations, public
8 entities, or community members; and

9 (5) whether a project is developed in response
10 to a site-specific RFP developed by community
11 members or a nonprofit organization or public
12 entity located in or serving the community.

13 Selection criteria may also prioritize projects
14 that:

15 (1) are developed in collaboration with or to
16 provide complimentary opportunities for the Clean
17 Jobs Workforce Network Program, the Climate Works
18 Preapprenticeship Program, the Returning Residents
19 Clean Jobs Training Program, the Clean Energy
20 Contractor Incubator Program, or the Clean Energy
21 Primes Contractor Accelerator Program;

22 (2) increase the diversity of locations of
23 community solar projects in Illinois, including by
24 locating in urban areas and population centers;

25 (3) are located in equity investment eligible
26 communities;

1 (4) are not greenfield projects;

2 (5) serve only local subscribers;

3 (6) have a nameplate capacity that does not
4 exceed 500 kW;

5 (7) are managed by an Energy Equity-Certified
6 Contractor, as defined in the Energy Equity
7 Eligible Contractor Registration Act, whose
8 initial certification is not more than 3 years old
9 - Energy Equity-Certified Contractors working
10 under a waiver or corrective action plan would not
11 be considered; or

12 (8) otherwise meaningfully advance the goals
13 of providing more direct and tangible connection
14 and benefits to the communities which they serve
15 or in which they operate and increasing the
16 variety of community solar locations, models, and
17 options in Illinois.

18 For the purposes of this item:

19 "Community" means a social unit in which people
20 come together regularly to effect change; a social
21 unit in which participants are marked by a cooperative
22 spirit, a common purpose, or shared interests or
23 characteristics; or a space understood by its
24 residents to be delineated through geographic
25 boundaries or landmarks.

26 "Community benefit" means a range of services and

1 activities that provide affirmative, economic,
2 environmental, social, cultural, or physical value to
3 a community; or a mechanism that enables economic
4 development, high-quality employment, and education
5 opportunities for local workers and residents, or
6 formal monitoring and oversight structures such that
7 community members may ensure that those services and
8 activities respond to local knowledge and needs.

9 "Community ownership" means an arrangement in
10 which an electric generating facility is, or over time
11 will be, in significant part, owned collectively by
12 members of the community to which an electric
13 generating facility provides benefits; members of that
14 community participate in decisions regarding the
15 governance, operation, maintenance, and upgrades of
16 and to that facility; and members of that community
17 benefit from regular use of that facility.

18 Terms and guidance within these criteria that are
19 not defined in this item shall be defined by the
20 Agency, with stakeholder input, during the development
21 of the Agency's long-term renewable resources
22 procurement plan. The Agency shall develop regular
23 opportunities for projects to submit applications for
24 projects under this category, and develop selection
25 criteria that preference projects that better meet
26 individual criteria as well as projects that address a

1 higher number of criteria.

2 (vi) At least 10% from distributed renewable
3 energy generation devices or photovoltaic community
4 renewable generation projects from applicants that
5 have Equitable Energy Future Certification. The Agency
6 may create sub-categories within this category to
7 account for the differences between project size and
8 type. The Agency may propose to increase the
9 percentage in this item over time to 40% based on
10 factors such as, but not limited to, the number of
11 Equity Energy Future Certifications and capacity used
12 in this item in previous delivery years.

13 (vii) ~~(iv)~~ The remaining capacity 25% shall be
14 allocated as specified by the Agency in order to
15 respond to market demand ~~the long term renewable~~
16 ~~resources procurement plan.~~ The Agency shall allocate
17 any discretionary capacity prior to the beginning of
18 each delivery year.

19 To the extent there is uncontracted capacity from any
20 block in any of categories (i) through (vi) at the end of a
21 delivery year, the Agency shall redistribute that capacity
22 to one or more other categories giving priority to
23 categories with projects on a waitlist. The redistributed
24 capacity shall be added to the annual capacity in the
25 subsequent delivery year, and the price for renewable
26 energy credits shall be the price for the new delivery

1 year. Redistributed capacity shall not be considered
2 redistributed when determining whether the goals in this
3 subsection (K) have been met.

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

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

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

20 (i) The Agency shall procure contracts of at least
21 20 ~~15~~ years in length. For projects receiving a
22 20-year delivery contract, REC prices shall be
23 adjusted downward for consistency with the incentive
24 levels previously determined to be necessary to
25 support projects under 15-year delivery contracts.

26 (ii) For those renewable energy credits that

1 qualify and are procured under item (i) of
2 subparagraph (K) of this paragraph (1), and any
3 similar category projects that are procured under item
4 (vi) of subparagraph (K) that qualify and are procured
5 under item (vi), the contract length shall be 15
6 years. The renewable energy credit delivery contract
7 value ~~purchase price~~ shall be paid in full, based on
8 the estimated generation during the first 15 years of
9 operation, by the contracting utilities at the time
10 that the facility producing the renewable energy
11 credits is interconnected at the distribution system
12 level of the utility and verified as energized and
13 compliant by the Program Administrator ~~energized.~~ The
14 electric utility shall receive and retire all
15 renewable energy credits generated by the project for
16 the first 15 years of operation. Renewable energy
17 credits generated by the project thereafter shall not
18 be transferred under the renewable energy credit
19 delivery contract with the counterparty electric
20 utility. For projects receiving a 20-year delivery
21 contract, REC prices shall be adjusted downward for
22 consistency with the incentive levels previously
23 determined to be necessary to support projects under
24 15-year delivery contracts.

25 (iii) For those renewable energy credits that
26 qualify and are procured under item (ii) and (v) ~~(iii)~~

1 of subparagraph (K) of this paragraph (1) and any like
2 projects similar category that qualify and are
3 procured under item (vi), the contract length shall be
4 15 years. 15% ~~any additional categories of distributed~~
5 ~~generation included in the long term renewable~~
6 ~~resources procurement plan and approved by the~~
7 ~~Commission, 20 percent~~ of the renewable energy credit
8 delivery contract value, based on the estimated
9 generation during the first 15 years of operation,
10 ~~purchase price~~ shall be paid by the contracting
11 utilities at the time that the facility producing the
12 renewable energy credits is interconnected at the
13 distribution system level of the utility and verified
14 as energized and compliant by the Program
15 Administrator. The remaining portion shall be paid
16 ratably over the subsequent 6-year ~~4-year~~ period. The
17 electric utility shall receive and retire all
18 renewable energy credits generated by the project for
19 the first 15 years of operation. Renewable energy
20 credits generated by the project thereafter shall not
21 be transferred under the renewable energy credit
22 delivery contract with the counterparty electric
23 utility.

24 (iv) For those renewable energy credits that
25 qualify and are procured under items (iii) and (iv) of
26 subparagraph (K), and any like projects that qualify

1 and are procured under item (vi), the renewable energy
2 credit delivery contract shall be paid over the
3 delivery term, not to exceed during each delivery year
4 the contract price multiplied by the estimated annual
5 renewable energy credit generation amount. If
6 generation of renewable energy credits during a
7 delivery year exceeds the estimated annual generation
8 amount, the excess renewable energy credits shall be
9 carried forward to future delivery years and shall not
10 expire during the delivery term. If generation of
11 renewable energy credits during a delivery year,
12 including carried forward excess renewable energy
13 credits, if any, is less than the estimated annual
14 generation amount, payments during such delivery year
15 will not exceed the quantity generated plus the
16 quantity carried forward multiplied by the contract
17 price. The electric utility shall receive all
18 renewable energy credits generated by the project
19 during the first 20 years of operation and retire all
20 renewable energy credits paid for under this item and
21 return at the end of the delivery term all renewable
22 energy credits that were not paid for. Renewable
23 energy credits generated by the project thereafter
24 shall not be transferred under the renewable energy
25 credit delivery contract with the counterparty
26 electric utility. Notwithstanding the preceding, for

1 those projects participating under item (iii) of
2 subparagraph (K), the contract price for a delivery
3 year shall be based on subscription levels as measured
4 on the higher of the first business day of the delivery
5 year or the first business day 6 months after the first
6 business day of the delivery year. Subscription of 90%
7 of nameplate capacity or greater shall be deemed to be
8 fully subscribed for the purposes of this item. For
9 projects receiving a 20-year delivery contract, REC
10 prices shall be adjusted downward for consistency with
11 the incentive levels previously determined to be
12 necessary to support projects under 15-year delivery
13 contracts, taking into consideration any additional
14 new requirements placed on the projects, including,
15 but not limited to, labor standards.

16 (v) ~~(iv)~~ Each contract shall include provisions to
17 ensure the delivery of the estimated quantity of
18 renewable energy credits and ongoing collateral
19 requirements and other provisions deemed appropriate
20 by the Agency ~~for the full term of the contract.~~

21 (vi) ~~(v)~~ The utility shall be the counterparty to
22 the contracts executed under this subparagraph (L)
23 that are approved by the Commission under the process
24 described in Section 16-111.5 of the Public Utilities
25 Act. No contract shall be executed for an amount that
26 is less than one renewable energy credit per year.

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

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

22 (ix) Notwithstanding other requirements of this
23 subparagraph (L), no modification shall be required to
24 Adjustable Block program contracts if they were
25 already executed prior to the establishment, approval,
26 and implementation of new contract forms as a result

1 of this amendatory Act of the 102nd General Assembly.

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

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

24 The Program Administrator may charge application fees
25 to participating firms to cover the cost of program
26 administration. Any application fee amounts shall

1 initially be determined through the long-term renewable
2 resources procurement plan, and modifications to any
3 application fee that deviate more than 25% from the
4 Commission's approved value must be approved by the
5 Commission as a long-term plan revision under Section
6 16-111.5 of the Public Utilities Act. The Agency shall
7 consider stakeholder feedback when making adjustments to
8 application fees and shall notify stakeholders in advance
9 of any planned changes.

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

23 The Agency and its consultant or consultants shall
24 monitor block activity, share program activity with
25 stakeholders and conduct quarterly ~~regularly~~ scheduled
26 meetings to discuss program activity and market

1 conditions. If necessary, the Agency may make prospective
2 administrative adjustments to the Adjustable Block program
3 design, such as ~~redistributing available funds or~~ making
4 adjustments to purchase prices as necessary to achieve the
5 goals of this subsection (c). Program modifications to any
6 block price, ~~capacity block, or other program element~~ that
7 do not deviate from the Commission's approved value by
8 more than 10% ~~25%~~ shall take effect immediately and are
9 not subject to Commission review and approval. Program
10 modifications to any block price, ~~capacity block, or other~~
11 ~~program element~~ that deviate more than 10% ~~25%~~ from the
12 Commission's approved value must be approved by the
13 Commission as a long-term plan amendment under Section
14 16-111.5 of the Public Utilities Act. The Agency shall
15 consider stakeholder feedback when making adjustments to
16 the Adjustable Block design and shall notify stakeholders
17 in advance of any planned changes.

18 The Agency and its program administrator shall,
19 consistent with the requirements of this subsection,
20 propose the Adjustable Block Program terms, conditions,
21 and requirements, including the prices to be paid for
22 renewable energy credits, where applicable, and
23 requirements applicable to participating entities and
24 project applications, through the development, review, and
25 approval of the Agency's long-term renewable resources
26 procurement plan described in this subsection and

1 paragraph (5) of subsection (b) of Section 16-111.5 of the
2 Public Utilities Act. Revisions to program terms,
3 conditions, and requirements may be made by the Agency
4 between long-term renewable resource procurement plan
5 approval proceedings if accompanied by a stakeholder
6 review and comment process.

7 (N) ~~The long term renewable resources procurement plan~~
8 ~~required by this subsection (c) shall include a community~~
9 ~~renewable generation program.~~ The Agency shall establish
10 the terms, conditions, and program requirements for
11 photovoltaic community renewable generation projects with
12 a goal to expand ~~renewable energy generating facility~~
13 access to a broader group of energy consumers, to ensure
14 robust participation opportunities for residential and
15 small commercial customers and those who cannot install
16 renewable energy on their own properties. Subject to
17 reasonable limitations, any ~~Any~~ plan approved by the
18 Commission shall allow subscriptions to community
19 renewable generation projects to be portable and
20 transferable. For purposes of this subparagraph (N),
21 "portable" means that subscriptions may be retained by the
22 subscriber even if the subscriber relocates or changes its
23 address within the same utility service territory; and
24 "transferable" means that a subscriber may assign or sell
25 subscriptions to another person within the same utility
26 service territory.

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

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

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

23 The owners of and any subscribers to a community
24 renewable generation project shall not be considered
25 public utilities or alternative retail electricity
26 suppliers under the Public Utilities Act solely as a

1 result of their interest in or subscription to a community
2 renewable generation project and shall not be required to
3 become an alternative retail electric supplier by
4 participating in a community renewable generation project
5 with a public utility.

6 (O) For the delivery year beginning June 1, 2018, the
7 long-term renewable resources procurement plan required by
8 this subsection (c) shall provide for the Agency to
9 procure contracts to continue offering the Illinois Solar
10 for All Program described in subsection (b) of Section
11 1-56 of this Act, and the contracts approved by the
12 Commission shall be executed by the utilities that are
13 subject to this subsection (c). The long-term renewable
14 resources procurement plan shall allocate up to
15 \$50,000,000 ~~5% of the funds available under the plan for~~
16 ~~the applicable delivery year, or \$10,000,000 per delivery~~
17 ~~year, whichever is greater,~~ to fund the programs, and the
18 plan shall determine the amount of funding to be
19 apportioned to the programs identified in subsection (b)
20 of Section 1-56 of this Act; provided that for the
21 delivery years beginning June 1, 2021, June 1, 2022, and
22 June 1, 2023, the long-term renewable resources
23 procurement plan may average the annual budgets over a
24 3-year period to account for program ramp-up. For ~~for~~ the
25 delivery years beginning ~~June 1, 2017,~~ June 1, 2021, ~~and~~
26 June 1, 2024 ~~2025,~~ June 1, 2027, and June 1, 2030 and

1 ~~additional the long term renewable resources procurement~~
2 ~~plan shall allocate 10% of the funds available under the~~
3 ~~plan for the applicable delivery year, or \$20,000,000 per~~
4 ~~delivery year, whichever is greater, and \$10,000,000 of~~
5 ~~such funds in such year shall be provided to the~~
6 ~~Department of Commerce and Economic Opportunity to~~
7 ~~implement the workforce development programs and reporting~~
8 ~~as outlined in used by an electric utility that serves~~
9 ~~more than 3,000,000 retail customers in the State to~~
10 ~~implement a Commission approved plan under Section~~
11 ~~16-108.12 of the Public Utilities Act. In making the~~
12 ~~determinations required under this subparagraph (O), the~~
13 ~~Commission shall consider the experience and performance~~
14 ~~under the programs and any evaluation reports. The~~
15 ~~Commission shall also provide for an independent~~
16 ~~evaluation of those programs on a periodic basis that are~~
17 ~~funded under this subparagraph (O).~~

18 In making the determinations required under this
19 subparagraph, the Commission shall consider the experience
20 and performance under the programs and any evaluation
21 reports. The Commission shall also provide for an
22 independent evaluation of those programs on a periodic
23 basis that are funded under this subparagraph.

24 (P) All programs and procurements under this
25 subsection shall be designed to encourage participating
26 projects to use a diverse and equitable workforce and a

1 diverse set of contractors, including minority-owned
2 businesses, disadvantaged businesses, trade unions,
3 graduates of any workforce training programs administered
4 under this Act, and small businesses.

5 The Agency shall develop a method to optimize
6 procurement of renewable energy credits from proposed
7 utility-scale projects that are located in communities
8 eligible for Energy Transition Community Grants as
9 designated pursuant to the Energy Community Reinvestment
10 Act. If this requirement conflicts with other provisions
11 of law or the Agency determines that full compliance with
12 item (4) of subparagraph (Q) would be unreasonably costly
13 or administratively impractical, the Agency is to propose
14 alternative approaches to achieve development of renewable
15 energy resources in communities eligible for Energy
16 Transition Community Grants as designated pursuant to the
17 Energy Community Reinvestment Act or seek an exemption
18 from this requirement from the Commission.

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

25 (1) Each facility shall be subject to the
26 prevailing wage requirements included in the

1 Prevailing Wage Act. The Agency shall require
2 verification that all construction performed on the
3 facility by the renewable energy credit delivery
4 contract holder, its contractors, or its
5 subcontractors relating to construction of the
6 facility is performed by construction employees
7 receiving an amount for that work equal to or greater
8 than the general prevailing rate, as that term is
9 defined in Section 3 of the Prevailing Wage Act. This
10 item (1) shall apply to any the following:

11 (i) all new utility scale wind projects;

12 (ii) all new utility scale photovoltaic
13 projects;

14 (iii) all new brownfield photovoltaic
15 projects;

16 (iv) all new photovoltaic community renewable
17 energy facilities that qualify for item (iii) of
18 subparagraph (K), except those described in item
19 (3);

20 (v) all new community driven community
21 photovoltaic projects that qualify for item (v) of
22 subparagraph (K), except those described in item
23 (3);

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

1 are not exempt in item (3);

2 (vii) all new photovoltaic distributed
3 renewable energy generation devices that:

4 (aa) qualify for item (i) of subparagraph (K)
5 of this paragraph (1);

6 (bb) are not projects that serve single-family
7 or multi-family residential buildings or
8 buildings that serve not-for-profit entities;

9 and

10 (cc) are not exempt under item (3);

11 (viii) all new photovoltaic distributed
12 renewable energy generation devices that:

13 (aa) qualify for item (ii) of subparagraph
14 (K);

15 (bb) are not projects that serve single-family
16 or multi-family residential buildings; and

17 (cc) are not exempt under item (3);

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

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

13 (3) It is the intent of this Section to ensure that
14 economic development occurs across Illinois
15 communities, that emerging businesses may grow to
16 sufficient size before being required to comply with
17 prevailing wage requirements, and improve access to
18 the clean energy economy by persons who have greater
19 economic burdens to success. Equity eligible
20 contractors shall be exempt from the prevailing wage
21 requirements in this subparagraph for 5 years from the
22 entity first receiving its designation as an equity
23 eligible contractor. An equity eligible contractor
24 entity shall be granted up to a 5-year extension by the
25 Agency if the equity eligible contractor can
26 demonstrate sufficient need for the exemption.

1 Eligibility for the extension shall be determined by
2 the Agency through its long-term renewable resource
3 procurement plan. That plan shall establish criteria
4 by which an equity eligible contractor qualifies for
5 up to a 5-year extension. Such criteria may include,
6 but not be limited to:

- 7 (A) number of employees;
8 (B) annual earnings;
9 (C) total annual profit; and
10 (D) return on equity.

11 (4) All applications for renewable energy credit
12 procurements shall include specific minimum equity
13 commitments.

14 (A) Starting in delivery year 2023, at least
15 10% of work for each entity participating in all
16 procurement programs must be done by equity
17 eligible persons or equity eligible contractors.
18 In addition, the Agency shall propose a
19 recommended schedule of percentage increases to
20 the minimum equity standards in its draft revised
21 renewable energy resources procurement plan
22 submitted to the Commission for approval pursuant
23 to paragraph (5) of subsection (b) of Section
24 16-111.5 of the Public Utilities Act. This
25 schedule shall increase the minimum percentage
26 each delivery year thereafter by increments that

1 ensure a statewide average of 30% of work for all
2 projects in procurement programs be done by equity
3 eligible persons or equity eligible contractors by
4 2030. In determining these annual increases, the
5 Agency shall have the discretion to establish
6 different minimum equity thresholds for different
7 types of procurements or different regions of the
8 State if the Agency finds that doing so will
9 further the purposes of such programs, namely that
10 the minimum equity thresholds are consistently
11 influencing hiring and contracting decisions. This
12 schedule of annual increases shall be revisited
13 and updated on an annual basis. Revisions shall be
14 developed with stakeholder input, including from
15 equity eligible persons, equity eligible
16 contractors, clean energy industry
17 representatives, and community-based
18 organizations that work with such persons and
19 contractors.

20 (B) In the first revision to the long-term
21 renewable energy resources procurement plan and
22 each revision thereafter, the Agency shall include
23 the following:

24 (i) The current status of equity eligible
25 contractor programs, including the number of
26 equity eligible contractors with current

1 certifications as issued by the Department. In
2 determining eligibility for Equitable Energy
3 Future Certification, information collected
4 from applicants shall include a certification
5 that, according to the records of the
6 applicant and upon its reasonable efforts to
7 keep such records up to date, each natural
8 person claimed to be a resident of an eligible
9 community was a resident as of the first day
10 of the reporting period.

11 (ii) A definition of work at the approved
12 vendor or designee level, as applicable, which
13 shall include a measurement methodology and
14 records to be made available for audit by the
15 Agency or the Program Administrator. Such
16 measurement methodology shall be conducted on
17 a delivery year basis and shall take into
18 account the projects submitted pursuant to
19 items (i) through (vi) of subparagraph (K) by
20 an approved vendor or designees, as
21 applicable, and all affiliates, as defined in
22 the most recent revision of the long-term
23 renewable resources procurement plan approved
24 by the Commission, through energization of any
25 such project.

26 (iii) A program for approved vendors,

1 designees, eligible persons, and equity
2 eligible contractors to receive trainings,
3 guidance, and other support from the Agency or
4 its designee regarding the Adjustable Block
5 program, the equity subgroup, or other matters
6 relevant to application and development of
7 equity subgroup projects.

8 (iv) A cure period for actions or
9 inactions in this subparagraph by an approved
10 vendor or designee, as applicable, in
11 violation of requirements of the Adjustable
12 Block program or the equity requirements.

13 (v) An application for waiver of these
14 minimum equity commitments, which the Agency
15 shall have the discretion to grant in
16 circumstances such as unavailability of equity
17 eligible contractors or eligible persons based
18 on geography or lack of skills or services
19 required, insolvency or dissolution of an
20 equity eligible contractor, or lack of
21 capacity of eligible persons or equity
22 eligible contractors. The Agency may grant
23 such a waiver where the applicant provides
24 evidence of efforts toward meeting the minimum
25 equity commitment including: use of the Energy
26 Workforce Equity database; efforts to hire or

1 contract with entities that hire eligible
2 persons; and efforts to establish contracting
3 relationships with eligible contractors. The
4 Agency shall support applicants in
5 understanding the Energy Workforce Equity
6 Database and other resources for pursuing
7 compliance of the minimum equity commitments.
8 Waivers should be project-specific, unless the
9 Agency deems it necessary to grant a waiver
10 across a portfolio of projects, and in effect
11 for no longer than one year. Any waiver
12 extension or subsequent waiver request from an
13 applicant shall be subject to the requirements
14 of this Section and shall specify efforts made
15 to reach compliance. When considering whether
16 to grant a waiver, and to what extent, the
17 Agency shall consider the degree to which
18 similarly situated applicants have been able
19 to meet these minimum equity commitments. For
20 repeated waiver requests for specific lack of
21 eligible persons or eligible contractors
22 available, the Agency shall make
23 recommendations to target recruitment to add
24 such persons or contractors to the database.

25 (C) The Agency shall prohibit participation in
26 procurement programs by an approved vendor or

1 designee, as applicable, or entities with which an
2 approved vendor or designee, as applicable, shares
3 a common parent company if an approved vendor or
4 designee, as applicable, failed to meet the
5 requirements of subparagraph (ii) as measured in
6 item (iii) 2 times in any 5 consecutive delivery
7 years. Waivers approved for lack of equity
8 eligible persons or equity eligible contractors in
9 a geographic area of a project shall not count
10 against the approved vendor or designee.

11 (D) Consistent with paragraph (S), the Agency
12 shall collect information about work on projects
13 or portfolios of projects subject to these minimum
14 equity requirements to ensure compliance with this
15 paragraph. Reporting in furtherance of this
16 requirement may be combined with other annual
17 reporting requirements. Such reporting shall
18 include proof of registration with the Department
19 of each equity eligible contractor during the
20 applicable time period.

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

24 (5) To the greatest extent practical, the Agency
25 shall give preference to the procurement of renewable
26 energy credits from proposed utility-scale projects

1 that are located in communities eligible for Energy
2 Transition Community Grants as designated pursuant to
3 the Energy Community Reinvestment Act, or other local
4 governments impacted by fossil fuel power plant or
5 mine closures. If this paragraph conflicts with other
6 provisions of law or the Agency determines that full
7 compliance with this paragraph would be unreasonably
8 costly or administratively impractical, the Agency
9 shall be authorized to propose alternative approaches
10 to achieve development of renewable energy resources
11 in communities eligible for Energy Transition
12 Community Grants as designated pursuant to the Energy
13 Community Reinvestment Act or seek an exemption from
14 this requirement from the Commission.

15 (6) A contractor or subcontractor that makes a
16 false statement material to any certification,
17 verification, or commitment required under this
18 paragraph is, in addition to any other penalties or
19 consequences prescribed by law, subject to liability
20 under the Illinois False Claims Act for submission of
21 a false claim.

22 (2) (Blank).

23 (3) (Blank).

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

26 (5) Beginning with the 2010 delivery year and ending

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

25 (6) The electric utility shall be entitled to recover
26 all of its costs associated with the procurement of

1 renewable energy credits under plans approved under this
2 Section and Section 16-111.5 of the Public Utilities Act.
3 These costs shall include associated reasonable expenses
4 for implementing the procurement programs, including, but
5 not limited to, the costs of administering and evaluating
6 the Adjustable Block program, through an automatic
7 adjustment clause tariff in accordance with subsection (k)
8 of Section 16-108 of the Public Utilities Act.

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

17 In meeting the renewable energy requirements of this
18 subsection (c), to the extent feasible and consistent with
19 State and federal law, the renewable energy credit
20 procurements, Adjustable Block solar program, and
21 community renewable generation program shall provide
22 employment opportunities for all segments of the
23 population and workforce, including minority-owned and
24 female-owned business enterprises, and shall not,
25 consistent with State and federal law, discriminate based
26 on race or socioeconomic status.

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

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

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

12 (2) The Agency shall conduct 2 procurement events to
13 select owners of electric generating facilities meeting
14 the eligibility criteria specified in this subsection to
15 enter into long-term contracts to sell renewable energy
16 credits to electric utilities serving more than 300,000
17 retail customers in this State as of January 1, 2019. The
18 first procurement event shall be conducted no later than
19 March 31, 2022 and shall be to select owners of electric
20 generating facilities located in this State and south of
21 federal Interstate Highway 80 that meet the eligibility
22 criteria specified in this subsection. The second
23 procurement event shall be conducted no sooner than
24 September 30, 2022 and no later than October 31, 2022 and
25 shall be to select owners of electric generating
26 facilities located anywhere in this State that meet the

1 eligibility criteria specified in this subsection. The
2 Agency shall establish and announce a time period, which
3 shall begin no later than 30 days prior to the scheduled
4 date for the procurement event, during which applicants
5 may submit applications to be selected as suppliers of
6 renewable energy credits pursuant to this subsection
7 (c-5). The eligibility criteria for selection as a
8 supplier of renewable energy credits pursuant to this
9 subsection (c-5) shall be as follows:

10 (A) The applicant owns an electric generating
11 facility located in this State that (i) as of January
12 1, 2016, burned coal as its primary fuel to generate
13 electricity and (ii) has, or had prior to retirement,
14 an electric generating capacity of at least 150
15 megawatts. The electric generating facility can be
16 either (i) retired as of the date of the procurement
17 event, or (ii) still operating as of the date of the
18 procurement event.

19 (B) The applicant is not (i) an electric
20 cooperative as defined in Section 3-119 of the Public
21 Utilities Act, or (ii) an entity described in
22 paragraph (1) of subsection (b) of Section 3-105 of
23 the Public Utilities Act, or an association or
24 consortium of or an entity owned by entities described
25 in (i) or (ii); and the coal-fueled electric
26 generating facility was at one time owned, in whole or

1 in part, by a public utility as defined in Section
2 3-105 of the Public Utilities Act.

3 (C) If participating in the first procurement
4 event, the applicant proposes and commits to construct
5 and operate, at the site, and if necessary for
6 sufficient space on property adjacent to the existing
7 property, at which the electric generating facility
8 identified in paragraph (A) is located: (i) a new
9 renewable energy facility of at least 20 megawatts but
10 no more than 100 megawatts of electric generating
11 capacity, and (ii) an energy storage facility having a
12 storage capacity equal to at least 2 megawatts and at
13 most 10 megawatts. If participating in the second
14 procurement event, the applicant proposes and commits
15 to construct and operate, at the site, and if
16 necessary for sufficient space on property adjacent to
17 the existing property, at which the electric
18 generating facility identified in paragraph (A) is
19 located: (i) a new renewable energy facility of at
20 least 5 megawatts but no more than 100 megawatts of
21 electric generating capacity, and (ii) an energy
22 storage facility having a storage capacity equal to at
23 least 0.5 megawatts and at most 10 megawatts.

24 (D) The applicant agrees that the new renewable
25 energy facility and the energy storage facility will
26 be constructed or installed by a qualified entity or

1 entities in compliance with the requirements of
2 subsection (g) of Section 16-128A of the Public
3 Utilities Act and any rules adopted thereunder.

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

18 (F) The applicant commits that not less than the
19 prevailing wage, as determined pursuant to the
20 Prevailing Wage Act, will be paid to the applicant's
21 employees engaged in construction activities
22 associated with the new renewable energy facility and
23 the new energy storage facility and to the employees
24 of applicant's contractors engaged in construction
25 activities associated with the new renewable energy
26 facility and the new energy storage facility, and

1 that, on or before the commercial operation date of
2 the new renewable energy facility, the applicant shall
3 file a report with the Agency certifying that the
4 requirements of this subparagraph have been met.

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

16 (H) The applicant commits to enter into a contract
17 or contracts for the applicable duration to provide
18 specified numbers of renewable energy credits each
19 year from the new renewable energy facility to
20 electric utilities that served more than 300,000
21 retail customers in this State as of January 1, 2019,
22 at a price of \$35 per renewable energy credit. The
23 price per renewable energy credit shall be fixed at
24 \$35 for the applicable duration and the renewable
25 energy credits shall not be indexed renewable energy
26 credits as provided for in item (v) of subparagraph

1 (G) of paragraph (1) of subsection (c) Section 1-75 of
2 this Act. The applicable duration of each contract
3 shall be 20 years unless the applicant's electric
4 generating facility is physically interconnected to
5 the PJM Interconnection, LLC transmission grid and had
6 a generating capacity of at least 1,200 megawatts as
7 of January 1, 2021, in which case the applicable
8 duration of the contract shall be 15 years.

9 (I) The applicant's application is certified by an
10 officer of the applicant and by an officer of the
11 applicant's ultimate parent company, if any.

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

22 (4) The Agency shall assess fees to each applicant to
23 recover the Agency's costs incurred in receiving and
24 evaluating applications, conducting the procurement event,
25 developing contracts for sale, delivery and purchase of
26 renewable energy credits, and monitoring the

1 administration of such contracts, as provided for in this
2 subsection, including fees paid to a procurement
3 administrator retained by the Agency for one or more of
4 these purposes.

5 (5) The Agency shall select the applicants and the new
6 renewable energy facilities to contract with electric
7 utilities to supply renewable energy credits in accordance
8 with this subsection. In the first procurement event, the
9 Agency shall select applicants and new renewable energy
10 facilities to supply renewable energy credits, at a price
11 of \$35 per renewable energy credit, aggregating to no less
12 than 400,000 renewable energy credits per year for the
13 applicable durations, assuming sufficient qualifying
14 applications to supply, in the aggregate, at least that
15 amount of renewable energy credits per year; and not more
16 than 580,000 renewable energy credits per year for the
17 applicable durations. In the second procurement event, the
18 Agency shall select applicants and new renewable energy
19 facilities to supply renewable energy credits, at a price
20 of \$35 per renewable energy credit, aggregating to no more
21 than 650,000 renewable energy credits per year less the
22 amount of renewable energy credits each year contracted
23 for as a result of the first procurement event, for the
24 applicable durations.

25 (6) The obligation to purchase renewable energy
26 credits from the applicants and their new renewable energy

1 facilities selected by the Agency shall be allocated to
2 the electric utilities based on their respective
3 percentages of kilowatthours delivered to delivery
4 services customers to the aggregate kilowatthour
5 deliveries by the electric utilities to delivery services
6 customers for the year ended May 31, 2021. In order to
7 achieve these allocation percentages between or among the
8 electric utilities, the Agency shall require each
9 applicant that is selected in a procurement event to enter
10 into a contract with each electric utility for the sale
11 and purchase of renewable energy credits from each new
12 renewable energy facility to be constructed and operated
13 by the applicant, with the sale and purchase obligations
14 under the contracts to aggregate to the total number of
15 renewable energy credits per year to be supplied by the
16 applicant from the new renewable energy facility.

17 (7) The Agency shall submit its proposed selection of
18 applicants, new renewable energy facilities to be
19 constructed, and renewable energy credit amounts for each
20 procurement event to the Commission for approval. The
21 Commission shall, within 2 business days after receipt of
22 the Agency's proposed selections, approve the proposed
23 selections if it determines that the applicants and the
24 new renewable energy facilities to be constructed meet the
25 selection criteria set forth in this subsection and that
26 the Agency seeks approval for contracts of the applicable

1 durations aggregating to no more than the maximum amount
2 of renewable energy credits per year authorized by this
3 subsection for the procurement event, at a price of \$35
4 per renewable energy credit.

5 (8) The Agency, in conjunction with its procurement
6 administrator if one is retained, the electric utilities,
7 and potential applicants for contracts to produce and
8 supply renewable energy credits pursuant to this
9 subsection, shall develop a standard form contract for the
10 sale, delivery and purchase of renewable energy credits
11 pursuant to this subsection. Each contract resulting from
12 the first procurement event shall allow for a commercial
13 operation date for the new renewable energy facility of
14 either June 1, 2023, or June 1, 2024, with such dates
15 subject to adjustment as provided in this paragraph. Each
16 contract resulting from the second procurement event shall
17 provide for a commercial operation date on June 1 next
18 occurring up to 48 months after execution of the contract.
19 Each contract shall provide that the owner shall receive
20 payments for renewable energy credits for the applicable
21 durations beginning with the commercial operation date of
22 the new renewable energy facility. The form contract shall
23 provide for adjustments to the commercial operation and
24 payment start dates as needed due to any delays in
25 completing the procurement and contracting processes, in
26 finalizing interconnection agreements and installing

1 interconnection facilities, and in obtaining other
2 necessary governmental permits and approvals. The form
3 contract shall be, to the maximum extent possible,
4 consistent with standard electric industry contracts for
5 sale, delivery, and purchase of renewable energy credits
6 while taking into account the specific requirements of
7 this subsection. The form contract shall provide for
8 over-delivery and under-delivery of renewable energy
9 credits within reasonable ranges during each 12-month
10 period and penalty, default, and enforcement provisions
11 for failure of the selling party to deliver renewable
12 energy credits as specified in the contract and to comply
13 with the requirements of this subsection. The standard
14 form contract shall specify that all renewable energy
15 credits delivered to the electric utility pursuant to the
16 contract shall be retired. The Agency shall make the
17 proposed contracts available for a reasonable period for
18 comment by potential applicants, and shall publish the
19 final form contract at least 30 days before the date of the
20 first procurement event.

21 (9) Coal to Solar and Energy Storage Initiative
22 Charge.

23 (A) By no later than July 1, 2022, each electric
24 utility that served more than 300,000 retail customers
25 in this State as of January 1, 2019 shall file a tariff
26 with the Commission for the billing and collection of

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

1 subsection (i-5) of Section 16-108 of the Public
2 Utilities Act.

3 (B) Each electric utility shall remit on a monthly
4 basis to the State Treasurer, for deposit in the Coal
5 to Solar and Energy Storage Initiative Fund provided
6 for in this subsection, the electric utility's
7 collections of the Coal to Solar and Energy Storage
8 Initiative Charge in the amount estimated to be needed
9 by the Department for grant payments pursuant to grant
10 contracts entered into by the Department pursuant to
11 paragraph (10).

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

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

1 in this paragraph.

2 (B) The Coal to Solar and Energy Storage
3 Initiative Fund shall not be subject to sweeps,
4 administrative charges, or chargebacks, including, but
5 not limited to, those authorized under Section 8h of
6 the State Finance Act, that would in any way result in
7 the transfer of those funds from the Coal to Solar and
8 Energy Storage Initiative Fund to any other fund of
9 this State or in having any such funds utilized for any
10 purpose other than the express purposes set forth in
11 this paragraph.

12 (C) The Department shall utilize up to
13 \$325,000,000 in the Coal to Solar and Energy Storage
14 Initiative Fund for grants, assuming sufficient
15 qualifying applicants, to support installation of
16 energy storage facilities at the sites of up to 3
17 qualifying electric generating facilities located in
18 the Midcontinent Independent System Operator, Inc.,
19 region in Illinois and the sites of up to 2 qualifying
20 electric generating facilities located in the PJM
21 Interconnection, LLC region in Illinois, that meet the
22 criteria set forth in this subparagraph. The criteria
23 for receipt of a grant pursuant to this subparagraph
24 are as follows:

25 (1) the electric generating facility at the
26 site has, or had prior to retirement, an electric

1 generating capacity of at least 150 megawatts;

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

5 (3) if the electric generating facility is
6 retired, it was retired subsequent to January 1,
7 2016;

8 (4) the owner of the electric generating
9 facility has not been selected by the Agency
10 pursuant to this subsection to enter into a
11 contract to sell renewable energy credits to one
12 or more electric utilities from a new renewable
13 energy facility located or to be located at or
14 adjacent to the site at which the electric
15 generating facility is located;

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

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

1 (i) or (ii);

2 (7) the proposed energy storage facility at
3 the site will have energy storage capacity of at
4 least 45 megawatts;

5 (8) the owner commits to place the energy
6 storage facility into commercial operation on
7 either June 1, 2023, June 1, 2024, or June 1, 2025,
8 with such date subject to adjustment as needed due
9 to any delays in completing the grant contracting
10 process, in finalizing interconnection agreements
11 and in installing interconnection facilities, and
12 in obtaining necessary governmental permits and
13 approvals;

14 (9) the owner agrees that the new energy
15 storage facility will be constructed or installed
16 by a qualified entity or entities consistent with
17 the requirements of subsection (g) of Section
18 16-128A of the Public Utilities Act and any rules
19 adopted under that Section;

20 (10) the owner agrees that personnel operating
21 the energy storage facility will have the
22 requisite skills, knowledge, training, experience,
23 and competence, which may be demonstrated by
24 completion or current participation and ultimate
25 completion by employees of an accredited or
26 otherwise recognized apprenticeship program for

1 the employee's particular craft, trade, or skill,
2 including through training and education courses
3 and opportunities offered by the owner to
4 employees of the coal-fueled electric generating
5 facility or by previous employment experience
6 performing the employee's particular work skill or
7 function;

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

21 (12) the owner commits that if selected to
22 receive a grant, it will negotiate a project labor
23 agreement for the construction of the new energy
24 storage facility that includes provisions
25 requiring the parties to the agreement to work
26 together to establish diversity threshold

1 requirements and to ensure best efforts to meet
2 diversity targets, improve diversity at the
3 applicable job site, create diverse apprenticeship
4 opportunities, and create opportunities to employ
5 former coal-fired power plant workers.

6 The Department shall accept applications for this
7 grant program until March 31, 2022 and shall announce
8 the award of grants no later than June 1, 2022. Subject
9 to appropriation, the Department shall make the grant
10 payments to a recipient in equal annual amounts for 10
11 years following the date the energy storage facility
12 is placed into commercial operation. The annual grant
13 payments to a qualifying energy storage facility shall
14 be \$110,000 per megawatt of energy storage capacity,
15 with total annual grant payments pursuant to this
16 subparagraph (C) for qualifying energy storage
17 facilities not to exceed \$32,500,000.

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

26 (E) All disbursements from the Coal to Solar and

1 Energy Storage Initiative Fund shall be made only upon
2 warrants of the Comptroller drawn upon the Treasurer
3 as custodian of the Fund upon vouchers signed by the
4 Director of the Department or by the person or persons
5 designated by the Director of the Department for that
6 purpose. The Comptroller is authorized to draw the
7 warrants upon vouchers so signed. The Treasurer shall
8 accept all written warrants so signed and shall be
9 released from liability for all payments made on those
10 warrants.

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

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

1 storage facility, as applicable, which shall be
2 referred to for purposes of this paragraph as the
3 project, and the applicant's or owner's action plan
4 and schedule for achieving those goals.

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

1 that the diversity composition goals may be met
2 through Tier 1 Direct or Tier 2 subcontracting
3 expenditures or combination thereof for the project.

4 (C) The plan shall provide for, but not be limited
5 to:

6 (i) internal initiatives, including multi-tier
7 initiatives, by the applicant or owner, or by its
8 engineering, procurement and construction
9 contractor if one is used for the project, which
10 for purposes of this paragraph shall be referred
11 to as the EPC contractor, to enable diverse
12 businesses to be considered fairly for selection
13 to provide materials and services;

14 (ii) requirements for the applicant or owner
15 or its EPC contractor to proactively solicit and
16 utilize diverse businesses to provide materials
17 and services; and

18 (iii) requirements for the applicant or owner
19 or its EPC contractor to hire a diverse workforce
20 for the project.

21 The plan shall include a description of the
22 applicant's or owner's diversity recruiting efforts
23 both for the project and for other areas of the
24 applicant's or owner's business operations. The plan
25 shall provide for the imposition of financial
26 penalties on the applicant's or owner's EPC contractor

1 for failure to exercise best efforts to comply with
2 and execute the EPC contractor's diversity obligations
3 under the plan. The plan may provide for the applicant
4 or owner to set aside a portion of the work on the
5 project to serve as an incubation program for
6 qualified businesses, as specified in the plan, owned
7 by minority persons, women, persons with disabilities,
8 LGBTQ persons, and veterans, and businesses located in
9 environmental justice communities, seeking to enter
10 the renewable energy industry.

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

26 (c-10) Ensuring equitable outcomes in the equity

1 accountability system.

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

11 (2) As part of the update of the long-term renewable
12 resources procurement plan to be initiated in 2023, or
13 sooner if the Agency deems necessary, the Agency shall
14 determine the extent to which the equity accountability
15 system described in this Section has advanced the goals of
16 this legislation, including through the inclusion of
17 equity eligible persons and equity eligible contractors in
18 renewable energy credit projects. If the Agency finds that
19 the equity accountability system has failed to meet those
20 goals to its fullest potential, the Agency may revise the
21 following criteria for future Agency procurements:

22 (A) the percentage of Project Workforce required
23 to meet the Hiring Equity Action or Contracting Equity
24 Action qualifications;

25 (B) definitions for equity investment eligible
26 persons and equity investment eligible community; and

1 (C) such other modifications necessary to advance
2 the goals of this legislation effectively.

3 Such revised criteria may also establish a distinct
4 equity accountability system for different types of
5 procurements or different regions of the State if the
6 Agency finds that doing so will further the purposes of
7 such programs. Revisions shall be developed with
8 stakeholder input, including from eligible persons,
9 eligible contractors, and community-based organizations
10 that work with such persons and contractors.

11 (c-15) Racial discrimination elimination powers and
12 process.

13 (1) It is the purpose of this subsection to empower
14 the Agency to remedy racial discrimination in Illinois'
15 clean energy economy as effectively and expediently as
16 possible, including through the use of race-conscious
17 remedies, such as race-conscious contracting and hiring
18 goals, as consistent with State and federal law.

19 (2) Racial disparity and discrimination review
20 process.

21 (A) Within one year of the awarding of contracts
22 using the equity actions processes established in this
23 Section, the Agency shall publish a report evaluating
24 the effectiveness of the equity actions point criteria
25 of this Section in increasing participation of equity
26 eligible persons and equity eligible contractors. Such

1 report shall also disaggregate participating workers
2 and contractors by race and ethnicity. The report
3 shall be forwarded to the Governor, the General
4 Assembly, and the Illinois Commerce Commission, and be
5 made available to the public.

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

1 (c-20) Program data collection.

2 (1) Data collection, data analysis, and reporting are
3 critical to ensure that the benefits of the clean energy
4 economy provided to Illinois residents and businesses are
5 equitably distributed across the State. The Agency shall
6 collect data from program applicants in order to track and
7 improve equitable distribution of benefits across Illinois
8 communities for all procurements the Agency conducts. The
9 Agency shall use this data to, among other things, measure
10 any potential impact of racial discrimination on the
11 distribution of benefits and provide information necessary
12 to correct any discrimination through methods consistent
13 with State and federal law.

14 (2) The Agency shall collect demographic and
15 geographic data for each entity awarded contracts under
16 any Agency administered program.

17 (3) The Agency shall collect the following information
18 from applicants and program participants where applicable:

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

24 (B) geographic location of the residency of real
25 persons employed, contracted, or subcontracted through
26 the program and geographic location of the

1 headquarters of the business or entity that applies to
2 receive renewable energy credits from the Agency; and

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

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

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

13 (c-25) Energy Workforce Equity Database.

14 (1) The Agency, in consultation with the Department of
15 Commerce and Economic Opportunity, shall create an Energy
16 Workforce Equity Database, and may contract with a third
17 party to do so ("database program administrator"). The
18 Workforce Equity Database and shall be a searchable
19 database of suppliers, vendors, and subcontractors for
20 clean energy industries that is:

21 (A) publicly accessible;

22 (B) easy for laypeople to find and use;

23 (C) organized by company specialty or field;

24 (D) region-specific; and

25 (E) populated with information including, but not
26 limited to, contacts for suppliers, vendors, or

1 subcontractors who are M/WBE certified or who
2 participate or have participated in any of the
3 programs described in this Act.

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

7 (A) a map of environmental justice and underserved
8 communities;

9 (B) job postings and recruiting opportunities;

10 (C) a means by which recruiting clean energy
11 companies can find and interact with graduates of
12 clean energy workforce training programs;

13 (D) information on workforce training service
14 providers and training opportunities available to
15 prospective workers;

16 (E) solar company diversity reporting;

17 (F) a list of diverse contractors with their
18 contact information, types of work performed, and
19 locations worked in.

20 (G) reporting on outcomes of the programs
21 described in the workforce Act including information
22 such as, but not limited to, retention rate,
23 graduation rate, and placement rates of trainees.

24 (3) The Agency shall ensure the database is regularly
25 updated to ensure information is current and shall
26 coordinate with the Department of Commerce and Economic

1 Opportunity to ensure that it includes information on
2 individuals and entities that are or have participated in
3 the Clean Jobs Workforce Network Program, the Clean Energy
4 Contractor Incubator Program, the Illinois Climate Works
5 Preapprenticeship Program, Returning Residents Clean Jobs
6 Training Program, and the Clean Energy Primes Contractor
7 Accelerator Program.

8 (c-30) All approved vendors or designees, as applicable,
9 must submit an annual report and certification to demonstrate
10 compliance with each of the equity commitments required in
11 item (4) of subparagraph (Q). If the Agency concludes the
12 approved vendor or designee, as applicable, has not maintained
13 the commitments required, the Agency may reject the
14 recertification of the approved vendor or designee, as
15 applicable. The approved vendor or designee, as applicable,
16 may appeal the decision by providing a corrective action plan,
17 which may include commitment to changes in hiring and
18 contracting practices.

19 (c-35) All applicants shall be required to maintain all
20 pertinent documents, employment records, and other relevant
21 information necessary to ensure fulfillment of equity
22 commitments. The Agency may require periodic reports from each
23 vendor that describes the status of each equity action.

24 (d) Clean coal portfolio standard.

25 (1) The procurement plans shall include electricity
26 generated using clean coal. Each utility shall enter into

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

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

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

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

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

25 Notwithstanding the requirements of this subsection
26 (d), the total amount paid under sourcing agreements with

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

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

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

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

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

25 (E) thereafter, the total amount paid under
26 sourcing agreements with clean coal facilities

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

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

20 (3) Initial clean coal facility. In order to promote
21 development of clean coal facilities in Illinois, each
22 electric utility subject to this Section shall execute a
23 sourcing agreement to source electricity from a proposed
24 clean coal facility in Illinois (the "initial clean coal
25 facility") that will have a nameplate capacity of at least
26 500 MW when commercial operation commences, that has a

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

16 (A) a formula contractual price (the "contract
17 price") approved pursuant to paragraph (4) of this
18 subsection (d), which shall:

19 (i) be determined using a cost of service
20 methodology employing either a level or deferred
21 capital recovery component, based on a capital
22 structure consisting of 45% equity and 55% debt,
23 and a return on equity as may be approved by the
24 Federal Energy Regulatory Commission, which in any
25 case may not exceed the lower of 11.5% or the rate
26 of return approved by the General Assembly

1 pursuant to paragraph (4) of this subsection (d);
2 and

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

19 (B) power purchase provisions, which shall:

20 (i) provide that the utility party to such
21 sourcing agreement shall pay the contract price
22 for electricity delivered under such sourcing
23 agreement;

24 (ii) require delivery of electricity to the
25 regional transmission organization market of the
26 utility that is party to such sourcing agreement;

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

22 (iv) be considered pre-existing contracts in
23 such utility's procurement plans for eligible
24 retail customers;

25 (C) contract for differences provisions, which
26 shall:

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

23 (ii) provide that the utility's payment
24 obligation in respect of the quantity of
25 electricity determined pursuant to the preceding
26 clause (i) shall be limited to an amount equal to

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

15 (iii) not require the utility to take physical
16 delivery of the electricity produced by the
17 facility;

18 (D) general provisions, which shall:

19 (i) specify a term of no more than 30 years,
20 commencing on the commercial operation date of the
21 facility;

22 (ii) provide that utilities shall maintain
23 adequate records documenting purchases under the
24 sourcing agreements entered into to comply with
25 this subsection (d) and shall file an accounting
26 with the load forecast that must be filed with the

1 Agency by July 15 of each year, in accordance with
2 subsection (d) of Section 16-111.5 of the Public
3 Utilities Act;

4 (iii) provide that all costs associated with
5 the initial clean coal facility will be
6 periodically reported to the Federal Energy
7 Regulatory Commission and to purchasers in
8 accordance with applicable laws governing
9 cost-based wholesale power contracts;

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

17 (v) require the owner of the initial clean
18 coal facility to provide documentation to the
19 Commission each year, starting in the facility's
20 first year of commercial operation, accurately
21 reporting the quantity of carbon emissions from
22 the facility that have been captured and
23 sequestered and report any quantities of carbon
24 released from the site or sites at which carbon
25 emissions were sequestered in prior years, based
26 on continuous monitoring of such sites. If, in any

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

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

16 (vi) include limits on, and accordingly
17 provide for modification of, the amount the
18 utility is required to source under the sourcing
19 agreement consistent with paragraph (2) of this
20 subsection (d);

21 (vii) require Commission review: (1) to
22 determine the justness, reasonableness, and
23 prudence of the inputs to the formula referenced
24 in subparagraphs (A)(i) through (A)(iii) of
25 paragraph (3) of this subsection (d), prior to an
26 adjustment in those inputs including, without

1 limitation, the capital structure and return on
2 equity, fuel costs, and other operations and
3 maintenance costs and (2) to approve the costs to
4 be passed through to customers under the sourcing
5 agreement by which the utility satisfies its
6 statutory obligations. Commission review shall
7 occur no less than every 3 years, regardless of
8 whether any adjustments have been proposed, and
9 shall be completed within 9 months;

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

17 (ix) limit the utility's or alternative retail
18 electric supplier's obligation to incur any
19 liability until such time as the facility is in
20 commercial operation and generating power and
21 energy and such power and energy is being
22 delivered to the facility busbar;

23 (x) provide that the owner or owners of the
24 initial clean coal facility, which is the
25 counterparty to such sourcing agreement, shall
26 have the right from time to time to elect whether

1 the obligations of the utility party thereto shall
2 be governed by the power purchase provisions or
3 the contract for differences provisions;

4 (xi) append documentation showing that the
5 formula rate and contract, insofar as they relate
6 to the power purchase provisions, have been
7 approved by the Federal Energy Regulatory
8 Commission pursuant to Section 205 of the Federal
9 Power Act;

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

17 (xiii) conform with customary lender
18 requirements in power purchase agreements used as
19 the basis for financing non-utility generators.

20 (4) Effective date of sourcing agreements with the
21 initial clean coal facility. Any proposed sourcing
22 agreement with the initial clean coal facility shall not
23 become effective unless the following reports are prepared
24 and submitted and authorizations and approvals obtained:

25 (i) Facility cost report. The owner of the initial
26 clean coal facility shall submit to the Commission,

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

12 (ii) Commission report. Within 6 months following
13 receipt of the facility cost report, the Commission,
14 in consultation with the Agency, shall submit a report
15 to the General Assembly setting forth its analysis of
16 the facility cost report. Such report shall include,
17 but not be limited to, a comparison of the costs
18 associated with electricity generated by the initial
19 clean coal facility to the costs associated with
20 electricity generated by other types of generation
21 facilities, an analysis of the rate impacts on
22 residential and small business customers over the life
23 of the sourcing agreements, and an analysis of the
24 likelihood that the initial clean coal facility will
25 commence commercial operation by and be delivering
26 power to the facility's busbar by 2016. To assist in

1 the preparation of its report, the Commission, in
2 consultation with the Agency, may hire one or more
3 experts or consultants, the costs of which shall be
4 paid for by the owner of the initial clean coal
5 facility. The Commission and Agency may begin the
6 process of selecting such experts or consultants prior
7 to receipt of the facility cost report.

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

19 (iv) Commission review. If the General Assembly
20 enacts authorizing legislation pursuant to
21 subparagraph (iii) approving a sourcing agreement, the
22 Commission shall, within 90 days of such enactment,
23 complete a review of such sourcing agreement. During
24 such time period, the Commission shall implement any
25 directive of the General Assembly, resolve any
26 disputes between the parties to the sourcing agreement

1 concerning the terms of such agreement, approve the
2 form of such agreement, and issue an order finding
3 that the sourcing agreement is prudent and reasonable.
4 The facility cost report shall be prepared as follows:

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

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

20 (ii) an estimate of the capital cost of the
21 balance of the plant, including any capital costs
22 associated with sequestration of carbon dioxide
23 emissions and all interconnects and interfaces
24 required to operate the facility, such as
25 transmission of electricity, construction or
26 backfeed power supply, pipelines to transport

1 substitute natural gas or carbon dioxide, potable
2 water supply, natural gas supply, water supply,
3 water discharge, landfill, access roads, and coal
4 delivery.

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

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

19 (C) The facility cost report shall also include an
20 operating and maintenance cost quote that will provide
21 the estimated cost of delivered fuel, personnel,
22 maintenance contracts, chemicals, catalysts,
23 consumables, spares, and other fixed and variable
24 operations and maintenance costs. The delivered fuel
25 cost estimate will be provided by a recognized third
26 party expert or experts in the fuel and transportation

1 industries. The balance of the operating and
2 maintenance cost quote, excluding delivered fuel
3 costs, will be developed based on the inputs provided
4 by duly licensed engineering and construction firms
5 performing the construction cost quote, potential
6 vendors under long-term service agreements and plant
7 operating agreements, or recognized third party plant
8 operator or operators.

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

17 (D) The facility cost report shall also include an
18 analysis of the initial clean coal facility's ability
19 to deliver power and energy into the applicable
20 regional transmission organization markets and an
21 analysis of the expected capacity factor for the
22 initial clean coal facility.

23 (E) Amounts paid to third parties unrelated to the
24 owner or owners of the initial clean coal facility to
25 prepare the core plant construction cost quote,
26 including the front end engineering and design study,

1 and the operating and maintenance cost quote will be
2 reimbursed through Coal Development Bonds.

3 (5) Re-powering and retrofiting coal-fired power
4 plants previously owned by Illinois utilities to qualify
5 as clean coal facilities. During the 2009 procurement
6 planning process and thereafter, the Agency and the
7 Commission shall consider sourcing agreements covering
8 electricity generated by power plants that were previously
9 owned by Illinois utilities and that have been or will be
10 converted into clean coal facilities, as defined by
11 Section 1-10 of this Act. Pursuant to such procurement
12 planning process, the owners of such facilities may
13 propose to the Agency sourcing agreements with utilities
14 and alternative retail electric suppliers required to
15 comply with subsection (d) of this Section and item (5) of
16 subsection (d) of Section 16-115 of the Public Utilities
17 Act, covering electricity generated by such facilities. In
18 the case of sourcing agreements that are power purchase
19 agreements, the contract price for electricity sales shall
20 be established on a cost of service basis. In the case of
21 sourcing agreements that are contracts for differences,
22 the contract price from which the reference price is
23 subtracted shall be established on a cost of service
24 basis. The Agency and the Commission may approve any such
25 utility sourcing agreements that do not exceed cost-based
26 benchmarks developed by the procurement administrator, in

1 consultation with the Commission staff, Agency staff and
2 the procurement monitor, subject to Commission review and
3 approval. The Commission shall have authority to inspect
4 all books and records associated with these clean coal
5 facilities during the term of any such contract.

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

12 (d-5) Zero emission standard.

13 (1) Beginning with the delivery year commencing on
14 June 1, 2017, the Agency shall, for electric utilities
15 that serve at least 100,000 retail customers in this
16 State, procure contracts with zero emission facilities
17 that are reasonably capable of generating cost-effective
18 zero emission credits in an amount approximately equal to
19 16% of the actual amount of electricity delivered by each
20 electric utility to retail customers in the State during
21 calendar year 2014. For an electric utility serving fewer
22 than 100,000 retail customers in this State that
23 requested, under Section 16-111.5 of the Public Utilities
24 Act, that the Agency procure power and energy for all or a
25 portion of the utility's Illinois load for the delivery
26 year commencing June 1, 2016, the Agency shall procure

1 contracts with zero emission facilities that are
2 reasonably capable of generating cost-effective zero
3 emission credits in an amount approximately equal to 16%
4 of the portion of power and energy to be procured by the
5 Agency for the utility. The duration of the contracts
6 procured under this subsection (d-5) shall be for a term
7 of 10 years ending May 31, 2027. The quantity of zero
8 emission credits to be procured under the contracts shall
9 be all of the zero emission credits generated by the zero
10 emission facility in each delivery year; however, if the
11 zero emission facility is owned by more than one entity,
12 then the quantity of zero emission credits to be procured
13 under the contracts shall be the amount of zero emission
14 credits that are generated from the portion of the zero
15 emission facility that is owned by the winning supplier.

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

20 The procurement process shall be subject to the
21 following provisions:

22 (A) Those zero emission facilities that intend to
23 participate in the procurement shall submit to the
24 Agency the following eligibility information for each
25 zero emission facility on or before the date
26 established by the Agency:

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

3 (ii) the amount of power generated annually
4 for each of the years 2005 through 2015, and the
5 projected zero emission credits to be generated
6 over the remaining useful life of the zero
7 emission facility, which shall be used to
8 determine the capability of each facility;

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

25 (iv) a commitment to continue operating, for
26 the duration of the contract or contracts executed

1 under the procurement held under this subsection
2 (d-5), the zero emission facility that produces
3 the zero emission credits to be procured in the
4 procurement.

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

16 (B) The price for each zero emission credit
17 procured under this subsection (d-5) for each delivery
18 year shall be in an amount that equals the Social Cost
19 of Carbon, expressed on a price per megawatthour
20 basis. However, to ensure that the procurement remains
21 affordable to retail customers in this State if
22 electricity prices increase, the price in an
23 applicable delivery year shall be reduced below the
24 Social Cost of Carbon by the amount ("Price
25 Adjustment") by which the market price index for the
26 applicable delivery year exceeds the baseline market

1 price index for the consecutive 12-month period ending
2 May 31, 2016. If the Price Adjustment is greater than
3 or equal to the Social Cost of Carbon in an applicable
4 delivery year, then no payments shall be due in that
5 delivery year. The components of this calculation are
6 defined as follows:

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

19 (ii) Baseline market price index: The baseline
20 market price index for the consecutive 12-month
21 period ending May 31, 2016 is \$31.40 per
22 megawatthour, which is based on the sum of (aa)
23 the average day-ahead energy price across all
24 hours of such 12-month period at the PJM
25 Interconnection LLC Northern Illinois Hub, (bb)
26 50% multiplied by the Base Residual Auction, or

1 its successor, capacity price for the rest of the
2 RTO zone group determined by PJM Interconnection
3 LLC, divided by 24 hours per day, and (cc) 50%
4 multiplied by the Planning Resource Auction, or
5 its successor, capacity price for Zone 4
6 determined by the Midcontinent Independent System
7 Operator, Inc., divided by 24 hours per day.

8 (iii) Market price index: The market price
9 index for a delivery year shall be the sum of
10 projected energy prices and projected capacity
11 prices determined as follows:

12 (aa) Projected energy prices: the
13 projected energy prices for the applicable
14 delivery year shall be calculated once for the
15 year using the forward market price for the
16 PJM Interconnection, LLC Northern Illinois
17 Hub. The forward market price shall be
18 calculated as follows: the energy forward
19 prices for each month of the applicable
20 delivery year averaged for each trade date
21 during the calendar year immediately preceding
22 that delivery year to produce a single energy
23 forward price for the delivery year. The
24 forward market price calculation shall use
25 data published by the Intercontinental
26 Exchange, or its successor.

1 (bb) Projected capacity prices:

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

20 (II) For the delivery year commencing
21 June 1, 2020, and each year thereafter,
22 the projected capacity price shall be
23 equal to the sum of (1) 50% multiplied by
24 the Base Residual Auction, or its
25 successor, price for the ComEd zone as
26 determined by PJM Interconnection LLC,

1 divided by 24 hours per day, and (2) 50%
2 multiplied by the resource auction price
3 determined in the resource auction
4 administered by the Midcontinent
5 Independent System Operator, Inc., in
6 which the largest percentage of load
7 cleared for Local Resource Zone 4, divided
8 by 24 hours per day, and where such price
9 is determined by the Midcontinent
10 Independent System Operator, Inc.

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

12 "Rest of the RTO" and "ComEd Zone" shall have
13 the meaning ascribed to them by PJM
14 Interconnection, LLC.

15 "RTO" means regional transmission
16 organization.

17 (C) No later than 45 days after June 1, 2017 (the
18 effective date of Public Act 99-906), the Agency shall
19 publish its proposed zero emission standard
20 procurement plan. The plan shall be consistent with
21 the provisions of this paragraph (1) and shall provide
22 that winning bids shall be selected based on public
23 interest criteria that include, but are not limited
24 to, minimizing carbon dioxide emissions that result
25 from electricity consumed in Illinois and minimizing
26 sulfur dioxide, nitrogen oxide, and particulate matter

1 emissions that adversely affect the citizens of this
2 State. In particular, the selection of winning bids
3 shall take into account the incremental environmental
4 benefits resulting from the procurement, such as any
5 existing environmental benefits that are preserved by
6 the procurements held under Public Act 99-906 and
7 would cease to exist if the procurements were not
8 held, including the preservation of zero emission
9 facilities. The plan shall also describe in detail how
10 each public interest factor shall be considered and
11 weighted in the bid selection process to ensure that
12 the public interest criteria are applied to the
13 procurement and given full effect.

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

22 Upon publishing of the zero emission standard
23 procurement plan, copies of the plan shall be posted
24 and made publicly available on the Agency's website.
25 All interested parties shall have 10 days following
26 the date of posting to provide comment to the Agency on

1 the plan. All comments shall be posted to the Agency's
2 website. Following the end of the comment period, but
3 no more than 60 days later than June 1, 2017 (the
4 effective date of Public Act 99-906), the Agency shall
5 revise the plan as necessary based on the comments
6 received and file its zero emission standard
7 procurement plan with the Commission.

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

18 (C-5) As part of the Commission's review and
19 acceptance or rejection of the procurement results,
20 the Commission shall, in its public notice of
21 successful bidders:

22 (i) identify how the winning bids satisfy the
23 public interest criteria described in subparagraph
24 (C) of this paragraph (1) of minimizing carbon
25 dioxide emissions that result from electricity
26 consumed in Illinois and minimizing sulfur

1 dioxide, nitrogen oxide, and particulate matter
2 emissions that adversely affect the citizens of
3 this State;

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

13 (iii) quantify the environmental benefit of
14 preserving the resources identified in item (ii)
15 of this subparagraph (C-5), including the
16 following:

17 (aa) the value of avoided greenhouse gas
18 emissions measured as the product of the zero
19 emission facilities' output over the contract
20 term multiplied by the U.S. Environmental
21 Protection Agency eGrid subregion carbon
22 dioxide emission rate and the U.S. Interagency
23 Working Group on Social Cost of Carbon's price
24 in the August 2016 Technical Update using a 3%
25 discount rate, adjusted for inflation for each
26 delivery year; and

1 (bb) the costs of replacement with other
2 zero carbon dioxide resources, including wind
3 and photovoltaic, based upon the simple
4 average of the following:

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

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

24 Each utility shall enter into binding contractual
25 arrangements with the winning suppliers.

26 The procurement described in this subsection

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

18 (D) Following the procurement event described in
19 this paragraph (1) and consistent with subparagraph
20 (B) of this paragraph (1), the Agency shall calculate
21 the payments to be made under each contract for the
22 next delivery year based on the market price index for
23 that delivery year. The Agency shall publish the
24 payment calculations no later than May 25, 2017 and
25 every May 25 thereafter.

26 (E) Notwithstanding the requirements of this

1 subsection (d-5), the contracts executed under this
2 subsection (d-5) shall provide that the zero emission
3 facility may, as applicable, suspend or terminate
4 performance under the contracts in the following
5 instances:

6 (i) A zero emission facility shall be excused
7 from its performance under the contract for any
8 cause beyond the control of the resource,
9 including, but not restricted to, acts of God,
10 flood, drought, earthquake, storm, fire,
11 lightning, epidemic, war, riot, civil disturbance
12 or disobedience, labor dispute, labor or material
13 shortage, sabotage, acts of public enemy,
14 explosions, orders, regulations or restrictions
15 imposed by governmental, military, or lawfully
16 established civilian authorities, which, in any of
17 the foregoing cases, by exercise of commercially
18 reasonable efforts the zero emission facility
19 could not reasonably have been expected to avoid,
20 and which, by the exercise of commercially
21 reasonable efforts, it has been unable to
22 overcome. In such event, the zero emission
23 facility shall be excused from performance for the
24 duration of the event, including, but not limited
25 to, delivery of zero emission credits, and no
26 payment shall be due to the zero emission facility

1 during the duration of the event.

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

15 (iii) A zero emission facility shall be
16 permitted to terminate the contract in the event
17 that the resource requires capital expenditures in
18 excess of \$40,000,000 that were neither known nor
19 reasonably foreseeable at the time it executed the
20 contract and that a prudent owner or operator of
21 such resource would not undertake.

22 (iv) A zero emission facility shall be
23 permitted to terminate the contract in the event
24 the Nuclear Regulatory Commission terminates the
25 resource's license.

26 (F) If the zero emission facility elects to

1 terminate a contract under subparagraph (E) of this
2 paragraph (1), then the Commission shall reopen the
3 docket in which the Commission approved the zero
4 emission standard procurement plan under subparagraph
5 (C) of this paragraph (1) and, after notice and
6 hearing, enter an order acknowledging the contract
7 termination election if such termination is consistent
8 with the provisions of this subsection (d-5).

9 (2) For purposes of this subsection (d-5), the amount
10 paid per kilowatthour means the total amount paid for
11 electric service expressed on a per kilowatthour basis.
12 For purposes of this subsection (d-5), the total amount
13 paid for electric service includes, without limitation,
14 amounts paid for supply, transmission, distribution,
15 surcharges, and add-on taxes.

16 Notwithstanding the requirements of this subsection
17 (d-5), the contracts executed under this subsection (d-5)
18 shall provide that the total of zero emission credits
19 procured under a procurement plan shall be subject to the
20 limitations of this paragraph (2). For each delivery year,
21 the contractual volume receiving payments in such year
22 shall be reduced for all retail customers based on the
23 amount necessary to limit the net increase that delivery
24 year to the costs of those credits included in the amounts
25 paid by eligible retail customers in connection with
26 electric service to no more than 1.65% of the amount paid

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

1 No later than June 30, 2019, the Commission shall
2 review the limitation on the amount of zero emission
3 credits procured under this subsection (d-5) and report to
4 the General Assembly its findings as to whether that
5 limitation unduly constrains the procurement of
6 cost-effective zero emission credits.

7 (3) Six years after the execution of a contract under
8 this subsection (d-5), the Agency shall determine whether
9 the actual zero emission credit payments received by the
10 supplier over the 6-year period exceed the Average ZEC
11 Payment. In addition, at the end of the term of a contract
12 executed under this subsection (d-5), or at the time, if
13 any, a zero emission facility's contract is terminated
14 under subparagraph (E) of paragraph (1) of this subsection
15 (d-5), then the Agency shall determine whether the actual
16 zero emission credit payments received by the supplier
17 over the term of the contract exceed the Average ZEC
18 Payment, after taking into account any amounts previously
19 credited back to the utility under this paragraph (3). If
20 the Agency determines that the actual zero emission credit
21 payments received by the supplier over the relevant period
22 exceed the Average ZEC Payment, then the supplier shall
23 credit the difference back to the utility. The amount of
24 the credit shall be remitted to the applicable electric
25 utility no later than 120 days after the Agency's
26 determination, which the utility shall reflect as a credit

1 on its retail customer bills as soon as practicable;
2 however, the credit remitted to the utility shall not
3 exceed the total amount of payments received by the
4 facility under its contract.

5 For purposes of this Section, the Average ZEC Payment
6 shall be calculated by multiplying the quantity of zero
7 emission credits delivered under the contract times the
8 average contract price. The average contract price shall
9 be determined by subtracting the amount calculated under
10 subparagraph (B) of this paragraph (3) from the amount
11 calculated under subparagraph (A) of this paragraph (3),
12 as follows:

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

16 (B) The average of the market price indices, as
17 defined in subparagraph (B) of paragraph (1) of this
18 subsection (d-5), during the term of the contract,
19 minus the baseline market price index, as defined in
20 subparagraph (B) of paragraph (1) of this subsection
21 (d-5).

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

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

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

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

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

16 (d-10) Nuclear Plant Assistance, carbon mitigation
17 credits.

18 (1) The General Assembly finds:

19 (A) The health, welfare and prosperity of all Illinois
20 citizens require that the State act to avoid and not
21 increase carbon emissions from electric generation sources
22 while continuing to ensure affordable, stable, and
23 reliable electricity to all citizens.

24 (B) Absent immediate action by the State to preserve
25 existing carbon-free energy resources, those resources may
26 retire, and the electric generation needs of Illinois'

1 retail customers may be met instead by facilities that
2 emit significant amounts of carbon pollution and other
3 harmful air pollutants at a high social and economic cost
4 until Illinois is able to develop other forms of clean
5 energy.

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

13 (D) The clean energy attributes of nuclear generation
14 facilities support the State in its efforts to achieve
15 100% clean energy.

16 (E) The State currently invests in various forms of
17 clean energy, including but not limited to renewable
18 energy, energy efficiency and low-emission vehicles, among
19 others.

20 (F) The Environmental Protection Agency commissioned
21 an independent audit which provided a detailed assessment
22 of the financial condition of the Illinois nuclear fleet
23 to evaluate their financial viability and whether the
24 environmental benefits of such resources were at risk. The
25 report identified risk of losing the environmental
26 benefits of several specific nuclear units. The report

1 also identified that the LaSalle County Generation Station
2 will continue to operate through 2026 and therefore is not
3 eligible to participate in the carbon mitigation credit
4 program.

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

8 (H) The General Assembly finds that the procurement of
9 carbon mitigation credits representing the environmental
10 benefits of carbon-free generation will further the
11 State's efforts at achieving 100% clean energy and
12 decarbonizing the electricity sector in a safe, reliable,
13 and affordable manner. Further, the procurement of carbon
14 emission credits will enhance the health and welfare of
15 Illinois residents through decreased reliance on more
16 highly polluting generation.

17 (I) The General Assembly therefore finds it necessary
18 to establish carbon mitigation credits to ensure decreased
19 reliance on more carbon-intensive energy resources, for
20 transitioning to a fully decarbonized electricity sector,
21 and to help ensure health and welfare of the State's
22 residents.

23 (2) As used in this subsection:

24 "Baseline costs" means costs used to establish a customer
25 protection cap that have been evaluated through an independent
26 audit of a carbon-free energy resource conducted by the

1 Illinois Environmental Protection Agency that evaluated
2 projected annual costs for operation and maintenance expenses;
3 fully allocated overhead costs, which shall be allocated using
4 the methodology developed by the Institute for Nuclear Power
5 Operations; fuel expenditures; non-fuel capital expenditures;
6 spent fuel expenditures; a return on working capital; the cost
7 of operational and market risks that could be avoided by
8 ceasing operation; and any other costs necessary for continued
9 operations, provided that "necessary" means, for purposes of
10 this definition, that the costs could reasonably be avoided
11 only by ceasing operations of the carbon-free energy resource.

12 "Carbon mitigation credit" means a tradable credit that
13 represents the carbon emission reduction attributes of one
14 megawatt-hour of energy produced from a carbon-free energy
15 resource.

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

19 (3) Procurement.

20 (A) Beginning with the delivery year commencing on
21 June 1, 2022, the Agency shall, for electric utilities
22 servicing at least 3,000,000 retail customers in the State,
23 seek to procure contracts for no more than 54,500,000
24 cost-effective carbon mitigation credits from carbon-free
25 energy resources because such credits are necessary to
26 support current levels of carbon-free energy generation

1 and ensure the State meets its carbon dioxide emissions
2 reduction goals. The Agency shall not make a partial award
3 of a contract for carbon mitigation credits covering a
4 fractional amount of a carbon-free energy resource's
5 projected output.

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

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

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

15 (iii) a commitment to be reflected in any contract
16 entered into pursuant to this subsection to continue
17 operating the carbon-free resource at a capacity
18 factor of at least 88% annually on average for the
19 duration of the contract or contracts executed under
20 the procurement held under this subsection, except in
21 the event of an instance described in subparagraph (E)
22 of paragraph (1) of subsection (d-5) or made
23 impracticable as a result of compliance with law or
24 regulation;

25 (iv) financial need and the risk of loss of the
26 environmental benefits of such resource, which shall

1 include the following information:

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

18 (II) the carbon-free resource's revenue
19 projections, including energy, capacity, ancillary
20 services, any other direct State support, known or
21 anticipated federal attribute credits, known or
22 anticipated tax credits, and any other direct
23 federal support.

24 The information described in subparagraph (B) above
25 may be submitted on a confidential basis and shall be
26 treated and maintained by the Agency, the procurement

1 administrator, and the Commission as confidential and
2 proprietary and exempt from disclosure under subparagraphs
3 (a) and (g) of paragraph (1) of Section 7 of the Freedom of
4 Information Act. The Office of Attorney General shall have
5 access to, and maintain the confidentiality of, such
6 information pursuant to Section 6.5 of the Attorney
7 General Act.

8 (C) The Agency shall solicit bids for the contracts
9 described in this subsection from carbon-free energy
10 resources authorized to participate in a procurement as
11 determined under subparagraph (B). The contracts procured
12 pursuant to a procurement event shall reflect, and be
13 subject to, the following terms, requirements, and
14 limitations:

15 (i) Contracts are for delivery of carbon
16 mitigation credits, and are not energy or capacity
17 sales contracts requiring physical delivery.

18 (ii) Contracts for carbon mitigation credits shall
19 commence with the delivery year beginning on June 1,
20 2022 and shall be for a term of 5 delivery years
21 concluding on May 31, 2027.

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

25 (aa) one of the following energy price
26 indices, selected by the bidder at the time of the

1 bid for the term of the contract:

2 (A) the weighted-average hourly day-ahead
3 price for the applicable delivery year at the
4 busbar of all resources procured pursuant to
5 this subsection, weighted by actual production
6 from the resources; or

7 (B) the projected energy price for the PJM
8 Interconnection, LLC Northern Illinois Hub for
9 the applicable delivery year determined
10 according to subitem (aa) of item (iii) of
11 subparagraph (B) of paragraph (1) of
12 subsection (d-5).

13 (bb) the Base Residual Auction Capacity Price
14 for the ComEd zone as determined by PJM
15 Interconnection, LLC, divided by 24 hours per day,
16 for the applicable delivery year for the first 3
17 delivery years, and then any subsequent delivery
18 years unless the PJM Interconnection, LLC applies
19 the Minimum Offer Price Rule to carbon-free energy
20 resources that supply carbon mitigation credits
21 pursuant to this Section at which time the value
22 under this item shall be zero, as further
23 described in the carbon mitigation credit
24 procurement plan; and

25 (cc) any value of monetized federal tax
26 credits, direct payments, or similar subsidy

1 provided to the carbon-free energy resource from
2 any unit of government that is not already
3 reflected in energy prices.

4 If the price-per-megawatt-hour calculation
5 performed under item (iii) for a given delivery year
6 results in a net positive value, then the electric
7 utility counterparty to the contract shall multiply
8 such net value by the applicable contract quantity and
9 remit the amount to the supplier.

10 To protect retail customers from retail rate
11 impacts that may arise upon the initiation of carbon
12 policy changes, if the price-per-megawatt-hour
13 calculation performed under item (iii) of this
14 subparagraph (C) for a given delivery year results in
15 a net negative value, then the supplier counterparty
16 to the contract shall multiply such net value by the
17 applicable contract quantity and remit such amount to
18 the electric utility counterparty. The electric
19 utility shall reflect such amounts remitted by
20 suppliers as a credit on its retail customer bills as
21 soon as practicable.

22 (iv) To ensure retail customers in Northern
23 Illinois do not pay more for carbon mitigation credits
24 than the value such credits provide, and
25 notwithstanding the provisions of this subsection
26 (d-10), the Agency shall not accept bids for contracts

1 that exceed a customer protection cap equal to the
2 baseline costs of carbon-free energy resources.

3 The Baseline costs for the applicable year shall
4 be the following:

5 (I) For the delivery year beginning June 1,
6 2022, the baseline costs shall be an amount equal
7 to \$30.30 per megawatt-hour.

8 (II) For the delivery year beginning June 1,
9 2023, the baseline costs shall be an amount equal
10 to \$32.50 per megawatt-hour.

11 (III) For the delivery year beginning June 1,
12 2024, the baseline costs shall be an amount equal
13 to \$33.43 per megawatt-hour.

14 (IV) For the delivery year beginning June 1,
15 2025, the baseline costs shall be an amount equal
16 to \$33.50 per megawatt-hour.

17 (V) For the delivery year beginning June 1,
18 2026, the baseline costs shall be an amount equal
19 to \$34.50 per megawatt-hour.

20 An Environmental Protection Agency consultant
21 forecast, included in a report issued April 14, 2021,
22 projects that a clean energy resource has the
23 opportunity to earn on average approximately \$30.28
24 per megawatt-hour, for the sale of energy and capacity
25 during the time period between 2022 and 2027.
26 Therefore, the sale of carbon mitigation credits

1 provides the opportunity to receive an additional
2 amount per megawatt-hour in addition to the projected
3 prices for energy and capacity.

4 Although actual energy and capacity prices may
5 vary from year-to-year, the legislature finds that
6 this customer protection cap will help ensure that the
7 cost of carbon mitigation credits will be less than
8 their value, based upon the social cost of carbon
9 identified in the Technical Support Document issued in
10 February 2021 by the U.S. Interagency Working Group on
11 Social Cost of Greenhouse Gases and the PJM
12 Interconnection, LLC carbon dioxide marginal emission
13 rate for 2020, and that a carbon-free energy resource
14 receiving payment for carbon mitigation credits
15 receives no more than necessary to keep those units in
16 operation.

17 (D) No later than 45 days after the effective date of
18 this amendatory Act of the 102nd General Assembly, the
19 Agency shall publish its proposed carbon mitigation credit
20 procurement plan. The Plan shall provide that winning bids
21 shall be selected by taking into consideration which
22 resources best match public interest criteria that
23 include, but are not limited to, minimizing carbon dioxide
24 emissions that result from electricity consumed in
25 Illinois and minimizing sulfur dioxide, nitrogen oxide,
26 and particulate matter emissions that adversely affect the

1 citizens of this State. The selection of winning bids
2 shall also take into account the incremental environmental
3 benefits resulting from the procurement or procurements,
4 such as any existing environmental benefits that are
5 preserved by a procurement held under this subsection
6 (d-10) and would cease to exist if the procurement were
7 not held, including the preservation of clean energy
8 resources. For those bidders having the same public
9 interest criteria score, the relative ranking of such
10 bidders shall be determined by price. The plan shall
11 describe in detail how each public interest factor shall
12 be considered and weighted in the bid selection process to
13 ensure that the public interest criteria are applied to
14 the procurement. Upon publishing of the carbon mitigation
15 procurement plan, copies of the plan shall be posted and
16 made publicly available on the Agency's website. All
17 interested parties shall have 10 days following the date
18 of posting to provide comment to the Agency on the plan.
19 All comments shall be posted to the Agency's website.
20 Following the end of the comment period, but no more than
21 60 days later than the effective date of this amendatory
22 Act of the 102nd General Assembly, the Agency shall revise
23 the plan as necessary based on the comments received and
24 file its carbon mitigation procurement plan with the
25 Commission.

26 (E) If the Commission determines that the plan is

1 likely to result in the procurement of cost-effective
2 carbon mitigation credits, then the Commission shall,
3 after notice and hearing and opportunity for comment, but
4 no later than 60 days after the Agency filed the plan,
5 approve the plan or approve it with modification. For
6 purposes of this subsection, "cost-effective" means carbon
7 mitigation credits that are procured from clean energy
8 resources at prices that are within the limits specified
9 in this paragraph. As part of the Commission's review and
10 acceptance or rejection of the procurement results, the
11 Commission shall, in its public notice of successful
12 bidders:

13 (i) identify how the selected carbon-free
14 resources satisfy the public interest criteria
15 described in paragraph (3) of minimizing carbon
16 dioxide emissions that result from electricity
17 consumed in Illinois and minimizing sulfur dioxide,
18 nitrogen oxide, and particulate matter emissions that
19 adversely affect the citizens of this State;

20 (ii) specifically address how the selection of
21 carbon-free resources takes into account the
22 incremental environmental benefits resulting from the
23 procurement, including any existing environmental
24 benefits that are preserved by the procurements held
25 under this amendatory Act of the 102nd General
26 Assembly and would have ceased to exist if the

1 procurements had not been held, such as the
2 preservation of carbon-free resources;

3 (iii) quantify the environmental benefit of
4 preserving the carbon-free resources procured pursuant
5 to this subsection, including the following:

6 (aa) an assessment value of avoided greenhouse
7 gas emissions measured as the product of the
8 carbon-free resources' output over the contract
9 term, using generally accepted methodologies for
10 the valuation of avoided emissions; and

11 (bb) an assessment of costs of replacement
12 with other carbon-free resources and renewable
13 resources, including wind and photovoltaic
14 generation, based upon an assessment of the prices
15 paid for renewable energy credits through program
16 and procurements conducted pursuant to subsection
17 (c) of Section 1-75, and the additional storage
18 necessary to produce the same or similar
19 capability of matching customer usage patterns.

20 (F) The procurements described in this paragraph,
21 including, but not limited to, the execution of all
22 contracts procured, shall be completed no later than
23 November 20, 2021. The procurement and plan approval
24 processes required by this paragraph shall be conducted in
25 conjunction with the procurement and plan approval
26 processes required by Section 16-111.5 of the Public

1 Utilities Act, to the extent practicable. Following the
2 completion of such procurements, and consistent with
3 paragraph (3), the Agency shall calculate the payments to
4 be made under each contract in a timely fashion.

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

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

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

17 (I) This subsection is inoperative on and after
18 January 1, 2028.

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

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

26 (g) The Agency shall assess fees to each affected utility

1 to recover the costs incurred in preparation of the annual
2 procurement plan for the utility.

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

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

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

21 (20 ILCS 3855/1-92)

22 Sec. 1-92. Aggregation of electrical load by
23 municipalities, townships, and counties.

24 (a) The corporate authorities of a municipality, township
25 board, or county board of a county may adopt an ordinance under

1 which it may aggregate in accordance with this Section
2 residential and small commercial retail electrical loads
3 located, respectively, within the municipality, the township,
4 or the unincorporated areas of the county and, for that
5 purpose, may solicit bids and enter into service agreements to
6 facilitate for those loads the sale and purchase of
7 electricity and related services and equipment.

8 The corporate authorities, township board, or county board
9 may also exercise such authority jointly with any other
10 municipality, township, or county. Two or more municipalities,
11 townships, or counties, or a combination of both, may initiate
12 a process jointly to authorize aggregation by a majority vote
13 of each particular municipality, township, or county as
14 required by this Section.

15 If the corporate authorities, township board, or the
16 county board seek to operate the aggregation program as an
17 opt-out program for residential and small commercial retail
18 customers, then prior to the adoption of an ordinance with
19 respect to aggregation of residential and small commercial
20 retail electric loads, the corporate authorities of a
21 municipality, the township board, or the county board of a
22 county shall submit a referendum to its residents to determine
23 whether or not the aggregation program shall operate as an
24 opt-out program for residential and small commercial retail
25 customers. Any county board that seeks to submit such a
26 referendum to its residents shall do so only in unincorporated

1 areas of the county where no electric aggregation ordinance
2 has been adopted.

3 In addition to the notice and conduct requirements of the
4 general election law, notice of the referendum shall state
5 briefly the purpose of the referendum. The question of whether
6 the corporate authorities, the township board, or the county
7 board shall adopt an opt-out aggregation program for
8 residential and small commercial retail customers shall be
9 submitted to the electors of the municipality, township board,
10 or county board at a regular election and approved by a
11 majority of the electors voting on the question. The corporate
12 authorities, township board, or county board must certify to
13 the proper election authority, which must submit the question
14 at an election in accordance with the Election Code.

15 The election authority must submit the question in
16 substantially the following form:

17 Shall the (municipality, township, or county in which
18 the question is being voted upon) have the authority to
19 arrange for the supply of electricity for its residential
20 and small commercial retail customers who have not opted
21 out of such program?

22 The election authority must record the votes as "Yes" or "No".

23 If a majority of the electors voting on the question vote
24 in the affirmative, then the corporate authorities, township
25 board, or county board may implement an opt-out aggregation
26 program for residential and small commercial retail customers.

1 A referendum must pass in each particular municipality,
2 township, or county that is engaged in the aggregation
3 program. If the referendum fails, then the corporate
4 authorities, township board, or county board shall operate the
5 aggregation program as an opt-in program for residential and
6 small commercial retail customers.

7 An ordinance under this Section shall specify whether the
8 aggregation will occur only with the prior consent of each
9 person owning, occupying, controlling, or using an electric
10 load center proposed to be aggregated. Nothing in this
11 Section, however, authorizes the aggregation of electric loads
12 that are served or authorized to be served by an electric
13 cooperative as defined by and pursuant to the Electric
14 Supplier Act or loads served by a municipality that owns and
15 operates its own electric distribution system. No aggregation
16 shall take effect unless approved by a majority of the members
17 of the corporate authority, township board, or county board
18 voting upon the ordinance.

19 A governmental aggregator under this Section is not a
20 public utility or an alternative retail electric supplier.

21 For purposes of this Section, "township" means the portion
22 of a township that is an unincorporated portion of a county
23 that is not otherwise a part of a municipality. In addition to
24 such other limitations as are included in this Section, a
25 township board shall only have authority to aggregate
26 residential and small commercial customer loads in accordance

1 with this Section if the county board of the county in which
2 the township is located (i) is not also submitting a
3 referendum to its residents at the same general election that
4 the township board proposes to submit a referendum under this
5 subsection (a), (ii) has not received authorization through
6 passage of a referendum to operate an opt-out aggregation
7 program for residential and small commercial retail customers
8 under this subsection (a), and (iii) has not otherwise enacted
9 an ordinance under this subsection (a) authorizing the
10 operation of an opt-in aggregation program for residential and
11 small commercial retail customers as described in this
12 Section.

13 (b) Upon the applicable requisite authority under this
14 Section, the corporate authorities, the township board, or the
15 county board, with assistance from the Illinois Power Agency,
16 shall develop a plan of operation and governance for the
17 aggregation program so authorized. Before adopting a plan
18 under this Section, the corporate authorities, township board,
19 or county board shall hold at least 2 public hearings on the
20 plan. Before the first hearing, the corporate authorities,
21 township board, or county board shall publish notice of the
22 hearings once a week for 2 consecutive weeks in a newspaper of
23 general circulation in the jurisdiction. The notice shall
24 summarize the plan and state the date, time, and location of
25 each hearing. Any load aggregation plan established pursuant
26 to this Section shall:

1 (1) provide for universal access to all applicable
2 residential customers and equitable treatment of
3 applicable residential customers;

4 (2) describe demand management and energy efficiency
5 services to be provided to each class of customers; and

6 (3) meet any requirements established by law
7 concerning aggregated service offered pursuant to this
8 Section.

9 (c) The process for soliciting bids for electricity and
10 other related services and awarding proposed agreements for
11 the purchase of electricity and other related services shall
12 be conducted in the following order:

13 (1) The corporate authorities, township board, or
14 county board may solicit bids for electricity and other
15 related services. The bid specifications may include a
16 provision requiring the bidder to disclose the fuel type
17 of electricity to be procured or generated on behalf of
18 the aggregation program customers. The corporate
19 authorities, township board, or county board may consider
20 the proposed source of electricity to be procured or
21 generated to be put into the grid on behalf of aggregation
22 program customers in the competitive bidding process. The
23 Agency and Commission may collaborate to issue joint
24 guidance on voluntary uniform standards for bidder
25 disclosures of the source of electricity to be procured or
26 generated to be put into the grid on behalf of aggregation

1 program customers.

2 (1.5) A township board shall request from the electric
3 utility those residential and small commercial customers
4 within their aggregate area either by zip code or zip
5 codes or other means as determined by the electric
6 utility. The electric utility shall then provide to the
7 township board the residential and small commercial
8 customers, including the names and addresses of
9 residential and small commercial customers,
10 electronically. The township board shall be responsible
11 for authenticating the residential and small commercial
12 customers contained in this listing and providing edits of
13 the data to affirm, add, or delete the residential and
14 small commercial customers located within its
15 jurisdiction. The township board shall provide the edited
16 list to the electric utility in an electronic format or
17 other means selected by the electric utility and certify
18 that the information is accurate.

19 (2) Notwithstanding Section 16-122 of the Public
20 Utilities Act and Section 2HH of the Consumer Fraud and
21 Deceptive Business Practices Act, an electric utility that
22 provides residential and small commercial retail electric
23 service in the aggregate area must, upon request of the
24 corporate authorities, township board, or the county board
25 in the aggregate area, submit to the requesting party, in
26 an electronic format, those account numbers, names, and

1 addresses of residential and small commercial retail
2 customers in the aggregate area that are reflected in the
3 electric utility's records at the time of the request;
4 provided, however, that any township board has first
5 provided an accurate customer list to the electric utility
6 as provided for herein.

7 Any corporate authority, township board, or county board
8 receiving customer information from an electric utility shall
9 be subject to the limitations on the disclosure of the
10 information described in Section 16-122 of the Public
11 Utilities Act and Section 2HH of the Consumer Fraud and
12 Deceptive Business Practices Act, and an electric utility
13 shall not be held liable for any claims arising out of the
14 provision of information pursuant to this item (2).

15 (d) If the corporate authorities, township board, or
16 county board operate under an opt-in program for residential
17 and small commercial retail customers, then the corporate
18 authorities, township board, or county board shall comply with
19 all of the following:

20 (1) Within 60 days after receiving the bids, the
21 corporate authorities, township board, or county board
22 shall allow residential and small commercial retail
23 customers to commit to the terms and conditions of a bid
24 that has been selected by the corporate authorities,
25 township board, or county board.

26 (2) If (A) the corporate authorities, township board,

1 or county board award proposed agreements for the purchase
2 of electricity and other related services and (B) an
3 agreement is reached between the corporate authorities,
4 township board, or county board for those services, then
5 customers committed to the terms and conditions according
6 to item (1) of this subsection (d) shall be committed to
7 the agreement.

8 (e) If the corporate authorities, township board, or
9 county board operate as an opt-out program for residential and
10 small commercial retail customers, then it shall be the duty
11 of the aggregated entity to fully inform residential and small
12 commercial retail customers in advance that they have the
13 right to opt out of the aggregation program. The disclosure
14 shall prominently state all charges to be made and shall
15 include full disclosure of the cost to obtain service pursuant
16 to Section 16-103 of the Public Utilities Act, how to access
17 it, and the fact that it is available to them without penalty,
18 if they are currently receiving service under that Section.
19 The Illinois Power Agency shall furnish, without charge, to
20 any citizen a list of all supply options available to them in a
21 format that allows comparison of prices and products.

22 (f) Any person or entity retained by a municipality or
23 county, or jointly by more than one such unit of local
24 government, to provide input, guidance, or advice in the
25 selection of an electricity supplier for an aggregation
26 program shall disclose in writing to the involved units of

1 local government the nature of any relationship through which
2 the person or entity may receive, either directly or
3 indirectly, commissions or other remuneration as a result of
4 the selection of any particular electricity supplier. The
5 written disclosure must be made prior to formal approval by
6 the involved units of local government of any professional
7 services agreement with the person or entity, or no later than
8 October 1, 2012 with respect to any such professional services
9 agreement entered into prior to the effective date of this
10 amendatory Act of the 97th General Assembly. The disclosure
11 shall cover all direct and indirect relationships through
12 which commissions or remuneration may result, including the
13 pooling of commissions or remuneration among multiple persons
14 or entities, and shall identify all involved electricity
15 suppliers. The disclosure requirements in this subsection (f)
16 are to be liberally construed to ensure that the nature of
17 financial interests are fully revealed, and these disclosure
18 requirements shall apply regardless of whether the involved
19 person or entity is licensed under Section 16-115C of the
20 Public Utilities Act. Any person or entity that fails to make
21 the disclosure required under this subsection (f) is liable to
22 the involved units of local government in an amount equal to
23 all compensation paid to such person or entity by the units of
24 local government for the input, guidance, or advice in the
25 selection of an electricity supplier, plus reasonable
26 attorneys fees and court costs incurred by the units of local

1 government in connection with obtaining such amount.

2 (g) The Illinois Power Agency shall provide assistance to
3 municipalities, townships, counties, or associations working
4 with municipalities to help complete the plan and bidding
5 process.

6 (h) This Section does not prohibit municipalities or
7 counties from entering into an intergovernmental agreement to
8 aggregate residential and small commercial retail electric
9 loads.

10 (i) No later than December 31, 2022, the Illinois Power
11 Agency shall produce a report assessing how aggregation of
12 electrical load by municipalities, townships, and counties can
13 be used to help meet the renewable energy goals outlined in
14 this Act. This report shall contain, at a minimum, an
15 assessment of other states' utilization of load aggregation in
16 meeting renewable energy goals, any known or expected barriers
17 in utilizing load aggregation for meeting renewable energy
18 goals, and recommendations for possible changes in State law
19 necessary for electrical load aggregation to be a driver of
20 new renewable energy project development. This report shall be
21 published on the Agency's website and delivered to the
22 Governor and General Assembly. To assist with developing this
23 report, the Agency may retain the services of its expert
24 consulting firm used to develop its procurement plans as
25 provided in paragraph (1) of subsection (a) of Section 1-75.

26 (Source: P.A. 97-338, eff. 8-12-11; 97-823, eff. 7-18-12;

1 97-1067, eff. 8-24-12; 98-404, eff. 1-1-14; 98-434, eff.
2 1-1-14; 98-463, eff. 8-16-13; 98-756, eff. 7-16-14.)

3 (20 ILCS 3855/1-125)

4 Sec. 1-125. Agency annual reports.

5 (a) By February 15 of each year, the Agency shall report
6 annually to the Governor and the General Assembly on the
7 operations and transactions of the Agency. The annual report
8 shall include, but not be limited to, each of the following:

9 (1) The average quantity, price, and term of all
10 contracts for electricity procured under the procurement
11 plans for electric utilities.

12 (2) (Blank).

13 (3) The quantity, price, and rate impact of all energy
14 efficiency and demand response measures purchased for
15 electric utilities, and any measures included in the
16 procurement plan pursuant to Section 16-111.5B of the
17 Public Utilities Act.

18 (4) The amount of power and energy produced by each
19 Agency facility.

20 (5) The quantity of electricity supplied by each
21 Agency facility to municipal electric systems,
22 governmental aggregators, or rural electric cooperatives
23 in Illinois.

24 (6) The revenues as allocated by the Agency to each
25 facility.

1 (7) The costs as allocated by the Agency to each
2 facility.

3 (8) The accumulated depreciation for each facility.

4 (9) The status of any projects under development.

5 (10) Basic financial and operating information
6 specifically detailed for the reporting year and
7 including, but not limited to, income and expense
8 statements, balance sheets, and changes in financial
9 position, all in accordance with generally accepted
10 accounting principles, debt structure, and a summary of
11 funds on a cash basis.

12 (11) The average quantity, price, contract type and
13 term, and rate impact of all renewable resources procured
14 ~~purchased~~ under the long-term renewable resources
15 ~~electricity~~ procurement plans for electric utilities.

16 (12) A comparison of the costs associated with the
17 Agency's procurement of renewable energy resources to (A)
18 the Agency's costs associated with electricity generated
19 by other types of generation facilities and (B) the
20 benefits associated with the Agency's procurement of
21 renewable energy resources.

22 (13) An analysis of the rate impacts associated with
23 the Illinois Power Agency's procurement of renewable
24 resources, including, but not limited to, any long-term
25 contracts, on the eligible retail customers of electric
26 utilities. The analysis shall include the Agency's

1 estimate of the total dollar impact that the Agency's
2 procurement of renewable resources has had on the annual
3 electricity bills of the customer classes that comprise
4 each eligible retail customer class taking service from an
5 electric utility.

6 (14) (Blank). ~~An analysis of how the operation of the~~
7 ~~alternative compliance payment mechanism, any long term~~
8 ~~contracts, or other aspects of the applicable renewable~~
9 ~~portfolio standards impacts the rates of customers of~~
10 ~~alternative retail electric suppliers.~~

11 (b) In addition to reporting on the transactions and
12 operations of the Agency, the Agency shall also endeavor to
13 report on the following items through its annual report,
14 recognizing that full and accurate information may not be
15 available for certain items:

16 (1) The overall nameplate capacity amount of installed
17 and scheduled renewable energy generation capacity
18 physically located in Illinois.

19 (2) The percentage of installed and scheduled
20 renewable energy generation capacity as a share of overall
21 electricity generation capacity physically located in
22 Illinois.

23 (3) The amount of megawatt hours produced by renewable
24 energy generation capacity physically located in Illinois
25 for the preceding delivery year.

26 (4) The percentage of megawatt hours produced by

1 renewable energy generation capacity physically located in
2 Illinois as a share of overall electricity generation from
3 facilities physically located in Illinois for the
4 preceding delivery year.

5 The Agency may seek assistance from the Illinois Commerce
6 Commission in developing its annual report and may also retain
7 the services of its expert consulting firm used to develop its
8 procurement plans as outlined in paragraph (1) of subsection
9 (a) of Section 1-75. Confidential or commercially sensitive
10 business information provided by retail customers, alternative
11 retail electric suppliers, or other parties shall be kept
12 confidential by the Agency consistent with Section 1-120, but
13 may be publicly reported in aggregate form.

14 (Source: P.A. 99-536, eff. 7-8-16.)

15 Section 90-35. The State Finance Act is amended by adding
16 Sections 5.935 and 5.936 as follows:

17 (30 ILCS 105/5.935 new)

18 Sec. 5.935. The Coal to Solar and Energy Storage
19 Initiative Fund.

20 (30 ILCS 105/5.936 new)

21 Sec. 5.936. The Energy Transition Assistance Fund.

22 Section 90-36. The Illinois Procurement Code is amended by

1 changing Section 1-10 as follows:

2 (30 ILCS 500/1-10)

3 Sec. 1-10. Application.

4 (a) This Code applies only to procurements for which
5 bidders, offerors, potential contractors, or contractors were
6 first solicited on or after July 1, 1998. This Code shall not
7 be construed to affect or impair any contract, or any
8 provision of a contract, entered into based on a solicitation
9 prior to the implementation date of this Code as described in
10 Article 99, including, but not limited to, any covenant
11 entered into with respect to any revenue bonds or similar
12 instruments. All procurements for which contracts are
13 solicited between the effective date of Articles 50 and 99 and
14 July 1, 1998 shall be substantially in accordance with this
15 Code and its intent.

16 (b) This Code shall apply regardless of the source of the
17 funds with which the contracts are paid, including federal
18 assistance moneys. This Code shall not apply to:

19 (1) Contracts between the State and its political
20 subdivisions or other governments, or between State
21 governmental bodies, except as specifically provided in
22 this Code.

23 (2) Grants, except for the filing requirements of
24 Section 20-80.

25 (3) Purchase of care, except as provided in Section

1 5-30.6 of the Illinois Public Aid Code and this Section.

2 (4) Hiring of an individual as employee and not as an
3 independent contractor, whether pursuant to an employment
4 code or policy or by contract directly with that
5 individual.

6 (5) Collective bargaining contracts.

7 (6) Purchase of real estate, except that notice of
8 this type of contract with a value of more than \$25,000
9 must be published in the Procurement Bulletin within 10
10 calendar days after the deed is recorded in the county of
11 jurisdiction. The notice shall identify the real estate
12 purchased, the names of all parties to the contract, the
13 value of the contract, and the effective date of the
14 contract.

15 (7) Contracts necessary to prepare for anticipated
16 litigation, enforcement actions, or investigations,
17 provided that the chief legal counsel to the Governor
18 shall give his or her prior approval when the procuring
19 agency is one subject to the jurisdiction of the Governor,
20 and provided that the chief legal counsel of any other
21 procuring entity subject to this Code shall give his or
22 her prior approval when the procuring entity is not one
23 subject to the jurisdiction of the Governor.

24 (8) (Blank).

25 (9) Procurement expenditures by the Illinois
26 Conservation Foundation when only private funds are used.

1 (10) (Blank).

2 (11) Public-private agreements entered into according
3 to the procurement requirements of Section 20 of the
4 Public-Private Partnerships for Transportation Act and
5 design-build agreements entered into according to the
6 procurement requirements of Section 25 of the
7 Public-Private Partnerships for Transportation Act.

8 (12) Contracts for legal, financial, and other
9 professional and artistic services entered into on or
10 before December 31, 2018 by the Illinois Finance Authority
11 in which the State of Illinois is not obligated. Such
12 contracts shall be awarded through a competitive process
13 authorized by the Board of the Illinois Finance Authority
14 and are subject to Sections 5-30, 20-160, 50-13, 50-20,
15 50-35, and 50-37 of this Code, as well as the final
16 approval by the Board of the Illinois Finance Authority of
17 the terms of the contract.

18 (13) Contracts for services, commodities, and
19 equipment to support the delivery of timely forensic
20 science services in consultation with and subject to the
21 approval of the Chief Procurement Officer as provided in
22 subsection (d) of Section 5-4-3a of the Unified Code of
23 Corrections, except for the requirements of Sections
24 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
25 Code; however, the Chief Procurement Officer may, in
26 writing with justification, waive any certification

1 required under Article 50 of this Code. For any contracts
2 for services which are currently provided by members of a
3 collective bargaining agreement, the applicable terms of
4 the collective bargaining agreement concerning
5 subcontracting shall be followed.

6 On and after January 1, 2019, this paragraph (13),
7 except for this sentence, is inoperative.

8 (14) Contracts for participation expenditures required
9 by a domestic or international trade show or exhibition of
10 an exhibitor, member, or sponsor.

11 (15) Contracts with a railroad or utility that
12 requires the State to reimburse the railroad or utilities
13 for the relocation of utilities for construction or other
14 public purpose. Contracts included within this paragraph
15 (15) shall include, but not be limited to, those
16 associated with: relocations, crossings, installations,
17 and maintenance. For the purposes of this paragraph (15),
18 "railroad" means any form of non-highway ground
19 transportation that runs on rails or electromagnetic
20 guideways and "utility" means: (1) public utilities as
21 defined in Section 3-105 of the Public Utilities Act, (2)
22 telecommunications carriers as defined in Section 13-202
23 of the Public Utilities Act, (3) electric cooperatives as
24 defined in Section 3.4 of the Electric Supplier Act, (4)
25 telephone or telecommunications cooperatives as defined in
26 Section 13-212 of the Public Utilities Act, (5) rural

1 water or waste water systems with 10,000 connections or
2 less, (6) a holder as defined in Section 21-201 of the
3 Public Utilities Act, and (7) municipalities owning or
4 operating utility systems consisting of public utilities
5 as that term is defined in Section 11-117-2 of the
6 Illinois Municipal Code.

7 (16) Procurement expenditures necessary for the
8 Department of Public Health to provide the delivery of
9 timely newborn screening services in accordance with the
10 Newborn Metabolic Screening Act.

11 (17) Procurement expenditures necessary for the
12 Department of Agriculture, the Department of Financial and
13 Professional Regulation, the Department of Human Services,
14 and the Department of Public Health to implement the
15 Compassionate Use of Medical Cannabis Program and Opioid
16 Alternative Pilot Program requirements and ensure access
17 to medical cannabis for patients with debilitating medical
18 conditions in accordance with the Compassionate Use of
19 Medical Cannabis Program Act.

20 (18) This Code does not apply to any procurements
21 necessary for the Department of Agriculture, the
22 Department of Financial and Professional Regulation, the
23 Department of Human Services, the Department of Commerce
24 and Economic Opportunity, and the Department of Public
25 Health to implement the Cannabis Regulation and Tax Act if
26 the applicable agency has made a good faith determination

1 that it is necessary and appropriate for the expenditure
2 to fall within this exemption and if the process is
3 conducted in a manner substantially in accordance with the
4 requirements of Sections 20-160, 25-60, 30-22, 50-5,
5 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
6 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
7 Section 50-35, compliance applies only to contracts or
8 subcontracts over \$100,000. Notice of each contract
9 entered into under this paragraph (18) that is related to
10 the procurement of goods and services identified in
11 paragraph (1) through (9) of this subsection shall be
12 published in the Procurement Bulletin within 14 calendar
13 days after contract execution. The Chief Procurement
14 Officer shall prescribe the form and content of the
15 notice. Each agency shall provide the Chief Procurement
16 Officer, on a monthly basis, in the form and content
17 prescribed by the Chief Procurement Officer, a report of
18 contracts that are related to the procurement of goods and
19 services identified in this subsection. At a minimum, this
20 report shall include the name of the contractor, a
21 description of the supply or service provided, the total
22 amount of the contract, the term of the contract, and the
23 exception to this Code utilized. A copy of any or all of
24 these contracts shall be made available to the Chief
25 Procurement Officer immediately upon request. The Chief
26 Procurement Officer shall submit a report to the Governor

1 and General Assembly no later than November 1 of each year
2 that includes, at a minimum, an annual summary of the
3 monthly information reported to the Chief Procurement
4 Officer. This exemption becomes inoperative 5 years after
5 June 25, 2019 (the effective date of Public Act 101-27)
6 ~~this amendatory Act of the 101st General Assembly.~~

7 (19) Procurement expenditures necessary for the
8 Illinois Commerce Commission to hire third-party
9 facilitators pursuant to Sections 16-105.17 and Section
10 16-108.18 of the Public Utilities Act.

11 Notwithstanding any other provision of law, for contracts
12 entered into on or after October 1, 2017 under an exemption
13 provided in any paragraph of this subsection (b), except
14 paragraph (1), (2), or (5), each State agency shall post to the
15 appropriate procurement bulletin the name of the contractor, a
16 description of the supply or service provided, the total
17 amount of the contract, the term of the contract, and the
18 exception to the Code utilized. The chief procurement officer
19 shall submit a report to the Governor and General Assembly no
20 later than November 1 of each year that shall include, at a
21 minimum, an annual summary of the monthly information reported
22 to the chief procurement officer.

23 (c) This Code does not apply to the electric power
24 procurement process provided for under Section 1-75 of the
25 Illinois Power Agency Act and Section 16-111.5 of the Public
26 Utilities Act.

1 (d) Except for Section 20-160 and Article 50 of this Code,
2 and as expressly required by Section 9.1 of the Illinois
3 Lottery Law, the provisions of this Code do not apply to the
4 procurement process provided for under Section 9.1 of the
5 Illinois Lottery Law.

6 (e) This Code does not apply to the process used by the
7 Capital Development Board to retain a person or entity to
8 assist the Capital Development Board with its duties related
9 to the determination of costs of a clean coal SNG brownfield
10 facility, as defined by Section 1-10 of the Illinois Power
11 Agency Act, as required in subsection (h-3) of Section 9-220
12 of the Public Utilities Act, including calculating the range
13 of capital costs, the range of operating and maintenance
14 costs, or the sequestration costs or monitoring the
15 construction of clean coal SNG brownfield facility for the
16 full duration of construction.

17 (f) (Blank).

18 (g) (Blank).

19 (h) This Code does not apply to the process to procure or
20 contracts entered into in accordance with Sections 11-5.2 and
21 11-5.3 of the Illinois Public Aid Code.

22 (i) Each chief procurement officer may access records
23 necessary to review whether a contract, purchase, or other
24 expenditure is or is not subject to the provisions of this
25 Code, unless such records would be subject to attorney-client
26 privilege.

1 (j) This Code does not apply to the process used by the
2 Capital Development Board to retain an artist or work or works
3 of art as required in Section 14 of the Capital Development
4 Board Act.

5 (k) This Code does not apply to the process to procure
6 contracts, or contracts entered into, by the State Board of
7 Elections or the State Electoral Board for hearing officers
8 appointed pursuant to the Election Code.

9 (l) This Code does not apply to the processes used by the
10 Illinois Student Assistance Commission to procure supplies and
11 services paid for from the private funds of the Illinois
12 Prepaid Tuition Fund. As used in this subsection (l), "private
13 funds" means funds derived from deposits paid into the
14 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

15 (Source: P.A. 100-43, eff. 8-9-17; 100-580, eff. 3-12-18;
16 100-757, eff. 8-10-18; 100-1114, eff. 8-28-18; 101-27, eff.
17 6-25-19; 101-81, eff. 7-12-19; 101-363, eff. 8-9-19; revised
18 9-17-19.)

19 (35 ILCS 5/206 rep.)

20 Section 90-37. The Illinois Income Tax Act is amended by
21 repealing Section 206.

22 Section 90-38. The Property Tax Code is amended by
23 changing Sections 10-5 and 10-610 as follows:

1 (35 ILCS 200/10-5)

2 Sec. 10-5. Solar energy systems; definitions. It is the
3 policy of this State that the use of solar energy systems
4 should be encouraged because they conserve nonrenewable
5 resources, reduce pollution and promote the health and
6 well-being of the people of this State, and should be valued in
7 relation to these benefits.

8 (a) "Solar energy" means radiant energy received from the
9 sun at wave lengths suitable for heat transfer, photosynthetic
10 use, or photovoltaic use.

11 (b) "Solar collector" means

12 (1) An assembly, structure, or design, including
13 passive elements, used for gathering, concentrating, or
14 absorbing direct and indirect solar energy, specially
15 designed for holding a substantial amount of useful
16 thermal energy and to transfer that energy to a gas,
17 solid, or liquid or to use that energy directly; or

18 (2) A mechanism that absorbs solar energy and converts
19 it into electricity; or

20 (3) A mechanism or process used for gathering solar
21 energy through wind or thermal gradients; or

22 (4) A component used to transfer thermal energy to a
23 gas, solid, or liquid, or to convert it into electricity.

24 (c) "Solar storage mechanism" means equipment or elements
25 (such as piping and transfer mechanisms, containers, heat
26 exchangers, or controls thereof, and gases, solids, liquids,

1 or combinations thereof) that are utilized for storing solar
2 energy, gathered by a solar collector, for subsequent use.

3 (d) "Solar energy system" means

4 (1) (A) A complete assembly, structure, or design of
5 solar collector, or a solar storage mechanism, which uses
6 solar energy for generating electricity that is primarily
7 consumed on the property on which the solar energy system
8 resides, or for heating or cooling gases, solids, liquids,
9 or other materials for the primary benefit of the property
10 on which the solar energy system resides;

11 (B) The design, materials, or elements of a system and
12 its maintenance, operation, and labor components, and the
13 necessary components, if any, of supplemental conventional
14 energy systems designed or constructed to interface with a
15 solar energy system; ~~and~~

16 (C) Any legal, financial, or institutional orders,
17 certificates, or mechanisms, including easements, leases,
18 and agreements, required to ensure continued access to
19 solar energy, its source, or its use in a solar energy
20 system, and including monitoring and educational elements
21 of a demonstration project; or.

22 (D) Photovoltaic electricity generation systems
23 subject to power purchase agreements or leases for solar
24 energy between a third-party owner, an operator, or both,
25 and an end user of electricity, where such systems are
26 located on the end user of electricity's side of the

1 electric meter and which primarily are used to offset the
2 electricity load of the end user behind whose electric
3 meter the system is connected. A system primarily is used
4 to offset the electricity load of the end user of
5 electricity if the system is estimated to produce 110% or
6 fewer kilowatt-hours of electricity than consumed by the
7 end user of electricity at such meter in the last 12 full
8 months prior to the system being placed in service.

9 (2) "Solar energy system" does not include:

10 (A) Distribution equipment that is equally usable
11 in a conventional energy system except for those
12 components of the equipment that are necessary for
13 meeting the requirements of efficient solar energy
14 utilization;

15 (B) Components of a solar energy system that serve
16 structural, insulating, protective, shading,
17 aesthetic, or other non-solar energy utilization
18 purposes, as defined in the regulations of the
19 Department of Commerce and Economic Opportunity; or
20 ~~and~~

21 (C) A commercial solar energy system, as defined
22 by this Code, in counties with fewer than 3,000,000
23 inhabitants.

24 (3) The solar energy system shall conform to the
25 standards for those systems established by regulation of
26 the Department of Commerce and Economic Opportunity.

1 (Source: P.A. 100-781, eff. 8-10-18.)

2 (35 ILCS 200/10-610)

3 Sec. 10-610. Applicability.

4 (a) The provisions of this Division apply for assessment
5 years 2007 through 2035 ~~2021~~.

6 (b) The provisions of this Division do not apply to wind
7 energy devices that are owned by any person or entity that is
8 otherwise exempt from taxation under the Property Tax Code.

9 (Source: P.A. 99-825, eff. 8-16-16.)

10 Section 90-40. The School Code is amended by changing
11 Section 10-22.11 as follows:

12 (105 ILCS 5/10-22.11) (from Ch. 122, par. 10-22.11)

13 Sec. 10-22.11. Lease of school property.

14 (a) To lease school property to another school district,
15 municipality or body politic and corporate for a term of not to
16 exceed 25 years, except as otherwise provided in this Section,
17 and upon such terms and conditions as may be agreed if in the
18 opinion of the school board use of such property will not be
19 needed by the district during the term of such lease;
20 provided, the school board shall not make or renew any lease
21 for a term longer than 10 years, nor alter the terms of any
22 lease whose unexpired term may exceed 10 years without the
23 vote of 2/3 of the full membership of the board.

1 (b) Whenever the school board considers such action
2 advisable and in the best interests of the school district, to
3 lease vacant school property for a period not exceeding 51
4 years to a private not for profit school organization for use
5 in the care of persons with a mental disability who are
6 trainable and educable in the district or in the education of
7 the gifted children in the district. Before leasing such
8 property to a private not for profit school organization, the
9 school board must adopt a resolution for the leasing of such
10 property, fixing the period and price therefor, and order
11 submitted to referendum at an election to be held in the
12 district as provided in the general election law, the question
13 of whether the lease should be entered into. Thereupon, the
14 secretary shall certify to the proper election authorities the
15 proposition for submission in accordance with the general
16 election law. If the majority of the voters voting upon the
17 proposition vote in favor of the leasing, the school board may
18 proceed with the leasing. The proposition shall be in
19 substantially the following form:

20 -----
21 Shall School District No. of
22 County, Illinois lease to YES
23 (here name and identify the
24 lessee) the following described vacant -----
25 school property (here describe the
26 property) for a term of years NO

1 for the sum of Dollars?

2 -----

3 This paragraph (b) shall not be construed in such a manner
4 as to relieve the responsibility of the Board of Education as
5 set out in Article 14 of the School Code.

6 (c) To lease school buildings and land to suitable lessees
7 for educational purposes or for any other purpose which serves
8 the interests of the community, for a term not to exceed 25
9 years and upon such terms and conditions as may be agreed upon
10 by the parties, when such buildings and land are declared by
11 the board to be unnecessary or unsuitable or inconvenient for
12 a school or the uses of the district during the term of the
13 lease and when, in the opinion of the board, the best interests
14 of the residents of the school district will be enhanced by
15 entering into such a lease. Such leases shall include
16 provisions for adequate insurance for both liability and
17 property damage or loss, and reasonable charges for
18 maintenance and depreciation of such buildings and land.

19 (d) Notwithstanding any other provision to the contrary, a
20 lease for vacant school property may exceed 25 years for
21 renewable energy resources, as defined in Section 1-10 of the
22 Illinois Power Agency Act.

23 (Source: P.A. 99-143, eff. 7-27-15.)

24 Section 90-45. The University of Illinois Act is amended
25 by adding Section 120 as follows:

1 (110 ILCS 305/120 new)

2 Sec. 120. Carbon capture, utilization, and storage report.

3 (a) Subject to appropriation, the Prairie Research
4 Institute at the University of Illinois at Urbana-Champaign,
5 in consultation with an intergovernmental advisory committee,
6 must file a report on the potential for carbon capture,
7 utilization, and storage as a climate mitigation technology
8 throughout Illinois with the Governor and the General Assembly
9 no later than December 31, 2022. The report shall provide an
10 assessment of Illinois subsurface storage resources, a
11 description of existing and selected subsurface storage
12 projects, and best practices for carbon storage. Additionally,
13 the report shall provide recommendations for policy and
14 regulatory needs at the State level based on its findings, and
15 shall, at a minimum, address all the following areas:

16 (1) carbon capture, utilization, and storage current
17 status and future storage resource potential in the State.
18 Enhanced Oil Recovery shall remain outside the scope of
19 this study;

20 (2) procedures, standards, and safeguards for the
21 storage of carbon dioxide;

22 (3) permitting processes and the coordination with
23 applicable federal law or regulatory commissions,
24 including the Class VI injection well permitting process;

25 (4) economic impact, job creation, and job retention

1 from carbon capture, utilization, and storage that both
2 protects the environment and supports short-term and
3 long-term economic growth;

4 (5) development of knowledge capacity of appropriate
5 State agencies and stakeholders;

6 (6) environmental justice and stakeholder issues
7 related to carbon capture, utilization, and storage
8 throughout the State;

9 (7) leveraging federal policies and public-private
10 partnerships for research, design, and development to
11 benefit the State;

12 (8) liability for the storage and monitoring
13 maintenance of the carbon dioxide after the completion of
14 a carbon capture, utilization, and storage project;

15 (9) acquisition, ownership, and amalgamation of pore
16 space for carbon capture, utilization, and storage;

17 (10) methodologies to establish any necessary fees,
18 costs, or offsets; and

19 (11) any risks to health, safety, the environment, and
20 property uses or values.

21 (b) In developing the report under this Section, the
22 Prairie Research Institute shall form an advisory committee,
23 which shall be composed of all the following members:

24 (1) the Director of the Environmental Protection
25 Agency, or his or her designee;

26 (2) the Director of Natural Resources, or his or her

1 designee;

2 (3) the Director of Commerce and Economic Opportunity,
3 or his or her designee;

4 (4) the Director of the Illinois Emergency Management
5 Agency, or his or her designee;

6 (5) the Director of Agriculture, or his or her
7 designee;

8 (6) the Attorney General, or his or her designee;

9 (7) one member of the Senate, appointed by the
10 President of the Senate;

11 (8) one member of the House of Representatives,
12 appointed by the Speaker of the House of Representatives;

13 (9) one member of the Senate, appointed by the
14 Minority Leader of the Senate; and

15 (10) one member of the House of Representatives,
16 appointed by the Minority Leader of the House of
17 Representatives.

18 (c) No later than 60 days after the effective date of this
19 amendatory Act of the 102nd General Assembly, the advisory
20 committee shall hold its first meeting at the call of the
21 Executive Director of the Prairie Research Institute, at which
22 meeting the members shall select a chairperson from among
23 themselves. After its first meeting, the committee shall meet
24 at the call of the chairperson. Members of the committee shall
25 serve without compensation. The Prairie Research Committee
26 shall provide administrative support to the committee.

1 (d) The Prairie Research Institute shall also engage with
2 interested stakeholders throughout the State to gain insights
3 into socio-economic perspectives from environmental justice
4 organizations, environmental non-governmental organizations,
5 industry, landowners, farm bureaus, manufacturing, labor
6 unions, and others.

7 (e) This Section is repealed on January 1, 2023.

8 Section 90-50. The Public Utilities Act is amended by
9 changing Sections 8-103B, 8-406, 9-241, 16-107.5, 16-107.6,
10 16-108, 16-111.5, and 16-127 and by adding Sections 4-604,
11 4-604.5, 8-201.8, 8-201.9, 8-201.10, 8-402.2, 8-512, 9-228,
12 9-229, 16-105.5, 16-105.6, 16-105.7, 16-105.10, 16-105.17,
13 16-108.18, 16-108.19, 16-108.20, 16-108.21, 16-108.25,
14 16-108.30, 16-111.10, 16-135, and 17-900 as follows:

15 (220 ILCS 5/4-604 new)

16 Sec. 4-604. Electric and natural gas public utilities
17 ethical conduct and transparency.

18 (a) It is the policy of this State that, as regulated,
19 monopoly entities providing essential services, public
20 utilities must adhere to the highest standards of ethical
21 conduct. It is in the public interest to ensure ethical public
22 utility conduct of the highest standards. It is therefore
23 necessary for the public interest, safety, and welfare of the
24 State and of public utility customers to develop rigorous

1 ethical standards and scrutinize and limit public utility
2 actions, expenditures, and contracting. It is also necessary
3 to provide increased transparency to ensure ethical public
4 utility conduct.

5 (b) The standards set forth in this Section and the
6 Illinois Administrative Code rules implementing this Section
7 shall apply, to the extent practicable, to electric and
8 natural gas public utilities and their holding or parent
9 companies, affiliates, and service companies.

10 (c) Public Utility Ethics and Compliance Monitor. To
11 ensure public utilities meet the highest level of ethical
12 standards, including, but not limited to, those standards
13 established in this Section, the Commission shall, within 60
14 days after the effective date of this amendatory Act of the
15 102nd General Assembly, establish an Ethics and Accountability
16 Division at the Commission and shall create a new position of
17 Public Utility Ethics and Compliance Monitor who reports to
18 the Executive Director of the Commission. The role of the
19 Public Utility Ethics and Compliance Monitor shall be to
20 oversee electric and natural gas public utilities' compliance
21 with the standards established in this Section, the Illinois
22 Administrative Code, and any other regulatory or statutory
23 obligation regarding standards of ethical conduct. The
24 responsibilities of the Public Utility Ethics and Compliance
25 Monitor shall include:

26 (1) Hiring additional staff for the Ethics and

1 Accountability Division, as deemed necessary to fulfill
2 the duties imposed under this Section.

3 (2) Overseeing each Chief Compliance and Ethics
4 Officer's monitoring, auditing, investigation,
5 enforcement, reporting, disciplinary activities, and any
6 other actions required of the Chief Compliance and Ethics
7 Officer. If the Public Utility Ethics and Compliance
8 Monitor finds a public utility has not complied with the
9 standards set forth in this Section, or with
10 administrative rules implementing this Section, the Public
11 Utility Ethics and Compliance Monitor shall detail such
12 deficiencies in a report to the Commission and shall
13 include a recommendation for Commission action.

14 (3) Documenting violations of the standards in this
15 Section or in related Sections of the Illinois
16 Administrative Code and, in coordination with the
17 utility's Chief Compliance and Ethics Officer, ensuring
18 each public utility administers appropriate internal
19 disciplinary actions and provides transparent reporting to
20 the Commission. If there are violations of the standards
21 in this Section or in related Sections of the Illinois
22 Administrative Code where the public utility does not take
23 disciplinary action or where that action is not aligned
24 with the recommendation of the Public Utility Ethics and
25 Compliance Monitor, the Public Utility Ethics and
26 Compliance Monitor shall, within 30 days, report the

1 violation, the recommended disciplinary action, and the
2 public utility's actual disciplinary action, to the
3 Executive Director of the Commission. Such reports shall
4 be included in the annual ethics report required by
5 paragraph (5) and must describe the violation and related
6 recommendations.

7 (4) Reviewing and keeping informed regarding internal
8 controls, code of ethical conduct, practices, procedures,
9 and conduct of each public utility. The Public Utilities
10 Ethics and Compliance Monitor may recommend any new
11 internal controls, policies, practices or procedures the
12 public utility should undertake in order to ensure
13 compliance with this Section and with relevant Sections of
14 the Illinois Administrative Code.

15 (5) Publishing an annual ethics audit for each
16 electric and natural gas public utility describing the
17 public utility's internal controls, policies, practices,
18 and procedures to comply with statutes, rules, court
19 orders, or other applicable authority. The report shall
20 include a record of any disciplinary actions taken related
21 to unethical conduct as well as any recommendations made
22 by the Public Utility Ethics and Compliance Monitor and
23 the public utility's response to each recommendation. This
24 report must be made public subject to redactions the
25 Commissions deems necessary.

26 (6) Monitoring, auditing, and requesting, including by

1 subpoena if necessary, all records necessary for the
2 Public Utility Ethics and Compliance Monitor to meet the
3 responsibilities imposed under this Section and related
4 rules, including, but not limited to, contracts with third
5 party entities, accounting records, communication with
6 public officials or their staff, lobbying activities,
7 expenses on lobbyists and consultants, legal expenses, and
8 internal compliance policies.

9 (d) (1) No later than 60 days after the effective date of
10 this amendatory Act of the 102nd General Assembly, each public
11 utility shall establish a position of Chief Ethics and
12 Compliance Officer if such position does not already exist
13 within the utility or at an affiliated company, provided that
14 if the position exists at an affiliated company such
15 individual may be designated to serve this role for the
16 utility. The Chief Ethics and Compliance Officer shall be
17 responsible for ensuring that the public utility complies with
18 the highest standards of ethical conduct, including, but not
19 limited to, complying with the standards imposed under this
20 Section, those adopted pursuant to a rulemaking authorized by
21 this Section, and other applicable requirements of Illinois
22 law and rules.

23 (2) Each public utility's Chief Ethics and Compliance
24 Officer shall:

25 (A) oversee creation and implementation of a code of
26 ethical conduct for the public utility, applicable to all

1 directors, officers, employees, and lobbyists of the
2 public utility, as well as to all contractors,
3 consultants, agents, vendors, and business partners of the
4 public utility in connection with their activities with or
5 on behalf of the public utility;

6 (B) oversee training for public utility directors,
7 officers, and employees, as well as contractors,
8 consultants, lobbyists and political consultants, on the
9 public utility's code of ethical conduct, practices, and
10 procedures to advise agents, vendors, and business
11 partners of the public utility of the applicability of the
12 code of ethical conduct to their activities with or on
13 behalf of the public utility;

14 (C) oversee the ongoing monitoring of all contractors,
15 consultants, and vendors who are contracted for the
16 purpose of carrying out lobbying activities to ensure
17 their continued compliance with applicable ethical
18 standards;

19 (D) at least annually, oversee a review of the public
20 utility's internal controls, code of ethical conduct,
21 practices, and procedures to assess their continued
22 effectiveness to ensure the highest standards of ethical
23 conduct among the public utility's directors, officers,
24 employees, contractors, consultants, lobbyists, vendors,
25 agents and business partners; and

26 (E) maintain records of all conduct determined to be

1 in violation of Illinois law, rules, and regulations, and
2 the utility's response to that conduct, and make such
3 records available for inspection by the Public Utility
4 Ethics and Compliance Monitor.

5 (e) In addition to those standards established under this
6 Section, those adopted pursuant to a rulemaking authorized by
7 this Section, and other applicable requirements of Illinois
8 law and rules, each public utility Chief Ethics and Compliance
9 Officer shall oversee and ensure the development and
10 implementation of internal controls, policies, and procedures
11 to achieve the objectives set forth in paragraphs (1) through
12 (3). Such implementation shall begin no later than 90 days
13 after the effective date of this amendatory Act of the 102nd
14 General Assembly.

15 (1) The hiring of contractors, consultants and vendors
16 for the purpose of carrying out lobbying pursuant to the
17 Lobbyist Registration Act shall be reviewed and approved
18 by the Chief Ethics and Compliance Officer.

19 (2) No agreement between a public utility and a
20 contractor, consultant, or vendor engaged for the purpose
21 of carrying out lobbying pursuant to the Lobbyist
22 Registration Act shall permit that contractor, consultant,
23 or vendor to subcontract any portion of that work.

24 (3) Public utilities shall require contractors,
25 consultants, and vendors who are contracted for the
26 purpose of carrying out lobbying pursuant to the Lobbyist

1 Registration Act to provide detailed invoices and reports
2 describing activities taken and amounts billed for such
3 activities, including all persons involved and anything of
4 value requested or solicited or provided to public
5 officials or their staff, including hiring requests. No
6 such contractor, consultant, or vendor shall be paid
7 without having first submitted a detailed invoice or
8 report.

9 For purposes of this Section, "anything of value"
10 includes, but is not limited to, money, gifts,
11 entertainment, hiring referrals and recommendations to the
12 public utility, campaign contributions, vendor referrals,
13 and contributions to charitable organizations solicited by
14 or on behalf of the public official.

15 (f) Each public utility shall be required to submit an
16 annual ethics and compliance report to the Commission no later
17 than May 1 of each year, beginning May 1, 2022. The utility's
18 Chief Ethics and Compliance Officer shall oversee the
19 preparation and submission of the report and shall certify it.
20 Each report shall describe in detail the public utility's
21 internal controls, codes of ethical conduct, practices, and
22 procedures. The reporting implemented during the reporting
23 period must comply with the standards set forth in this
24 Section, rules adopted by the Commission, and other applicable
25 requirements of Illinois law and rules. Each report shall also
26 identify any material changes implemented to such internal

1 controls, code of ethical conduct, practices, and procedures
2 during the reporting period, as well as any material changes
3 implemented, or anticipated to be implemented, in the calendar
4 year in which the report is filed. Each report shall, for the
5 applicable reporting period include at least the following
6 information:

7 (1) a summary and description of the public utility's
8 system of financial and accounting procedures, internal
9 controls, and practices, including an explanation of how
10 this system is reasonably designed to ensure the
11 maintenance of fair and accurate books, records, and
12 accounts and to provide reasonable assurances that
13 transactions are recorded as necessary to permit
14 preparation of financial statements in conformity with
15 generally accepted accounting principles and Commission
16 requirements and to maintain accountability for assets;

17 (2) a summary and description of the public utility's
18 process for conducting an assessment of ethics and
19 compliance risks and a representation that an assessment
20 was conducted in accordance with those risks and shared
21 with the public utility's senior management and board of
22 directors;

23 (3) a summary of the public utility's implementation
24 of mechanisms, including, but not limited to, training
25 programs designed to ensure that its internal controls,
26 code of ethical conduct, practices, and procedures are

1 effectively communicated to all directors, officers,
2 employees, contractors, consultants, lobbyists, vendors,
3 agents, and business partners;

4 (4) a summary of the public utility's efforts to
5 ensure that its directors and senior management provide
6 strong, explicit, and visible support and commitment to
7 its corporate policy against violations of federal and
8 State law;

9 (5) a summary of the public utility's implementation
10 of mechanisms designed to effectively enforce its internal
11 controls, code of ethical conduct, practices, and
12 procedures, including appropriately providing incentives
13 for compliance disciplining violators, and applying such
14 code, controls, policies, practices, and procedures
15 consistently and fairly regardless of the position held
16 by, or the importance of, the director, officer, or
17 employee; and

18 (6) a summary of the public utility's implementation
19 of procedures to ensure that, where misconduct is
20 discovered, reasonable steps are taken to remedy the harm
21 resulting from such misconduct, including disciplinary
22 action, logging the conduct and the utility's response as
23 required by item (E) of paragraph (2) of subsection (d)
24 and assessing and modifying as appropriate the internal
25 controls, code, policies, practices and procedures
26 necessary to ensure the compliance program is effective.

1 For purposes of this Section, "reporting period" means
2 the most recent 12-month calendar year period preceding
3 the applicable May 1 annual report filing date.

4 (g) Notwithstanding the provisions of this Section, the
5 Commission shall initiate a management audit pursuant to
6 Section 8-102 by the later of 18 months after the effective
7 date of this amendatory Act of the 102nd General Assembly or 18
8 months after a conviction or a plea or agreement of each public
9 utility that, on or after January 1, 2020, has been found
10 guilty or entered a guilty plea regarding any felony offense
11 or has entered into a Deferred Prosecution Agreement for a
12 felony offense. Such audit shall address, at a minimum, the
13 topics identified in paragraphs (1) through (6) of subsection
14 (f).

15 (h) Each public utility that files a report pursuant to
16 subsection (f) must submit the specified filing fee at the
17 time the Chief Clerk of the Commission accepts the filing. The
18 filing fees applicable to each annual report are as follows:
19 \$15,000 for public utilities that serve fewer than 100,000
20 customers in the State; \$75,000 for public utilities that
21 serve at least 100,000 customers but not more than 500,000
22 customers in the State; \$200,000 for public utilities that
23 serve at least 500,000 customers in the State but not more than
24 3,000,000; and \$500,000 for public utilities that serve at
25 least 3,000,000 customers in the State.

26 (i) If the Public Utility Ethics and Compliance Monitor

1 finds a public utility does not comply with any portion of this
2 Section, or with the rules adopted under this Section, the
3 Public Utility Ethics Inspector shall issue a Report to the
4 Commission detailing the public utility's deficiencies. The
5 Commission shall have authority to open an investigation and
6 shall order remediation and penalties, including fines, as
7 appropriate.

8 (j) Each year, each public utility in the State shall
9 remit amounts necessary for the Commission to pay the wages,
10 overhead, travel expenses, and other costs of the Public
11 Utility Ethics and Compliance Monitor. The public utility
12 shall remit payment to the Commission in an amount determined
13 by the Commission based on that public utility's proportional
14 share, by number of customers.

15 (k) A public utility's cost of compliance with this
16 Section is not a cost of service and shall not be recoverable
17 in rates.

18 (l) The costs of a public utility that is the subject of a
19 criminal investigation or the subject of an investigation
20 initiated by the Commission as the result of an ethics
21 violation are not costs of service and shall not be
22 recoverable in rates.

23 (m) The Commission shall have the authority to adopt rules
24 and emergency rules where applicable to implement this
25 Section.

1 (220 ILCS 5/4-604.5 new)

2 Sec. 4-604.5. Resolution for misconduct.

3 (a) It is the policy of this State that public utility
4 ethical and criminal misconduct shall not be tolerated. The
5 General Assembly finds it necessary to collect restitution, to
6 be distributed as described in subsection (e), from a public
7 utility that has been found guilty of violations of criminal
8 law or that has entered into a Deferred Prosecution Agreement
9 that details violations of criminal law that result in harm to
10 ratepayers.

11 (b) In light of such violations, the Illinois Commerce
12 Commission shall, within 150 days after the effective date of
13 this amendatory Act of the 102nd General Assembly, initiate an
14 investigation as to whether Commonwealth Edison collected,
15 spent, allocated, transferred, remitted, or caused in any
16 other way to be expended ratepayer funds in connection with
17 the conduct detailed in the Deferred Prosecution Agreement of
18 July 16, 2020 between the United States Attorney for the
19 Northern District of Illinois and Commonwealth Edison. The
20 investigation shall also determine whether any ratepayer funds
21 were used to pay the criminal penalty agreed to in the Deferred
22 Prosecution Agreement. The investigation shall determine
23 whether the public utility collected, spent, allocated,
24 transferred, remitted, or caused in any other way to be
25 expended ratepayer funds that were not lawfully recoverable
26 through rates, and which should accordingly be refunded to

1 ratepayers and calculate such benefits to initiate a refund to
2 ratepayers as a result of such conduct. The investigation
3 shall conclude no later than 330 days following initiation and
4 shall be conducted as a contested case, as defined in Section
5 1-30 of the Illinois Administrative Procedure Act.

6 (c) If regulated entities are found guilty of criminal
7 conduct, the Commission may initiate an investigation, impose
8 penalties, order restitution and such other remedies it deems
9 necessary, and initiate refunds to ratepayers as described in
10 subsection (b). Such investigation and proceeding may commence
11 within 150 days of a finding of guilt. Any funds collected
12 pursuant to this subsection shall be distributed as described
13 in subsection (e). The Commission may order any other remedies
14 it deems necessary.

15 (d) Pursuant to subsection (e), the investigation shall
16 calculate a schedule for remittance to State funds and to
17 ratepayers, over a period of no more than 4 years, to be paid
18 by the public utility from profits, returns, or shareholder
19 dollars. No costs related to the investigation or contested
20 proceeding authorized by this Section, restitution, or refunds
21 may be recoverable through rates.

22 (e) Funds collected pursuant to this Section, for the
23 purposes of restitution, shall be repaid by the public utility
24 in the following manner:

- 25 (1) 25% shall be contributed to expand the Percentage
26 of Income Payment Program;

1 (2) 25% shall be contributed to funding to assist
2 intervenors in Commission dockets; and

3 (3) the remaining percentage of funds collected shall
4 be provided as a per therm or per-kilowatt-hour credit to
5 the public utility's ratepayers.

6 (f) No public utility may use ratepayer funds to pay a
7 criminal penalty imposed by any local, State, or federal law
8 enforcement entity or court.

9 (g) Any penalties, restitution, refunds, or remedies
10 provided for in this Section are in addition to and not a
11 substitution for, other remedies that may be provided for by
12 law.

13 (220 ILCS 5/8-103B)

14 Sec. 8-103B. Energy efficiency and demand-response
15 measures.

16 (a) It is the policy of the State that electric utilities
17 are required to use cost-effective energy efficiency and
18 demand-response measures to reduce delivery load. Requiring
19 investment in cost-effective energy efficiency and
20 demand-response measures will reduce direct and indirect costs
21 to consumers by decreasing environmental impacts and by
22 avoiding or delaying the need for new generation,
23 transmission, and distribution infrastructure. It serves the
24 public interest to allow electric utilities to recover costs
25 for reasonably and prudently incurred expenditures for energy

1 efficiency and demand-response measures. As used in this
2 Section, "cost-effective" means that the measures satisfy the
3 total resource cost test. The low-income measures described in
4 subsection (c) of this Section shall not be required to meet
5 the total resource cost test. For purposes of this Section,
6 the terms "energy-efficiency", "demand-response", "electric
7 utility", and "total resource cost test" have the meanings set
8 forth in the Illinois Power Agency Act. "Black, indigenous,
9 and people of color" or "BIPOC" means people who are members of
10 the groups described in subparagraphs (a) through (e) of
11 paragraph (A) of subsection (1) of Section 2 of the Business
12 Enterprise for Minorities, Women, and Persons with
13 Disabilities Act.

14 (a-5) This Section applies to electric utilities serving
15 more than 500,000 retail customers in the State for those
16 multi-year plans commencing after December 31, 2017.

17 (b) For purposes of this Section, electric utilities
18 subject to this Section that serve more than 3,000,000 retail
19 customers in the State shall be deemed to have achieved a
20 cumulative persisting annual savings of 6.6% from energy
21 efficiency measures and programs implemented during the period
22 beginning January 1, 2012 and ending December 31, 2017, which
23 percent is based on the deemed average weather normalized
24 sales of electric power and energy during calendar years 2014,
25 2015, and 2016 of 88,000,000 MWhs. For the purposes of this
26 subsection (b) and subsection (b-5), the 88,000,000 MWhs of

1 deemed electric power and energy sales shall be reduced by the
2 number of MWhs equal to the sum of the annual consumption of
3 customers that have opted out of ~~are exempt from~~ subsections
4 (a) through (j) of this Section under paragraph (1) of
5 subsection (1) of this Section, as averaged across the
6 calendar years 2014, 2015, and 2016. After 2017, the deemed
7 value of cumulative persisting annual savings from energy
8 efficiency measures and programs implemented during the period
9 beginning January 1, 2012 and ending December 31, 2017, shall
10 be reduced each year, as follows, and the applicable value
11 shall be applied to and count toward the utility's achievement
12 of the cumulative persisting annual savings goals set forth in
13 subsection (b-5):

14 (1) 5.8% deemed cumulative persisting annual savings
15 for the year ending December 31, 2018;

16 (2) 5.2% deemed cumulative persisting annual savings
17 for the year ending December 31, 2019;

18 (3) 4.5% deemed cumulative persisting annual savings
19 for the year ending December 31, 2020;

20 (4) 4.0% deemed cumulative persisting annual savings
21 for the year ending December 31, 2021;

22 (5) 3.5% deemed cumulative persisting annual savings
23 for the year ending December 31, 2022;

24 (6) 3.1% deemed cumulative persisting annual savings
25 for the year ending December 31, 2023;

26 (7) 2.8% deemed cumulative persisting annual savings

1 for the year ending December 31, 2024;

2 (8) 2.5% deemed cumulative persisting annual savings
3 for the year ending December 31, 2025;

4 (9) 2.3% deemed cumulative persisting annual savings
5 for the year ending December 31, 2026;

6 (10) 2.1% deemed cumulative persisting annual savings
7 for the year ending December 31, 2027;

8 (11) 1.8% deemed cumulative persisting annual savings
9 for the year ending December 31, 2028;

10 (12) 1.7% deemed cumulative persisting annual savings
11 for the year ending December 31, 2029; ~~and~~

12 (13) 1.5% deemed cumulative persisting annual savings
13 for the year ending December 31, 2030;~~;~~

14 (14) 1.3% deemed cumulative persisting annual savings
15 for the year ending December 31, 2031;

16 (15) 1.1% deemed cumulative persisting annual savings
17 for the year ending December 31, 2032;

18 (16) 0.9% deemed cumulative persisting annual savings
19 for the year ending December 31, 2033;

20 (17) 0.7% deemed cumulative persisting annual savings
21 for the year ending December 31, 2034;

22 (18) 0.5% deemed cumulative persisting annual savings
23 for the year ending December 31, 2035;

24 (19) 0.4% deemed cumulative persisting annual savings
25 for the year ending December 31, 2036;

26 (20) 0.3% deemed cumulative persisting annual savings

1 for the year ending December 31, 2037;

2 (21) 0.2% deemed cumulative persisting annual savings
3 for the year ending December 31, 2038;

4 (22) 0.1% deemed cumulative persisting annual savings
5 for the year ending December 31, 2039; and

6 (23) 0.0% deemed cumulative persisting annual savings
7 for the year ending December 31, 2040 and all subsequent
8 years.

9 For purposes of this Section, "cumulative persisting
10 annual savings" means the total electric energy savings in a
11 given year from measures installed in that year or in previous
12 years, but no earlier than January 1, 2012, that are still
13 operational and providing savings in that year because the
14 measures have not yet reached the end of their useful lives.

15 (b-5) Beginning in 2018, electric utilities subject to
16 this Section that serve more than 3,000,000 retail customers
17 in the State shall achieve the following cumulative persisting
18 annual savings goals, as modified by subsection (f) of this
19 Section and as compared to the deemed baseline of 88,000,000
20 MWhs of electric power and energy sales set forth in
21 subsection (b), as reduced by the number of MWhs equal to the
22 sum of the annual consumption of customers that have opted out
23 of ~~are exempt from~~ subsections (a) through (j) of this Section
24 under paragraph (1) of subsection (l) of this Section as
25 averaged across the calendar years 2014, 2015, and 2016,
26 through the implementation of energy efficiency measures

1 during the applicable year and in prior years, but no earlier
2 than January 1, 2012:

3 (1) 7.8% cumulative persisting annual savings for the
4 year ending December 31, 2018;

5 (2) 9.1% cumulative persisting annual savings for the
6 year ending December 31, 2019;

7 (3) 10.4% cumulative persisting annual savings for the
8 year ending December 31, 2020;

9 (4) 11.8% cumulative persisting annual savings for the
10 year ending December 31, 2021;

11 (5) 13.1% cumulative persisting annual savings for the
12 year ending December 31, 2022;

13 (6) 14.4% cumulative persisting annual savings for the
14 year ending December 31, 2023;

15 (7) 15.7% cumulative persisting annual savings for the
16 year ending December 31, 2024;

17 (8) 17% cumulative persisting annual savings for the
18 year ending December 31, 2025;

19 (9) 17.9% cumulative persisting annual savings for the
20 year ending December 31, 2026;

21 (10) 18.8% cumulative persisting annual savings for
22 the year ending December 31, 2027;

23 (11) 19.7% cumulative persisting annual savings for
24 the year ending December 31, 2028;

25 (12) 20.6% cumulative persisting annual savings for
26 the year ending December 31, 2029; and

1 (13) 21.5% cumulative persisting annual savings for
2 the year ending December 31, 2030.

3 No later than December 31, 2021, the Illinois Commerce
4 Commission shall establish additional cumulative persisting
5 annual savings goals for the years 2031 through 2035. No later
6 than December 31, 2024, the Illinois Commerce Commission shall
7 establish additional cumulative persisting annual savings
8 goals for the years 2036 through 2040. The Commission shall
9 also establish additional cumulative persisting annual savings
10 goals every 5 years thereafter to ensure utilities always have
11 goals that extend at least 11 years into the future. The
12 cumulative persisting annual savings goals beyond the year
13 2030 shall increase by 0.9 percentage points per year, absent
14 a Commission decision to initiate a proceeding to consider
15 establishing goals that increase by more or less than that
16 amount. Such a proceeding must be conducted in accordance with
17 the procedures described in subsection (f). If such a
18 proceeding is initiated, the cumulative persisting annual
19 savings goals established by the Commission through that
20 proceeding shall reflect the Commission's best estimate of the
21 maximum amount of additional savings that are forecast to be
22 cost-effectively achievable unless such best estimates would
23 result in goals that represent less than 0.5 percentage point
24 annual increases in total cumulative persisting annual
25 savings. The Commission may only establish goals that
26 represent less than 0.5 percentage point annual increases in

1 cumulative persisting annual savings if it can demonstrate,
2 based on clear and convincing evidence and through independent
3 analysis, that 0.5 percentage point increases are not
4 cost-effectively achievable. The Commission shall inform its
5 decision based on an energy efficiency potential study that
6 conforms to the requirements of this Section.

7 (b-10) For purposes of this Section, electric utilities
8 subject to this Section that serve less than 3,000,000 retail
9 customers but more than 500,000 retail customers in the State
10 shall be deemed to have achieved a cumulative persisting
11 annual savings of 6.6% from energy efficiency measures and
12 programs implemented during the period beginning January 1,
13 2012 and ending December 31, 2017, which is based on the deemed
14 average weather normalized sales of electric power and energy
15 during calendar years 2014, 2015, and 2016 of 36,900,000 MWhs.
16 For the purposes of this subsection (b-10) and subsection
17 (b-15), the 36,900,000 MWhs of deemed electric power and
18 energy sales shall be reduced by the number of MWhs equal to
19 the sum of the annual consumption of customers that have opted
20 out of ~~are exempt from~~ subsections (a) through (j) of this
21 Section under paragraph (1) of subsection (1) of this Section,
22 as averaged across the calendar years 2014, 2015, and 2016.
23 After 2017, the deemed value of cumulative persisting annual
24 savings from energy efficiency measures and programs
25 implemented during the period beginning January 1, 2012 and
26 ending December 31, 2017, shall be reduced each year, as

1 follows, and the applicable value shall be applied to and
2 count toward the utility's achievement of the cumulative
3 persisting annual savings goals set forth in subsection
4 (b-15):

5 (1) 5.8% deemed cumulative persisting annual savings
6 for the year ending December 31, 2018;

7 (2) 5.2% deemed cumulative persisting annual savings
8 for the year ending December 31, 2019;

9 (3) 4.5% deemed cumulative persisting annual savings
10 for the year ending December 31, 2020;

11 (4) 4.0% deemed cumulative persisting annual savings
12 for the year ending December 31, 2021;

13 (5) 3.5% deemed cumulative persisting annual savings
14 for the year ending December 31, 2022;

15 (6) 3.1% deemed cumulative persisting annual savings
16 for the year ending December 31, 2023;

17 (7) 2.8% deemed cumulative persisting annual savings
18 for the year ending December 31, 2024;

19 (8) 2.5% deemed cumulative persisting annual savings
20 for the year ending December 31, 2025;

21 (9) 2.3% deemed cumulative persisting annual savings
22 for the year ending December 31, 2026;

23 (10) 2.1% deemed cumulative persisting annual savings
24 for the year ending December 31, 2027;

25 (11) 1.8% deemed cumulative persisting annual savings
26 for the year ending December 31, 2028;

1 (12) 1.7% deemed cumulative persisting annual savings
2 for the year ending December 31, 2029; ~~and~~

3 (13) 1.5% deemed cumulative persisting annual savings
4 for the year ending December 31, 2030;~~;~~

5 (14) 1.3% deemed cumulative persisting annual savings
6 for the year ending December 31, 2031;

7 (15) 1.1% deemed cumulative persisting annual savings
8 for the year ending December 31, 2032;

9 (16) 0.9% deemed cumulative persisting annual savings
10 for the year ending December 31, 2033;

11 (17) 0.7% deemed cumulative persisting annual savings
12 for the year ending December 31, 2034;

13 (18) 0.5% deemed cumulative persisting annual savings
14 for the year ending December 31, 2035;

15 (19) 0.4% deemed cumulative persisting annual savings
16 for the year ending December 31, 2036;

17 (20) 0.3% deemed cumulative persisting annual savings
18 for the year ending December 31, 2037;

19 (21) 0.2% deemed cumulative persisting annual savings
20 for the year ending December 31, 2038;

21 (22) 0.1% deemed cumulative persisting annual savings
22 for the year ending December 31, 2039; and

23 (23) 0.0% deemed cumulative persisting annual savings
24 for the year ending December 31, 2040 and all subsequent
25 years.

26 (b-15) Beginning in 2018, electric utilities subject to

1 this Section that serve less than 3,000,000 retail customers
2 but more than 500,000 retail customers in the State shall
3 achieve the following cumulative persisting annual savings
4 goals, as modified by subsection (b-20) and subsection (f) of
5 this Section and as compared to the deemed baseline as reduced
6 by the number of MWhs equal to the sum of the annual
7 consumption of customers that have opted out of ~~are exempt~~
8 ~~from~~ subsections (a) through (j) of this Section under
9 paragraph (1) of subsection (l) of this Section as averaged
10 across the calendar years 2014, 2015, and 2016, through the
11 implementation of energy efficiency measures during the
12 applicable year and in prior years, but no earlier than
13 January 1, 2012:

14 (1) 7.4% cumulative persisting annual savings for the
15 year ending December 31, 2018;

16 (2) 8.2% cumulative persisting annual savings for the
17 year ending December 31, 2019;

18 (3) 9.0% cumulative persisting annual savings for the
19 year ending December 31, 2020;

20 (4) 9.8% cumulative persisting annual savings for the
21 year ending December 31, 2021;

22 (5) 10.6% cumulative persisting annual savings for the
23 year ending December 31, 2022;

24 (6) 11.4% cumulative persisting annual savings for the
25 year ending December 31, 2023;

26 (7) 12.2% cumulative persisting annual savings for the

1 year ending December 31, 2024;

2 (8) 13% cumulative persisting annual savings for the
3 year ending December 31, 2025;

4 (9) 13.6% cumulative persisting annual savings for the
5 year ending December 31, 2026;

6 (10) 14.2% cumulative persisting annual savings for
7 the year ending December 31, 2027;

8 (11) 14.8% cumulative persisting annual savings for
9 the year ending December 31, 2028;

10 (12) 15.4% cumulative persisting annual savings for
11 the year ending December 31, 2029; and

12 (13) 16% cumulative persisting annual savings for the
13 year ending December 31, 2030.

14 No later than December 31, 2021, the Illinois Commerce
15 Commission shall establish additional cumulative persisting
16 annual savings goals for the years 2031 through 2035. No later
17 than December 31, 2024, the Illinois Commerce Commission shall
18 establish additional cumulative persisting annual savings
19 goals for the years 2036 through 2040. The Commission shall
20 also establish additional cumulative persisting annual savings
21 goals every 5 years thereafter to ensure utilities always have
22 goals that extend at least 11 years into the future. The
23 cumulative persisting annual savings goals beyond the year
24 2030 shall increase by 0.6 percentage points per year, absent
25 a Commission decision to initiate a proceeding to consider
26 establishing goals that increase by more or less than that

1 amount. Such a proceeding must be conducted in accordance with
2 the procedures described in subsection (f). If such a
3 proceeding is initiated, the cumulative persisting annual
4 savings goals established by the Commission through that
5 proceeding shall reflect the Commission's best estimate of the
6 maximum amount of additional savings that are forecast to be
7 cost-effectively achievable unless such best estimates would
8 result in goals that represent less than 0.4 percentage point
9 annual increases in total cumulative persisting annual
10 savings. The Commission may only establish goals that
11 represent less than 0.4 percentage point annual increases in
12 cumulative persisting annual savings if it can demonstrate,
13 based on clear and convincing evidence and through independent
14 analysis, that 0.4 percentage point increases are not
15 cost-effectively achievable. The Commission shall inform its
16 decision based on an energy efficiency potential study that
17 conforms to the requirements of this Section.

18 ~~The difference between the cumulative persisting annual~~
19 ~~savings goal for the applicable calendar year and the~~
20 ~~cumulative persisting annual savings goal for the immediately~~
21 ~~preceding calendar year is 0.8% for the period of January 1,~~
22 ~~2018 through December 31, 2025 and 0.6% for the period of~~
23 ~~January 1, 2026 through December 31, 2030.~~

24 (b-20) Each electric utility subject to this Section may
25 include cost-effective voltage optimization measures in its
26 plans submitted under subsections (f) and (g) of this Section,

1 and the costs incurred by a utility to implement the measures
2 under a Commission-approved plan shall be recovered under the
3 provisions of Article IX or Section 16-108.5 of this Act. For
4 purposes of this Section, the measure life of voltage
5 optimization measures shall be 15 years. The measure life
6 period is independent of the depreciation rate of the voltage
7 optimization assets deployed. Utilities may claim savings from
8 voltage optimization on circuits for more than 15 years if
9 they can demonstrate that they have made additional
10 investments necessary to enable voltage optimization savings
11 to continue beyond 15 years. Such demonstrations must be
12 subject to the review of independent evaluation.

13 Within 270 days after June 1, 2017 (the effective date of
14 Public Act 99-906), an electric utility that serves less than
15 3,000,000 retail customers but more than 500,000 retail
16 customers in the State shall file a plan with the Commission
17 that identifies the cost-effective voltage optimization
18 investment the electric utility plans to undertake through
19 December 31, 2024. The Commission, after notice and hearing,
20 shall approve or approve with modification the plan within 120
21 days after the plan's filing and, in the order approving or
22 approving with modification the plan, the Commission shall
23 adjust the applicable cumulative persisting annual savings
24 goals set forth in subsection (b-15) to reflect any amount of
25 cost-effective energy savings approved by the Commission that
26 is greater than or less than the following cumulative

1 persisting annual savings values attributable to voltage
2 optimization for the applicable year:

3 (1) 0.0% of cumulative persisting annual savings for
4 the year ending December 31, 2018;

5 (2) 0.17% of cumulative persisting annual savings for
6 the year ending December 31, 2019;

7 (3) 0.17% of cumulative persisting annual savings for
8 the year ending December 31, 2020;

9 (4) 0.33% of cumulative persisting annual savings for
10 the year ending December 31, 2021;

11 (5) 0.5% of cumulative persisting annual savings for
12 the year ending December 31, 2022;

13 (6) 0.67% of cumulative persisting annual savings for
14 the year ending December 31, 2023;

15 (7) 0.83% of cumulative persisting annual savings for
16 the year ending December 31, 2024; and

17 (8) 1.0% of cumulative persisting annual savings for
18 the year ending December 31, 2025 and all subsequent
19 years.

20 (b-25) In the event an electric utility jointly offers an
21 energy efficiency measure or program with a gas utility under
22 plans approved under this Section and Section 8-104 of this
23 Act, the electric utility may continue offering the program,
24 including the gas energy efficiency measures, in the event the
25 gas utility discontinues funding the program. In that event,
26 the energy savings value associated with such other fuels

1 shall be converted to electric energy savings on an equivalent
2 Btu basis for the premises. However, the electric utility
3 shall prioritize programs for low-income residential customers
4 to the extent practicable. An electric utility may recover the
5 costs of offering the gas energy efficiency measures under
6 this subsection (b-25).

7 For those energy efficiency measures or programs that save
8 both electricity and other fuels but are not jointly offered
9 with a gas utility under plans approved under this Section and
10 Section 8-104 or not offered with an affiliated gas utility
11 under paragraph (6) of subsection (f) of Section 8-104 of this
12 Act, the electric utility may count savings of fuels other
13 than electricity toward the achievement of its annual savings
14 goal, and the energy savings value associated with such other
15 fuels shall be converted to electric energy savings on an
16 equivalent Btu basis at the premises.

17 In no event shall more than 10% of each year's applicable
18 annual total savings requirement ~~incremental goal~~ as defined
19 in paragraph (7.5) ~~(7)~~ of subsection (g) of this Section be met
20 through savings of fuels other than electricity.

21 (b-27) Beginning in 2022, an electric utility may offer
22 and promote measures that electrify space heating, water
23 heating, cooling, drying, cooking, industrial processes, and
24 other building and industrial end uses that would otherwise be
25 served by combustion of fossil fuel at the premises, provided
26 that the electrification measures reduce total energy

1 consumption at the premises. The electric utility may count
2 the reduction in energy consumption at the premises toward
3 achievement of its annual savings goals. The reduction in
4 energy consumption at the premises shall be calculated as the
5 difference between:

6 (1) the reduction in Btu consumption of fossil fuels
7 as a result of electrification, converted to kilowatt-hour
8 equivalents by dividing by 3,412 Btu's per kilowatt hour;
9 and

10 (2) the increase in kilowatt hours of electricity
11 consumption resulting from the displacement of fossil fuel
12 consumption as a result of electrification. An electric
13 utility may recover the costs of offering and promoting
14 electrification measures under this subsection.

15 In no event shall electrification savings counted toward
16 each year's applicable annual total savings requirement, as
17 defined in paragraph (7.5) of subsection (g), be greater than:

18 (1) 5% per year for each year from 2022 through 2025;

19 (2) 10% per year for each year from 2026 through 2029;

20 and

21 (3) 15% per year for 2030 and all subsequent years.

22 In addition, a minimum of 25% of all electrification savings
23 counted toward a utility's applicable annual total savings
24 requirement must be from electrification of end uses in
25 low-income housing. The limitations on electrification savings
26 that may be counted toward a utility's annual savings goals

1 are separate from and in addition to the subsection (b-25)
2 limitations governing the counting of the other fuel savings
3 resulting from efficiency measures and programs.

4 As part of the annual informational filing to the
5 Commission that is required under paragraph (9) of subsection
6 (g), each utility shall identify the specific electrification
7 measures offered under this subsection (b-27); the quantity of
8 each electrification measure that was installed by its
9 customers; the average total cost, average utility cost,
10 average reduction in fossil fuel consumption, and average
11 increase in electricity consumption associated with each
12 electrification measure; the portion of installations of each
13 electrification measure that were in low-income single-family
14 housing, low-income multifamily housing, non-low-income
15 single-family housing, non-low-income multifamily housing,
16 commercial buildings, and industrial facilities; and the
17 quantity of savings associated with each measure category in
18 each customer category that are being counted toward the
19 utility's applicable annual total savings requirement. Prior
20 to installing an electrification measure, the utility shall
21 provide a customer with an estimate of the impact of the new
22 measure on the customer's average monthly electric bill and
23 total annual energy expenses.

24 (c) Electric utilities shall be responsible for overseeing
25 the design, development, and filing of energy efficiency plans
26 with the Commission and may, as part of that implementation,

1 outsource various aspects of program development and
2 implementation. A minimum of 10%, for electric utilities that
3 serve more than 3,000,000 retail customers in the State, and a
4 minimum of 7%, for electric utilities that serve less than
5 3,000,000 retail customers but more than 500,000 retail
6 customers in the State, of the utility's entire portfolio
7 funding level for a given year shall be used to procure
8 cost-effective energy efficiency measures from units of local
9 government, municipal corporations, school districts, public
10 housing, and community college districts, provided that a
11 minimum percentage of available funds shall be used to procure
12 energy efficiency from public housing, which percentage shall
13 be equal to public housing's share of public building energy
14 consumption.

15 The utilities shall also implement energy efficiency
16 measures targeted at low-income households, which, for
17 purposes of this Section, shall be defined as households at or
18 below 80% of area median income, and expenditures to implement
19 the measures shall be no less than \$40,000,000 ~~\$25,000,000~~ per
20 year for electric utilities that serve more than 3,000,000
21 retail customers in the State and no less than \$13,000,000
22 ~~\$8,350,000~~ per year for electric utilities that serve less
23 than 3,000,000 retail customers but more than 500,000 retail
24 customers in the State. The ratio of spending on efficiency
25 programs targeted at low-income multifamily buildings to
26 spending on efficiency programs targeted at low-income

1 single-family buildings shall be designed to achieve levels of
2 savings from each building type that are approximately
3 proportional to the magnitude of cost-effective lifetime
4 savings potential in each building type. Investment in
5 low-income whole-building weatherization programs shall
6 constitute a minimum of 80% of a utility's total budget
7 specifically dedicated to serving low-income customers.

8 The utilities shall work to bundle low-income energy
9 efficiency offerings with other programs that serve low-income
10 households to maximize the benefits going to these households.
11 The utilities shall market and implement low-income energy
12 efficiency programs in coordination with low-income assistance
13 programs, Illinois Solar for All, and weatherization whenever
14 practicable. The program implementer shall walk the customer
15 through the enrollment process for any programs for which the
16 customer is eligible. The utilities shall also pilot targeting
17 customers with high arrearages, high energy intensity (ratio
18 of energy usage divided by home or unit square footage), or
19 energy assistance programs with energy efficiency offerings,
20 and then track reduction in arrearages as a result of the
21 targeting. This targeting and bundling of low-income energy
22 programs shall be offered to both low-income single-family and
23 multifamily customers (owners and residents).

24 The utilities shall invest in all health and safety
25 measures appropriate and necessary for comprehensively
26 weatherizing a home or multifamily building, and shall

1 implement a health and safety fund of at least 15% of the total
2 income-qualified weatherization budget, for electric utilities
3 that serve more than 3,000,000 retail customers in the State,
4 and a minimum of 15% of the total portfolio budget, for
5 electric utilities that serve less than 3,000,000 retail
6 customers but more than 500,000 retail customers in the State,
7 of the utility's entire portfolio funding level for a given
8 year, that shall be used for the purpose of making grants for
9 technical assistance, construction, reconstruction,
10 improvement, or repair of buildings to facilitate their
11 participation in the energy efficiency programs targeted at
12 low-income single-family and multifamily households. These
13 funds may also be used for the purpose of making grants for
14 technical assistance, construction, reconstruction,
15 improvement, or repair of the following buildings to
16 facilitate their participation in the energy efficiency
17 programs created by this Section: (1) buildings that are owned
18 or operated by registered 501(c)(3) public charities; and (2)
19 day care centers, day care homes, or group day care homes, as
20 defined under 89 Ill. Adm. Code Part 406, 407, or 408,
21 respectively. Utilities shall also ensure that thermal
22 insulating materials used for energy efficiency programs
23 targeted at low-income single-family and multifamily
24 households do not contain any substance that is a Category 1
25 respiratory sensitizer as defined by Appendix A to 29 CFR
26 1910.1200 (Health Hazard Criteria: A.4 Respiratory or Skin

1 Sensitization) that was intentionally added or is present at
2 greater than 0.1% (1000 ppm) by weight in the product.

3 Each electric utility shall assess opportunities to
4 implement cost-effective energy efficiency measures and
5 programs through a public housing authority or authorities
6 located in its service territory. If such opportunities are
7 identified, the utility shall propose such measures and
8 programs to address the opportunities. Expenditures to address
9 such opportunities shall be credited toward the minimum
10 procurement and expenditure requirements set forth in this
11 subsection (c).

12 Implementation of energy efficiency measures and programs
13 targeted at low-income households should be contracted, when
14 it is practicable, to independent third parties that have
15 demonstrated capabilities to serve such households, with a
16 preference for not-for-profit entities and government agencies
17 that have existing relationships with or experience serving
18 low-income communities in the State.

19 Each electric utility shall develop and implement
20 reporting procedures that address and assist in determining
21 the amount of energy savings that can be applied to the
22 low-income procurement and expenditure requirements set forth
23 in this subsection (c). Each electric utility shall also track
24 the types and quantities or volumes of insulation and air
25 sealing materials, and their associated energy saving
26 benefits, installed in energy efficiency programs targeted at

1 low-income single-family and multifamily households.

2 The electric utilities shall participate in ~~also convene~~ a
3 low-income energy efficiency accountability advisory committee
4 ("the committee"), which will directly inform ~~to assist in~~ the
5 design, implementation, and evaluation of the low-income and
6 public-housing energy efficiency programs. The committee shall
7 be comprised of the electric utilities subject to the
8 requirements of this Section, the gas utilities subject to the
9 requirements of Section 8-104 of this Act, the utilities'
10 low-income energy efficiency implementation contractors,
11 nonprofit organizations, community action agencies, advocacy
12 groups, State and local governmental agencies, public-housing
13 organizations, and representatives of community-based
14 organizations, especially those living in or working with
15 environmental justice communities and BIPOC communities. The
16 committee shall be composed of 2 geographically differentiated
17 subcommittees: one for stakeholders in northern Illinois and
18 one for stakeholders in central and southern Illinois. The
19 subcommittees shall meet together at least twice per year.

20 There shall be one statewide leadership committee led by
21 and composed of community-based organizations that are
22 representative of BIPOC and environmental justice communities
23 and that includes equitable representation from BIPOC
24 communities. The leadership committee shall be composed of an
25 equal number of representatives from the 2 subcommittees. The
26 subcommittees shall address specific programs and issues, with

1 the leadership committee convening targeted workgroups as
2 needed. The leadership committee may elect to work with an
3 independent facilitator to solicit and organize feedback,
4 recommendations and meeting participation from a wide variety
5 of community-based stakeholders. If a facilitator is used,
6 they shall be fair and responsive to the needs of all
7 stakeholders involved in the committee.

8 All committee meetings must be accessible, with rotating
9 locations if meetings are held in-person, virtual
10 participation options, and materials and agendas circulated in
11 advance.

12 There shall also be opportunities for direct input by
13 committee members outside of committee meetings, such as via
14 individual meetings, surveys, emails and calls, to ensure
15 robust participation by stakeholders with limited capacity and
16 ability to attend committee meetings. Committee meetings shall
17 emphasize opportunities to bundle and coordinate delivery of
18 low-income energy efficiency with other programs that serve
19 low-income communities, such as Solar for All and bill payment
20 assistance programs. Meetings shall include educational
21 opportunities for stakeholders to learn more about these
22 additional offerings, and the committee shall assist in
23 figuring out the best methods for coordinated delivery and
24 implementation of offerings when serving low-income
25 communities. The committee shall directly and equitably
26 influence and inform utility low-income and public-housing

1 energy efficiency programs and priorities. Participating
2 utilities shall implement recommendations from the committee
3 whenever possible.

4 Participating utilities shall track and report how input
5 from the committee has led to new approaches and changes in
6 their energy efficiency portfolios. This reporting shall occur
7 at committee meetings and in quarterly energy efficiency
8 reports to the Stakeholder Advisory Group and Illinois
9 Commerce Commission, and other relevant reporting mechanisms.
10 Participating utilities shall also report on relevant equity
11 data and metrics requested by the committee, such as energy
12 burden data, geographic, racial, and other relevant
13 demographic data on where programs are being delivered and
14 what populations programs are serving.

15 The Illinois Commerce Commission shall oversee and have
16 relevant staff participate in the committee. The committee
17 shall have a budget of 0.25% of each utility's entire
18 efficiency portfolio funding for a given year. The budget
19 shall be overseen by the Commission. The budget shall be used
20 to provide grants for community-based organizations serving on
21 the leadership committee, stipends for community-based
22 organizations participating in the committee, grants for
23 community-based organizations to do energy efficiency outreach
24 and education, and relevant meeting needs as determined by the
25 leadership committee. The education and outreach shall
26 include, but is not limited to, basic energy efficiency

1 education, information about low-income energy efficiency
2 programs, and information on the committee's purpose,
3 structure, and activities.

4 (d) Notwithstanding any other provision of law to the
5 contrary, a utility providing approved energy efficiency
6 measures and, if applicable, demand-response measures in the
7 State shall be permitted to recover all reasonable and
8 prudently incurred costs of those measures from all retail
9 customers, except as provided in subsection (l) of this
10 Section, as follows, provided that nothing in this subsection

11 (d) permits the double recovery of such costs from customers:

12 (1) The utility may recover its costs through an
13 automatic adjustment clause tariff filed with and approved
14 by the Commission. The tariff shall be established outside
15 the context of a general rate case. Each year the
16 Commission shall initiate a review to reconcile any
17 amounts collected with the actual costs and to determine
18 the required adjustment to the annual tariff factor to
19 match annual expenditures. To enable the financing of the
20 incremental capital expenditures, including regulatory
21 assets, for electric utilities that serve less than
22 3,000,000 retail customers but more than 500,000 retail
23 customers in the State, the utility's actual year-end
24 capital structure that includes a common equity ratio,
25 excluding goodwill, of up to and including 50% of the
26 total capital structure shall be deemed reasonable and

1 used to set rates.

2 (2) A utility may recover its costs through an energy
3 efficiency formula rate approved by the Commission under a
4 filing under subsections (f) and (g) of this Section,
5 which shall specify the cost components that form the
6 basis of the rate charged to customers with sufficient
7 specificity to operate in a standardized manner and be
8 updated annually with transparent information that
9 reflects the utility's actual costs to be recovered during
10 the applicable rate year, which is the period beginning
11 with the first billing day of January and extending
12 through the last billing day of the following December.
13 The energy efficiency formula rate shall be implemented
14 through a tariff filed with the Commission under
15 subsections (f) and (g) of this Section that is consistent
16 with the provisions of this paragraph (2) and that shall
17 be applicable to all delivery services customers. The
18 Commission shall conduct an investigation of the tariff in
19 a manner consistent with the provisions of this paragraph
20 (2), subsections (f) and (g) of this Section, and the
21 provisions of Article IX of this Act to the extent they do
22 not conflict with this paragraph (2). The energy
23 efficiency formula rate approved by the Commission shall
24 remain in effect at the discretion of the utility and
25 shall do the following:

26 (A) Provide for the recovery of the utility's

1 actual costs incurred under this Section that are
2 prudently incurred and reasonable in amount consistent
3 with Commission practice and law. The sole fact that a
4 cost differs from that incurred in a prior calendar
5 year or that an investment is different from that made
6 in a prior calendar year shall not imply the
7 imprudence or unreasonableness of that cost or
8 investment.

9 (B) Reflect the utility's actual year-end capital
10 structure for the applicable calendar year, excluding
11 goodwill, subject to a determination of prudence and
12 reasonableness consistent with Commission practice and
13 law. To enable the financing of the incremental
14 capital expenditures, including regulatory assets, for
15 electric utilities that serve less than 3,000,000
16 retail customers but more than 500,000 retail
17 customers in the State, a participating electric
18 utility's actual year-end capital structure that
19 includes a common equity ratio, excluding goodwill, of
20 up to and including 50% of the total capital structure
21 shall be deemed reasonable and used to set rates.

22 (C) Include a cost of equity, which shall be
23 calculated as the sum of the following:

24 (i) the average for the applicable calendar
25 year of the monthly average yields of 30-year U.S.
26 Treasury bonds published by the Board of Governors

1 of the Federal Reserve System in its weekly H.15
2 Statistical Release or successor publication; and
3 (ii) 580 basis points.

4 At such time as the Board of Governors of the
5 Federal Reserve System ceases to include the monthly
6 average yields of 30-year U.S. Treasury bonds in its
7 weekly H.15 Statistical Release or successor
8 publication, the monthly average yields of the U.S.
9 Treasury bonds then having the longest duration
10 published by the Board of Governors in its weekly H.15
11 Statistical Release or successor publication shall
12 instead be used for purposes of this paragraph (2).

13 (D) Permit and set forth protocols, subject to a
14 determination of prudence and reasonableness
15 consistent with Commission practice and law, for the
16 following:

17 (i) recovery of incentive compensation expense
18 that is based on the achievement of operational
19 metrics, including metrics related to budget
20 controls, outage duration and frequency, safety,
21 customer service, efficiency and productivity, and
22 environmental compliance; however, this protocol
23 shall not apply if such expense related to costs
24 incurred under this Section is recovered under
25 Article IX or Section 16-108.5 of this Act;
26 incentive compensation expense that is based on

1 net income or an affiliate's earnings per share
2 shall not be recoverable under the energy
3 efficiency formula rate;

4 (ii) recovery of pension and other
5 post-employment benefits expense, provided that
6 such costs are supported by an actuarial study;
7 however, this protocol shall not apply if such
8 expense related to costs incurred under this
9 Section is recovered under Article IX or Section
10 16-108.5 of this Act;

11 (iii) recovery of existing regulatory assets
12 over the periods previously authorized by the
13 Commission;

14 (iv) as described in subsection (e),
15 amortization of costs incurred under this Section;
16 and

17 (v) projected, weather normalized billing
18 determinants for the applicable rate year.

19 (E) Provide for an annual reconciliation, as
20 described in paragraph (3) of this subsection (d),
21 less any deferred taxes related to the reconciliation,
22 with interest at an annual rate of return equal to the
23 utility's weighted average cost of capital, including
24 a revenue conversion factor calculated to recover or
25 refund all additional income taxes that may be payable
26 or receivable as a result of that return, of the energy

1 efficiency revenue requirement reflected in rates for
2 each calendar year, beginning with the calendar year
3 in which the utility files its energy efficiency
4 formula rate tariff under this paragraph (2), with
5 what the revenue requirement would have been had the
6 actual cost information for the applicable calendar
7 year been available at the filing date.

8 The utility shall file, together with its tariff, the
9 projected costs to be incurred by the utility during the
10 rate year under the utility's multi-year plan approved
11 under subsections (f) and (g) of this Section, including,
12 but not limited to, the projected capital investment costs
13 and projected regulatory asset balances with
14 correspondingly updated depreciation and amortization
15 reserves and expense, that shall populate the energy
16 efficiency formula rate and set the initial rates under
17 the formula.

18 The Commission shall review the proposed tariff in
19 conjunction with its review of a proposed multi-year plan,
20 as specified in paragraph (5) of subsection (g) of this
21 Section. The review shall be based on the same evidentiary
22 standards, including, but not limited to, those concerning
23 the prudence and reasonableness of the costs incurred by
24 the utility, the Commission applies in a hearing to review
25 a filing for a general increase in rates under Article IX
26 of this Act. The initial rates shall take effect beginning

1 with the January monthly billing period following the
2 Commission's approval.

3 The tariff's rate design and cost allocation across
4 customer classes shall be consistent with the utility's
5 automatic adjustment clause tariff in effect on June 1,
6 2017 (the effective date of Public Act 99-906); however,
7 the Commission may revise the tariff's rate design and
8 cost allocation in subsequent proceedings under paragraph
9 (3) of this subsection (d).

10 If the energy efficiency formula rate is terminated,
11 the then current rates shall remain in effect until such
12 time as the energy efficiency costs are incorporated into
13 new rates that are set under this subsection (d) or
14 Article IX of this Act, subject to retroactive rate
15 adjustment, with interest, to reconcile rates charged with
16 actual costs.

17 (3) The provisions of this paragraph (3) shall only
18 apply to an electric utility that has elected to file an
19 energy efficiency formula rate under paragraph (2) of this
20 subsection (d). Subsequent to the Commission's issuance of
21 an order approving the utility's energy efficiency formula
22 rate structure and protocols, and initial rates under
23 paragraph (2) of this subsection (d), the utility shall
24 file, on or before June 1 of each year, with the Chief
25 Clerk of the Commission its updated cost inputs to the
26 energy efficiency formula rate for the applicable rate

1 year and the corresponding new charges, as well as the
2 information described in paragraph (9) of subsection (g)
3 of this Section. Each such filing shall conform to the
4 following requirements and include the following
5 information:

6 (A) The inputs to the energy efficiency formula
7 rate for the applicable rate year shall be based on the
8 projected costs to be incurred by the utility during
9 the rate year under the utility's multi-year plan
10 approved under subsections (f) and (g) of this
11 Section, including, but not limited to, projected
12 capital investment costs and projected regulatory
13 asset balances with correspondingly updated
14 depreciation and amortization reserves and expense.
15 The filing shall also include a reconciliation of the
16 energy efficiency revenue requirement that was in
17 effect for the prior rate year (as set by the cost
18 inputs for the prior rate year) with the actual
19 revenue requirement for the prior rate year
20 (determined using a year-end rate base) that uses
21 amounts reflected in the applicable FERC Form 1 that
22 reports the actual costs for the prior rate year. Any
23 over-collection or under-collection indicated by such
24 reconciliation shall be reflected as a credit against,
25 or recovered as an additional charge to, respectively,
26 with interest calculated at a rate equal to the

1 utility's weighted average cost of capital approved by
2 the Commission for the prior rate year, the charges
3 for the applicable rate year. Such over-collection or
4 under-collection shall be adjusted to remove any
5 deferred taxes related to the reconciliation, for
6 purposes of calculating interest at an annual rate of
7 return equal to the utility's weighted average cost of
8 capital approved by the Commission for the prior rate
9 year, including a revenue conversion factor calculated
10 to recover or refund all additional income taxes that
11 may be payable or receivable as a result of that
12 return. Each reconciliation shall be certified by the
13 participating utility in the same manner that FERC
14 Form 1 is certified. The filing shall also include the
15 charge or credit, if any, resulting from the
16 calculation required by subparagraph (E) of paragraph
17 (2) of this subsection (d).

18 Notwithstanding any other provision of law to the
19 contrary, the intent of the reconciliation is to
20 ultimately reconcile both the revenue requirement
21 reflected in rates for each calendar year, beginning
22 with the calendar year in which the utility files its
23 energy efficiency formula rate tariff under paragraph
24 (2) of this subsection (d), with what the revenue
25 requirement determined using a year-end rate base for
26 the applicable calendar year would have been had the

1 actual cost information for the applicable calendar
2 year been available at the filing date.

3 For purposes of this Section, "FERC Form 1" means
4 the Annual Report of Major Electric Utilities,
5 Licensees and Others that electric utilities are
6 required to file with the Federal Energy Regulatory
7 Commission under the Federal Power Act, Sections 3,
8 4(a), 304 and 209, modified as necessary to be
9 consistent with 83 Ill. Admin. Code Part 415 as of May
10 1, 2011. Nothing in this Section is intended to allow
11 costs that are not otherwise recoverable to be
12 recoverable by virtue of inclusion in FERC Form 1.

13 (B) The new charges shall take effect beginning on
14 the first billing day of the following January billing
15 period and remain in effect through the last billing
16 day of the next December billing period regardless of
17 whether the Commission enters upon a hearing under
18 this paragraph (3).

19 (C) The filing shall include relevant and
20 necessary data and documentation for the applicable
21 rate year. Normalization adjustments shall not be
22 required.

23 Within 45 days after the utility files its annual
24 update of cost inputs to the energy efficiency formula
25 rate, the Commission shall with reasonable notice,
26 initiate a proceeding concerning whether the projected

1 costs to be incurred by the utility and recovered during
2 the applicable rate year, and that are reflected in the
3 inputs to the energy efficiency formula rate, are
4 consistent with the utility's approved multi-year plan
5 under subsections (f) and (g) of this Section and whether
6 the costs incurred by the utility during the prior rate
7 year were prudent and reasonable. The Commission shall
8 also have the authority to investigate the information and
9 data described in paragraph (9) of subsection (g) of this
10 Section, including the proposed adjustment to the
11 utility's return on equity component of its weighted
12 average cost of capital. During the course of the
13 proceeding, each objection shall be stated with
14 particularity and evidence provided in support thereof,
15 after which the utility shall have the opportunity to
16 rebut the evidence. Discovery shall be allowed consistent
17 with the Commission's Rules of Practice, which Rules of
18 Practice shall be enforced by the Commission or the
19 assigned administrative law judge. The Commission shall
20 apply the same evidentiary standards, including, but not
21 limited to, those concerning the prudence and
22 reasonableness of the costs incurred by the utility,
23 during the proceeding as it would apply in a proceeding to
24 review a filing for a general increase in rates under
25 Article IX of this Act. The Commission shall not, however,
26 have the authority in a proceeding under this paragraph

1 (3) to consider or order any changes to the structure or
2 protocols of the energy efficiency formula rate approved
3 under paragraph (2) of this subsection (d). In a
4 proceeding under this paragraph (3), the Commission shall
5 enter its order no later than the earlier of 195 days after
6 the utility's filing of its annual update of cost inputs
7 to the energy efficiency formula rate or December 15. The
8 utility's proposed return on equity calculation, as
9 described in paragraphs (7) through (9) of subsection (g)
10 of this Section, shall be deemed the final, approved
11 calculation on December 15 of the year in which it is filed
12 unless the Commission enters an order on or before
13 December 15, after notice and hearing, that modifies such
14 calculation consistent with this Section. The Commission's
15 determinations of the prudence and reasonableness of the
16 costs incurred, and determination of such return on equity
17 calculation, for the applicable calendar year shall be
18 final upon entry of the Commission's order and shall not
19 be subject to reopening, reexamination, or collateral
20 attack in any other Commission proceeding, case, docket,
21 order, rule, or regulation; however, nothing in this
22 paragraph (3) shall prohibit a party from petitioning the
23 Commission to rehear or appeal to the courts the order
24 under the provisions of this Act.

25 (e) Beginning on June 1, 2017 (the effective date of
26 Public Act 99-906), a utility subject to the requirements of

1 this Section may elect to defer, as a regulatory asset, up to
2 the full amount of its expenditures incurred under this
3 Section for each annual period, including, but not limited to,
4 any expenditures incurred above the funding level set by
5 subsection (f) of this Section for a given year. The total
6 expenditures deferred as a regulatory asset in a given year
7 shall be amortized and recovered over a period that is equal to
8 the weighted average of the energy efficiency measure lives
9 implemented for that year that are reflected in the regulatory
10 asset. The unamortized balance shall be recognized as of
11 December 31 for a given year. The utility shall also earn a
12 return on the total of the unamortized balances of all of the
13 energy efficiency regulatory assets, less any deferred taxes
14 related to those unamortized balances, at an annual rate equal
15 to the utility's weighted average cost of capital that
16 includes, based on a year-end capital structure, the utility's
17 actual cost of debt for the applicable calendar year and a cost
18 of equity, which shall be calculated as the sum of the (i) the
19 average for the applicable calendar year of the monthly
20 average yields of 30-year U.S. Treasury bonds published by the
21 Board of Governors of the Federal Reserve System in its weekly
22 H.15 Statistical Release or successor publication; and (ii)
23 580 basis points, including a revenue conversion factor
24 calculated to recover or refund all additional income taxes
25 that may be payable or receivable as a result of that return.
26 Capital investment costs shall be depreciated and recovered

1 over their useful lives consistent with generally accepted
2 accounting principles. The weighted average cost of capital
3 shall be applied to the capital investment cost balance, less
4 any accumulated depreciation and accumulated deferred income
5 taxes, as of December 31 for a given year.

6 When an electric utility creates a regulatory asset under
7 the provisions of this Section, the costs are recovered over a
8 period during which customers also receive a benefit which is
9 in the public interest. Accordingly, it is the intent of the
10 General Assembly that an electric utility that elects to
11 create a regulatory asset under the provisions of this Section
12 shall recover all of the associated costs as set forth in this
13 Section. After the Commission has approved the prudence and
14 reasonableness of the costs that comprise the regulatory
15 asset, the electric utility shall be permitted to recover all
16 such costs, and the value and recoverability through rates of
17 the associated regulatory asset shall not be limited, altered,
18 impaired, or reduced.

19 (f) Beginning in 2017, each electric utility shall file an
20 energy efficiency plan with the Commission to meet the energy
21 efficiency standards for the next applicable multi-year period
22 beginning January 1 of the year following the filing,
23 according to the schedule set forth in paragraphs (1) through
24 (3) of this subsection (f). If a utility does not file such a
25 plan on or before the applicable filing deadline for the plan,
26 it shall face a penalty of \$100,000 per day until the plan is

1 filed.

2 (1) No later than 30 days after June 1, 2017 (the
3 effective date of Public Act 99-906), each electric
4 utility shall file a 4-year energy efficiency plan
5 commencing on January 1, 2018 that is designed to achieve
6 the cumulative persisting annual savings goals specified
7 in paragraphs (1) through (4) of subsection (b-5) of this
8 Section or in paragraphs (1) through (4) of subsection
9 (b-15) of this Section, as applicable, through
10 implementation of energy efficiency measures; however, the
11 goals may be reduced if the utility's expenditures are
12 limited pursuant to subsection (m) of this Section or, for
13 a utility that serves less than 3,000,000 retail
14 customers, if each of the following conditions are met:
15 (A) the plan's analysis and forecasts of the utility's
16 ability to acquire energy savings demonstrate that
17 achievement of such goals is not cost effective; and (B)
18 the amount of energy savings achieved by the utility as
19 determined by the independent evaluator for the most
20 recent year for which savings have been evaluated
21 preceding the plan filing was less than the average annual
22 amount of savings required to achieve the goals for the
23 applicable 4-year plan period. Except as provided in
24 subsection (m) of this Section, annual increases in
25 cumulative persisting annual savings goals during the
26 applicable 4-year plan period shall not be reduced to

1 amounts that are less than the maximum amount of
2 cumulative persisting annual savings that is forecast to
3 be cost-effectively achievable during the 4-year plan
4 period. The Commission shall review any proposed goal
5 reduction as part of its review and approval of the
6 utility's proposed plan.

7 (2) No later than March 1, 2021, each electric utility
8 shall file a 4-year energy efficiency plan commencing on
9 January 1, 2022 that is designed to achieve the cumulative
10 persisting annual savings goals specified in paragraphs
11 (5) through (8) of subsection (b-5) of this Section or in
12 paragraphs (5) through (8) of subsection (b-15) of this
13 Section, as applicable, through implementation of energy
14 efficiency measures; however, the goals may be reduced if
15 either (1) clear and convincing evidence demonstrates,
16 through independent analysis, that the expenditure limits
17 in subsection (m) preclude full achievement of the goals
18 or (2) the utility's expenditures are limited pursuant to
19 subsection (m) of this Section or, each of the following
20 conditions are met: (A) the plan's analysis and forecasts
21 of the utility's ability to acquire energy savings
22 demonstrate by clear and convincing evidence and through
23 independent analysis that achievement of such goals is not
24 cost effective; and (B) the amount of energy savings
25 achieved by the utility as determined by the independent
26 evaluator for the most recent year for which savings have

1 been evaluated preceding the plan filing was less than the
2 average annual amount of savings required to achieve the
3 goals for the applicable 4-year plan period. If there is
4 not clear and convincing evidence that achieving the
5 savings goals specified in paragraph (b-5) or (b-15) is
6 possible both cost-effectively and within the expenditure
7 limits in subsection (m), such savings goals shall not be
8 reduced. Except as provided in subsection (m) of this
9 Section, annual increases in cumulative persisting annual
10 savings goals during the applicable 4-year plan period
11 shall not be reduced to amounts that are less than the
12 maximum amount of cumulative persisting annual savings
13 that is forecast to be cost-effectively achievable during
14 the 4-year plan period. The Commission shall review any
15 proposed goal reduction as part of its review and approval
16 of the utility's proposed plan, taking into account the
17 results of the potential study required under this
18 Section.

19 (3) No later than March 1, 2025, each electric utility
20 shall file a 4-year ~~5-year~~ energy efficiency plan
21 commencing on January 1, 2026 that is designed to achieve
22 the cumulative persisting annual savings goals specified
23 in paragraphs (9) through (12) ~~(13)~~ of subsection (b-5) of
24 this Section or in paragraphs (9) through (12) ~~(13)~~ of
25 subsection (b-15) of this Section, as applicable, through
26 implementation of energy efficiency measures; however, the

1 goals may be reduced if either (1) clear and convincing
2 evidence demonstrates, through independent analysis, that
3 the expenditure limits in subsection (m) preclude full
4 achievement of the goals or (2) ~~the utility's expenditures~~
5 are limited pursuant to subsection (m) of this Section or,
6 each of the following conditions are met: (A) the plan's
7 analysis and forecasts of the utility's ability to acquire
8 energy savings demonstrate by clear and convincing
9 evidence and through independent analysis that achievement
10 of such goals is not cost effective; and (B) the amount of
11 energy savings achieved by the utility as determined by
12 the independent evaluator for the most recent year for
13 which savings have been evaluated preceding the plan
14 filing was less than the average annual amount of savings
15 required to achieve the goals for the applicable 4-year
16 ~~5-year~~ plan period. If there is not clear and convincing
17 evidence that achieving the savings goals specified in
18 paragraphs (b-5) or (b-15) is possible both
19 cost-effectively and within the expenditure limits in
20 subsection (m), such savings goals shall not be reduced.
21 Except as provided in subsection (m) of this Section,
22 annual increases in cumulative persisting annual savings
23 goals during the applicable 4-year ~~5-year~~ plan period
24 shall not be reduced to amounts that are less than the
25 maximum amount of cumulative persisting annual savings
26 that is forecast to be cost-effectively achievable during

1 the 4-year ~~5-year~~ plan period. The Commission shall review
2 any proposed goal reduction as part of its review and
3 approval of the utility's proposed plan, taking into
4 account the results of the potential study required by
5 this Section.

6 (4) No later than March 1, 2029, and every 4 years
7 thereafter, each electric utility shall file a 4-year
8 energy efficiency plan commencing on January 1, 2030, and
9 every 4 years thereafter, respectively, that is designed
10 to achieve the cumulative persisting annual savings goals
11 established by the Illinois Commerce Commission pursuant
12 to direction of subsections (b-5) and (b-15), as
13 applicable, through implementation of energy efficiency
14 measures; however, the goals may be reduced if either (1)
15 clear and convincing evidence and independent analysis
16 demonstrates that the expenditure limits in subsection (m)
17 preclude full achievement of the goals or (2) each of the
18 following conditions are met:

19 (A) the plan's analysis and forecasts of the
20 utility's ability to acquire energy savings
21 demonstrate by clear and convincing evidence and
22 through independent analysis that achievement of such
23 goals is not cost-effective; and

24 (B) the amount of energy savings achieved by the
25 utility as determined by the independent evaluator for
26 the most recent year for which savings have been

1 evaluated preceding the plan filing was less than the
2 average annual amount of savings required to achieve
3 the goals for the applicable 4-year plan period.

4 If there is not clear and convincing evidence that
5 achieving the savings goals specified in paragraphs (b-5)
6 or (b-15) of this Section is possible both
7 cost-effectively and within the expenditure limits in
8 subsection (m), such savings goals shall not be reduced.
9 Except as provided in subsection (m), annual increases in
10 cumulative persisting annual savings goals during the
11 applicable 4-year plan period shall not be reduced to
12 amounts that are less than the maximum amount of
13 cumulative persisting annual savings that is forecast to
14 be cost-effectively achievable during the 4-year plan
15 period. The Commission shall review any proposed goal
16 reduction as part of its review and approval of the
17 utility's proposed plan.

18 Each utility's plan shall set forth the utility's
19 proposals to meet the energy efficiency standards identified
20 in subsection (b-5) or (b-15), as applicable and as such
21 standards may have been modified under this subsection (f),
22 taking into account the unique circumstances of the utility's
23 service territory and results of an energy efficiency
24 potential study. For those plans commencing on January 1,
25 2018, the Commission shall seek public comment on the
26 utility's plan and shall issue an order approving or

1 disapproving each plan no later than 105 days after June 1,
2 2017 (the effective date of Public Act 99-906). For those
3 plans commencing after December 31, 2021, the Commission shall
4 seek public comment on the utility's plan and shall issue an
5 order approving or disapproving each plan within 6 months
6 after its submission. If the Commission disapproves a plan,
7 the Commission shall, within 30 days, describe in detail the
8 reasons for the disapproval and describe a path by which the
9 utility may file a revised draft of the plan to address the
10 Commission's concerns satisfactorily. If the utility does not
11 refile with the Commission within 60 days, the utility shall
12 be subject to penalties at a rate of \$100,000 per day until the
13 plan is filed. This process shall continue, and penalties
14 shall accrue, until the utility has successfully filed a
15 portfolio of energy efficiency and demand-response measures.
16 Penalties shall be deposited into the Energy Efficiency Trust
17 Fund.

18 (g) In submitting proposed plans and funding levels under
19 subsection (f) of this Section to meet the savings goals
20 identified in subsection (b-5) or (b-15) of this Section, as
21 applicable, the utility shall:

22 (1) Demonstrate that its proposed energy efficiency
23 measures will achieve the applicable requirements that are
24 identified in subsection (b-5) or (b-15) of this Section,
25 as modified by subsection (f) of this Section.

26 (2) (Blank). ~~Present specific proposals to implement~~

1 ~~new building and appliance standards that have been placed~~
2 ~~into effect.~~

3 (2.5) Demonstrate consideration of program options for
4 (i) advancing new building codes, appliance standards, and
5 municipal regulations governing existing and new building
6 efficiency improvements and (ii) supporting efforts to
7 improve compliance with new building codes, appliance
8 standards and municipal regulations, as potentially
9 cost-effective means of acquiring energy savings to count
10 toward savings goals.

11 (3) Demonstrate that its overall portfolio of
12 measures, not including low-income programs described in
13 subsection (c) of this Section, is cost-effective using
14 the total resource cost test or complies with paragraphs
15 (1) through (3) of subsection (f) of this Section and
16 represents a diverse cross-section of opportunities for
17 customers of all rate classes, other than those customers
18 described in subsection (1) of this Section, to
19 participate in the programs. Individual measures need not
20 be cost effective.

21 (3.5) Demonstrate that the utility's plan integrates
22 the delivery of energy efficiency programs with natural
23 gas efficiency programs, programs promoting distributed
24 solar, programs promoting demand response and other
25 efforts to address bill payment issues, including, but not
26 limited to, LIHEAP and the Percentage of Income Payment

1 Plan, to the extent such integration is practical and has
2 the potential to enhance customer engagement, minimize
3 market confusion, or reduce administrative costs.

4 (4) Present a third-party energy efficiency
5 implementation program subject to the following
6 requirements:

7 (A) beginning with the year commencing January 1,
8 2019, electric utilities that serve more than
9 3,000,000 retail customers in the State shall fund
10 third-party energy efficiency programs in an amount
11 that is no less than \$25,000,000 per year, and
12 electric utilities that serve less than 3,000,000
13 retail customers but more than 500,000 retail
14 customers in the State shall fund third-party energy
15 efficiency programs in an amount that is no less than
16 \$8,350,000 per year;

17 (B) during 2018, the utility shall conduct a
18 solicitation process for purposes of requesting
19 proposals from third-party vendors for those
20 third-party energy efficiency programs to be offered
21 during one or more of the years commencing January 1,
22 2019, January 1, 2020, and January 1, 2021; for those
23 multi-year plans commencing on January 1, 2022 and
24 January 1, 2026, the utility shall conduct a
25 solicitation process during 2021 and 2025,
26 respectively, for purposes of requesting proposals

1 from third-party vendors for those third-party energy
2 efficiency programs to be offered during one or more
3 years of the respective multi-year plan period; for
4 each solicitation process, the utility shall identify
5 the sector, technology, or geographical area for which
6 it is seeking requests for proposals; the solicitation
7 process must be either for programs that fill gaps in
8 the utility's program portfolio and for programs that
9 target low-income customers, business sectors,
10 building types, geographies, or other specific parts
11 of its customer base with initiatives that would be
12 more effective at reaching these customer segments
13 than the utilities' programs filed in its energy
14 efficiency plans;

15 (C) the utility shall propose the bidder
16 qualifications, performance measurement process, and
17 contract structure, which must include a performance
18 payment mechanism and general terms and conditions;
19 the proposed qualifications, process, and structure
20 shall be subject to Commission approval; and

21 (D) the utility shall retain an independent third
22 party to score the proposals received through the
23 solicitation process described in this paragraph (4),
24 rank them according to their cost per lifetime
25 kilowatt-hours saved, and assemble the portfolio of
26 third-party programs.

1 The electric utility shall recover all costs
2 associated with Commission-approved, third-party
3 administered programs regardless of the success of those
4 programs.

5 (4.5) Implement cost-effective demand-response
6 measures to reduce peak demand by 0.1% over the prior year
7 for eligible retail customers, as defined in Section
8 16-111.5 of this Act, and for customers that elect hourly
9 service from the utility pursuant to Section 16-107 of
10 this Act, provided those customers have not been declared
11 competitive. This requirement continues until December 31,
12 2026.

13 (5) Include a proposed or revised cost-recovery tariff
14 mechanism, as provided for under subsection (d) of this
15 Section, to fund the proposed energy efficiency and
16 demand-response measures and to ensure the recovery of the
17 prudently and reasonably incurred costs of
18 Commission-approved programs.

19 (6) Provide for an annual independent evaluation of
20 the performance of the cost-effectiveness of the utility's
21 portfolio of measures, as well as a full review of the
22 multi-year plan results of the broader net program impacts
23 and, to the extent practical, for adjustment of the
24 measures on a going-forward basis as a result of the
25 evaluations. The resources dedicated to evaluation shall
26 not exceed 3% of portfolio resources in any given year.

1 (7) For electric utilities that serve more than
2 3,000,000 retail customers in the State:

3 (A) Through December 31, 2025, provide for an
4 adjustment to the return on equity component of the
5 utility's weighted average cost of capital calculated
6 under subsection (d) of this Section:

7 (i) If the independent evaluator determines
8 that the utility achieved a cumulative persisting
9 annual savings that is less than the applicable
10 annual incremental goal, then the return on equity
11 component shall be reduced by a maximum of 200
12 basis points in the event that the utility
13 achieved no more than 75% of such goal. If the
14 utility achieved more than 75% of the applicable
15 annual incremental goal but less than 100% of such
16 goal, then the return on equity component shall be
17 reduced by 8 basis points for each percent by
18 which the utility failed to achieve the goal.

19 (ii) If the independent evaluator determines
20 that the utility achieved a cumulative persisting
21 annual savings that is more than the applicable
22 annual incremental goal, then the return on equity
23 component shall be increased by a maximum of 200
24 basis points in the event that the utility
25 achieved at least 125% of such goal. If the
26 utility achieved more than 100% of the applicable

1 annual incremental goal but less than 125% of such
2 goal, then the return on equity component shall be
3 increased by 8 basis points for each percent by
4 which the utility achieved above the goal. If the
5 applicable annual incremental goal was reduced
6 under paragraphs (1) or (2) of subsection (f) of
7 this Section, then the following adjustments shall
8 be made to the calculations described in this item
9 (ii):

10 (aa) the calculation for determining
11 achievement that is at least 125% of the
12 applicable annual incremental goal shall use
13 the unreduced applicable annual incremental
14 goal to set the value; and

15 (bb) the calculation for determining
16 achievement that is less than 125% but more
17 than 100% of the applicable annual incremental
18 goal shall use the reduced applicable annual
19 incremental goal to set the value for 100%
20 achievement of the goal and shall use the
21 unreduced goal to set the value for 125%
22 achievement. The 8 basis point value shall
23 also be modified, as necessary, so that the
24 200 basis points are evenly apportioned among
25 each percentage point value between 100% and
26 125% achievement.

1 (B) For the period January 1, 2026 through
2 December 31, 2029 and in all subsequent 4-year periods
3 ~~2030~~, provide for an adjustment to the return on
4 equity component of the utility's weighted average
5 cost of capital calculated under subsection (d) of
6 this Section:

7 (i) If the independent evaluator determines
8 that the utility achieved a cumulative persisting
9 annual savings that is less than the applicable
10 annual incremental goal, then the return on equity
11 component shall be reduced by a maximum of 200
12 basis points in the event that the utility
13 achieved no more than 66% of such goal. If the
14 utility achieved more than 66% of the applicable
15 annual incremental goal but less than 100% of such
16 goal, then the return on equity component shall be
17 reduced by 6 basis points for each percent by
18 which the utility failed to achieve the goal.

19 (ii) If the independent evaluator determines
20 that the utility achieved a cumulative persisting
21 annual savings that is more than the applicable
22 annual incremental goal, then the return on equity
23 component shall be increased by a maximum of 200
24 basis points in the event that the utility
25 achieved at least 134% of such goal. If the
26 utility achieved more than 100% of the applicable

1 annual incremental goal but less than 134% of such
2 goal, then the return on equity component shall be
3 increased by 6 basis points for each percent by
4 which the utility achieved above the goal. If the
5 applicable annual incremental goal was reduced
6 under paragraph (3) of subsection (f) of this
7 Section, then the following adjustments shall be
8 made to the calculations described in this item
9 (ii):

10 (aa) the calculation for determining
11 achievement that is at least 134% of the
12 applicable annual incremental goal shall use
13 the unreduced applicable annual incremental
14 goal to set the value; and

15 (bb) the calculation for determining
16 achievement that is less than 134% but more
17 than 100% of the applicable annual incremental
18 goal shall use the reduced applicable annual
19 incremental goal to set the value for 100%
20 achievement of the goal and shall use the
21 unreduced goal to set the value for 134%
22 achievement. The 6 basis point value shall
23 also be modified, as necessary, so that the
24 200 basis points are evenly apportioned among
25 each percentage point value between 100% and
26 134% achievement.

1 (C) Notwithstanding the provisions of
2 subparagraphs (A) and (B), if the applicable annual
3 incremental goal for an electric utility is ever less
4 than 0.6% of deemed average weather normalized sales
5 of electric power and energy during calendar years
6 2014, 2015, and 2016, an adjustment to the return on
7 equity component of the utility's weighted average
8 cost of capital calculated under subsection (d) shall
9 be made as follows:

10 (i) If the independent evaluator determines
11 that the utility achieved a cumulative persisting
12 annual savings that is less than would have been
13 achieved had the applicable annual incremental
14 goal been achieved, then the return on equity
15 component shall be reduced by a maximum of 200
16 basis points if the utility achieved no more than
17 75% of its applicable annual total savings
18 requirement as defined in paragraph (7.5). If the
19 utility achieved more than 75% of the applicable
20 annual total savings requirement but less than
21 100% of such goal, then the return on equity
22 component shall be reduced by 8 basis points for
23 each percent by which the utility failed to
24 achieve the goal.

25 (ii) If the independent evaluator determines
26 that the utility achieved a cumulative persisting

1 annual savings that is more than would have been
2 achieved had the applicable annual incremental
3 goal been achieved, then the return on equity
4 component shall be increased by a maximum of 200
5 basis points if the utility achieved at least 125%
6 of its applicable annual total savings
7 requirement. If the utility achieved more than
8 100% of the applicable annual total savings
9 requirement but less than 125% of such goal, then
10 the return on equity component shall be increased
11 by 8 basis points for each percent by which the
12 utility achieved above the applicable annual total
13 savings requirement. If the applicable annual
14 incremental goal was reduced under paragraph (1)
15 or (2) of subsection (f), then the following
16 adjustments shall be made to the calculations
17 described in this item:

18 (aa) the calculation for determining
19 achievement that is at least 125% of the
20 applicable annual total savings requirement
21 shall use the unreduced applicable annual
22 incremental goal to set the value; and

23 (bb) the calculation for determining
24 achievement that is less than 125% but more
25 than 100% of the applicable annual total
26 savings requirement shall use the reduced

1 applicable annual incremental goal to set the
2 value for 100% achievement of the goal and
3 shall use the unreduced goal to set the value
4 for 125% achievement. The 8 basis point value
5 shall also be modified, as necessary, so that
6 the 200 basis points are evenly apportioned
7 among each percentage point value between 100%
8 and 125% achievement.

9 (7.5) For purposes of this Section, the term
10 "applicable annual incremental goal" means the difference
11 between the cumulative persisting annual savings goal for
12 the calendar year that is the subject of the independent
13 evaluator's determination and the cumulative persisting
14 annual savings goal for the immediately preceding calendar
15 year, as such goals are defined in subsections (b-5) and
16 (b-15) of this Section and as these goals may have been
17 modified as provided for under subsection (b-20) and
18 paragraphs (1) through (3) of subsection (f) of this
19 Section. Under subsections (b), (b-5), (b-10), and (b-15)
20 of this Section, a utility must first replace energy
21 savings from measures that have expired ~~reached the end of~~
22 ~~their measure lives and would otherwise have to be~~
23 ~~replaced to meet the applicable savings goals identified~~
24 ~~in subsection (b-5) or (b-15) of this Section~~ before any
25 progress towards achievement of its applicable annual
26 incremental goal may be counted. Savings may expire

1 because measures installed in previous years have reached
2 the end of their lives, because measures installed in
3 previous years are producing lower savings in the current
4 year than in the previous year, or for other reasons
5 identified by independent evaluators. Notwithstanding
6 anything else set forth in this Section, the difference
7 between the actual annual incremental savings achieved in
8 any given year, including the replacement of energy
9 savings ~~from measures~~ that have expired, and the
10 applicable annual incremental goal shall not affect
11 adjustments to the return on equity for subsequent
12 calendar years under this subsection (g).

13 In this Section, "applicable annual total savings
14 requirement" means the total amount of new annual savings
15 that the utility must achieve in any given year to achieve
16 the applicable annual incremental goal. This is equal to
17 the applicable annual incremental goal plus the total new
18 annual savings that are required to replace savings that
19 expired in or at the end of the previous year.

20 (8) For electric utilities that serve less than
21 3,000,000 retail customers but more than 500,000 retail
22 customers in the State:

23 (A) Through December 31, 2025, the applicable
24 annual incremental goal shall be compared to the
25 annual incremental savings as determined by the
26 independent evaluator.

1 (i) The return on equity component shall be
2 reduced by 8 basis points for each percent by
3 which the utility did not achieve 84.4% of the
4 applicable annual incremental goal.

5 (ii) The return on equity component shall be
6 increased by 8 basis points for each percent by
7 which the utility exceeded 100% of the applicable
8 annual incremental goal.

9 (iii) The return on equity component shall not
10 be increased or decreased if the annual
11 incremental savings as determined by the
12 independent evaluator is greater than 84.4% of the
13 applicable annual incremental goal and less than
14 100% of the applicable annual incremental goal.

15 (iv) The return on equity component shall not
16 be increased or decreased by an amount greater
17 than 200 basis points pursuant to this
18 subparagraph (A).

19 (B) For the period of January 1, 2026 through
20 December 31, 2029 and in all subsequent 4-year periods
21 ~~2030~~, the applicable annual incremental goal shall be
22 compared to the annual incremental savings as
23 determined by the independent evaluator.

24 (i) The return on equity component shall be
25 reduced by 6 basis points for each percent by
26 which the utility did not achieve 100% of the

1 applicable annual incremental goal.

2 (ii) The return on equity component shall be
3 increased by 6 basis points for each percent by
4 which the utility exceeded 100% of the applicable
5 annual incremental goal.

6 (iii) The return on equity component shall not
7 be increased or decreased by an amount greater
8 than 200 basis points pursuant to this
9 subparagraph (B).

10 (C) Notwithstanding provisions in subparagraphs
11 (A) and (B) of paragraph (7), if the applicable annual
12 incremental goal for an electric utility is ever less
13 than 0.6% of deemed average weather normalized sales
14 of electric power and energy during calendar years
15 2014, 2015 and 2016, an adjustment to the return on
16 equity component of the utility's weighted average
17 cost of capital calculated under subsection (d) shall
18 be made as follows:

19 (i) The return on equity component shall be
20 reduced by 8 basis points for each percent by
21 which the utility did not achieve 100% of the
22 applicable annual total savings requirement.

23 (ii) The return on equity component shall be
24 increased by 8 basis points for each percent by
25 which the utility exceeded 100% of the applicable
26 annual total savings requirement.

1 (iii) The return on equity component shall not
2 be increased or decreased by an amount greater
3 than 200 basis points pursuant to this
4 subparagraph.

5 (D) ~~(C)~~ If the applicable annual incremental goal
6 was reduced under paragraph ~~paragraphs~~ (1), (2), ~~or~~
7 (3), ~~or~~ (4) of subsection (f) of this Section, then the
8 following adjustments shall be made to the
9 calculations described in subparagraphs (A), ~~and~~ (B),
10 and (C) of this paragraph (8):

11 (i) The calculation for determining
12 achievement that is at least 125% or 134%, as
13 applicable, of the applicable annual incremental
14 goal or the applicable annual total savings
15 requirement, as applicable, shall use the
16 unreduced applicable annual incremental goal to
17 set the value.

18 (ii) For the period through December 31, 2025,
19 the calculation for determining achievement that
20 is less than 125% but more than 100% of the
21 applicable annual incremental goal or the
22 applicable annual total savings requirement, as
23 applicable, shall use the reduced applicable
24 annual incremental goal to set the value for 100%
25 achievement of the goal and shall use the
26 unreduced goal to set the value for 125%

1 achievement. The 8 basis point value shall also be
2 modified, as necessary, so that the 200 basis
3 points are evenly apportioned among each
4 percentage point value between 100% and 125%
5 achievement.

6 (iii) For the period of January 1, 2026
7 through December 31, 2029 and all subsequent
8 4-year periods, the calculation for determining
9 achievement that is less than 125% or 134%, as
10 applicable, but more than 100% of the applicable
11 annual incremental goal or the applicable annual
12 total savings requirement, as applicable, shall
13 use the reduced applicable annual incremental goal
14 to set the value for 100% achievement of the goal
15 and shall use the unreduced goal to set the value
16 for 125% achievement. The 6 basis-point value or 8
17 basis-point value, as applicable, shall also be
18 modified, as necessary, so that the 200 basis
19 points are evenly apportioned among each
20 percentage point value between 100% and 125% or
21 between 100% and 134% achievement, as applicable
22 ~~2030, the calculation for determining achievement~~
23 ~~that is less than 134% but more than 100% of the~~
24 ~~applicable annual incremental goal shall use the~~
25 ~~reduced applicable annual incremental goal to set~~
26 ~~the value for 100% achievement of the goal and~~

1 ~~shall use the unreduced goal to set the value for~~
2 ~~125% achievement. The 6 basis point value shall~~
3 ~~also be modified, as necessary, so that the 200~~
4 ~~basis points are evenly apportioned among each~~
5 ~~percentage point value between 100% and 134%~~
6 ~~achievement.~~

7 (9) The utility shall submit the energy savings data
8 to the independent evaluator no later than 30 days after
9 the close of the plan year. The independent evaluator
10 shall determine the cumulative persisting annual savings
11 for a given plan year, as well as an estimate of job
12 impacts and other macroeconomic impacts of the efficiency
13 programs for that year, no later than 120 days after the
14 close of the plan year. The utility shall submit an
15 informational filing to the Commission no later than 160
16 days after the close of the plan year that attaches the
17 independent evaluator's final report identifying the
18 cumulative persisting annual savings for the year and
19 calculates, under paragraph (7) or (8) of this subsection
20 (g), as applicable, any resulting change to the utility's
21 return on equity component of the weighted average cost of
22 capital applicable to the next plan year beginning with
23 the January monthly billing period and extending through
24 the December monthly billing period. However, if the
25 utility recovers the costs incurred under this Section
26 under paragraphs (2) and (3) of subsection (d) of this

1 Section, then the utility shall not be required to submit
2 such informational filing, and shall instead submit the
3 information that would otherwise be included in the
4 informational filing as part of its filing under paragraph
5 (3) of such subsection (d) that is due on or before June 1
6 of each year.

7 For those utilities that must submit the informational
8 filing, the Commission may, on its own motion or by
9 petition, initiate an investigation of such filing,
10 provided, however, that the utility's proposed return on
11 equity calculation shall be deemed the final, approved
12 calculation on December 15 of the year in which it is filed
13 unless the Commission enters an order on or before
14 December 15, after notice and hearing, that modifies such
15 calculation consistent with this Section.

16 The adjustments to the return on equity component
17 described in paragraphs (7) and (8) of this subsection (g)
18 shall be applied as described in such paragraphs through a
19 separate tariff mechanism, which shall be filed by the
20 utility under subsections (f) and (g) of this Section.

21 (9.5) The utility must demonstrate how it will ensure
22 that program implementation contractors and energy
23 efficiency installation vendors will promote workforce
24 equity and quality jobs.

25 (9.6) Utilities shall collect data necessary to ensure
26 compliance with paragraph (9.5) no less than quarterly and

1 shall communicate progress toward compliance with
2 paragraph (9.5) to program implementation contractors and
3 energy efficiency installation vendors no less than
4 quarterly. Utilities shall work with relevant vendors,
5 providing education, training, and other resources needed
6 to ensure compliance and, where necessary, adjusting or
7 terminating work with vendors that cannot assist with
8 compliance.

9 (10) Utilities required to implement efficiency
10 programs under subsections (b-5) and (b-10) shall report
11 annually to the Illinois Commerce Commission and the
12 General Assembly on how hiring, contracting, job training,
13 and other practices related to its energy efficiency
14 programs enhance the diversity of vendors working on such
15 programs. These reports must include data on vendor and
16 employee diversity, including data on the implementation
17 of paragraphs (9.5) and (9.6). If the utility is not
18 meeting the requirements of paragraphs (9.5) and (9.6),
19 the utility shall submit a plan to adjust their activities
20 so that they meet the requirements of paragraphs (9.5) and
21 (9.6) within the following year.

22 (h) No more than 4% ~~6%~~ of energy efficiency and
23 demand-response program revenue may be allocated for research,
24 development, or pilot deployment of new equipment or measures.
25 Electric utilities shall work with interested stakeholders to
26 formulate a plan for how these funds should be spent,

1 incorporate statewide approaches for these allocations, and
2 file a 4-year plan that demonstrates that collaboration. If a
3 utility files a request for modified annual energy savings
4 goals with the Commission, then a utility shall forgo spending
5 portfolio dollars on research and development proposals.

6 (i) When practicable, electric utilities shall incorporate
7 advanced metering infrastructure data into the planning,
8 implementation, and evaluation of energy efficiency measures
9 and programs, subject to the data privacy and confidentiality
10 protections of applicable law.

11 (j) The independent evaluator shall follow the guidelines
12 and use the savings set forth in Commission-approved energy
13 efficiency policy manuals and technical reference manuals, as
14 each may be updated from time to time. Until such time as
15 measure life values for energy efficiency measures implemented
16 for low-income households under subsection (c) of this Section
17 are incorporated into such Commission-approved manuals, the
18 low-income measures shall have the same measure life values
19 that are established for same measures implemented in
20 households that are not low-income households.

21 (k) Notwithstanding any provision of law to the contrary,
22 an electric utility subject to the requirements of this
23 Section may file a tariff cancelling an automatic adjustment
24 clause tariff in effect under this Section or Section 8-103,
25 which shall take effect no later than one business day after
26 the date such tariff is filed. Thereafter, the utility shall

1 be authorized to defer and recover its expenditures incurred
2 under this Section through a new tariff authorized under
3 subsection (d) of this Section or in the utility's next rate
4 case under Article IX or Section 16-108.5 of this Act, with
5 interest at an annual rate equal to the utility's weighted
6 average cost of capital as approved by the Commission in such
7 case. If the utility elects to file a new tariff under
8 subsection (d) of this Section, the utility may file the
9 tariff within 10 days after June 1, 2017 (the effective date of
10 Public Act 99-906), and the cost inputs to such tariff shall be
11 based on the projected costs to be incurred by the utility
12 during the calendar year in which the new tariff is filed and
13 that were not recovered under the tariff that was cancelled as
14 provided for in this subsection. Such costs shall include
15 those incurred or to be incurred by the utility under its
16 multi-year plan approved under subsections (f) and (g) of this
17 Section, including, but not limited to, projected capital
18 investment costs and projected regulatory asset balances with
19 correspondingly updated depreciation and amortization reserves
20 and expense. The Commission shall, after notice and hearing,
21 approve, or approve with modification, such tariff and cost
22 inputs no later than 75 days after the utility filed the
23 tariff, provided that such approval, or approval with
24 modification, shall be consistent with the provisions of this
25 Section to the extent they do not conflict with this
26 subsection (k). The tariff approved by the Commission shall

1 take effect no later than 5 days after the Commission enters
2 its order approving the tariff.

3 No later than 60 days after the effective date of the
4 tariff cancelling the utility's automatic adjustment clause
5 tariff, the utility shall file a reconciliation that
6 reconciles the moneys collected under its automatic adjustment
7 clause tariff with the costs incurred during the period
8 beginning June 1, 2016 and ending on the date that the electric
9 utility's automatic adjustment clause tariff was cancelled. In
10 the event the reconciliation reflects an under-collection, the
11 utility shall recover the costs as specified in this
12 subsection (k). If the reconciliation reflects an
13 over-collection, the utility shall apply the amount of such
14 over-collection as a one-time credit to retail customers'
15 bills.

16 (l) For the calendar years covered by a multi-year plan
17 commencing after December 31, 2017, subsections (a) through
18 (j) do not apply to eligible large private energy customers
19 that have chosen to opt out of multi-year plans consistent
20 with this subsection.

21 (1) For purposes of this subsection:

22 "Eligible large private energy customer" means any
23 retail customers, except for federal, State, municipal,
24 and other public customers, of an electric utility that
25 serves more than 3,000,000 retail customers, except for
26 federal, State, municipal and other public customers, in

1 the State and whose total highest 30 minute demand was
2 more than 10,000 kilowatts, or any retail customers of an
3 electric utility that serves less than 3,000,000 retail
4 customers but more than 500,000 retail customers in the
5 State and whose total highest 15 minute demand was more
6 than 10,000 kilowatts.

7 "Retail customer" has the meaning set forth in Section
8 16-102. However, for a business entity with multiple sites
9 located in the State, where at least one of those sites
10 qualifies as an eligible large private energy customer,
11 then any of that business entity's, properly identified on
12 a form for notice, shall be considered eligible large
13 private energy customers for the purposes of this
14 subsection. A determination of whether this subsection is
15 applicable to a customer shall be made for each multi-year
16 plan beginning after December 31, 2017. The criteria for
17 determining whether this subsection is applicable to a
18 retail customer shall be based on the 12 consecutive
19 billing periods prior to the start of the first year of
20 each such multi-year plan.

21 (2) Within 45 days after the effective date of this
22 amendatory Act of the 102nd General Assembly, the
23 Commission shall prescribe the form for notice required
24 for opting out of energy efficiency programs. The notice
25 must be submitted to the retail electric utility 12 months
26 before the next energy efficiency planning cycle. However,

1 within 120 days after the Commission's initial issuance of
2 the form for notice, eligible large private energy
3 customers may submit a form for notice to an electric
4 utility. The form for notice for opting out of energy
5 efficiency programs shall include all of the following:

6 (A) a statement indicating that the customer has
7 elected to opt out;

8 (B) the account numbers for the customer accounts
9 to which the opt out shall apply;

10 (C) the mailing address associated with the
11 customer accounts identified under subparagraph (B);

12 (D) an American Society of Heating, Refrigerating,
13 and Air-Conditioning Engineers (ASHRAE) level 2 or
14 higher audit report conducted by an independent
15 third-party expert identifying cost-effective energy
16 efficiency project opportunities that could be
17 invested in over the next 10 years;

18 (E) a description of the customer's plans to
19 reallocate the funds toward internal energy efficiency
20 efforts identified in the subparagraph (D) report,
21 including, but not limited to: (i) strategic energy
22 management or other programs, including descriptions
23 of targeted buildings, equipment and operations; (ii)
24 eligible energy efficiency measures; and (iii)
25 expected energy savings, itemized by technology; and

26 (F) the effective date of the opt out, which will

1 be the next January 1 following notice of the opt out.

2 (3) Upon receipt of a properly and timely noticed
3 request for opt out submitted by an eligible large private
4 energy customer, the retail electric utility shall grant
5 the request, file the request with the Commission and,
6 beginning January 1 of the following year, the opted out
7 customer shall no longer be assessed the costs of the plan
8 and shall be prohibited from participating in that 4-year
9 plan cycle to give the retail utility the certainty to
10 design program plan proposals.

11 (4) Upon a customer's election to opt out under
12 paragraphs (1) and (2) and commencing on the effective
13 date of said opt out, the account properly identified in
14 the customer's notice under paragraph (2) shall not be
15 subject to any cost recovery and shall not be eligible to
16 participate in, or directly benefit from, compliance with
17 energy efficiency cumulative persisting savings
18 requirements under subsections (a) through (j).

19 (5) A utility's cumulative persisting annual savings
20 targets will exclude any opted out load.

21 (6) The request to opt out is only valid for the
22 requested plan cycle. An eligible large private energy
23 customer must also request to opt out for future energy
24 plan cycles, otherwise the customer will be included in
25 the future energy plan cycle. ~~For the calendar years~~
26 ~~covered by a multi year plan commencing after December 31,~~

1 ~~2017, subsections (a) through (j) of this Section do not~~
2 ~~apply to any retail customers of an electric utility that~~
3 ~~serves more than 3,000,000 retail customers in the State~~
4 ~~and whose total highest 30 minute demand was more than~~
5 ~~10,000 kilowatts, or any retail customers of an electric~~
6 ~~utility that serves less than 3,000,000 retail customers~~
7 ~~but more than 500,000 retail customers in the State and~~
8 ~~whose total highest 15 minute demand was more than 10,000~~
9 ~~kilowatts. For purposes of this subsection (l), "retail~~
10 ~~customer" has the meaning set forth in Section 16-102 of~~
11 ~~this Act. A determination of whether this subsection is~~
12 ~~applicable to a customer shall be made for each multi-year~~
13 ~~plan beginning after December 31, 2017. The criteria for~~
14 ~~determining whether this subsection (l) is applicable to a~~
15 ~~retail customer shall be based on the 12 consecutive~~
16 ~~billing periods prior to the start of the first year of~~
17 ~~each such multi-year plan.~~

18 (m) Notwithstanding the requirements of this Section, as
19 part of a proceeding to approve a multi-year plan under
20 subsections (f) and (g) of this Section if the multi-year plan
21 has been designed to maximize savings, but does not meet the
22 cost cap limitations of this Section, the Commission shall
23 reduce the amount of energy efficiency measures implemented
24 for any single year, and whose costs are recovered under
25 subsection (d) of this Section, by an amount necessary to
26 limit the estimated average net increase due to the cost of the

1 measures to no more than

2 (1) 3.5% for each of the 4 years beginning January 1,
3 2018,

4 (2) (blank), ~~3.75% for each of the 4 years beginning~~
5 ~~January 1, 2022, and~~

6 (3) 4% for each of the ~~4~~ 5 years beginning January 1,
7 2022 ~~2026~~,

8 (4) 4.25% for the 4 years beginning January 1, 2026,
9 and

10 (5) 4.25% plus an increase sufficient to account for
11 the rate of inflation between January 1, 2026 and January
12 1 of the first year of each subsequent 4-year plan cycle,

13 of the average amount paid per kilowatthour by residential
14 eligible retail customers during calendar year 2015. An
15 electric utility may plan to spend up to 10% more in any year
16 during an applicable multi-year plan period to
17 cost-effectively achieve additional savings so long as the
18 average over the applicable multi-year plan period does not
19 exceed the percentages defined in items (1) through (5). To
20 determine the total amount that may be spent by an electric
21 utility in any single year, the applicable percentage of the
22 average amount paid per kilowatthour shall be multiplied by
23 the total amount of energy delivered by such electric utility
24 in the calendar year 2015, adjusted to reflect the proportion
25 of the utility's load attributable to customers that have
26 opted out of ~~who are exempt from~~ subsections (a) through (j) of

1 this Section under subsection (l) of this Section. For
2 purposes of this subsection (m), the amount paid per
3 kilowatthour includes, without limitation, estimated amounts
4 paid for supply, transmission, distribution, surcharges, and
5 add-on taxes. For purposes of this Section, "eligible retail
6 customers" shall have the meaning set forth in Section
7 16-111.5 of this Act. Once the Commission has approved a plan
8 under subsections (f) and (g) of this Section, no subsequent
9 rate impact determinations shall be made.

10 (n) A utility shall take advantage of the efficiencies
11 available through existing Illinois Home Weatherization
12 Assistance Program infrastructure and services, such as
13 enrollment, marketing, quality assurance and implementation,
14 which can reduce the need for similar services at a lower cost
15 than utility-only programs, subject to capacity constraints at
16 community action agencies, for both single-family and
17 multifamily weatherization services, to the extent Illinois
18 Home Weatherization Assistance Program CAAs provide
19 multifamily services. A utility's plan shall demonstrate that
20 in formulating annual weatherization budgets, it has sought
21 input and coordination with community action agencies
22 regarding agencies' capacity to expand and maximize Illinois
23 Home Weatherization Assistance Program delivery using the
24 ratepayer dollars collected under this Section.

25 (Source: P.A. 100-840, eff. 8-13-18; 101-81, eff. 7-12-19.)

1 (220 ILCS 5/8-201.8 new)

2 Sec. 8-201.8. Prohibition on late payment fees for
3 low-income residential customers or applicants.

4 (a) Notwithstanding any other provision of this Act, as of
5 the effective date of this amendatory Act of the 102nd General
6 Assembly, a utility shall not charge a low-income residential
7 customer or applicant a fee, charge, or penalty for late
8 payment of any utility bill or invoice.

9 (b) As used in this Section, "low-income residential
10 customer or applicant" means: (i) a member of a household at or
11 below 80% of the latest median household income as reported by
12 the United States Census Bureau for the most applicable
13 community or county; (ii) a member of a household at or below
14 150% of the federal poverty level; (iii) a person who is
15 eligible for the Illinois Low Income Home Energy Assistance
16 Program (LIHEAP) as defined in the Energy Assistance Act; (iv)
17 a person who is eligible to participate in the Percentage of
18 Income Payment Plan (PIPP or PIP Plan) as defined in the Energy
19 Assistance Act; or (v) a person who is eligible to receive
20 Lifeline service as defined in the Universal Service Telephone
21 Service Protection Law of 1985.

22 (220 ILCS 5/8-201.9 new)

23 Sec. 8-201.9. Prohibition on credit card convenience fees.

24 (a) No public utility shall assess any convenience fee,
25 surcharge, or other fee to any customer who elects to pay for

1 service using a credit card that the public utility would not
2 assess to the customer if the customer paid by other available
3 methods acceptable to the utility. The Commission shall
4 consider as an operating expense, for the purpose of
5 determining whether a rate or other charge or classification
6 is sufficient, costs incurred by a utility to process payments
7 described in this Section so long as those costs are
8 determined to be prudent, just, and reasonable.

9 (b) As used in this Section, "credit card" means an
10 instrument or device, whether known as a credit card, bank
11 card, charge card, debit card, automated teller machine card,
12 secured credit card, smart card, electronic purse, prepaid
13 card, affinity card, or by any other name, issued with or
14 without fee by an issuer for the use of the holder to obtain
15 credit, money, goods, services, or anything else of value.

16 (220 ILCS 5/8-201.10 new)

17 Sec. 8-201.10. Disconnection and credit and collections
18 reporting.

19 (a) The Commission shall require all gas, electric, water
20 and sewer public utilities under its authority to submit an
21 annual report by May 1, 2022 and every May 1 thereafter,
22 reporting and making publicly available in executable,
23 electronic spreadsheet format, by zip code, on the number of
24 disconnections for nonpayment and reconnections that occurred
25 in the immediately preceding calendar year.

1 (b) Each such public utility in its annual report shall
2 report to the Commission and make publicly available in
3 executable, electronic spreadsheet format the following
4 information, by zip code, for the immediately preceding
5 calendar year:

6 (1) the number of customers, by customer class and
7 type of utility service provided, during each month;

8 (2) the number of customers, by customer class and
9 type of utility service, receiving disconnection notices
10 during each month;

11 (3) the number of customers, by customer class and
12 type of utility service, disconnected for nonpayment
13 during each month;

14 (4) the number of customers, by customer class and
15 type of utility service, reconnected because they have
16 paid in full or set up payment arrangements during each
17 month;

18 (5) the number of new deferred payment agreements, by
19 customer class and type of utility service, each month;

20 (6) the number of customers, by customer class and
21 type of utility service, taking service at the beginning
22 of the month under existing deferred payment arrangements;

23 (7) the number of customers, by customer class and
24 type of utility service, completing deferred payment
25 arrangements during the month;

26 (8) the number of payment agreements, by customer

1 class and type of utility service, that failed during each
2 month;

3 (9) the number of customers, by customer class and
4 type of utility service, renegotiating deferred payment
5 arrangements during the month;

6 (10) the number of customers, by customer class and
7 type of utility service, assessed late payment fees or
8 charges during the month;

9 (11) the number of customers, by customer class and
10 type of utility service, taking service at the beginning
11 of the month under existing medical payment arrangements;

12 (12) the number of customers, by utility service,
13 completing medical payment arrangements during the month;

14 (13) the number of customers, by utility service,
15 enrolling in new medical payment arrangements during the
16 month;

17 (14) the number of customers, by utility service,
18 renegotiating medical payment arrangements plans during
19 the month;

20 (15) the number of customers, by customer class and
21 utility service, with required deposits with the company
22 at the beginning of the month;

23 (16) the number of customers, by customer class and
24 utility service, required to submit new deposits or
25 increased deposits during the month;

26 (17) the number of customers, by customer class and

1 utility service, whose required deposits were reduced in
2 part or forgone during the month;

3 (18) the number of customers, by customer class and
4 utility service, whose deposits were returned in full
5 during the month;

6 (19) the number of customers, by customer class and
7 utility service, with past due amounts greater than 30
8 days past due at the beginning of the month and taking
9 service at the beginning of the month under existing
10 deferred payment arrangements;

11 (20) the dollar volume of past due accounts, by
12 customer class and utility service, for customers with
13 past due amounts greater than 30 days past due at the
14 beginning of the month and taking service at the beginning
15 of the month under existing deferred payment arrangements;

16 (21) the number of customers, by customer class and
17 utility service, with past due amounts greater than 30
18 days past due at the beginning of the month and not taking
19 service at the beginning of the month under existing
20 deferred payment arrangements; and

21 (22) the dollar volume of past due accounts, by
22 customer class and utility service, for customers with
23 past due amounts greater than 30 days past due at the
24 beginning of the month and not taking service at the
25 beginning of the month under existing deferred payment
26 arrangements.

1 (c) The Commission may specify the executable, electronic
2 spreadsheet format that utilities must adhere to when
3 submitting the information required by this Section.
4 Notwithstanding the requirements of this Section, the
5 Commission may establish an online reporting system and
6 require each public utility to report using the online
7 reporting system instead of filing information in executable,
8 electronic spreadsheet format. The Commission shall make each
9 annual report submitted by each public utility publicly
10 available on its website within 30 days of receipt.

11 (d) Each such public utility in its annual report shall
12 include the following information for the immediately
13 preceding calendar year:

14 (1) the number of customers, by customer class, during
15 each month;

16 (2) the number of customers, by customer class,
17 disconnected for nonpayment during each month;

18 (3) the number of customers, by customer class,
19 reconnected because they have paid in full or set up
20 payment arrangements during each month; and

21 (4) the number of customers, by customer class, who
22 have set up payment arrangements each month.

23 (e) The Commission shall make each annual report submitted
24 by each public utility publicly available on its website
25 within 30 days of receipt.

1 (220 ILCS 5/8-402.2 new)

2 Sec. 8-402.2. Public Schools Carbon-Free Assessment
3 programs.

4 (a) Within one year after the effective date of this
5 amendatory Act of the 102nd General Assembly, each electric
6 utility serving over 500,000 retail customers in this State
7 shall implement a Public Schools Carbon-Free Assessment
8 program.

9 (b) Each utility's Public Schools Carbon-Free Assessment
10 program shall include the following requirements:

11 (1) Each plan shall be designed to offer within the
12 utility's service territory to assist public schools, as
13 defined by Section 1-3 of the School Code, to increase the
14 efficiency of their energy usage, to reduce the carbon
15 emissions associated with their energy usage, and to move
16 toward a goal of public schools being carbon-free in their
17 energy usage by 2030. The program shall include a target
18 of completing Public Schools Carbon-Free Assessment for
19 all public schools in the utility's service territory by
20 December 31, 2029.

21 (2) The Public Schools Carbon-Free Assessment shall be
22 a generally standardized assessment, but may incorporate
23 flexibility to reflect the circumstances of individual
24 public schools and public school districts.

25 (3) The Public Schools Carbon-Free Assessment shall
26 include, but not be limited to, comprehensive analyses of

1 the following subjects:

2 (A) The top energy efficiency savings
3 opportunities for the public school, by energy saved;

4 (B) The total achievable solar energy potential on
5 or nearby a public school's premises and able to
6 provide power to a school;

7 (C) The infrastructure required to support
8 electrification of the facility's space heating and
9 water heating needs;

10 (D) The infrastructure requirements to support
11 electrification of a school's transportation needs;
12 and

13 (E) The investments required to achieve a WELL
14 Certification or similar certification as determined
15 through methods developed and updated by the
16 International WELL Building Institute or similar or
17 successor organizations.

18 (4) The Public Schools Carbon-Free Assessment also
19 shall include, but not be limited to, mechanical
20 insulation evaluation inspection and inspection of the
21 building envelope or envelopes.

22 (5) With respect to those public school construction
23 projects for public schools within the service territory
24 of a utility serving over 500,000 retail customers in this
25 State and for which a public school district applies for a
26 grant under Section 5-40 of the School Construction Law on

1 or after June 1, 2023, the district must submit a copy of
2 the applicable Public Schools Carbon-Free Assessment
3 report, or, if no such Public Schools Carbon-Free
4 Assessment has been performed, request the applicable
5 utility to perform such a Public Schools Carbon-Free
6 Assessment and submit a copy of the Public Schools
7 Carbon-Free Assessment report promptly when it becomes
8 available. The Public Schools Carbon-Free Assessment
9 report shall include a mechanical insulation evaluation
10 inspection and inspection of the building envelopes. The
11 district must demonstrate how the construction project is
12 designed and managed to achieve the goals that all public
13 elementary and secondary school facilities in the State
14 are able to be powered by clean energy by 2030, and for
15 such facilities to achieve carbon-free energy sources for
16 space heat, water heat, and transportation by 2050.

17 (6) The results of each Public Schools Carbon-Free
18 Assessment shall be memorialized by the utility or by a
19 third party acting on behalf of the utility in a usable
20 report form and shall be provided to the applicable public
21 school. Each utility shall be required to retain a copy of
22 each Public Schools Carbon-Free Assessment report and to
23 provide confidential copies of each report to the Illinois
24 Power Agency and the Illinois Capital Development Board
25 within 3 months of its completion.

26 (7) The Public Schools Carbon-Free Assessment shall be

1 conducted in coordination with each utility's energy
2 efficiency and demand-response plans under Sections 8-103,
3 8-103A, and 8-103B, to the extent applicable. Nothing in
4 this Section is intended to modify or require modification
5 of those plans. However, the utility may request a
6 modification of a plan approved by the Commission, and the
7 Commission may approve the requested modification, if the
8 modification is consistent with the provisions of this
9 Section and Section 8-103B.

10 (8) If there are no other providers of assessments
11 that are substantively the same as those being performed
12 by utilities pursuant to this Section by 2024, a utility
13 that has a Public Schools Carbon-Free Assessment program
14 may offer assessments to public schools that are not
15 served by a utility subject to this Section at the
16 utility's cost.

17 (9) The Public Schools Carbon-Free Assessment shall be
18 offered to and performed for public schools in the
19 utility's service territory on a complimentary basis by
20 each utility, with no Assessment fee charged to the public
21 schools for the Assessments. Nothing in this Section is
22 intended to prohibit the utility from recovering through
23 rates approved by the Commission the utility's prudent and
24 reasonable costs of complying with this Section.

25 (10) Utilities shall make efforts to prioritize the
26 completion of Public Schools Carbon-Free Assessments for

1 the following school districts by December 31, 2022: East
2 St. Louis School District 189, Harvey School District 152,
3 Thornton Township High School District 205.

4 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)
5 Sec. 8-406. Certificate of public convenience and
6 necessity.

7 (a) No public utility not owning any city or village
8 franchise nor engaged in performing any public service or in
9 furnishing any product or commodity within this State as of
10 July 1, 1921 and not possessing a certificate of public
11 convenience and necessity from the Illinois Commerce
12 Commission, the State Public Utilities Commission or the
13 Public Utilities Commission, at the time this amendatory Act
14 of 1985 goes into effect, shall transact any business in this
15 State until it shall have obtained a certificate from the
16 Commission that public convenience and necessity require the
17 transaction of such business.

18 (b) No public utility shall begin the construction of any
19 new plant, equipment, property or facility which is not in
20 substitution of any existing plant, equipment, property or
21 facility or any extension or alteration thereof or in addition
22 thereto, unless and until it shall have obtained from the
23 Commission a certificate that public convenience and necessity
24 require such construction. Whenever after a hearing the
25 Commission determines that any new construction or the

1 transaction of any business by a public utility will promote
2 the public convenience and is necessary thereto, it shall have
3 the power to issue certificates of public convenience and
4 necessity. The Commission shall determine that proposed
5 construction will promote the public convenience and necessity
6 only if the utility demonstrates: (1) that the proposed
7 construction is necessary to provide adequate, reliable, and
8 efficient service to its customers and is the least-cost means
9 of satisfying the service needs of its customers or that the
10 proposed construction will promote the development of an
11 effectively competitive electricity market that operates
12 efficiently, is equitable to all customers, and is the least
13 cost means of satisfying those objectives; (2) that the
14 utility is capable of efficiently managing and supervising the
15 construction process and has taken sufficient action to ensure
16 adequate and efficient construction and supervision thereof;
17 and (3) that the utility is capable of financing the proposed
18 construction without significant adverse financial
19 consequences for the utility or its customers.

20 (b-5) As used in this subsection:

21 "Qualifying direct current applicant" means an entity that
22 seeks to provide direct current bulk transmission service for
23 the purpose of transporting electric energy in interstate
24 commerce.

25 "Qualifying direct current project" means a high voltage
26 direct current electric service line that crosses at least one

1 Illinois border, the Illinois portion of which is physically
2 located within the region of the Midcontinent Independent
3 System Operator, Inc., or its successor organization, and runs
4 through the counties of Pike, Scott, Greene, Macoupin,
5 Montgomery, Christian, Shelby, Cumberland, and Clark, is
6 capable of transmitting electricity at voltages of 345kv or
7 above, and may also include associated interconnected
8 alternating current interconnection facilities in this State
9 that are part of the proposed project and reasonably necessary
10 to connect the project with other portions of the grid.

11 Notwithstanding any other provision of this Act, a
12 qualifying direct current applicant that does not own,
13 control, operate, or manage, within this State, any plant,
14 equipment, or property used or to be used for the transmission
15 of electricity at the time of its application or of the
16 Commission's order may file an application on or before
17 December 31, 2023 with the Commission pursuant to this Section
18 or Section 8-406.1 for, and the Commission may grant, a
19 certificate of public convenience and necessity to construct,
20 operate, and maintain a qualifying direct current project. The
21 qualifying direct current applicant may also include in the
22 application requests for authority under Section 8-503. The
23 Commission shall grant the application for a certificate of
24 public convenience and necessity and requests for authority
25 under Section 8-503 if it finds that the qualifying direct
26 current applicant and the proposed qualifying direct current

1 project satisfy the requirements of this subsection and
2 otherwise satisfy the criteria of this Section or Section
3 8-406.1 and the criteria of Section 8-503, as applicable to
4 the application and to the extent such criteria are not
5 superseded by the provisions of this subsection. The
6 Commission's order on the application for the certificate of
7 public convenience and necessity shall also include the
8 Commission's findings and determinations on the request or
9 requests for authority pursuant to Section 8-503. Prior to
10 filing its application under this Section or Section 8-406.1,
11 the qualifying direct current applicant shall conduct 3 public
12 meetings in accordance with subsection (h). If the qualifying
13 direct current applicant demonstrates in its application that
14 the proposed qualifying direct current project is designed to
15 deliver electricity to a point or points on the electric
16 transmission grid in either or both the PJM Interconnection,
17 LLC or the Midcontinent Independent System Operator, Inc., or
18 their respective successor organizations, the proposed
19 qualifying direct current project shall be deemed to be, and
20 the Commission shall find it to be, for public use. If the
21 qualifying direct current applicant further demonstrates in
22 its application that the proposed transmission project has a
23 capacity of 1,000 megawatts or larger and a voltage level of
24 345 kilovolts or greater, the proposed transmission project
25 shall be deemed to satisfy, and the Commission shall find that
26 it satisfies, the criteria stated in item (1) of subsection

1 (b) or in paragraph (1) of subsection (f) of Section 8-406.1,
2 as applicable to the application, without the taking of
3 additional evidence on these criteria. Prior to the transfer
4 of functional control of any transmission assets to a regional
5 transmission organization, a qualifying direct current
6 applicant shall request Commission approval to join a regional
7 transmission organization in an application filed pursuant to
8 this subsection or separately pursuant to Section 7-102. The
9 Commission may grant permission to a qualifying direct current
10 applicant to join a regional transmission organization if it
11 finds that the membership, and associated transfer of
12 functional control of transmission assets, benefits Illinois
13 customers in light of the attendant costs and is otherwise in
14 the public interest. Nothing in this subsection requires a
15 qualifying direct current applicant to join a regional
16 transmission organization.

17 (c) After the effective date of this amendatory Act of
18 1987, no construction shall commence on any new nuclear power
19 plant to be located within this State, and no certificate of
20 public convenience and necessity or other authorization shall
21 be issued therefor by the Commission, until the Director of
22 the Illinois Environmental Protection Agency finds that the
23 United States Government, through its authorized agency, has
24 identified and approved a demonstrable technology or means for
25 the disposal of high level nuclear waste, or until such
26 construction has been specifically approved by a statute

1 enacted by the General Assembly.

2 As used in this Section, "high level nuclear waste" means
3 those aqueous wastes resulting from the operation of the first
4 cycle of the solvent extraction system or equivalent and the
5 concentrated wastes of the subsequent extraction cycles or
6 equivalent in a facility for reprocessing irradiated reactor
7 fuel and shall include spent fuel assemblies prior to fuel
8 reprocessing.

9 (d) In making its determination, the Commission shall
10 attach primary weight to the cost or cost savings to the
11 customers of the utility. The Commission may consider any or
12 all factors which will or may affect such cost or cost savings,
13 including the public utility's engineering judgment regarding
14 the materials used for construction.

15 (e) The Commission may issue a temporary certificate which
16 shall remain in force not to exceed one year in cases of
17 emergency, to assure maintenance of adequate service or to
18 serve particular customers, without notice or hearing, pending
19 the determination of an application for a certificate, and may
20 by regulation exempt from the requirements of this Section
21 temporary acts or operations for which the issuance of a
22 certificate will not be required in the public interest.

23 A public utility shall not be required to obtain but may
24 apply for and obtain a certificate of public convenience and
25 necessity pursuant to this Section with respect to any matter
26 as to which it has received the authorization or order of the

1 Commission under the Electric Supplier Act, and any such
2 authorization or order granted a public utility by the
3 Commission under that Act shall as between public utilities be
4 deemed to be, and shall have except as provided in that Act the
5 same force and effect as, a certificate of public convenience
6 and necessity issued pursuant to this Section.

7 No electric cooperative shall be made or shall become a
8 party to or shall be entitled to be heard or to otherwise
9 appear or participate in any proceeding initiated under this
10 Section for authorization of power plant construction and as
11 to matters as to which a remedy is available under The Electric
12 Supplier Act.

13 (f) Such certificates may be altered or modified by the
14 Commission, upon its own motion or upon application by the
15 person or corporation affected. Unless exercised within a
16 period of 2 years from the grant thereof authority conferred
17 by a certificate of convenience and necessity issued by the
18 Commission shall be null and void.

19 No certificate of public convenience and necessity shall
20 be construed as granting a monopoly or an exclusive privilege,
21 immunity or franchise.

22 (g) A public utility that undertakes any of the actions
23 described in items (1) through (4) ~~(3)~~ of this subsection (g)
24 or that has obtained approval pursuant to Section 8-406.1 of
25 this Act shall not be required to comply with the requirements
26 of this Section to the extent such requirements otherwise

1 would apply. For purposes of this Section and Section 8-406.1
2 of this Act, "high voltage electric service line" means an
3 electric line having a design voltage of 100,000 or more. For
4 purposes of this subsection (g), a public utility may do any of
5 the following:

6 (1) replace or upgrade any existing high voltage
7 electric service line and related facilities,
8 notwithstanding its length;

9 (2) relocate any existing high voltage electric
10 service line and related facilities, notwithstanding its
11 length, to accommodate construction or expansion of a
12 roadway or other transportation infrastructure; ~~or~~

13 (3) construct a high voltage electric service line and
14 related facilities that is constructed solely to serve a
15 single customer's premises or to provide a generator
16 interconnection to the public utility's transmission
17 system and that will pass under or over the premises owned
18 by the customer or generator to be served or under or over
19 premises for which the customer or generator has secured
20 the necessary right of way; or.

21 (4) notwithstanding any other provision of this Act,
22 install fiber optic communication equipment that is to be
23 used for operational purposes and also may be used by
24 third-party telecommunications service providers.

25 (h) A public utility seeking to construct a high-voltage
26 electric service line and related facilities (Project) must

1 show that the utility has held a minimum of 2 pre-filing public
2 meetings to receive public comment concerning the Project in
3 each county where the Project is to be located, no earlier than
4 6 months prior to filing an application for a certificate of
5 public convenience and necessity from the Commission. Notice
6 of the public meeting shall be published in a newspaper of
7 general circulation within the affected county once a week for
8 3 consecutive weeks, beginning no earlier than one month prior
9 to the first public meeting. If the Project traverses 2
10 contiguous counties and where in one county the transmission
11 line mileage and number of landowners over whose property the
12 proposed route traverses is one-fifth or less of the
13 transmission line mileage and number of such landowners of the
14 other county, then the utility may combine the 2 pre-filing
15 meetings in the county with the greater transmission line
16 mileage and affected landowners. All other requirements
17 regarding pre-filing meetings shall apply in both counties.
18 Notice of the public meeting, including a description of the
19 Project, must be provided in writing to the clerk of each
20 county where the Project is to be located. A representative of
21 the Commission shall be invited to each pre-filing public
22 meeting.

23 (i) For applications filed after the effective date of
24 this amendatory Act of the 99th General Assembly, the
25 Commission shall by registered mail notify each owner of
26 record of land, as identified in the records of the relevant

1 county tax assessor, included in the right-of-way over which
2 the utility seeks in its application to construct a
3 high-voltage electric line of the time and place scheduled for
4 the initial hearing on the public utility's application. The
5 utility shall reimburse the Commission for the cost of the
6 postage and supplies incurred for mailing the notice.

7 (Source: P.A. 99-399, eff. 8-18-15.)

8 (220 ILCS 5/8-512 new)

9 Sec. 8-512. Renewable energy access plan.

10 (a) It is the policy of this State to promote
11 cost-effective transmission system development that ensures
12 reliability of the electric transmission system, lowers carbon
13 emissions, minimizes long-term costs for consumers, and
14 supports the electric policy goals of this State. The General
15 Assembly finds that:

16 (1) Transmission planning, primarily for reliability
17 purposes, but also for economic and public policy reasons
18 is conducted by regional transmission organizations in
19 which transmission-owning Illinois utilities and other
20 stakeholders are members.

21 (2) Order No. 1000 of the Federal Energy Regulatory
22 Commission requires regional transmission organizations to
23 plan for transmission system needs in light of State
24 public policies and to accept input from states during the
25 transmission system planning processes.

1 (3) The State does not currently have a comprehensive
2 power and environmental policy planning process to
3 identify transmission infrastructure needs that can serve
4 as a vital input into the regional and inter-regional
5 transmission organization planning processes conducted
6 under Order No. 1000 and other laws and regulations.

7 (4) This State is an electricity generation and power
8 transmission hub, and can leverage that position to invest
9 in infrastructure that enables new and existing Illinois
10 generators to meet the public policy goals of the State of
11 Illinois and of interconnected states while
12 cost-effectively supporting tens of thousands of jobs in
13 the renewable energy sector in this State.

14 (5) The nation has a need to readily access this
15 State's low-cost, clean electric power, and this State
16 also desires access to clean energy resources in other
17 states to develop and support its low-carbon economy and
18 keep electricity prices low in Illinois and interconnected
19 States.

20 (6) Existing transmission infrastructure may constrain
21 the State's achievement of 100% renewable energy by 2050,
22 the accelerated adoption of electric vehicles in a just
23 and equitable way, and electrification of additional
24 sectors of the Illinois economy.

25 (7) Transmission system congestion within this State
26 and the regional transmission organizations serving this

1 State limits the ability of this State's existing and new
2 electric generation facilities that do not emit carbon
3 dioxide, including renewable energy resources and zero
4 emission facilities, to serve the public policy goals of
5 this State and other states, which constrains investment
6 in this State.

7 (8) Investment in infrastructure to support existing
8 and new electric generation facilities that do not emit
9 carbon dioxide, including renewable energy resources and
10 zero emission facilities, stimulates significant economic
11 development and job growth in this State, as well as
12 creates environmental and public health benefits in this
13 State.

14 (9) Creating a forward-looking plan for this State's
15 electric transmission infrastructure, as opposed to
16 relying on case-by-case development and repeated marginal
17 upgrades, will achieve a lower-cost system for Illinois'
18 electricity customers. A forward-looking plan can also
19 help integrate and achieve a comprehensive set of
20 objectives and multiple State, regional, and national
21 policy goals.

22 (10) Alternatives to overhead electric transmission
23 lines can achieve cost-effective resolution of system
24 impacts and warrant investigation of the circumstances
25 under which those alternatives should be considered and
26 approved. The alternatives are likely to be beneficial as

1 investment in electric transmission infrastructure moves
2 forward.

3 (11) Because transmission planning is conducted
4 primarily by the regional transmission organizations, the
5 Commission should be advocating for the State's interests
6 at the regional transmission organizations to ensure that
7 such planning facilitates the State's policies and goals,
8 including overall consumer savings, power system
9 reliability, economic development, environmental
10 improvement, and carbon reduction.

11 (b) Consistent with the findings identified in subsection
12 (a), the Commission shall open an investigation to develop and
13 adopt a renewable energy access plan no later than December
14 31, 2022. To assist and support the Commission in the
15 development of the plan, the Commission shall retain the
16 services of technical and policy experts with relevant fields
17 of expertise, solicit technical and policy analysis from the
18 public, and provide for a 120-day open public comment period
19 after publication of a draft report, which shall be published
20 no later than 90 days after the comment period ends. The plan
21 shall, at a minimum, do the following:

22 (1) designate renewable energy access plan zones
23 throughout this State in areas in which renewable energy
24 resources and suitable land areas are sufficient for
25 developing generating capacity from renewable energy
26 technologies;

1 (2) develop a plan to achieve transmission capacity
2 necessary to deliver the electric output from renewable
3 energy technologies in the renewable energy access plan
4 zones to customers in Illinois and other states in a
5 manner that is most beneficial and cost-effective to
6 customers;

7 (3) use this State's position as an electricity
8 generation and power transmission hub to create new
9 investment in this State's renewable energy resources;

10 (4) consider programs, policies, and electric
11 transmission projects that can be adopted within this
12 State that promote the cost-effective delivery of power
13 from renewable energy resources interconnected to the bulk
14 electric system to meet the renewable portfolio standard
15 targets under subsection (c) of Section 1-75 of the
16 Illinois Power Agency Act;

17 (5) consider proposals to improve regional
18 transmission organizations' regional and interregional
19 system planning processes, especially proposals that
20 reduce costs and emissions, create jobs, and increase
21 State and regional power system reliability to prevent
22 high-cost outages that can endanger lives, and analyze of
23 how those proposals would improve reliability and
24 cost-effective delivery of electricity in Illinois and the
25 region;

26 (6) make findings and policy recommendations based on

1 technical and policy analysis regarding locations of
2 renewable energy access plan zones and the transmission
3 system developments needed to cost-effectively achieve the
4 public policy goals identified herein; and

5 (7) present the Commission's conclusions and proposed
6 recommendations based on its analysis and use the findings
7 and policy recommendations to determine actions that the
8 Commission should take.

9 (c) No later than December 31, 2025, and every other year
10 thereafter, the Commission shall open an investigation to
11 develop and adopt an updated renewable energy access plan
12 that, at a minimum, evaluates the implementation and
13 effectiveness of the renewable energy access plan, recommends
14 improvements to the renewable energy access plan, and provides
15 changes to transmission capacity necessary to deliver electric
16 output from the renewable energy access plan zones.

17 (220 ILCS 5/9-228 new)

18 Sec. 9-228. Limits on public utility expenses. The
19 Commission shall not consider any of the following as an
20 expense of any public utility company, including any
21 allocation of those costs to the public utility from an
22 affiliate or corporate parent, for the purpose of determining
23 any rate or charge, any amount expended for:

24 (1) the pension or other post-employment benefits for
25 an employee convicted of committing a criminal act in the

1 course of his or her work with the utility;

2 (2) any severance or post-employment costs for an
3 employee convicted of committing a criminal act in the
4 course of his or her work with the utility; or

5 (3) criminal penalties, fines, fees, and costs related
6 to criminal charges, criminal investigations, or deferred
7 prosecution agreements.

8 (220 ILCS 5/9-229)

9 Sec. 9-229. Consideration of attorney and expert
10 compensation as an expense and intervenor compensation fund.

11 (a) The Commission shall specifically assess the justness
12 and reasonableness of any amount expended by a public utility
13 to compensate attorneys or technical experts to prepare and
14 litigate a general rate case filing. This issue shall be
15 expressly addressed in the Commission's final order.

16 (b) The State shall create a Consumer Intervenor
17 Compensation Fund subject to the following:

18 (1) Provision of compensation for Consumer Interest
19 Representatives that intervene in Illinois Commerce
20 Commission proceedings will increase public engagement,
21 encourage additional transparency, expand the information
22 available to the Commission, and improve decision-making.

23 (2) As used in this Section, "consumer interest
24 representative" means:

25 (A) a residential utility customer or group of

1 residential utility customers;

2 (B) representatives of not-for-profit groups or
3 organizations whose membership is limited to
4 residential utility customers;

5 (C) representatives of not-for-profit groups or
6 organizations whose membership includes Illinois
7 residents and that address the community, economic,
8 environmental, or social welfare of Illinois
9 residents; or

10 (D) not-for-profit organizations that are
11 authorized to represent the interests of residential
12 utility customers or small commercial utility
13 customers that receive utility service from a public
14 utility whose tariffs must be approved by the
15 Commission pursuant to their articles of incorporation
16 or bylaws.

17 (3) A consumer interest representative is eligible to
18 receive compensation from the consumer intervenor
19 compensation fund if its participation included lay or
20 expert testimony or legal briefing and argument concerning
21 the expenses, investments, rate design, rate impact, or
22 other matters affecting the pricing, rates, costs or other
23 charges associated with utility service, the Commission
24 addresses or adopts in whole or in part one or more factual
25 contentions, legal contentions, or policy or procedural
26 recommendations presented by the consumer interest

1 representative, the participant provided a significant
2 contribution to the record, and participation caused a
3 significant financial hardship to the participant.

4 (4) Within 30 days after the effective date of this
5 amendatory Act of the 102nd General Assembly, each utility
6 that files a request for an increase in rates under
7 Article IX or Article XVI shall deposit an amount equal to
8 one half of the rate case attorney and expert expense
9 allowed by the Commission into the fund within 35 days of
10 the date of the Commission's final Order in the rate case
11 or 20 days after the denial of rehearing under Section
12 10-113, whichever is later. The Consumer Intervenor
13 Compensation Fund shall be used to provide payment to
14 consumer interest representatives as described in this
15 Section.

16 (5) An electric public utility with 3,000,000 or more
17 retail customers shall contribute \$450,000 to the Consumer
18 Intervenor Compensation Fund within 60 days after the
19 effective date of this amendatory Act of the 102nd General
20 Assembly. A combined electric and gas public utility
21 serving fewer than 3,000,000 but more than 500,000 retail
22 customers shall contribute \$225,000 to the Consumer
23 Intervenor Compensation Fund within 60 days after the
24 effective date of this amendatory Act of the 102nd General
25 Assembly. A gas public utility with 1,500,000 or more
26 retail customers that is not a combined electric and gas

1 public utility shall contribute \$225,000 to the Consumer
2 Intervenor Compensation Fund within 60 days after the
3 effective date of this amendatory Act of the 102nd General
4 Assembly. A gas public utility with fewer than 1,500,000
5 retail customers but more than 300,000 retail customers
6 that is not a combined electric and gas public utility
7 shall contribute \$80,000 to the Consumer Intervenor
8 Compensation Fund within 60 days after the effective date
9 of this amendatory Act of the 102nd General Assembly. A
10 gas public utility with fewer than 300,000 retail
11 customers that is not a combined electric and gas public
12 utility shall contribute \$20,000 to the Consumer
13 Intervenor Compensation Fund within 60 days after the
14 effective date of this amendatory Act of the 102nd General
15 Assembly. A combined electric and gas public utility
16 serving fewer than 500,000 retail customers shall
17 contribute \$20,000 to the Consumer Intervenor Compensation
18 Fund within 60 days after the effective date of this
19 amendatory Act of the 102nd General Assembly. A water or
20 sewer public utility serving more than 100,000 retail
21 customers shall contribute \$80,000, and a water or sewer
22 public utility serving fewer than 100,000 but more than
23 10,000 retail customers shall contribute \$20,000.

24 (6) (A) Prior to the entry of a Final Order in a
25 docketed case, the Commission Administrator shall provide
26 a payment to a consumer interest representative that

1 demonstrates through a verified application for funding
2 that the consumer interest representative's participation
3 or intervention without an award of fees or costs imposes
4 a significant financial hardship based on a schedule to be
5 developed by the Commission. The initial payment shall be
6 no less than \$20,000 for a request for an increase in
7 rates, and may be up to \$20,000 for other dockets,
8 investigations, rulemakings, or proceedings. The
9 Administrator may require verification of costs incurred,
10 including statements of hours spent, as a condition to
11 paying the consumer interest representative prior to the
12 entry of a Final Order in a docketed case.

13 (B) If the Commission addresses or adopts in whole or
14 in part one or more factual contentions, legal
15 contentions, or policy or procedural recommendations
16 presented by the consumer interest representative, the
17 participant provided a contribution to the record, and
18 participation caused a financial hardship to the
19 participant then the consumer interest representative
20 shall be allowed payment for some or all of the consumer
21 interest representative's reasonable attorney's or
22 advocate's fees, reasonable expert witness fees, and other
23 reasonable costs of preparation for and participation in a
24 hearing or proceeding. Expenses related to travel or meals
25 shall not be compensable. The Administrator shall award
26 compensation to maximize intervenor participation.

1 (C) The consumer interest representative shall submit
2 an itemized request for compensation to the Consumer
3 Intervenor Compensation Fund, including the advocate's or
4 attorney's reasonable fee rate, the number of hours
5 expended, reasonable expert and expert witness fees, and
6 other reasonable costs for the preparation for and
7 participation in the hearing and briefing within 30 days
8 of the Commission's final order after denial or decision
9 on rehearing, if any.

10 (7) Administration of the Fund.

11 (A) The Consumer Intervenor Compensation Fund is
12 created as a special fund in the State treasury. All
13 disbursements from the Consumer Intervenor Compensation
14 Fund shall be made only upon warrants of the Comptroller
15 drawn upon the Treasurer as custodian of the Fund upon
16 vouchers signed by the Executive Director of the
17 Commission or by the person or persons designated by the
18 Director for that purpose. The Comptroller is authorized
19 to draw the warrant upon vouchers so signed. The Treasurer
20 shall accept all warrants so signed and shall be released
21 from liability for all payments made on those warrants.
22 The Consumer Intervenor Compensation Fund shall be
23 administered by an Administrator that is a person or
24 entity that is independent of the Commission. The
25 administrator will be responsible for the prudent
26 management of the Consumer Intervenor Compensation Fund

1 and for recommendations for the award of consumer
2 intervenor compensation from the Consumer Intervenor
3 Compensation Fund. The Commission shall issue a request
4 for qualifications for a third-party program administrator
5 to administer the Consumer Intervenor Compensation Fund.
6 The third-party administrator shall be chosen through a
7 competitive bid process based on selection criteria and
8 requirements developed by the Commission. The Illinois
9 Procurement Code does not apply to the hiring or payment
10 of the Administrator. All Administrator costs may be paid
11 for using moneys from the Consumer Intervenor Compensation
12 Fund, but the Program Administrator shall strive to
13 minimize costs in the implementation of the program.

14 (B) The computation of compensation awarded from the
15 fund shall take into consideration the market rates paid
16 to persons of comparable training and experience who offer
17 similar services, but may not exceed the comparable market
18 rate for services paid by the public utility as part of its
19 rate case expense.

20 (C) (1) Recommendations on the award of compensation by
21 the administrator shall include consideration of whether
22 the Commission addressed or adopted in whole or in part
23 one or more factual contentions, legal contentions, or
24 policy or procedural recommendations presented by the
25 consumer interest representative; whether the participant
26 provided a significant contribution to the record; and

1 whether that participation caused a financial hardship to
2 the participant and the payment of compensation is fair,
3 just and reasonable.

4 (2) Recommendations on the award of compensation by
5 the administrator shall be submitted to the Commission for
6 approval. Unless the Commission initiates an investigation
7 within 45 days after the notice to the Commission, the
8 award of compensation shall be allowed 45 days after
9 notice to the Commission. Such notice shall be given by
10 filing with the Commission on the Commission's e-docket
11 system, and keeping open for public inspection the award
12 for compensation proposed by the Administrator. The
13 Commission shall have power, and it is hereby given
14 authority, either upon complaint or upon its own
15 initiative without complaint, at once, and if it so
16 orders, without answer or other formal pleadings, but upon
17 reasonable notice, to enter upon a hearing concerning the
18 propriety of the award. The investigation shall not extend
19 more than 105 days after the Commission initiates the
20 investigation.

21 (c) The Commission may adopt rules to implement this
22 Section.

23 (Source: P.A. 96-33, eff. 7-10-09.)

24 (220 ILCS 5/9-241) (from Ch. 111 2/3, par. 9-241)

25 Sec. 9-241. No public utility shall, as to rates or other

1 charges, services, facilities or in other respect, make or
2 grant any preference or advantage to any corporation or person
3 or subject any corporation or person to any prejudice or
4 disadvantage. No public utility shall establish or maintain
5 any unreasonable difference as to rates or other charges,
6 services, facilities, or in any other respect, either as
7 between localities or as between classes of service.

8 However, nothing in this Section shall be construed as
9 limiting the authority of the Commission to permit the
10 establishment of economic development rates as incentives to
11 economic development either in enterprise zones as designated
12 by the State of Illinois or in other areas of a utility's
13 service area. Such rates should be available to existing
14 businesses which demonstrate an increase to existing load as
15 well as new businesses which create new load for a utility so
16 as to create a more balanced utilization of generating
17 capacity. The Commission shall ensure that such rates are
18 established at a level which provides a net benefit to
19 customers within a public utility's service area.

20 On or before January 1, 2023, the Commission shall conduct
21 a comprehensive study to assess whether low-income discount
22 rates for residential customers are appropriate and the
23 potential design and implementation of any such rates. The
24 Commission shall include its findings, together with the
25 appropriate recommendations, in a report to be provided to the
26 General Assembly. Upon completion of the study, the Commission

1 shall have the authority to permit or require utilities to
2 file a tariff establishing low-income discount rates.

3 Such study shall assess, at a minimum, the following:

4 (1) customer eligibility requirements, including
5 income-based eligibility and eligibility based on
6 participation in or eligibility for certain public
7 assistance programs;

8 (2) appropriate rate structures, including
9 consideration of tiered discounts for different income
10 levels;

11 (3) appropriate recovery mechanisms, including the
12 consideration of volumetric charges and customer charges;

13 (4) appropriate verification mechanisms;

14 (5) measures to ensure customer confidentiality and
15 data safeguards;

16 (6) outreach and consumer education procedures; and

17 (7) the impact that a low-income discount rate would
18 have on the affordability of delivery service to
19 low-income customers and customers overall.

20 The Commission shall adopt rules requiring utility
21 companies to produce information, in the form of a mailing,
22 and other approved methods of distribution, to its consumers,
23 to inform the consumers of available rebates, discounts,
24 credits, and other cost-saving mechanisms that can help them
25 lower their monthly utility bills, and send out such
26 information semi-annually, unless otherwise provided by this

1 Article.

2 Prior to October 1, 1989, no public utility providing
3 electrical or gas service shall consider the use of solar or
4 other nonconventional renewable sources of energy by a
5 customer as a basis for establishing higher rates or charges
6 for any service or commodity sold to such customer; nor shall a
7 public utility subject any customer utilizing such energy
8 source or sources to any other prejudice or disadvantage on
9 account of such use. No public utility shall without the
10 consent of the Commission, charge or receive any greater
11 compensation in the aggregate for a lesser commodity, product,
12 or service than for a greater commodity, product or service of
13 like character.

14 The Commission, in order to expedite the determination of
15 rate questions, or to avoid unnecessary and unreasonable
16 expense, or to avoid unjust or unreasonable discrimination
17 between classes of customers, or, whenever in the judgment of
18 the Commission public interest so requires, may, for rate
19 making and accounting purposes, or either of them, consider
20 one or more municipalities either with or without the adjacent
21 or intervening rural territory as a regional unit where the
22 same public utility serves such region under substantially
23 similar conditions, and may within such region prescribe
24 uniform rates for consumers or patrons of the same class.

25 Any public utility, with the consent and approval of the
26 Commission, may as a basis for the determination of the

1 charges made by it classify its service according to the
2 amount used, the time when used, the purpose for which used,
3 and other relevant factors.

4 (Source: P.A. 91-357, eff. 7-29-99.)

5 (220 ILCS 5/16-105.5 new)

6 Sec. 16-105.5. Rate case filing and revenue-neutral rate
7 design.

8 (a) An electric utility that files a general rate case
9 pursuant to Section 9-201 or a Multi-Year Rate Plan pursuant
10 to Section 16-108.18 may omit the rate design component of
11 such filing and subsequently separately file this component
12 with the Commission, subject to the requirements of
13 subsections (b) and (c).

14 (b) If the electric utility makes the election described
15 in this Section, then the filing shall be consistent with the
16 rate design and cost allocation across customer classes
17 approved in the Commission's most recent order regarding the
18 electric utility's request for a general adjustment to its
19 rates entered under Section 9-201, subsection (e) of Section
20 16-108.5, or Section 16-108.18, as applicable.

21 (c) If the electric utility makes the election described
22 in this Section, then the following provisions apply to the
23 separate filing of the revenue-neutral rate design component:

24 (1) No later than one year after the tariffs
25 implementing the general rate case filing or Multi-year

1 Rate Plan filing, as described in subsection (b) of this
2 Section, are placed into effect, the electric utility
3 shall make a filing with the Commission that proposes
4 changes to the tariffs to incorporate the findings of any
5 final rate design orders of the Commission applicable to
6 the electric utility and entered subsequent to the
7 Commission's approval of the tariffs. If no such orders
8 have been entered, then the electric utility must submit
9 its separate revenue-neutral rate design filing no later
10 than 3 years after the date on which the Commission's most
11 recent final rate design order was entered for the
12 electric utility. The electric utility's separate
13 revenue-neutral rate design filing may either propose
14 revenue-neutral tariff changes or refile the existing
15 tariffs without change, which shall present the Commission
16 with an opportunity to suspend the tariffs and consider
17 revenue-neutral tariff changes related to rate design. The
18 Commission shall, after notice and hearing, enter its
19 order approving, or approving with modification, the
20 proposed changes to the tariffs within 240 days after the
21 electric utility's filing. Any changes ordered by the
22 Commission shall become effective at the commencement of
23 the first January monthly billing period that begins no
24 earlier than 30 days after the Commission issues its order
25 adopting such changes.

26 (2) Following Commission approval under paragraph (1),

1 the electric utility shall make a filing with the
2 Commission during each subsequent 3-year period that
3 either proposes revenue-neutral tariff changes or refiles
4 the existing tariffs without change, which shall present
5 the Commission with an opportunity to suspend the tariffs
6 and consider revenue-neutral tariff changes related to
7 rate design. The requirements of this paragraph (2) shall
8 terminate at the time that the electric utility files a
9 general rate case or Multi-Year Rate Plan that includes
10 the rate design component.

11 (220 ILCS 5/16-105.6 new)

12 Sec. 16-105.6. Amortization of charges or credits.

13 (a) It is in the public interest to mitigate the customer
14 bill impacts of large expenses incurred by electric utilities
15 by directing that expenses exceeding the applicable threshold
16 specified in this Section be amortized over the prescribed
17 period. Such amortization will levelize customer bill impacts
18 and, in many instances, better align the period of cost
19 recovery with the period over which customers receive the
20 benefit of the expenditure. Accordingly, an electric utility
21 that files a general rate increase under Section 9-201 of this
22 Act or a Multi-Year Rate Plan under Section 16-108.18 of this
23 Act shall amortize, over a 5-year period, each charge or
24 credit that exceeds the applicable amount identified in
25 subsection (b) and that relates to:

1 (1) a workforce reduction program's severance costs;

2 (2) changes in accounting rules;

3 (3) changes in the law, including any enactment,
4 repeal, or amendment in a law, ordinance, rule,
5 regulation, interpretation, permit, license, consent, or
6 order, including those relating to taxes, accounting, or
7 environmental matters, or in the interpretation or
8 application thereof by any governmental authority
9 occurring after the effective date of this amendatory Act
10 of the 102nd General Assembly;

11 (4) compliance with any Commission-initiated audit;

12 and

13 (5) a single storm or weather system, or other similar
14 expense.

15 Any unamortized balance shall be reflected in rate base.

16 Nothing in this Section is intended to prohibit the
17 Commission from reviewing the prudence and reasonableness of
18 the costs amortized pursuant to this Section.

19 (b) An electric utility that serves more than 3,000,000
20 customers in the State shall amortize the full amount of each
21 charge or credit described in subsection (a) that exceeds
22 \$10,000,000 in the applicable calendar year, and an electric
23 utility that serves less than 3,000,000 customers in the State
24 shall amortize the full amount of each such charge or credit
25 that exceeds \$3,700,000 in the applicable calendar year.

1 (220 ILCS 5/16-105.7 new)

2 Sec. 16-105.7. Revenue balancing adjustments.

3 (a) It is in the public interest to decouple electric
4 utility sales and revenues, to mitigate the impact on
5 utilities of energy savings goals, to mitigate a utility's
6 disincentive to promote energy efficiency, and to recognize
7 changes in sales attributable to weather, electric vehicles
8 and other electrification, adoption of distributed energy
9 resources, and other volatile or uncontrollable factors
10 without adversely affecting utility customers.

11 (b) For the purposes of this Section, "reconciliation
12 period" means a period beginning with the January monthly
13 billing period and extending through the December monthly
14 billing period of the same calendar year.

15 (c) As set forth in subsection (d), the Commission shall
16 approve a tariff by which distribution revenues shall be
17 compared annually to the revenue requirement or requirements
18 approved by the Commission on which the rates giving rise to
19 those revenues were based to prevent undercollections or
20 overcollections. An electric utility shall submit an annual
21 revenue balancing reconciliation report to the Commission
22 reflecting the difference between the actual delivery service
23 revenue and multi-year rate case revenue requirement for the
24 applicable reconciliation and identifying the charges or
25 credits to be applied thereafter. Such reconciliation and
26 calculation of associated charges or credits shall be

1 conducted on a customer class basis. The annual revenue
2 balancing reconciliation report shall be filed with the
3 Commission no later than March 20 of the year following a
4 reconciliation period. The Commission may initiate a review of
5 the revenue balancing reconciliation report each year to
6 determine if any subsequent adjustment is necessary to align
7 actual delivery service revenue and rate case revenue
8 requirement. If the Commission elects to initiate such review,
9 the Commission shall, after notice and hearing, enter an order
10 approving, or approving as modified, such revenue balancing
11 reconciliation report no later than 120 days after the utility
12 files its report with the Commission. If the Commission does
13 not initiate such a review, the revenue balancing
14 reconciliation report and the identified charges or credits
15 shall be deemed accepted and approved 120 days after the
16 utility files the report and shall not be subject to review in
17 any other proceeding. Any balancing adjustment shall take
18 effect during the following January monthly billing period.

19 (d) Each electric utility shall file a tariff in
20 compliance with the provisions of this Section within 120 days
21 after the effective date of this amendatory Act of the 102nd
22 General Assembly. The Commission shall approve the tariff if
23 it finds that it is consistent with the provisions of the
24 Section. If the Commission does not so find, it shall approve
25 the tariff with modification to conform it to the requirements
26 of this Section or otherwise reject the tariff and explain how

1 the utility can modify the tariff and refile to comply with the
2 requirements of this Section.

3 (220 ILCS 5/16-105.10 new)

4 Sec. 16-105.10. Independent baseline assessment.

5 (a) Prior to the filing of the initial Multi-Year
6 Integrated Grid Plan described in Section 16-105.17 of this
7 Act, the General Assembly finds that an independent audit of
8 the current state of the grid, and of the expenditures made
9 since 2012, will need to be made.

10 Specifically, the General Assembly finds:

11 (1) Pursuant to the Energy Infrastructure
12 Modernization Act and subsequent clarifying legislation,
13 electric utilities in this State that serve over 300,000
14 retail customers have made substantial investments in the
15 grid and advanced metering infrastructure.

16 (2) Before a Multi-Year Integrated Grid Plan is filed
17 under Section 16-105.17, it is necessary to understand the
18 benefits of these investments to the grid and to customers
19 and to evaluate the current condition of the distribution
20 grid.

21 (3) It is also necessary for electric utilities, the
22 Commission, and stakeholders to have an independently
23 verified set of data to establish the baseline for future
24 distribution grid spending.

25 (4) The Commission has authority to order and

1 implement the requirements of this Section under Section
2 8-102.

3 (b) Terms used in this Section have the meanings given to
4 those terms in Sections 16-102, 16-107.6, and 16-108.

5 (c) Within 30 days after the effective date of this
6 amendatory Act of the 102nd General Assembly, the Commission
7 shall issue an order initiating an audit of each electric
8 utility serving over 300,000 retail customers in the State,
9 which shall examine the following:

10 (1) An assessment of the distribution grid, as
11 described in paragraph (2) of subsection (a). The
12 Commission shall have the authority to require additional
13 items which it deems necessary.

14 (2) An analysis of the utility's capital projects
15 placed into service in the preceding 9 years, including,
16 but not limited to, assessing the value of deploying
17 advanced metering infrastructure to modernize and optimize
18 the grid and deliver value to customers.

19 (3) An analysis of the utility's initiatives to
20 optimize the reliability and resiliency of the grid, other
21 than through capital spending.

22 (4) Creation of a data baseline to inform the
23 beginning of the multi-year integrated grid planning
24 process described in Section 16-105.17.

25 (5) Identification of any deficiencies in data which
26 may impact the planning process.

1 (d) It is contemplated that the auditor will utilize
2 materials filed with the Commission by the utilities with
3 respect to their expenditures in the preceding 9 years;
4 however, the auditor may also, with Commission approval,
5 assess other information deemed necessary to make its report.

6 (e) The results of the audit described in this Section
7 shall be reflected in a report delivered to the Commission,
8 describing the information specified in this Section. Such
9 report is to be delivered no later than 180 days after the
10 Commission enters its order pursuant to subsection (c) of this
11 Section. It is understood that any public report may not
12 contain items that are confidential or proprietary.

13 (f) The costs of an electric utility's audit described in
14 this Section shall not exceed \$500,000 and shall be paid for by
15 the electric utility that is the subject of the audit. Such
16 costs shall be a recoverable expense.

17 (g) The Commission shall have the authority to retain the
18 services of an auditor to assist with the distribution
19 planning process, as well as in docketed proceedings. Such
20 expenses for these activities shall also be borne by the
21 Commission.

22 (220 ILCS 5/16-105.17 new)

23 Sec. 16-105.17. Multi-Year Integrated Grid Plan.

24 (a) The General Assembly finds that ensuring alignment of
25 regulated utility operations, expenditures, and investments

1 with public benefit goals, including safety, reliability,
2 resiliency, affordability, equity, emissions reductions, and
3 expansion of clean distributed energy resources, is critical
4 to maximizing the benefits of the interconnected utility grid
5 and cost-effective utility expenditures on the grid. It is the
6 policy of the State to promote inclusive, comprehensive,
7 transparent, cost-effective distribution system planning and
8 disclosures processes that minimize long-term costs for
9 Illinois customers and support the achievement of State
10 renewable energy development and other clean energy, public
11 health, and environmental policy goals. Utility distribution
12 system expenditures, programs, investments, and policies must
13 be evaluated in coordination with these goals. In particular,
14 the General Assembly finds that:

15 (1) Investment in infrastructure to support and enable
16 existing and new distributed energy resources creates
17 significant economic development, environmental, and
18 public health benefits in the State.

19 (2) Illinois' electricity distribution system must
20 cost-effectively integrate renewable energy resources,
21 including utility-scale renewable energy resources,
22 community renewable generation, and distributed renewable
23 energy resources, support beneficial electrification,
24 including electric vehicle use and adoption, promote
25 opportunities for third-party investment in
26 nontraditional, grid-related technologies and resources

1 such as batteries, solar photovoltaic panels, and smart
2 thermostats, reduce energy usage generally and especially
3 during times of greatest reliance on fossil fuels, and
4 enhance customer engagement opportunities.

5 (3) Inclusive distribution system planning is an
6 essential tool for the Commission, public utilities, and
7 stakeholders to effectively coordinate environmental,
8 consumer, reliability, and equity goals at fair and
9 reasonable costs, and for ensuring transparent utility
10 accountability for meeting those goals.

11 (4) Any planning process should advance Illinois
12 energy policy goals while ensuring utility investments are
13 cost-effective. Such a process should maximize the sharing
14 of information, minimize overlap with existing filing
15 requirements to ensure robust stakeholder participation,
16 and recognize the responsibility of the utility to manage
17 the grid in a safe, reliable manner.

18 (5) The General Assembly is concerned that, in the
19 absence of a transparent, meaningful distribution system
20 planning process, utility investments may not always serve
21 customers' best interests, appropriately promote the
22 expansion of clean distributed energy resources, and
23 advance equity and environmental justice.

24 (6) The General Assembly is also encouraged by the
25 opportunities presented by nontraditional solutions to
26 utility, customer, and grid needs that may be more

1 efficient and cost effective, and less environmentally
2 harmful than traditional solutions. Nontraditional
3 solutions include distributed energy resources owned or
4 implemented by customers and independent third parties,
5 controllable load, beneficial electrification, or rate
6 design that encourages efficient energy use.

7 (7) The General Assembly finds that Illinois
8 utilities' current processes for planning their
9 distribution system should be made more accessible and
10 transparent to individuals and communities, and that more
11 inclusive and accessible distribution system planning
12 processes would be in the interests of all Illinois
13 residents.

14 (8) The General Assembly finds it would be beneficial
15 to require utilities to demonstrate how their spending
16 promotes identified State clean energy goals, such as
17 integrating renewable energy, empowering customers to make
18 informed choices, supporting electric vehicles, beneficial
19 electrification, and energy storage, achieving equity
20 goals, enhancing resilience, and maintaining reliability.

21 The General Assembly therefore directs the utilities to
22 implement distribution system planning as described in this
23 Section in order to accelerate progress on Illinois clean
24 energy and environmental goals and hold electric utilities
25 publicly accountable for their performance.

26 (b) Unless otherwise specified, the terms used in this

1 Section shall have the same meanings as defined in Sections
2 16-102 and 16-107.6. As used in this Section:

3 "Demand response" means measures that decrease peak
4 electricity demand or shift demand from peak to off-peak
5 periods.

6 "Distributed energy resources" or "DER" means a wide range
7 of technologies that are connected to the grid, including
8 those that are located on the customer side of the customer's
9 electric meter and can provide value to the distribution
10 system, including, but not limited to, distributed generation,
11 energy storage, electric vehicles, and demand response
12 technologies.

13 "Environmental justice communities" means the definition
14 of that term based on existing methodologies and findings,
15 used and as may be updated by the Illinois Power Agency and its
16 Program Administrator in the Illinois Solar for All Program.

17 (c) This Section applies to electric utilities serving
18 more than 500,000 retail customers in the State.

19 (d) The Multi-Year Integrated Grid Plan ("the Plan") shall
20 be designed to:

- 21 (1) ensure coordination of the State's renewable
22 energy goals, climate and environmental goals with the
23 utility's distribution system investments, and programs
24 and policies over a 5-year planning horizon to maximize
25 the benefits of each while ensuring utility expenditures
26 are cost-effective;

1 (2) optimize utilization of electricity grid assets
2 and resources to minimize total system costs;

3 (3) support efforts to bring the benefits of grid
4 modernization and clean energy, including, but not limited
5 to, deployment of distributed energy resources, to all
6 retail customers, and support efforts to bring at least
7 40% of the benefits of those benefits to equity investment
8 eligible communities. Nothing in this paragraph is meant
9 to require a specific amount of spending in a particular
10 geographic area;

11 (4) enable greater customer engagement, empowerment,
12 and options for energy services;

13 (5) reduce grid congestion, minimize the time and
14 expense associated with interconnection, and increase the
15 capacity of the distribution grid to host increasing
16 levels of distributed energy resources, to facilitate
17 availability and development of distributed energy
18 resources, particularly in locations that enhance consumer
19 and environmental benefits;

20 (6) ensure opportunities for robust public
21 participation through open, transparent planning
22 processes.

23 (7) provide for the analysis of the cost-effectiveness
24 of proposed system investments, which takes into account
25 environmental costs and benefits;

26 (8) to the maximum extent practicable, achieve or

1 support the achievement of Illinois environmental goals,
2 including those described in Section 9.10 of the
3 Environmental Protection Act and Section 1-75 of the
4 Illinois Power Agency Act, and emissions reductions
5 required to improve the health, safety, and prosperity of
6 all Illinois residents;

7 (9) support existing Illinois policy goals promoting
8 the long-term growth of energy efficiency, demand
9 response, and investments in renewable energy resources;

10 (10) provide sufficient public information to the
11 Commission, stakeholders, and market participants in order
12 to enable nonemitting customer-owned or third-party
13 distributed energy resources, acting individually or in
14 aggregate, to seamlessly and easily connect to the grid,
15 provide grid benefits, support grid services, and achieve
16 environmental outcomes, without necessarily requiring
17 utility ownership or controlling interest over those
18 resources, and enable those resources to act as
19 alternatives to utility capital investments; and

20 (11) provide delivery services at rates that are
21 affordable to all customers, including low-income
22 customers.

23 (e) Plan Development Stakeholder Process.

24 (1) To promote the transparency of utility
25 distributions system planned investments and the planning
26 process for those investments, the Commission shall

1 convene a workshop process, over a period of no less than 5
2 months, for each such utility for the purpose of
3 establishing an open, inclusive, and cooperative forum
4 regarding such investments. The workshops shall be
5 facilitated by an independent, third-party facilitator
6 selected by the Commission. Data and projections provided
7 through the workshop process shall be designed to provide
8 participants with information about the electric utility's
9 (i) historic distribution system investments for at least
10 the 5 years prior to the year in which the workshop is held
11 and (ii) planned investments for the 5-year period
12 following the year in which the workshop is held. The
13 workshop process shall recognize that estimates for later
14 years will be less reliable and indicative of future
15 conduct than estimates for earlier years and that the
16 electric utility is subject to financial and system
17 planning processes. No later than January 1, 2022, the
18 facilitator shall initiate a series of workshops for each
19 electric utility subject to this Section. The series of
20 workshops shall include no fewer than 6 workshops and
21 shall conclude no later than June 1, 2022.

22 (2) The workshops shall be designed to achieve the
23 following objectives:

24 (A) review utilities' planned capital investments
25 and supporting data;

26 (B) review how utilities plan to invest in their

1 distribution system in order to meet the system's
2 projected needs;

3 (C) review system and locational data on
4 reliability, resiliency, DER, and service quality
5 provided by the utilities;

6 (D) solicit and consider input from diverse
7 stakeholders, including representatives from
8 environmental justice communities, geographically
9 diverse communities, low-income representatives,
10 consumer representatives, environmental
11 representatives, organized labor representatives,
12 third-party technology providers, and utilities;

13 (E) consider proposals from utilities and
14 stakeholders on programs and policies necessary to
15 achieve the objectives in subsection (d) of this
16 Section;

17 (F) consider proposals applicable to each
18 component of the utilities' Multi-Year Integrated Grid
19 Plan filings under paragraph (2) of subsection (f) of
20 this Section;

21 (G) educate and equip interested stakeholders so
22 that they can effectively and efficiently provide
23 feedback and input to the electric utility; and

24 (H) review planned capital investment to ensure
25 delivery services are provided at rates that are
26 affordable to all customers, including low-income

1 customers.

2 (3) To the extent any of the information in
3 subparagraphs (A) through (H) of paragraph (2) of this
4 subsection is designated as confidential and proprietary
5 under the Commission's rules, the proponent of the
6 designation shall have the burden of making the requisite
7 showing under the Commission's rules. For data that is
8 determined to be confidential or that includes
9 personally-identifiable information, the Commission may
10 develop procedures and processes to enable data sharing
11 with parties and stakeholders while ensuring the
12 confidentiality of the information.

13 (4) Workshops should be organized and facilitated in a
14 manner that encourages representation from diverse
15 stakeholders, ensuring equitable opportunities for
16 participation, without requiring formal intervention or
17 representation by an attorney. Workshops should be held
18 during both day and evening hours, in a variety of
19 locations within each electric utility's service
20 territory, and should allow remote participation.

21 (5) It is a goal of the State that this workshop
22 process will provide a forum for interested stakeholders
23 to effectively and efficiently provide feedback and input
24 to the electric utility. It is also a goal of the State
25 that stakeholder participation in this process will
26 prepare stakeholders to more capably participate in

1 Multi-Year Rate Plan proceedings conducted pursuant to
2 Section 16-108.18, if they so elect. As part of the
3 workshop process, the electric utility shall submit to the
4 Commission the electric utility's capital investments
5 proposal, and supporting data described in subparagraphs
6 (A) through (C) of paragraph (2) before the start of
7 workshops to allow interested stakeholders to reasonably
8 review data before attending workshops. The Commission
9 shall make public the utility capital investments proposal
10 by posting it on the Commission's website and set the
11 location and time of any workshop to be held as part of the
12 workshop process, and establish a data request process,
13 consistent with the Commission's rules, that affords
14 workshop participants opportunities to submit data
15 requests to the utility, and receive responses in
16 accordance with the utility's obligations under the law,
17 prior to the workshop, regarding the information described
18 in this paragraph. Upon the written request of a workshop
19 participant, the utility shall also present at a given
20 workshop at least one appropriate company representative
21 who can address the specific written questions or written
22 categories of questions identified in advance by the
23 workshop participant regarding issues related to the
24 utility's Multi-Year Integrated Grid Plan. To facilitate
25 public feedback, the administrator facilitating the
26 workshops shall, throughout the workshop process, develop

1 questions for stakeholder input on topics being
2 considered. This may include, but is not limited to:
3 design of the workshop process, locational data and
4 information provided by utilities, alignment of plans,
5 programs, investments and objectives, and other topics as
6 deemed appropriate by the Commission facilitation staff.
7 Stakeholder feedback shall not be limited to these
8 questions. The information provided as part of the
9 workshop process pursuant to this subsection (e) is
10 intended to be informational and to provide a preliminary
11 view of costs and investments, which may change.
12 Accordingly, the information provided pursuant to this
13 subsection shall not be binding on the utility and shall
14 not be the sole basis for a finding in any Commission
15 proceeding of imprudence, unreasonableness, or lack of use
16 or usefulness of any individual or aggregate level of
17 utility plant or other investment or expenditure
18 addressed; however, information contained in the plan may
19 be used in a proceeding before the Commission, with weight
20 of such evidence to be determined by the Commission.

21 (6) Workshops shall not be considered settlement
22 negotiations, compromise negotiations, or offers to
23 compromise for the purposes of Illinois Rule of Evidence
24 408. All materials shared as a part of the workshop
25 process, and that are not determined to be confidential as
26 described in paragraph (3), shall be made publicly

1 available on a website made available by the Commission.

2 (7) On conclusion of the workshops, the Commission
3 shall open a comment period that allows interested and
4 diverse stakeholders to submit comments and
5 recommendations regarding the utility's Multi-Year
6 Integrated Grid Plan filing. Based on the workshop process
7 and stakeholder comments and recommendations offered
8 verbally or in writing during the workshops and in writing
9 during the comment period following the workshops, the
10 independent third-party facilitator shall prepare a
11 report, to be submitted to the Commission no later than
12 July 1, 2022, describing the stakeholders, discussions,
13 proposals, and areas of consensus and disagreement from
14 the workshop process, and making recommendations to the
15 Commission regarding the utility's Multi-Year Integrated
16 Grid Plan. Interested stakeholders shall have an
17 opportunity to provide comment on the independent
18 third-party facilitator report.

19 (8) Based on discussions in the workshops, the
20 independent third-party facilitator report, and
21 stakeholder comments and recommendations made during and
22 following the workshop process, the Commission shall issue
23 initiating orders no later than August 1, 2022, requiring
24 the electric utilities subject to this Section to file the
25 first Multi-Year Integrated Grid Plan no later than
26 January 20, 2023. The initiating orders shall specify the

1 requirements applicable to the utilities' Multi-Year
2 Integrated Grid Plans, which shall supplement and not
3 replace those requirements described in subsection (f).

4 (f) Multi-Year Integrated Grid Plan.

5 (1) Pursuant to this subsection and the initiating
6 orders of the Commission, each electric utility subject to
7 this Section shall, no later than January 20, 2023, submit
8 its first Multi-Year Integrated Grid Plan. No later than
9 January 20, 2026, and every 4 years thereafter, the
10 utility shall submit its subsequent Plan. Each Plan shall:

11 (A) incorporate requirements established by the
12 Commission in its initiating order; and

13 (B) propose distribution system investment
14 programs, policies, and plans designed to optimize
15 achievement of the objectives set forth in subsection
16 (d) and achieve the metrics approved by the Commission
17 pursuant to Section 16-108.18.

18 To the extent practicable and reasonable, all
19 programs, policies, and initiatives proposed by the
20 utility in its plan should be informed by stakeholder
21 input received during the workshop process pursuant to
22 subsection (e). Where specific stakeholder input has not
23 been incorporated in proposed programs, policies, and
24 plans, the electric utility shall provide an explanation
25 as to why that input was not incorporated.

26 (2) In order to ensure electric utilities' ability to

1 meet the goals and objectives set forth in this Section,
2 the Multi-Year Integrated Grid Plans must include, at
3 minimum, the following information:

4 (A) A description of the utility's distribution
5 system planning process, including:

6 (i) the overview of the process, including
7 frequency and duration of the process, roles, and
8 responsibilities of utility personnel and
9 departments involved;

10 (ii) a summary of the meetings with
11 stakeholders conducted prior to filing of the plan
12 with the Commission.

13 (iii) the description of any coordination of
14 the processes with any other planning process
15 internal or external to the utility, including
16 those required by a regional transmission
17 operator.

18 (B) A detailed description of the current
19 operating conditions for the distribution system
20 separately presented for each of the utility's
21 operating areas, where possible, including a detailed
22 description, with supporting data, of system
23 conditions, including baseline data regarding the
24 utility's distribution system from the utility's
25 annual report to the Commission, total distribution
26 system substation capacity in kVa, total miles of

1 primary overhead distribution wire, and total miles of
2 primary underground distribution cable, distributed
3 energy resource deployment by type, size, customer
4 class, and geographic dispersion as to those DERs that
5 have completed the interconnection process, the most
6 current distribution line loss study, current and
7 expected System Average Interruption Frequency Index
8 and Customer Average Interruption Duration Index data
9 for the system, identification of the system model
10 software currently used and planned software
11 deployments, and other data needs as requested by the
12 Commission or as determined through Commission rules.
13 The description shall also include the utility's most
14 recent system load and peak demand forecast for at
15 least the next 5 years, and up to 10 years if
16 available, a discussion of how the forecast was
17 prepared and how distributed energy resources and
18 energy efficiency were factored into the forecast, and
19 identification of the forecasting software currently
20 used and planned software deployments.

21 (C) Financial Data.

22 (i) For each of the preceding 5 years, the
23 utility's distribution system investments by the
24 investment categories tracked by the utility,
25 including, but not limited to, new business,
26 facility relocation, capacity expansion, system

1 performance, preventive maintenance, corrective
2 maintenance, the total amount of investments
3 associated with the integration of DERs, the total
4 amount of charges to DER developers and retail
5 customers for interconnection of DERs to the
6 distribution system, and a list of each major
7 investment category the utility used to maintain
8 its routine standing operational activities and
9 the associated plant in service amount for each
10 category in which the plant in service amount is
11 at least \$2,000,000;

12 (ii) For each of the preceding 5 years, data
13 on and a discussion of the utility's distribution
14 system operation and maintenance expenses;

15 (iii) A 5-year long-range forecast of
16 distribution system capital investments and
17 operational and maintenance expenses, including a
18 discussion of any projections for expenses for the
19 categories listed in subparagraph (i) of this item
20 (C).

21 (D) System data on DERs on the utility's
22 distribution system, including the total number and
23 nameplate capacity of DERs that completed
24 interconnection in the prior year, current DER
25 deployment by type, size, and geographic dispersion,
26 to the extent that granular geographic information

1 does not disclose personally-identifiable information,
2 and other data as requested by the Commission or
3 determined by Commission rules.

4 (E) Hosting Capacity and Interconnection
5 Requirements.

6 (i) The utility shall make available on its
7 website the hosting capacity analysis results that
8 shall include mapping and GIS capability, as well
9 as any other requirements requested by the
10 Commission or determined through Commission rules.
11 The plan shall identify where the hosting capacity
12 analysis results shall be made publicly available.
13 This shall also include an assessment of the
14 impact of utility investments over the next 5
15 years on hosting capacity and a narrative
16 discussion of how the hosting capacity analysis
17 advances customer-sited distributed energy
18 resources, including electric vehicles, energy
19 storage systems, and photovoltaic resources, and
20 how the identification of interconnection points
21 on the distribution system will support the
22 continued development of distributed energy
23 resources.

24 (ii) Discussion of the utility's
25 interconnection requirements and how they comply
26 with the Commission's applicable regulations.

1 (F) Identification and discussion of the scenarios
2 considered in the development of the utility's
3 Multi-Year Integrated Grid Plan, including DER
4 scenarios, and discussion of base-case and alternative
5 scenarios, how the scenarios were developed and
6 selected, and how the scenarios include a reasonable
7 mix of DERs scenarios, types, and geographical
8 dispersion. Scenarios shall at least consider the
9 5-year forecast horizon of the Multi-Year Integrated
10 Grid Plan, but may also consider longer-term scenarios
11 where data is available. The plan shall also include
12 requirements requested by the Commission or determined
13 through Commission rules.

14 (G) An evaluation of the short-term and long-run
15 benefits and costs of distributed energy resources
16 located on the distribution system, including, but not
17 limited to, the locational, temporal, and
18 performance-based benefits and costs of distributed
19 energy resources. The utility shall use the results of
20 this evaluation to inform its analysis of Solution
21 Sourcing Opportunities, including nonwires
22 alternatives, under subparagraph (K) of paragraph (2)
23 of subsection (f). The Commission may use the data
24 produced through this evaluation to, among other
25 use-cases, inform the Commission's investigation and
26 establishment of tariffs and compensation for

1 distributed energy resources interconnecting to the
2 utility's distribution system, including rebates
3 provided by the electric utility pursuant to Section
4 16-107.6.

5 (H) Long-term Distribution System Investment Plan.

6 (i) The utility's planned distribution capital
7 investments for the period covered by the planning
8 process required by this Section, by the
9 investment categories used by the utility, and
10 with discussion of any individual planned projects
11 with a planned total investment gross amount of
12 \$3,000,000 or more and of the alternatives
13 considered by the utility to such individual
14 projects including any non-traditional
15 alternatives and DER alternatives, and supporting
16 data. This shall provide sufficiently detailed
17 explanations of how the planned investments shall
18 support the goals in subsection (d).

19 (ii) Discussion of how the utility's capital
20 investments plan is consistent with Commission
21 orders regarding the procurement of renewable
22 resources as discussed in Section 16-111.5 of this
23 Act, energy efficiency plans as discussed in
24 Section 8-103B, distributed generation rebates as
25 discussed in Section 16-107.6, and any other
26 Commission order affecting the goals described in

1 subsection (d).

2 (iii) A plan for achieving the applicable
3 metrics that were approved by the Commission for
4 the utility pursuant to subsection (e) of Section
5 16-108.18.

6 (iv) A narrative discussion of the utility's
7 vision for the distribution system over the next 5
8 years.

9 (v) Any additional information requested by
10 the Commission or determined through Commission
11 rules.

12 (I) A detailed description of historic
13 distribution system operations and maintenance
14 expenditures for the preceding 5 years and of planned
15 or projected operations and maintenance expenditures
16 for the period covered by the planning process
17 required by this Section, as well as the data,
18 reasoning and explanation supporting planned or
19 projected expenditures. Any additional information
20 requested by the Commission or determined through
21 Commission rules.

22 (J) A detailed plan for achieving the applicable
23 metrics that were approved by the Commission for the
24 utility pursuant to subsection (e) of Section
25 16-108.18, including, but not limited to, the
26 following:

1 (i) A description of, exclusive of low-income
2 rate relief programs and other income-qualified
3 programs, how the utility is supporting efforts to
4 bring 40% of benefits from programs, policies, and
5 initiatives proposed in their Multi-Year
6 Integrated Grid Plan to ratepayers in low-income
7 and environmental justice communities. This shall
8 also include any information requested by the
9 Commission or determined through Commission rules.
10 Nothing in this subparagraph is meant to require a
11 specific amount of spending in a particular
12 geographic area.

13 (ii) A detailed analysis of current and
14 projected flexible resources, including resource
15 type, size (in MW and MWh), location and
16 environmental impact, as well as anticipated needs
17 that can be met using flexible resources, to meet
18 the goals described in subsection (d) of this
19 Section, to meet the applicable metrics that were
20 approved by the Commission for the utility
21 pursuant to subsection (e) of Section 16-108.18 of
22 this Act, and any other Commission order affecting
23 the goals described in subsection (d) of this
24 Section.

25 (iii) Any additional information requested by
26 the Commission or determined through Commission

1 rules.

2 (K) Identification of potential cost-effective
3 solutions from nontraditional and third-party owned
4 investments that could meet anticipated grid needs,
5 including, but not limited to, distributed energy
6 resource procurements, tariffs or contracts,
7 programmatic solutions, rate design options,
8 technologies or programs that facilitate load
9 flexibility, nonwires alternatives, and other
10 solutions that are intended to meet the objectives
11 described at subsection (d). It is the policy of this
12 State that cost-effective third-party or
13 customer-owned distributed energy resources create
14 robust competition and customer choice and shall be
15 considered as appropriate. The Commission shall
16 establish rules determining data or methods for
17 Solution Sourcing Opportunities.

18 (L) A detailed description of the utility's
19 interoperability plan, which must describe the manner
20 in which the electric utility's current and planned
21 distribution system investments will work together and
22 exchange information and data, the extent to which the
23 utility is implementing open standards and interfaces
24 with third-party distributed energy resource owners
25 and aggregators, and the utility's plan for
26 interoperability testing and certification.

1 (3) To the extent any information in utilities'
2 Multi-Year Integrated Grid Plans is designated as
3 confidential and proprietary under the Commission's rules,
4 the proponent of the designation shall have the burden of
5 making the requisite showing under the Commission's rules.
6 For data that is determined to be confidential or that
7 includes personally-identifiable information, the
8 Commission may develop procedures and processes to enable
9 data sharing with parties and stakeholders while ensuring
10 the confidentiality of the information. All confidential
11 information exchanged, submitted, or shared by a utility
12 pursuant to this Section shall be protected from
13 intentional and accidental dissemination. The Commission
14 shall have authority to supervise, protect, and restrict
15 access to all confidential, commercially sensitive, or
16 system security related information and data, and shall be
17 authorized to take all necessary steps to protect that
18 information from unauthorized disclosure. This paragraph
19 shall not be interpreted to require a utility to make
20 publicly available any information or data that could
21 compromise the physical or cyber security of a utility's
22 distribution system. Any party that accidentally
23 disseminates confidential information obtained pursuant to
24 a proceeding initiated in accordance with this Section, or
25 is the victim of a cyber-security breach, must notify the
26 affected utility and the Commission staff with 24 hours of

1 knowledge of such dissemination or breach. Any party that
2 fails to provide required notification of such a breach
3 shall be subject to remedies available to the Commission.

4 (4) It is the policy of this State that holistic
5 consideration of all related investments, planning
6 processes, tariffs, rate design options, programs, and
7 other utility policies and plans shall be required. To
8 that end, the Commission shall consider, comprehensively,
9 the impact of all related plans, tariffs, programs, and
10 policies on the Plan and on each other, including:

11 (A) time-of-use pricing program pursuant to
12 Section 16-107.7, hourly pricing program pursuant to
13 Section 16-107, and any other time-variant or dynamic
14 pricing program;

15 (B) distributed generation rebate pursuant to
16 Section 16-107.6;

17 (C) net electricity metering, pursuant to Section
18 16-107.5;

19 (D) energy efficiency programs pursuant to Section
20 8-103B;

21 (E) Electric Vehicle Access for All programs
22 pursuant to Section 30 of the Electric Vehicle Act;

23 (F) beneficial electrification programs pursuant
24 to Section 16-107.8;

25 (G) Equitable Energy Upgrade Program pursuant to
26 Section 16-111.10;

1 (H) renewable energy programs and procurements set
2 forth in the Illinois Power Agency Act, including, but
3 not limited to, those set forth in the long-term
4 renewable resources procurement plan developed
5 pursuant to Section 1-20 of the Illinois Power Agency
6 Act; and

7 (I) other plans, programs, and policies that are
8 relevant to distribution grid investments, costs,
9 planning, and other categories as requested by the
10 Commission.

11 The Plan shall comprehensively detail the relationship
12 between these plans, tariffs, and programs and to the
13 electric utility's achievement of the objectives in
14 subsection (d). The Plan shall be designed to coordinate
15 each of these plans, programs, and tariffs with the
16 electric utility's long-term distribution system
17 investment planning in order to maximize the benefits of
18 each.

19 (5) The initiating order for the initial Multi-Year
20 Integrated Grid Plan, as well as each electric utility's
21 subsequent Integrated Grid Plans under subsection (g),
22 shall begin a contested proceeding as described in
23 subsection (d) of Section 10-101.

24 (A) In evaluating a utility's Plan, the Commission
25 shall consider, at minimum, whether the Plan:

26 (1) meets the objectives of this Section;

1 (2) includes the components in paragraph (2)
2 of subsection (f);

3 (3) considers and incorporates, where
4 practicable, input from interested stakeholders,
5 including parties and people who offer public
6 comment without legal representation;

7 (4) considers nontraditional, including
8 third-party owned, investment alternatives that
9 can meet grid needs and provide additional
10 benefits (including consumer, economic, and
11 environmental benefits) beyond comparable,
12 traditional utility-planned capital investments;

13 (5) equitably benefits environmental justice
14 communities; and

15 (6) maximizes consumer, environmental,
16 economic, and community benefits over a 10-year
17 horizon.

18 (B) The Commission, after notice and hearing,
19 shall modify each electric utility's Plan as necessary
20 to comply with the objectives of this Section. The
21 Commission may approve, or modify and approve, a Plan
22 only if it finds that the Plan is reasonable, complies
23 with the objectives and requirements of this Section,
24 and reasonably incorporates input from parties. The
25 Commission may reject each electric utility's Plan if
26 it finds that the Plan does not comply with the

1 objectives and requirements of this Section. If the
2 Commission enters an order rejecting a Plan, the
3 utility must refile a Plan within 3 months after that
4 order, and until the Commission approves a Plan, the
5 utility's existing Plan will remain in effect.

6 (C) For the initial Integrated Grid Plan filings,
7 the Commission shall enter an order approving,
8 modifying, or rejecting the Plan no later than
9 December 15, 2023. For subsequent Integrated Grid Plan
10 filings, the Commission shall enter an order
11 approving, modifying, or rejecting the Plan no later
12 than December 15 of the year in which it was filed.

13 (D) Each electric utility shall file its proposed
14 Initial Multi-Year Integrated Grid Plan no later than
15 January 20, 2023. Prior to that date and following the
16 initiating order, the Commission shall initiate a case
17 management conference and shall take any appropriate
18 steps to begin meaningful consideration of issues,
19 including enabling interested parties to begin
20 conducting discovery.

21 (6) As part of its order approving a utility's
22 Multi-Year Integrated Grid Plan, including any
23 modifications required, the Commission may create a
24 subsequent implementation plan docket, or multiple
25 implementation plan dockets, if the Commission determines
26 that multiple dockets would be preferable, to consider a

1 utility's detailed plan or plans, as directed in the
2 Commission's order.

3 (g) No later than January 20, 2026 and every 4 years
4 thereafter, each electric utility subject to this Section
5 shall file a new Multi-Year Integrated Grid Plan for the
6 subsequent 4 delivery years after the completion of the
7 then-effective Plan. Each Plan shall meet the requirements
8 described in subsection (f), and shall be preceded by a
9 workshop process which meets the same requirements described
10 in subsection (e). If appropriate, the Commission may require
11 additional implementation dockets to follow Subsequent
12 Multi-Year Integrated Grid Plan filings.

13 (h) During the period leading to approval of the first
14 Multi-Year Integrated Grid Plan, each electric utility will
15 necessarily continue to invest in its distribution grid. Those
16 investments will be subject to a determination of prudence and
17 reasonableness consistent with Commission practice and law.
18 Any failure of such investments to conform to the Multi-Year
19 Integrated Grid Plan ultimately approved shall not imply
20 imprudence or unreasonableness.

21 (i) The Commission may adopt rules to carry out the
22 provisions of this Section under the emergency rulemaking
23 provisions set forth in Section 5-45 of the Illinois
24 Administrative Procedure Act, and such emergency rules shall
25 be effective no later than 90 days after the effective date of
26 this amendatory Act of the 102nd General Assembly.

1 (220 ILCS 5/16-107.5)

2 Sec. 16-107.5. Net electricity metering.

3 (a) The General Assembly ~~Legislature~~ finds and declares
4 that a program to provide net electricity metering, as defined
5 in this Section, for eligible customers can encourage private
6 investment in renewable energy resources, stimulate economic
7 growth, enhance the continued diversification of Illinois'
8 energy resource mix, and protect the Illinois environment.
9 Further, to achieve the goals of this Act that robust options
10 for customer-site distributed generation continue to thrive in
11 Illinois, the General Assembly finds that a predictable
12 transition must be ensured for customers between full net
13 metering at the retail electricity rate to the distribution
14 generation rebate described in Section 16-107.6.

15 (b) As used in this Section, (i) "community renewable
16 generation project" shall have the meaning set forth in
17 Section 1-10 of the Illinois Power Agency Act; (ii) "eligible
18 customer" means a retail customer that owns, hosts, or
19 operates, including any third-party owned systems, a solar,
20 wind, or other eligible renewable electrical generating
21 facility ~~with a rated capacity of not more than 2,000~~
22 ~~kilowatts~~ that is located on the customer's premises or
23 customer's side of the billing meter and is intended primarily
24 to offset the customer's own current or future electrical
25 requirements; (iii) "electricity provider" means an electric

1 utility or alternative retail electric supplier; (iv)
2 "eligible renewable electrical generating facility" means a
3 generator, which may include the co-location of an energy
4 storage system, that is interconnected under rules adopted by
5 the Commission and is powered by solar electric energy, wind,
6 dedicated crops grown for electricity generation, agricultural
7 residues, untreated and unadulterated wood waste, ~~landscape~~
8 ~~trimmings,~~ livestock manure, anaerobic digestion of livestock
9 or food processing waste, fuel cells or microturbines powered
10 by renewable fuels, or hydroelectric energy; (v) "net
11 electricity metering" (or "net metering") means the
12 measurement, during the billing period applicable to an
13 eligible customer, of the net amount of electricity supplied
14 by an electricity provider to the customer ~~customer's premises~~
15 or provided to the electricity provider by the customer or
16 subscriber; (vi) "subscriber" shall have the meaning as set
17 forth in Section 1-10 of the Illinois Power Agency Act; ~~and~~
18 (vii) "subscription" shall have the meaning set forth in
19 Section 1-10 of the Illinois Power Agency Act; (viii) "energy
20 storage system" means commercially available technology that
21 is capable of absorbing energy and storing it for a period of
22 time for use at a later time, including, but not limited to,
23 electrochemical, thermal, and electromechanical technologies,
24 and may be interconnected behind the customer's meter or
25 interconnected behind its own meter; and (ix) "future
26 electrical requirements" means modeled electrical requirements

1 upon occupation of a new or vacant property, and other
2 reasonable expectations of future electrical use, as well as,
3 for occupied properties, a reasonable approximation of the
4 annual load of 2 electric vehicles and, for non-electric
5 heating customers, a reasonable approximation of the
6 incremental electric load associated with fuel switching. The
7 approximations shall be applied to the appropriate net
8 metering tariff and do not need to be unique to each individual
9 eligible customer. The utility shall submit these
10 approximations to the Commission for review, modification, and
11 approval.

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

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

1 meter described by subsection (b) of Section 16-108.5 of
2 this Act.

3 (2) For eligible customers whose electric service has
4 not been declared competitive pursuant to Section 16-113
5 of this Act as of July 1, 2011 and whose electric delivery
6 service is provided and measured on a kilowatt demand
7 basis and electric supply service is not provided based on
8 hourly pricing, this shall typically be accomplished
9 through use of a dual channel meter capable of measuring
10 the flow of electricity both into and out of the
11 customer's facility at the same rate and ratio. If such
12 customer's existing electric revenue meter does not meet
13 this requirement, then the electricity provider shall
14 arrange for the local electric utility or a meter service
15 provider to install and maintain a new revenue meter at
16 the electricity provider's expense, which may be the smart
17 meter described by subsection (b) of Section 16-108.5 of
18 this Act.

19 (3) For all other eligible customers, until such time
20 as the local electric utility installs a smart meter, as
21 described by subsection (b) of Section 16-108.5 of this
22 Act, the electricity provider may arrange for the local
23 electric utility or a meter service provider to install
24 and maintain metering equipment capable of measuring the
25 flow of electricity both into and out of the customer's
26 facility at the same rate and ratio, typically through the

1 use of a dual channel meter. If the eligible customer's
2 existing electric revenue meter does not meet this
3 requirement, then the costs of installing such equipment
4 shall be paid for by the customer.

5 (d) An electricity provider shall measure and charge or
6 credit for the net electricity supplied to eligible customers
7 or provided by eligible customers whose electric service has
8 not been declared competitive pursuant to Section 16-113 of
9 this Act as of July 1, 2011 and whose electric delivery service
10 is provided and measured on a kilowatt-hour basis and electric
11 supply service is not provided based on hourly pricing in the
12 following manner:

13 (1) If the amount of electricity used by the customer
14 during the billing period exceeds the amount of
15 electricity produced by the customer, the electricity
16 provider shall charge the customer for the net electricity
17 supplied to and used by the customer as provided in
18 subsection (e-5) of this Section.

19 (2) If the amount of electricity produced by a
20 customer during the billing period exceeds the amount of
21 electricity used by the customer during that billing
22 period, the electricity provider supplying that customer
23 shall apply a 1:1 kilowatt-hour credit to a subsequent
24 bill for service to the customer for the net electricity
25 supplied to the electricity provider. The electricity
26 provider shall continue to carry over any excess

1 kilowatt-hour credits earned and apply those credits to
2 subsequent billing periods to offset any
3 customer-generator consumption in those billing periods
4 until all credits are used or until the end of the
5 annualized period.

6 (3) At the end of the year or annualized over the
7 period that service is supplied by means of net metering,
8 or in the event that the retail customer terminates
9 service with the electricity provider prior to the end of
10 the year or the annualized period, any remaining credits
11 in the customer's account shall expire.

12 (d-5) An electricity provider shall measure and charge or
13 credit for the net electricity supplied to eligible customers
14 or provided by eligible customers whose electric service has
15 not been declared competitive pursuant to Section 16-113 of
16 this Act as of July 1, 2011 and whose electric delivery service
17 is provided and measured on a kilowatt-hour basis and electric
18 supply service is provided based on hourly pricing or
19 time-of-use rates in the following manner:

20 (1) If the amount of electricity used by the customer
21 during any hourly period or time-of-use period exceeds the
22 amount of electricity produced by the customer, the
23 electricity provider shall charge the customer for the net
24 electricity supplied to and used by the customer according
25 to the terms of the contract or tariff to which the same
26 customer would be assigned to or be eligible for if the

1 customer was not a net metering customer.

2 (2) If the amount of electricity produced by a
3 customer during any hourly period or time-of-use period
4 exceeds the amount of electricity used by the customer
5 during that hourly period or time-of-use period, the
6 energy provider shall apply a credit for the net
7 kilowatt-hours produced in such period. The credit shall
8 consist of an energy credit and a delivery service credit.
9 The energy credit shall be valued at the same price per
10 kilowatt-hour as the electric service provider would
11 charge for kilowatt-hour energy sales during that same
12 hourly period or time-of-use period. The delivery credit
13 shall be equal to the net kilowatt-hours produced in such
14 hourly period or time-of-use period times a credit that
15 reflects all kilowatt-hour based charges in the customer's
16 electric service rate, excluding energy charges.

17 (e) An electricity provider shall measure and charge or
18 credit for the net electricity supplied to eligible customers
19 whose electric service has not been declared competitive
20 pursuant to Section 16-113 of this Act as of July 1, 2011 and
21 whose electric delivery service is provided and measured on a
22 kilowatt demand basis and electric supply service is not
23 provided based on hourly pricing in the following manner:

24 (1) If the amount of electricity used by the customer
25 during the billing period exceeds the amount of
26 electricity produced by the customer, then the electricity

1 provider shall charge the customer for the net electricity
2 supplied to and used by the customer as provided in
3 subsection (e-5) of this Section. The customer shall
4 remain responsible for all taxes, fees, and utility
5 delivery charges that would otherwise be applicable to the
6 net amount of electricity used by the customer.

7 (2) If the amount of electricity produced by a
8 customer during the billing period exceeds the amount of
9 electricity used by the customer during that billing
10 period, then the electricity provider supplying that
11 customer shall apply a 1:1 kilowatt-hour credit that
12 reflects the kilowatt-hour based charges in the customer's
13 electric service rate to a subsequent bill for service to
14 the customer for the net electricity supplied to the
15 electricity provider. The electricity provider shall
16 continue to carry over any excess kilowatt-hour credits
17 earned and apply those credits to subsequent billing
18 periods to offset any customer-generator consumption in
19 those billing periods until all credits are used or until
20 the end of the annualized period.

21 (3) At the end of the year or annualized over the
22 period that service is supplied by means of net metering,
23 or in the event that the retail customer terminates
24 service with the electricity provider prior to the end of
25 the year or the annualized period, any remaining credits
26 in the customer's account shall expire.

1 (e-5) An electricity provider shall provide electric
2 service to eligible customers who utilize net metering at
3 non-discriminatory rates that are identical, with respect to
4 rate structure, retail rate components, and any monthly
5 charges, to the rates that the customer would be charged if not
6 a net metering customer. An electricity provider shall not
7 charge net metering customers any fee or charge or require
8 additional equipment, insurance, or any other requirements not
9 specifically authorized by interconnection standards
10 authorized by the Commission, unless the fee, charge, or other
11 requirement would apply to other similarly situated customers
12 who are not net metering customers. The customer will remain
13 responsible for all taxes, fees, and utility delivery charges
14 that would otherwise be applicable to the net amount of
15 electricity used by the customer. Subsections (c) through (e)
16 of this Section shall not be construed to prevent an
17 arms-length agreement between an electricity provider and an
18 eligible customer that sets forth different prices, terms, and
19 conditions for the provision of net metering service,
20 including, but not limited to, the provision of the
21 appropriate metering equipment for non-residential customers.

22 (f) Notwithstanding the requirements of subsections (c)
23 through (e-5) of this Section, an electricity provider must
24 require dual-channel metering for customers operating eligible
25 renewable electrical generating facilities ~~with a nameplate~~
26 ~~rating up to 2,000 kilowatts and~~ to whom the provisions of

1 neither subsection (d), (d-5), nor (e) of this Section apply.
2 In such cases, electricity charges and credits shall be
3 determined as follows:

4 (1) The electricity provider shall assess and the
5 customer remains responsible for all taxes, fees, and
6 utility delivery charges that would otherwise be
7 applicable to the gross amount of kilowatt-hours supplied
8 to the eligible customer by the electricity provider.

9 (2) Each month that service is supplied by means of
10 dual-channel metering, the electricity provider shall
11 compensate the eligible customer for any excess
12 kilowatt-hour credits at the electricity provider's
13 avoided cost of electricity supply over the monthly period
14 or as otherwise specified by the terms of a power-purchase
15 agreement negotiated between the customer and electricity
16 provider.

17 (3) For all eligible net metering customers taking
18 service from an electricity provider under contracts or
19 tariffs employing hourly or time-of-use ~~time-of-use~~ rates,
20 any monthly consumption of electricity shall be calculated
21 according to the terms of the contract or tariff to which
22 the same customer would be assigned to or be eligible for
23 if the customer was not a net metering customer. When
24 those same customer-generators are net generators during
25 any discrete hourly or time-of-use ~~time-of-use~~ period, the
26 net kilowatt-hours produced shall be valued at the same

1 price per kilowatt-hour as the electric service provider
2 would charge for retail kilowatt-hour sales during that
3 same time-of-use ~~time-of-use~~ period.

4 (g) For purposes of federal and State laws providing
5 renewable energy credits or greenhouse gas credits, the
6 eligible customer shall be treated as owning and having title
7 to the renewable energy attributes, renewable energy credits,
8 and greenhouse gas emission credits related to any electricity
9 produced by the qualified generating unit. The electricity
10 provider may not condition participation in a net metering
11 program on the signing over of a customer's renewable energy
12 credits; provided, however, this subsection (g) shall not be
13 construed to prevent an arms-length agreement between an
14 electricity provider and an eligible customer that sets forth
15 the ownership or title of the credits.

16 (h) Within 120 days after the effective date of this
17 amendatory Act of the 95th General Assembly, the Commission
18 shall establish standards for net metering and, if the
19 Commission has not already acted on its own initiative,
20 standards for the interconnection of eligible renewable
21 generating equipment to the utility system. The
22 interconnection standards shall address any procedural
23 barriers, delays, and administrative costs associated with the
24 interconnection of customer-generation while ensuring the
25 safety and reliability of the units and the electric utility
26 system. The Commission shall consider the Institute of

1 Electrical and Electronics Engineers (IEEE) Standard 1547 and
2 the issues of (i) reasonable and fair fees and costs, (ii)
3 clear timelines for major milestones in the interconnection
4 process, (iii) nondiscriminatory terms of agreement, and (iv)
5 any best practices for interconnection of distributed
6 generation.

7 (h-5) Within 90 days after the effective date of this
8 amendatory Act of the 102nd General Assembly, the Commission
9 shall:

10 (1) establish an Interconnection Working Group. The
11 working group shall include representatives from electric
12 utilities, developers of renewable electric generating
13 facilities, other industries that regularly apply for
14 interconnection with the electric utilities,
15 representatives of distributed generation customers, the
16 Commission Staff, and such other stakeholders with a
17 substantial interest in the topics addressed by the
18 Interconnection Working Group. The Interconnection Working
19 Group shall address at least the following issues:

20 (A) cost and best available technology for
21 interconnection and metering, including the
22 standardization and publication of standard costs;

23 (B) transparency, accuracy and use of the
24 distribution interconnection queue and hosting
25 capacity maps;

26 (C) distribution system upgrade cost avoidance

1 through use of advanced inverter functions;

2 (D) predictability of the queue management process
3 and enforcement of timelines;

4 (E) benefits and challenges associated with group
5 studies and cost sharing;

6 (F) minimum requirements for application to the
7 interconnection process and throughout the
8 interconnection process to avoid queue clogging
9 behavior;

10 (G) process and customer service for
11 interconnecting customers adopting distributed energy
12 resources, including energy storage;

13 (H) options for metering distributed energy
14 resources, including energy storage;

15 (I) interconnection of new technologies, including
16 smart inverters and energy storage;

17 (J) collect, share, and examine data on Level 1
18 interconnection costs, including cost and type of
19 upgrades required for interconnection, and use this
20 data to inform the final standardized cost of Level 1
21 interconnection; and

22 (K) such other technical, policy, and tariff
23 issues related to and affecting interconnection
24 performance and customer service as determined by the
25 Interconnection Working Group.

26 The Commission may create subcommittees of the

1 Interconnection Working Group to focus on specific issues
2 of importance, as appropriate. The Interconnection Working
3 Group shall report to the Commission on recommended
4 improvements to interconnection rules and tariffs and
5 policies as determined by the Interconnection Working
6 Group at least every 6 months. Such reports shall include
7 consensus recommendations of the Interconnection Working
8 Group and, if applicable, additional recommendations for
9 which consensus was not reached. The Commission shall use
10 the report from the Interconnection Working Group to
11 determine whether processes should be commenced to
12 formally codify or implement the recommendations;

13 (2) create or contract for an Ombudsman to resolve
14 interconnection disputes through non-binding arbitration.
15 The Ombudsman may be paid in full or in part through fees
16 levied on the initiators of the dispute; and

17 (3) determine a single standardized cost for Level 1
18 interconnections, which shall not exceed \$200.

19 (i) All electricity providers shall begin to offer net
20 metering no later than April 1, 2008.

21 (j) An electricity provider shall provide net metering to
22 eligible customers according to subsections (d), (d-5), and
23 (e). Eligible renewable electrical generating facilities for
24 which eligible customers registered for net metering before
25 January 1, 2025 shall continue to receive net metering
26 services according to subsections (d), (d-5), and (e) of this

1 Section for the lifetime of the system, regardless of whether
2 those retail customers change electricity providers or whether
3 the retail customer benefiting from the system changes. On and
4 after January 1, 2025, any eligible customer that applies for
5 net metering and previously would have qualified under
6 subsections (d), (d-5), or (e) shall only be eligible for net
7 metering as described in subsection (n). ~~until the load of its~~
8 ~~net metering customers equals 5% of the total peak demand~~
9 ~~supplied by that electricity provider during the previous~~
10 ~~year. After such time as the load of the electricity~~
11 ~~provider's net metering customers equals 5% of the total peak~~
12 ~~demand supplied by that electricity provider during the~~
13 ~~previous year, eligible customers that begin taking net~~
14 ~~metering shall only be eligible for netting of energy.~~

15 (k) Each electricity provider shall maintain records and
16 report annually to the Commission the total number of net
17 metering customers served by the provider, as well as the
18 type, capacity, and energy sources of the generating systems
19 used by the net metering customers. Nothing in this Section
20 shall limit the ability of an electricity provider to request
21 the redaction of information deemed by the Commission to be
22 confidential business information.

23 (l)(1) Notwithstanding the definition of "eligible
24 customer" in item (ii) of subsection (b) of this Section,
25 each electricity provider shall allow net metering as set
26 forth in this subsection (l) and for the following

1 projects, provided that only electric utilities shall
2 provide net metering for projects that are eligible for
3 subparagraph (C) and have energized after the effective
4 date of this amendatory Act of the 102nd General Assembly:

5 (A) properties owned or leased by multiple
6 customers that contribute to the operation of an
7 eligible renewable electrical generating facility
8 through an ownership or leasehold interest of at least
9 200 watts in such facility, such as a community-owned
10 wind project, a community-owned biomass project, a
11 community-owned solar project, or a community methane
12 digester processing livestock waste from multiple
13 sources, provided that the facility is also located
14 within the utility's service territory;

15 (B) individual units, apartments, or properties
16 located in a single building that are owned or leased
17 by multiple customers and collectively served by a
18 common eligible renewable electrical generating
19 facility, such as an office or apartment building, a
20 shopping center or strip mall served by photovoltaic
21 panels on the roof; and

22 (C) subscriptions to community renewable
23 generation projects, including community renewable
24 generation projects on the customer's side of the
25 billing meter of a host facility and partially used
26 for the customer's own load.

1 In addition, the nameplate capacity of the eligible
2 renewable electric generating facility that serves the
3 demand of the properties, units, or apartments identified
4 in paragraphs (1) and (2) of this subsection (1) shall not
5 exceed 5,000 ~~2,000~~ kilowatts in nameplate capacity in
6 total. Any eligible renewable electrical generating
7 facility or community renewable generation project that is
8 powered by photovoltaic electric energy and installed
9 after the effective date of this amendatory Act of the
10 99th General Assembly must be installed by a qualified
11 person in compliance with the requirements of Section
12 16-128A of the Public Utilities Act and any rules or
13 regulations adopted thereunder.

14 (2) Notwithstanding anything to the contrary, an
15 electricity provider shall provide credits for the
16 electricity produced by the projects described in
17 paragraph (1) of this subsection (1). The electricity
18 provider shall provide credits that include at least
19 energy supply, capacity, transmission, and, if applicable,
20 the purchased energy adjustment ~~at the subscriber's energy~~
21 ~~supply rate~~ on the subscriber's monthly bill equal to the
22 subscriber's share of the production of electricity from
23 the project, as determined by paragraph (3) of this
24 subsection (1). For customers with transmission or
25 capacity charges not charged on a kilowatt-hour basis, the
26 electricity provider shall prepare a reasonable

1 approximation of the kilowatt-hour equivalent value and
2 provide that value as a monetary credit. The electricity
3 provider shall submit these approximation methodologies to
4 the Commission for review, modification, and approval.
5 Notwithstanding anything to the contrary, customers on
6 payment plans or participating in budget billing programs
7 shall have credits applied on a monthly basis.

8 (3) Notwithstanding anything to the contrary and
9 regardless of whether a subscriber to an eligible
10 community renewable generation project receives power and
11 energy service from the electric utility or an alternative
12 retail electric supplier, for projects eligible under
13 subparagraph (C) of paragraph (1) the electric utility
14 shall provide the monetary credits to a subscriber's
15 subsequent bill for the electricity produced by community
16 renewable generation projects. The electric utility shall
17 provide monetary credits to a subscriber's subsequent bill
18 at the utility's total price to compare equal to the
19 subscriber's share of the production of electricity from
20 the project, as determined by paragraph (5). For the
21 purposes of this subsection, "total price to compare"
22 means the rate or rates published by the Illinois Commerce
23 Commission for energy supply for eligible customers
24 receiving supply service from the electric utility, and
25 shall include energy, capacity, transmission, and the
26 purchased energy adjustment. Notwithstanding anything to

1 the contrary, customers on payment plans or participating
2 in budget billing programs shall have credits applied on a
3 monthly basis. Any applicable credit or reduction in load
4 obligation from the production of the community renewable
5 generating projects receiving a credit under this
6 subsection shall be credited to the electric utility to
7 offset the cost of providing the credit. To the extent
8 that the credit or load obligation reduction does not
9 completely offset the cost of providing the credit to
10 subscribers of community renewable generation projects as
11 described in this subsection, the electric utility may
12 recover the remaining costs through its Multi-Year Rate
13 Plan.

14 (4) If requested by the owner or operator of a
15 community renewable generating project, an electric
16 utility shall enter into a net crediting agreement with
17 the owner or operator to include a subscriber's
18 subscription fee on the subscriber's monthly electric bill
19 and provide the subscriber with a net credit equivalent to
20 the total bill credit value for that generation period
21 minus the subscription fee, provided the subscription fee
22 is structured as a fixed percentage of bill credit value.
23 The net crediting agreement shall set forth payment terms
24 from the electric utility to the owner or operator of the
25 community renewable generating project, and the electric
26 utility may charge a net crediting fee to the owner or

1 operator of a community renewable generating project that
2 may not exceed 2% of the bill credit value.

3 (5) ~~(3)~~ For the purposes of facilitating net metering,
4 the owner or operator of the eligible renewable electrical
5 generating facility or community renewable generation
6 project shall be responsible for determining the amount of
7 the credit that each customer or subscriber participating
8 in a project under this subsection (1) is to receive in the
9 following manner:

10 (A) The owner or operator shall, on a monthly
11 basis, provide to the electric utility the
12 kilowatthours of generation attributable to each of
13 the utility's retail customers and subscribers
14 participating in projects under this subsection (1) in
15 accordance with the customer's or subscriber's share
16 of the eligible renewable electric generating
17 facility's or community renewable generation project's
18 output of power and energy for such month. The owner or
19 operator shall electronically transmit such
20 calculations and associated documentation to the
21 electric utility, in a format or method set forth in
22 the applicable tariff, on a monthly basis so that the
23 electric utility can reflect the monetary credits on
24 customers' and subscribers' electric utility bills.
25 The electric utility shall be permitted to revise its
26 tariffs to implement the provisions of this amendatory

1 Act of the 102nd General Assembly ~~this amendatory Act~~
2 ~~of the 99th General Assembly~~. The owner or operator
3 shall separately provide the electric utility with the
4 documentation detailing the calculations supporting
5 the credit in the manner set forth in the applicable
6 tariff.

7 (B) For those participating customers and
8 subscribers who receive their energy supply from an
9 alternative retail electric supplier, the electric
10 utility shall remit to the applicable alternative
11 retail electric supplier the information provided
12 under subparagraph (A) of this paragraph (3) for such
13 customers and subscribers in a manner set forth in
14 such alternative retail electric supplier's net
15 metering program, or as otherwise agreed between the
16 utility and the alternative retail electric supplier.
17 The alternative retail electric supplier shall then
18 submit to the utility the amount of the charges for
19 power and energy to be applied to such customers and
20 subscribers, including the amount of the credit
21 associated with net metering.

22 (C) A participating customer or subscriber may
23 provide authorization as required by applicable law
24 that directs the electric utility to submit
25 information to the owner or operator of the eligible
26 renewable electrical generating facility or community

1 renewable generation project to which the customer or
2 subscriber has an ownership or leasehold interest or a
3 subscription. Such information shall be limited to the
4 components of the net metering credit calculated under
5 this subsection (1), including the bill credit rate,
6 total kilowatthours, and total monetary credit value
7 applied to the customer's or subscriber's bill for the
8 monthly billing period.

9 (1-5) Within 90 days after the effective date of this
10 amendatory Act of the 102nd General Assembly ~~this amendatory~~
11 ~~Act of the 99th General Assembly~~, each electric utility
12 subject to this Section shall file a tariff or tariffs to
13 implement the provisions of subsection (1) of this Section,
14 which shall, consistent with the provisions of subsection (1),
15 describe the terms and conditions under which owners or
16 operators of qualifying properties, units, or apartments may
17 participate in net metering. The Commission shall approve, or
18 approve with modification, the tariff within 120 days after
19 the effective date of this amendatory Act of the 102nd General
20 Assembly ~~this amendatory Act of the 99th General Assembly~~.

21 (m) Nothing in this Section shall affect the right of an
22 electricity provider to continue to provide, or the right of a
23 retail customer to continue to receive service pursuant to a
24 contract for electric service between the electricity provider
25 and the retail customer in accordance with the prices, terms,
26 and conditions provided for in that contract. Either the

1 electricity provider or the customer may require compliance
2 with the prices, terms, and conditions of the contract.

3 (n) On and after January 1, 2025 ~~At such time, if any, that~~
4 ~~the load of the electricity provider's net metering customers~~
5 ~~equals 5% of the total peak demand supplied by that~~
6 ~~electricity provider during the previous year, as specified in~~
7 ~~subsection (j) of this Section,~~ the net metering services
8 described in subsections (d), (d-5), and (e), ~~(e-5), and (f)~~
9 of this Section shall no longer be offered, except as to those
10 eligible renewable electrical generating facilities for which
11 retail customers that are receiving net metering service under
12 these subsections at the time the net metering services under
13 those subsections are no longer offered; those systems shall
14 continue to receive net metering services described in
15 subsections (d), (d-5), and (e) for the lifetime of the
16 system, regardless of if those retail customers change
17 electricity providers or whether the retail customer
18 benefiting from the system changes. The electric utility is
19 responsible for ensuring billing credits continue without
20 lapse for the lifetime of systems, as required in subsection
21 (o). Those retail customers that begin taking net metering
22 service after the date that net metering services are no
23 longer offered under such subsections shall be subject to the
24 provisions set forth in the following paragraphs (1) through
25 (3) of this subsection (n):

26 (1) An electricity provider shall charge or credit for

1 the net electricity supplied to eligible customers or
2 provided by eligible customers whose electric supply
3 service is not provided based on hourly pricing in the
4 following manner:

5 (A) If the amount of electricity used by the
6 customer during the monthly billing period exceeds the
7 amount of electricity produced by the customer, then
8 the electricity provider shall charge the customer for
9 the net kilowatt-hour based electricity charges
10 reflected in the customer's electric service rate
11 supplied to and used by the customer as provided in
12 paragraph (3) of this subsection (n).

13 (B) If the amount of electricity produced by a
14 customer during the monthly billing period exceeds the
15 amount of electricity used by the customer during that
16 billing period, then the electricity provider
17 supplying that customer shall apply a 1:1
18 kilowatt-hour energy or monetary credit kilowatt-hour
19 supply charges to the customer's subsequent bill. The
20 customer shall choose between 1:1 kilowatt-hour or
21 monetary credit at the time of application. For the
22 purposes of this subsection, "kilowatt-hour supply
23 charges" means the kilowatt-hour equivalent values for
24 energy, capacity, transmission, and the purchased
25 energy adjustment, if applicable. Notwithstanding
26 anything to the contrary, customers on payment plans

1 or participating in budget billing programs shall have
2 credits applied on a monthly basis. ~~that reflects the~~
3 ~~kilowatt-hour based energy charges in the customer's~~
4 ~~electric service rate to a subsequent bill for service~~
5 ~~to the customer for the net electricity supplied to~~
6 ~~the electricity provider.~~ The electricity provider
7 shall continue to carry over any excess kilowatt-hour
8 or monetary energy credits earned and apply those
9 credits to subsequent billing periods. For customers
10 with transmission or capacity charges not charged on a
11 kilowatt-hour basis, the electricity provider shall
12 prepare a reasonable approximation of the
13 kilowatt-hour equivalent value and provide that value
14 as a monetary credit. The electricity provider shall
15 submit these approximation methodologies to the
16 Commission for review, modification, and approval. ~~to~~
17 ~~offset any customer generator consumption in those~~
18 ~~billing periods until all credits are used or until~~
19 ~~the end of the annualized period.~~

20 (C) (Blank). ~~At the end of the year or annualized~~
21 ~~over the period that service is supplied by means of~~
22 ~~net metering, or in the event that the retail customer~~
23 ~~terminates service with the electricity provider prior~~
24 ~~to the end of the year or the annualized period, any~~
25 ~~remaining credits in the customer's account shall~~
26 ~~expire.~~

1 (2) An electricity provider shall charge or credit for
2 the net electricity supplied to eligible customers or
3 provided by eligible customers whose electric supply
4 service is provided based on hourly pricing in the
5 following manner:

6 (A) If the amount of electricity used by the
7 customer during any hourly period exceeds the amount
8 of electricity produced by the customer, then the
9 electricity provider shall charge the customer for the
10 net electricity supplied to and used by the customer
11 as provided in paragraph (3) of this subsection (n).

12 (B) If the amount of electricity produced by a
13 customer during any hourly period exceeds the amount
14 of electricity used by the customer during that hourly
15 period, the energy provider shall calculate an energy
16 credit for the net kilowatt-hours produced in such
17 period, and shall apply that credit as a monetary
18 credit to the customer's subsequent bill. The value of
19 the energy credit shall be calculated using the same
20 price per kilowatt-hour as the electric service
21 provider would charge for kilowatt-hour energy sales
22 during that same hourly period and shall also include
23 values for capacity and transmission. For customers
24 with transmission or capacity charges not charged on a
25 kilowatt-hour basis, the electricity provider shall
26 prepare a reasonable approximation of the

1 kilowatt-hour equivalent value and provide that value
2 as a monetary credit. The electricity provider shall
3 submit these approximation methodologies to the
4 Commission for review, modification, and approval.
5 Notwithstanding anything to the contrary, customers on
6 payment plans or participating in budget billing
7 programs shall have credits applied on a monthly
8 basis.

9 (3) An electricity provider shall provide electric
10 service to eligible customers who utilize net metering at
11 non-discriminatory rates that are identical, with respect
12 to rate structure, retail rate components, and any monthly
13 charges, to the rates that the customer would be charged
14 if not a net metering customer. An electricity provider
15 shall charge the customer for the net electricity supplied
16 to and used by the customer according to the terms of the
17 contract or tariff to which the same customer would be
18 assigned or be eligible for if the customer was not a net
19 metering customer. An electricity provider shall not
20 charge net metering customers any fee or charge or require
21 additional equipment, insurance, or any other requirements
22 not specifically authorized by interconnection standards
23 authorized by the Commission, unless the fee, charge, or
24 other requirement would apply to other similarly situated
25 customers who are not net metering customers. ~~The charge~~
26 ~~or credit that the customer receives for net electricity~~

1 ~~shall be at a rate equal to the customer's energy supply~~
2 ~~rate.~~ The customer remains responsible for the gross
3 amount of delivery services charges, supply-related
4 charges that are kilowatt based, and all taxes and fees
5 related to such charges. The customer also remains
6 responsible for all taxes and fees that would otherwise be
7 applicable to the net amount of electricity used by the
8 customer. Paragraphs (1) and (2) of this subsection (n)
9 shall not be construed to prevent an arms-length agreement
10 between an electricity provider and an eligible customer
11 that sets forth different prices, terms, and conditions
12 for the provision of net metering service, including, but
13 not limited to, the provision of the appropriate metering
14 equipment for non-residential customers. Nothing in this
15 paragraph (3) shall be interpreted to mandate that a
16 utility that is only required to provide delivery services
17 to a given customer must also sell electricity to such
18 customer.

19 (o) Within 90 days after the effective date of this
20 amendatory Act of the 102nd General Assembly, each electric
21 utility subject to this Section and Section 16-107.6 shall
22 file a tariff, which shall, consistent with the provisions of
23 this Section, propose the terms and conditions under which a
24 customer may participate in net metering. The tariff shall
25 also provide a streamlined and transparent bill crediting
26 system for net metering to be managed by the electric

1 utilities. The terms and conditions shall include, but are not
2 limited to, that an electric utility shall manage and maintain
3 billing of net metering credits and charges regardless of if
4 the eligible customer takes net metering under an electric
5 utility or alternative retail electric supplier. The electric
6 utility shall process and approve all net metering
7 applications, even if an eligible customer is served by an
8 alternative retail electric supplier; and the utility shall
9 forward application approval to the appropriate alternative
10 retail electric supplier. Eligibility for net metering shall
11 remain with the owner of the utility billing address such
12 that, if an eligible renewable electrical generating facility
13 changes ownership, the net metering eligibility transfers to
14 the new owner. The electric utility shall manage net metering
15 billing for eligible customers to ensure full crediting occurs
16 on electricity bills, including, but not limited to, ensuring
17 net metering crediting begins upon commercial operation date,
18 net metering billing transfers immediately if an eligible
19 customer switches from an electric utility to alternative
20 retail electric supplier or vice versa, and net metering
21 billing transfers between ownership of a valid billing
22 address. All transfers referenced in the preceding sentence
23 shall include transfer of all banked credits.

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

1 Sec. 16-107.6. Distributed generation rebate.

2 (a) In this Section:

3 "Additive services" means the services that distributed
4 energy resources provide to the energy system and society that
5 are not (1) already included in the base rebates for
6 system-wide grid services; or (2) otherwise already
7 compensated. Additive services may reflect, but shall not be
8 limited to, any geographic, time-based, performance-based, and
9 other benefits of distributed energy resources, as well as the
10 present and future technological capabilities of distributed
11 energy resources and present and future grid needs.

12 "Distributed energy resource" means a wide range of
13 technologies that are located on the customer side of the
14 customer's electric meter, including, but not limited to,
15 distributed generation, energy storage, electric vehicles, and
16 demand response technologies.

17 "Energy storage system" means commercially available
18 technology that is capable of absorbing energy and storing it
19 for a period of time for use at a later time, including, but
20 not limited to, electrochemical, thermal, and
21 electromechanical technologies, and may be interconnected
22 behind the customer's meter or interconnected behind its own
23 meter.

24 "Smart inverter" means a device that converts direct
25 current into alternating current and meets the IEEE 1547-2018
26 equipment standards. Until devices that meet the IEEE

1 1547-2018 standard are available, devices that meet the UL
2 1741 SA standard are acceptable. ~~can autonomously contribute~~
3 ~~to grid support during excursions from normal operating~~
4 ~~voltage and frequency conditions by providing each of the~~
5 ~~following: dynamic reactive and real power support, voltage~~
6 ~~and frequency ride through, ramp rate controls, communication~~
7 ~~systems with ability to accept external commands, and other~~
8 ~~functions from the electric utility.~~

9 "Subscriber" has the meaning set forth in Section 1-10 of
10 the Illinois Power Agency Act.

11 "Subscription" has the meaning set forth in Section 1-10
12 of the Illinois Power Agency Act.

13 "System-wide grid services" means the benefits that a
14 distributed energy resource provides to the distribution grid
15 for a period of no less than 25 years. System-wide grid
16 services do not vary by location, time, or the performance
17 characteristics of the distributed energy resource.
18 System-wide grid services include, but are not limited to,
19 avoided or deferred distribution capacity costs, resilience
20 and reliability benefits, avoided or deferred distribution
21 operation and maintenance costs, distribution voltage and
22 power quality benefits, and line loss reductions.

23 "Threshold date" means December 31, 2024 or the date on
24 which the utility's tariff or tariffs setting the new
25 compensation values established under subsection (e) take
26 effect, whichever is later. ~~the load of an electricity~~

1 ~~provider's net metering customers equals 5% of the total peak~~
2 ~~demand supplied by that electricity provider during the~~
3 ~~previous year, as specified under subsection (j) of Section~~
4 ~~16-107.5 of this Act.~~

5 (b) An electric utility that serves ~~more than 200,000~~
6 customers in the State shall file a petition with the
7 Commission requesting approval of the utility's tariff to
8 provide a rebate to the owner or operator of a retail customer
9 ~~who owns or operates~~ distributed generation, including
10 third-party owned systems, that meets the following criteria:

11 (1) has a nameplate generating capacity no greater
12 than 5,000 ~~2,000~~ kilowatts and is primarily used to offset
13 a that customer's electricity load;

14 (2) is located on the customer's side of the billing
15 meter and premises, for the customer's own use, ~~and not~~
16 ~~for commercial use or sales, including, but not limited~~
17 ~~to, wholesale sales of electric power and energy;~~

18 ~~(3) is located in the electric utility's service~~
19 ~~territory; and~~

20 (3) (4) is interconnected to electric distribution
21 facilities owned by the electric utility under rules
22 adopted by the Commission by means of the inverter or
23 smart inverter required by this Section, as applicable.

24 For purposes of this Section, "distributed generation"
25 shall satisfy the definition of distributed renewable energy
26 generation device set forth in Section 1-10 of the Illinois

1 Power Agency Act to the extent such definition is consistent
2 with the requirements of this Section.

3 In addition, any new photovoltaic distributed generation
4 that is installed after June 1, 2017 (the effective date of
5 Public Act 99-906) ~~this amendatory Act of the 99th General~~
6 ~~Assembly~~ must be installed by a qualified person, as defined
7 by subsection (i) of Section 1-56 of the Illinois Power Agency
8 Act.

9 The tariff shall include a base rebate that compensates
10 distributed generation for the system-wide grid services
11 associated with distributed generation and, after the
12 proceeding described in subsection (e), an additional payment
13 or payments for the additive services. The tariff shall
14 provide that the smart inverter associated with the
15 distributed generation shall provide autonomous response to
16 grid conditions through its default settings as approved by
17 the Commission. Default settings may not be changed after the
18 execution of the interconnection agreement except by mutual
19 agreement between the utility and the owner or operator of the
20 distributed generation. ~~provide that the utility shall be~~
21 ~~permitted to operate and control the smart inverter associated~~
22 ~~with the distributed generation that is the subject of the~~
23 ~~rebate for the purpose of preserving reliability during~~
24 ~~distribution system reliability events and shall address the~~
25 ~~terms and conditions of the operation and the compensation~~
26 ~~associated with the operation.~~ Nothing in this Section shall

1 negate or supersede Institute of Electrical and Electronics
2 Engineers equipment interconnection requirements or standards
3 or other similar standards or requirements. The tariff shall
4 not limit the ability of the smart inverter or other
5 distributed energy resource to provide wholesale market
6 products such as regulation, demand response, or other
7 services, or limit the ability of the owner of the smart
8 inverter or the other distributed energy resource to receive
9 compensation for providing those wholesale market products or
10 services. ~~The tariff shall also provide for additional uses of~~
11 ~~the smart inverter that shall be separately compensated and~~
12 ~~which may include, but are not limited to, voltage and VAR~~
13 ~~support, regulation, and other grid services. As part of the~~
14 ~~proceeding described in subsection (c) of this Section, the~~
15 ~~Commission shall review and determine whether smart inverters~~
16 ~~can provide any additional uses or services. If the Commission~~
17 ~~determines that an additional use or service would be~~
18 ~~beneficial, the Commission shall determine the terms and~~
19 ~~conditions of the operation and how the use or service should~~
20 ~~be separately compensated.~~

21 (c) The proposed tariff authorized by subsection (b) of
22 this Section shall include the following participation terms
23 for ~~and formulae to calculate the value of the~~ rebates to be
24 applied under this Section for distributed generation that
25 satisfies the criteria set forth in subsection (b) of this
26 Section:

1 The owner or operator of distributed generation that
2 services ~~(1) Until the utility files its tariff or tariffs~~
3 ~~to place into effect the rebate values established by the~~
4 ~~Commission under subsection (c) of this Section,~~
5 ~~non residential~~ customers not eligible for net metering
6 under subsection (d), (d-5), or (e) of Section 16-107.5 of
7 this Act that are taking service under a net metering
8 ~~program offered by an electricity provider under the terms~~
9 ~~of Section 16-107.5 of this Act~~ may apply for a rebate as
10 provided for in this Section. Until the threshold date,
11 the ~~The~~ value of the rebate shall be \$250 per kilowatt of
12 nameplate generating capacity, measured as nominal DC
13 power output, of that ~~a non-residential~~ customer's
14 distributed generation. To the extent the distributed
15 generation also has an associated energy storage, then the
16 energy storage system shall be separately compensated with
17 a base rebate of \$250 per kilowatt-hour of nameplate
18 capacity. Any distributed generation device that is
19 compensated for storage in this subsection before the
20 threshold date shall participate in one or more programs
21 determined through the Multi-Year Integrated Grid Planning
22 process that are designed to meet peak reduction and
23 flexibility. After the threshold date, the value of the
24 base rebate and additional compensation for any additive
25 services shall be as determined by the Commission in the
26 proceeding described in subsection (e), provided that the

1 value of the base rebate for system-wide grid services
2 shall not be lower than \$250 per kilowatt of nameplate
3 generating capacity of distributed generation or community
4 renewable generation project.

5 (2) The owner or operator of distributed generation that,
6 before the threshold date, would have been eligible for net
7 metering under subsection (d), (d-5), or (e) of Section
8 16-107.5 and that has not previously received a distributed
9 generation rebate, may apply for a rebate as provided for in
10 this Section. Until the threshold date, the value of the base
11 rebate shall be \$300 per kilowatt of nameplate generating
12 capacity, measured as nominal DC power output, of the
13 distributed generation. The owner or operator of distributed
14 generation that, before the threshold date, is eligible for
15 net metering under subsection (d), (d-5), or (e) of Section
16 16-107.5 may apply for a base rebate for an energy storage
17 device that uses the same smart inverter as the distributed
18 generation, regardless of whether the distributed generation
19 applies for a rebate for the distributed generation device.
20 The energy storage system shall be separately compensated at a
21 base payment of \$300 per kilowatt-hour of nameplate capacity.
22 Any distributed generation device that is compensated for
23 storage in this subsection (2) before the threshold date shall
24 participate in a peak time rebate program, hourly pricing
25 program, or time-of-use rate program offered by the applicable
26 electric utility. After the threshold date, the value of the

1 base rebate and additional compensation for any additive
2 services shall be as determined by the Commission in the
3 proceeding described in subsection (e), provided that, prior
4 to December 31, 2029, the value of the base rebate for
5 system-wide services shall not be lower than \$300 per kilowatt
6 of nameplate generating capacity of distributed generation,
7 after which it shall not be lower than \$250 per kilowatt of
8 nameplate capacity.

9 ~~(2) After the utility's tariff or tariffs setting the~~
10 ~~new rebate values established under subsection (d) of this~~
11 ~~Section take effect, retail customers may, as applicable,~~
12 ~~make the following elections:~~

13 ~~(A) Residential customers that are taking service~~
14 ~~under a net metering program offered by an electricity~~
15 ~~provider under the terms of Section 16 107.5 of this~~
16 ~~Act on the threshold date may elect to either continue~~
17 ~~to take such service under the terms of such program as~~
18 ~~in effect on such threshold date for the useful life of~~
19 ~~the customer's eligible renewable electric generating~~
20 ~~facility as defined in such Section, or file an~~
21 ~~application to receive a rebate under the terms of~~
22 ~~this Section, provided that such application must be~~
23 ~~submitted within 6 months after the effective date of~~
24 ~~the tariff approved under subsection (d) of this~~
25 ~~Section. The value of the rebate shall be the amount~~
26 ~~established by the Commission and reflected in the~~

1 ~~utility's tariff pursuant to subsection (c) of this~~
2 ~~Section.~~

3 ~~(B) Non-residential customers that are taking~~
4 ~~service under a net metering program offered by an~~
5 ~~electricity provider under the terms of Section~~
6 ~~16-107.5 of this Act on the threshold date may apply~~
7 ~~for a rebate as provided for in this Section. The value~~
8 ~~of the rebate shall be the amount established by the~~
9 ~~Commission and reflected in the utility's tariff~~
10 ~~pursuant to subsection (c) of this Section.~~

11 (3) Upon approval of a rebate application submitted
12 under this subsection (c), the retail customer shall no
13 longer be entitled to receive any delivery service credits
14 for the excess electricity generated by its facility and
15 shall be subject to the provisions of subsection (n) of
16 Section 16-107.5 of this Act.

17 (4) To be eligible for a rebate described in this
18 subsection (c), the owner or operator of the distributed
19 generation ~~customers who begin taking service after the~~
20 ~~effective date of this amendatory Act of the 99th General~~
21 ~~Assembly under a net metering program offered by an~~
22 ~~electricity provider under the terms of Section 16-107.5~~
23 ~~of this Act~~ must have a smart inverter installed and in
24 operation on the ~~associated with the customer's~~
25 distributed generation.

26 (d) The Commission shall review the proposed tariff

1 authorized by subsection ~~submitted under subsections~~ (b) and
2 ~~(e)~~ of this Section and may make changes to the tariff that are
3 consistent with this Section and with the Commission's
4 authority under Article IX of this Act, subject to notice and
5 hearing. Following notice and hearing, the Commission shall
6 issue an order approving, or approving with modification, such
7 tariff no later than 240 days after the utility files its
8 tariff. Upon the effective date of this amendatory Act of the
9 102nd General Assembly, an electric utility shall file a
10 petition with the Commission to amend and update any existing
11 tariffs to comply with subsections (b) and (c).

12 (e) By no later than June 30, 2023, ~~When the total~~
13 ~~generating capacity of the electricity provider's net metering~~
14 ~~customers is equal to 3%,~~ the Commission shall open an
15 independent, statewide investigation into the value of, and
16 compensation for, distributed energy resources. The Commission
17 shall conduct the investigation, but may arrange for experts
18 or consultants independent of the utilities and selected by
19 the Commission to assist with the investigation. The cost of
20 the investigation shall be shared by the utilities filing
21 tariffs under subsection (b) but may be recovered as an
22 expense through normal ratemaking procedures. ~~an annual~~
23 ~~process and formula for calculating the value of rebates for~~
24 ~~the retail customers described in subsections (b) and (f) of~~
25 ~~this Section that submit rebate applications after the~~
26 ~~threshold date for an electric utility that elected to file a~~

1 ~~tariff pursuant to this Section.~~

2 (1) The Commission shall ensure that the investigation
3 includes, at minimum, diverse sets of stakeholders; a
4 review of best practices in calculating the value of
5 distributed energy resource benefits; a review of the full
6 value of the distributed energy resources and the manner
7 in which each component of that value is or is not
8 otherwise compensated; and assessments of how the value of
9 distributed energy resources may evolve based on the
10 present and future technological capabilities of
11 distributed energy resources and based on present and
12 future grid needs.

13 (2) The Commission's final order concluding this
14 investigation shall establish an annual process and
15 formula for the compensation of distributed generation and
16 energy storage systems, and an initial set of inputs for
17 that formula. The Commission's final order concluding this
18 investigation shall establish base rebates that compensate
19 distributed generation, community renewable generation
20 projects and energy storage systems for the system-wide
21 grid services that they provide. Those base rebate values
22 shall be consistent across the State, and shall not vary
23 by customer, customer class, customer location, or any
24 other variable. With respect to rebates for distributed
25 generation or community renewable generation projects,
26 that rebate shall not be lower than \$250 per kilowatt of

1 nameplate generating capacity of the distributed
2 generation or community renewable generation project. The
3 Commission's final order concluding this proceeding shall
4 also direct the utilities to update the formula, on an
5 annual basis, with inputs derived from their integrated
6 grid plans developed pursuant to Section 16-105.17. The
7 base rebate shall be updated annually based on the annual
8 updates to the formula inputs, but, with respect to
9 rebates for distributed generation or community renewable
10 generation projects, shall be no lower than \$250 per
11 kilowatt of nameplate generating capacity of the
12 distributed generation or community renewable generation
13 project.

14 (3) The Commission shall also determine, as a part of
15 its investigation under this subsection, whether
16 distributed energy resources can provide any additive
17 services. Those additive services may include services
18 that are provided through utility-controlled responses to
19 grid conditions. If the Commission determines that
20 distributed energy resources can provide additive grid
21 services, the Commission shall determine the terms and
22 conditions for the operation and compensation of those
23 services. That compensation shall be above and beyond the
24 base rebate that the distributed energy generation,
25 community renewable generation project and energy storage
26 system receives. Compensation for additive services may

1 vary by location, time, performance characteristics,
2 technology types, or other variables.

3 (4) The Commission shall ensure that compensation for
4 distributed energy resources, including base rebates and
5 any payments for additive services, shall reflect all
6 reasonably known and measurable values of the distributed
7 generation over its full expected useful life.
8 Compensation for additive services shall reflect, but
9 shall not be limited to, any geographic, time-based,
10 performance-based, and other benefits of distributed
11 generation, as well as the present and future
12 technological capabilities of distributed energy resources
13 and present and future grid needs.

14 (5) The Commission shall consider the electric
15 utility's integrated grid plan developed pursuant to
16 Section 16-105.17 to help identify the value of
17 distributed energy resources for the purpose of
18 calculating the compensation described in this subsection.

19 (6) The Commission shall determine additional
20 compensation for distributed energy resources that creates
21 savings and value on the distribution system by being
22 co-located or in close proximity to electric vehicle
23 charging infrastructure in use by medium-duty and
24 heavy-duty vehicles, primarily serving environmental
25 justice communities, as outlined in the utility integrated
26 grid planning process under Section 16-105.17.

1 No later than 60 days after the Commission enters its
2 final order under this subsection, each utility shall file its
3 updated tariff or tariffs in compliance with the order,
4 including new tariffs for the recovery of costs incurred under
5 this subsection that shall provide for volumetric-based cost
6 recovery, and the Commission shall approve, or approve with
7 modification, the tariff or tariffs within 240 days after the
8 utility's filing.

9 ~~The investigation shall include diverse sets of~~
10 ~~stakeholders, calculations for valuing distributed energy~~
11 ~~resource benefits to the grid based on best practices, and~~
12 ~~assessments of present and future technological capabilities~~
13 ~~of distributed energy resources. The value of such rebates~~
14 ~~shall reflect the value of the distributed generation to the~~
15 ~~distribution system at the location at which it is~~
16 ~~interconnected, taking into account the geographic,~~
17 ~~time based, and performance based benefits, as well as~~
18 ~~technological capabilities and present and future grid needs.~~
19 ~~No later than 10 days after the Commission enters its final~~
20 ~~order under this subsection (c), the utility shall file its~~
21 ~~tariff or tariffs in compliance with the order, and the~~
22 ~~Commission shall approve, or approve with modification, the~~
23 ~~tariff or tariffs within 45 days after the utility's filing.~~
24 ~~For those rebate applications filed after the threshold date~~
25 ~~but before the utility's tariff or tariffs filed pursuant to~~
26 ~~this subsection (c) take effect, the value of the rebate shall~~

1 ~~remain at the value established in subsection (c) of this~~
2 ~~Section until the tariff is approved.~~

3 (f) Notwithstanding any provision of this Act to the
4 contrary, the owner or operator ~~, developer, or subscriber~~ of
5 a community renewable generation project as defined in Section
6 1-10 of the Illinois Power Agency Act ~~facility that is part of~~
7 ~~a net metering program provided under subsection (1) of~~
8 ~~Section 16-107.5~~ shall also be eligible to apply for the
9 rebate described in this Section. The owner or operator of the
10 community renewable ~~A subscriber to the generation project~~
11 ~~facility~~ may apply for a rebate ~~in the amount of the~~
12 ~~subscriber's subscription~~ only if the owner or operator, or
13 previous owner or operator, of the community renewable
14 generation project, ~~developer, or previous subscriber to the~~
15 ~~same panel or panels~~ has not already submitted an application,
16 and, regardless of whether the subscriber is a residential or
17 non-residential customer, may be allowed the amount identified
18 in paragraph (1) of subsection (c) ~~or in subsection (e) of this~~
19 ~~Section~~ applicable ~~to such customer~~ on the date that the
20 application is submitted. ~~An application for a rebate for a~~
21 ~~portion of a project described in this subsection (f) may be~~
22 ~~submitted at or after the time that a related request for net~~
23 ~~metering is made.~~

24 (g) The owner of the distributed generation or community
25 renewable generation project may apply for the rebate or
26 rebates approved under this Section at the time of execution

1 of an interconnection agreement with the distribution utility
2 and shall receive the value available at that time of
3 execution of the interconnection agreement, provided the
4 project reaches mechanical completion within 24 months after
5 execution of the interconnection agreement. If the project has
6 not reached mechanical completion within 24 months after
7 execution, the owner may reapply for the rebate or rebates
8 approved under this Section available at the time of
9 application and shall receive the value available at the time
10 of application. The utility shall issue the rebate no ~~no~~ later
11 than 60 days after the project is energized. ~~utility receives~~
12 ~~an application for a rebate under its tariff approved under~~
13 ~~subsection (d) or (e) of this Section, the utility shall issue~~
14 ~~a rebate to the applicant under the terms of the tariff. In the~~
15 ~~event the application is incomplete or the utility is~~
16 ~~otherwise unable to calculate the payment based on the~~
17 ~~information provided by the owner, the utility shall issue the~~
18 ~~payment no later than 60 days after the application is~~
19 ~~complete or all requested information is received.~~

20 (h) An electric utility shall recover from its retail
21 customers all of the costs of the rebates made under a tariff
22 or tariffs approved under subsection (d) placed into effect
23 ~~under this Section~~, including, but not limited to, the value
24 of the rebates and all costs incurred by the utility to comply
25 with and implement subsections (b) and (c), but not including
26 costs incurred by the utility to comply with and implement

1 subsection (e) ~~this Section~~, consistent with the following
2 provisions:

3 (1) The utility shall defer the full amount of its
4 costs ~~incurred under this Section~~ as a regulatory asset.
5 The total costs deferred as a regulatory asset shall be
6 amortized over a 15-year period. The unamortized balance
7 shall be recognized as of December 31 for a given year. The
8 utility shall also earn a return on the total of the
9 unamortized balance of the regulatory assets, less any
10 deferred taxes related to the unamortized balance, at an
11 annual rate equal to the utility's weighted average cost
12 of capital that includes, based on a year-end capital
13 structure, the utility's actual cost of debt for the
14 applicable calendar year and a cost of equity, which shall
15 be calculated as the sum of (i) the average for the
16 applicable calendar year of the monthly average yields of
17 30-year U.S. Treasury bonds published by the Board of
18 Governors of the Federal Reserve System in its weekly H.15
19 Statistical Release or successor publication; and (ii) 580
20 basis points, including a revenue conversion factor
21 calculated to recover or refund all additional income
22 taxes that may be payable or receivable as a result of that
23 return.

24 When an electric utility creates a regulatory asset
25 under the provisions of this paragraph ~~Section~~, the costs
26 are recovered over a period during which customers also

1 receive a benefit, which is in the public interest.
2 Accordingly, it is the intent of the General Assembly that
3 an electric utility that elects to create a regulatory
4 asset under the provisions of this paragraph ~~Section~~ shall
5 recover all of the associated costs, including, but not
6 limited to, its cost of capital as set forth in this
7 paragraph ~~Section~~. After the Commission has approved the
8 prudence and reasonableness of the costs that comprise the
9 regulatory asset, the electric utility shall be permitted
10 to recover all such costs, and the value and
11 recoverability through rates of the associated regulatory
12 asset shall not be limited, altered, impaired, or reduced.
13 To enable the financing of the incremental capital
14 expenditures, including regulatory assets, for electric
15 utilities that serve less than 3,000,000 retail customers
16 but more than 500,000 retail customers in the State, the
17 utility's actual year-end capital structure that includes
18 a common equity ratio, excluding goodwill, of up to and
19 including 50% of the total capital structure shall be
20 deemed reasonable and used to set rates.

21 (2) The utility, at its election, may recover all of
22 the costs ~~it incurs under this Section~~ as part of a filing
23 for a general increase in rates under Article IX of this
24 Act, as part of an annual filing to update a
25 performance-based formula rate under subsection (d) of
26 Section 16-108.5 of this Act, or through an automatic

1 adjustment clause tariff, provided that nothing in this
2 paragraph (2) permits the double recovery of such costs
3 from customers. If the utility elects to recover the costs
4 it incurs under subsections (b) and (c) ~~this Section~~
5 through an automatic adjustment clause tariff, the utility
6 may file its proposed tariff together with the tariff it
7 files under subsection (b) of this Section or at a later
8 time. The proposed tariff shall provide for an annual
9 reconciliation, less any deferred taxes related to the
10 reconciliation, with interest at an annual rate of return
11 equal to the utility's weighted average cost of capital as
12 calculated under paragraph (1) of this subsection (h),
13 including a revenue conversion factor calculated to
14 recover or refund all additional income taxes that may be
15 payable or receivable as a result of that return, of the
16 revenue requirement reflected in rates for each calendar
17 year, beginning with the calendar year in which the
18 utility files its automatic adjustment clause tariff under
19 this subsection (h), with what the revenue requirement
20 would have been had the actual cost information for the
21 applicable calendar year been available at the filing
22 date. The Commission shall review the proposed tariff and
23 may make changes to the tariff that are consistent with
24 this Section and with the Commission's authority under
25 Article IX of this Act, subject to notice and hearing.
26 Following notice and hearing, the Commission shall issue

1 an order approving, or approving with modification, such
2 tariff no later than 240 days after the utility files its
3 tariff.

4 (i) An electric utility shall recover from its retail
5 customers, on a volumetric basis, all of the costs of the
6 rebates made under a tariff or tariffs placed into effect
7 under subsection (e), including, but not limited to, the value
8 of the rebates and all costs incurred by the utility to comply
9 with and implement subsection (e) of this Section, consistent
10 with the following provisions:

11 (1) The utility may defer a portion of its costs as a
12 regulatory asset. The Commission shall determine the
13 portion that may be appropriately deferred as a regulatory
14 asset. Factors that the Commission shall consider in
15 determining the portion of costs that shall be deferred as
16 a regulatory asset include, but are not limited to:

17 (A) whether and the extent to which a cost
18 effectively deferred or avoided other distribution
19 system operating costs or capital expenditures;

20 (B) the extent to which a cost provides
21 environmental benefits;

22 (C) the extent to which a cost improves system
23 reliability or resilience;

24 (D) the electric utility's distribution system
25 plan developed pursuant to Section 16-108.17;

26 (E) the extent to which a cost advances equity

1 principles; and

2 (F) such other factors as the Commission deems
3 appropriate.

4 The remainder of costs shall be deemed an operating
5 expense and shall be recoverable if found prudent and
6 reasonable by the Commission.

7 The total costs deferred as a regulatory asset shall
8 be amortized over a 15-year period. The unamortized
9 balance shall be recognized as of December 31 for a given
10 year. The utility shall also earn a return on the total of
11 the unamortized balance of the regulatory assets, less any
12 deferred taxes related to the unamortized balance, at an
13 annual rate equal to the utility's weighted average cost
14 of capital that includes, based on a year-end capital
15 structure, the utility's actual cost of debt for the
16 applicable calendar year and a cost of equity, which shall
17 be calculated as the sum of: (i) the average for the
18 applicable calendar year of the monthly average yields of
19 30-year U.S. Treasury bonds published by the Board of
20 Governors of the Federal Reserve System in its weekly H.15
21 Statistical Release or successor publication; and (ii) 580
22 basis points, including a revenue conversion factor
23 calculated to recover or refund all additional income
24 taxes that may be payable or receivable as a result of that
25 return.

26 The total costs deferred as a regulatory asset shall

1 be amortized over a 15-year period. The unamortized
2 balance shall be recognized as of December 31 for a given
3 year. The utility shall also earn a return on the total of
4 the unamortized balance of the regulatory assets, less any
5 deferred taxes related to the unamortized balance, at an
6 annual rate equal to the utility's weighted average cost
7 of capital that includes, based on a year-end capital
8 structure, the utility's actual cost of debt for the
9 applicable calendar year and a cost of equity, which shall
10 be calculated as the sum of: (i) the average for the
11 applicable calendar year of the monthly average yields of
12 30-year U.S. Treasury bonds published by the Board of
13 Governors of the Federal Reserve System in its weekly H.15
14 Statistical Release or successor publication; and (ii) 580
15 basis points, including a revenue conversion factor
16 calculated to recover or refund all additional income
17 taxes that may be payable or receivable as a result of that
18 return.

19 (2) The utility may recover all of the costs through
20 an automatic adjustment clause tariff, on a volumetric
21 basis. The utility may file its proposed cost-recovery
22 tariff together with the tariff it files under subsection
23 (e) or at a later time. The proposed tariff shall provide
24 for an annual reconciliation, less any deferred taxes
25 related to the reconciliation, with interest at an annual
26 rate of return equal to the utility's weighted average

1 cost of capital as calculated under paragraph (1),
2 including a revenue conversion factor calculated to
3 recover or refund all additional income taxes that may be
4 payable or receivable as a result of that return, of the
5 revenue requirement reflected in rates for each calendar
6 year, beginning with the calendar year in which the
7 utility files its automatic adjustment clause tariff under
8 this subsection, with what the revenue requirement would
9 have been had the actual cost information for the
10 applicable calendar year been available at the filing
11 date. The Commission shall review the proposed tariff and
12 may make changes to the tariff that are consistent with
13 this Section and with the Commission's authority under
14 Article IX, subject to notice and hearing. Following
15 notice and hearing, the Commission shall issue an order
16 approving, or approving with modification, such tariff no
17 later than 240 days after the utility files its tariff.

18 (j) ~~(i)~~ No later than 90 days after the Commission enters
19 an order, or order on rehearing, whichever is later, approving
20 an electric utility's proposed tariff under ~~subsection (d) of~~
21 this Section, the electric utility shall provide notice of the
22 availability of rebates under this Section. ~~Subsequent to the~~
23 ~~utility's notice, any entity that offers in the State, for~~
24 ~~sale or lease, distributed generation and estimates the dollar~~
25 ~~saving attributable to such distributed generation shall~~
26 ~~provide estimates based on both delivery service credits and~~

1 ~~the rebates available under this Section.~~

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

3 (220 ILCS 5/16-108)

4 Sec. 16-108. Recovery of costs associated with the
5 provision of delivery and other services.

6 (a) An electric utility shall file a delivery services
7 tariff with the Commission at least 210 days prior to the date
8 that it is required to begin offering such services pursuant
9 to this Act. An electric utility shall provide the components
10 of delivery services that are subject to the jurisdiction of
11 the Federal Energy Regulatory Commission at the same prices,
12 terms and conditions set forth in its applicable tariff as
13 approved or allowed into effect by that Commission. The
14 Commission shall otherwise have the authority pursuant to
15 Article IX to review, approve, and modify the prices, terms
16 and conditions of those components of delivery services not
17 subject to the jurisdiction of the Federal Energy Regulatory
18 Commission, including the authority to determine the extent to
19 which such delivery services should be offered on an unbundled
20 basis. In making any such determination the Commission shall
21 consider, at a minimum, the effect of additional unbundling on
22 (i) the objective of just and reasonable rates, (ii) electric
23 utility employees, and (iii) the development of competitive
24 markets for electric energy services in Illinois.

25 (b) The Commission shall enter an order approving, or

1 approving as modified, the delivery services tariff no later
2 than 30 days prior to the date on which the electric utility
3 must commence offering such services. The Commission may
4 subsequently modify such tariff pursuant to this Act.

5 (c) The electric utility's tariffs shall define the
6 classes of its customers for purposes of delivery services
7 charges. Delivery services shall be priced and made available
8 to all retail customers electing delivery services in each
9 such class on a nondiscriminatory basis regardless of whether
10 the retail customer chooses the electric utility, an affiliate
11 of the electric utility, or another entity as its supplier of
12 electric power and energy. Charges for delivery services shall
13 be cost based, and shall allow the electric utility to recover
14 the costs of providing delivery services through its charges
15 to its delivery service customers that use the facilities and
16 services associated with such costs. Such costs shall include
17 the costs of owning, operating and maintaining transmission
18 and distribution facilities. The Commission shall also be
19 authorized to consider whether, and if so to what extent, the
20 following costs are appropriately included in the electric
21 utility's delivery services rates: (i) the costs of that
22 portion of generation facilities used for the production and
23 absorption of reactive power in order that retail customers
24 located in the electric utility's service area can receive
25 electric power and energy from suppliers other than the
26 electric utility, and (ii) the costs associated with the use

1 and redispatch of generation facilities to mitigate
2 constraints on the transmission or distribution system in
3 order that retail customers located in the electric utility's
4 service area can receive electric power and energy from
5 suppliers other than the electric utility. Nothing in this
6 subsection shall be construed as directing the Commission to
7 allocate any of the costs described in (i) or (ii) that are
8 found to be appropriately included in the electric utility's
9 delivery services rates to any particular customer group or
10 geographic area in setting delivery services rates.

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

1 (e) Electric utilities shall recover the costs of
2 installing, operating or maintaining facilities for the
3 particular benefit of one or more delivery services customers,
4 including without limitation any costs incurred in complying
5 with a customer's request to be served at a different voltage
6 level, directly from the retail customer or customers for
7 whose benefit the costs were incurred, to the extent such
8 costs are not recovered through the charges referred to in
9 subsections (c) and (d) of this Section.

10 (f) An electric utility shall be entitled but not required
11 to implement transition charges in conjunction with the
12 offering of delivery services pursuant to Section 16-104. If
13 an electric utility implements transition charges, it shall
14 implement such charges for all delivery services customers and
15 for all customers described in subsection (h), but shall not
16 implement transition charges for power and energy that a
17 retail customer takes from cogeneration or self-generation
18 facilities located on that retail customer's premises, if such
19 facilities meet the following criteria:

20 (i) the cogeneration or self-generation facilities
21 serve a single retail customer and are located on that
22 retail customer's premises (for purposes of this
23 subparagraph and subparagraph (ii), an industrial or
24 manufacturing retail customer and a third party contractor
25 that is served by such industrial or manufacturing
26 customer through such retail customer's own electrical

1 distribution facilities under the circumstances described
2 in subsection (vi) of the definition of "alternative
3 retail electric supplier" set forth in Section 16-102,
4 shall be considered a single retail customer);

5 (ii) the cogeneration or self-generation facilities
6 either (A) are sized pursuant to generally accepted
7 engineering standards for the retail customer's electrical
8 load at that premises (taking into account standby or
9 other reliability considerations related to that retail
10 customer's operations at that site) or (B) if the facility
11 is a cogeneration facility located on the retail
12 customer's premises, the retail customer is the thermal
13 host for that facility and the facility has been designed
14 to meet that retail customer's thermal energy requirements
15 resulting in electrical output beyond that retail
16 customer's electrical demand at that premises, comply with
17 the operating and efficiency standards applicable to
18 "qualifying facilities" specified in title 18 Code of
19 Federal Regulations Section 292.205 as in effect on the
20 effective date of this amendatory Act of 1999;

21 (iii) the retail customer on whose premises the
22 facilities are located either has an exclusive right to
23 receive, and corresponding obligation to pay for, all of
24 the electrical capacity of the facility, or in the case of
25 a cogeneration facility that has been designed to meet the
26 retail customer's thermal energy requirements at that

1 premises, an identified amount of the electrical capacity
2 of the facility, over a minimum 5-year period; and

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

10 If a generation facility located at a retail customer's
11 premises does not meet the above criteria, an electric utility
12 implementing transition charges shall implement a transition
13 charge until December 31, 2006 for any power and energy taken
14 by such retail customer from such facility as if such power and
15 energy had been delivered by the electric utility. Provided,
16 however, that an industrial retail customer that is taking
17 power from a generation facility that does not meet the above
18 criteria but that is located on such customer's premises will
19 not be subject to a transition charge for the power and energy
20 taken by such retail customer from such generation facility if
21 the facility does not serve any other retail customer and
22 either was installed on behalf of the customer and for its own
23 use prior to January 1, 1997, or is both predominantly fueled
24 by byproducts of such customer's manufacturing process at such
25 premises and sells or offers an average of 300 megawatts or
26 more of electricity produced from such generation facility

1 into the wholesale market. Such charges shall be calculated as
2 provided in Section 16-102, and shall be collected on each
3 kilowatt-hour delivered under a delivery services tariff to a
4 retail customer from the date the customer first takes
5 delivery services until December 31, 2006 except as provided
6 in subsection (h) of this Section. Provided, however, that an
7 electric utility, other than an electric utility providing
8 service to at least 1,000,000 customers in this State on
9 January 1, 1999, shall be entitled to petition for entry of an
10 order by the Commission authorizing the electric utility to
11 implement transition charges for an additional period ending
12 no later than December 31, 2008. The electric utility shall
13 file its petition with supporting evidence no earlier than 16
14 months, and no later than 12 months, prior to December 31,
15 2006. The Commission shall hold a hearing on the electric
16 utility's petition and shall enter its order no later than 8
17 months after the petition is filed. The Commission shall
18 determine whether and to what extent the electric utility
19 shall be authorized to implement transition charges for an
20 additional period. The Commission may authorize the electric
21 utility to implement transition charges for some or all of the
22 additional period, and shall determine the mitigation factors
23 to be used in implementing such transition charges; provided,
24 that the Commission shall not authorize mitigation factors
25 less than 110% of those in effect during the 12 months ended
26 December 31, 2006. In making its determination, the Commission

1 shall consider the following factors: the necessity to
2 implement transition charges for an additional period in order
3 to maintain the financial integrity of the electric utility;
4 the prudence of the electric utility's actions in reducing its
5 costs since the effective date of this amendatory Act of 1997;
6 the ability of the electric utility to provide safe, adequate
7 and reliable service to retail customers in its service area;
8 and the impact on competition of allowing the electric utility
9 to implement transition charges for the additional period.

10 (g) The electric utility shall file tariffs that establish
11 the transition charges to be paid by each class of customers to
12 the electric utility in conjunction with the provision of
13 delivery services. The electric utility's tariffs shall define
14 the classes of its customers for purposes of calculating
15 transition charges. The electric utility's tariffs shall
16 provide for the calculation of transition charges on a
17 customer-specific basis for any retail customer whose average
18 monthly maximum electrical demand on the electric utility's
19 system during the 6 months with the customer's highest monthly
20 maximum electrical demands equals or exceeds 3.0 megawatts for
21 electric utilities having more than 1,000,000 customers, and
22 for other electric utilities for any customer that has an
23 average monthly maximum electrical demand on the electric
24 utility's system of one megawatt or more, and (A) for which
25 there exists data on the customer's usage during the 3 years
26 preceding the date that the customer became eligible to take

1 delivery services, or (B) for which there does not exist data
2 on the customer's usage during the 3 years preceding the date
3 that the customer became eligible to take delivery services,
4 if in the electric utility's reasonable judgment there exists
5 comparable usage information or a sufficient basis to develop
6 such information, and further provided that the electric
7 utility can require customers for which an individual
8 calculation is made to sign contracts that set forth the
9 transition charges to be paid by the customer to the electric
10 utility pursuant to the tariff.

11 (h) An electric utility shall also be entitled to file
12 tariffs that allow it to collect transition charges from
13 retail customers in the electric utility's service area that
14 do not take delivery services but that take electric power or
15 energy from an alternative retail electric supplier or from an
16 electric utility other than the electric utility in whose
17 service area the customer is located. Such charges shall be
18 calculated, in accordance with the definition of transition
19 charges in Section 16-102, for the period of time that the
20 customer would be obligated to pay transition charges if it
21 were taking delivery services, except that no deduction for
22 delivery services revenues shall be made in such calculation,
23 and usage data from the customer's class shall be used where
24 historical usage data is not available for the individual
25 customer. The customer shall be obligated to pay such charges
26 on a lump sum basis on or before the date on which the customer

1 commences to take service from the alternative retail electric
2 supplier or other electric utility, provided, that the
3 electric utility in whose service area the customer is located
4 shall offer the customer the option of signing a contract
5 pursuant to which the customer pays such charges ratably over
6 the period in which the charges would otherwise have applied.

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

15 (i-5) An electric utility required to impose the Coal to
16 Solar and Energy Storage Initiative Charge provided for in
17 subsection (c-5) of Section 1-75 of the Illinois Power Agency
18 Act shall add such charge to the bills of its delivery services
19 customers pursuant to the terms of a tariff conforming to the
20 requirements of subsection (c-5) of Section 1-75 of the
21 Illinois Power Agency Act and this subsection and filed with
22 and approved by the Commission. The electric utility shall
23 file its proposed tariff with the Commission on or before July
24 1, 2022 to be effective, after review and approval or
25 modification by the Commission, beginning January 1, 2023. On
26 or before December 1, 2022, the Commission shall review the

1 electric utility's proposed tariff, including by conducting a
2 docketed proceeding if deemed necessary by the Commission, and
3 shall approve the proposed tariff or direct the electric
4 utility to make modifications the Commission finds necessary
5 for the tariff to conform to the requirements of subsection
6 (c-5) of Section 1-75 of the Illinois Power Agency Act and this
7 subsection. The electric utility's tariff shall provide for
8 imposition of the Coal to Solar and Energy Storage Initiative
9 Charge on a per-kilowatthour basis to all kilowatthours
10 delivered by the electric utility to its delivery services
11 customers. The tariff shall provide for the calculation of the
12 Coal to Solar and Energy Storage Initiative Charge to be in
13 effect for the year beginning January 1, 2023 and each year
14 beginning January 1 thereafter, sufficient to collect the
15 electric utility's estimated payment obligations for the
16 delivery year beginning the following June 1 under contracts
17 for purchase of renewable energy credits entered into pursuant
18 to subsection (c-5) of Section 1-75 of the Illinois Power
19 Agency Act and the obligations of the Department of Commerce
20 and Economic Development, which for purposes of this
21 subsection shall be referred to as the Department, to make
22 grant payments during such delivery year from the Coal to
23 Solar and Energy Storage Initiative Fund pursuant to grant
24 contracts entered into pursuant to subsection (c-5) of Section
25 1-75 of the Illinois Power Agency Act, and using the electric
26 utility's kilowatthour deliveries to its delivery services

1 customers during the delivery year ended May 31 of the
2 preceding calendar year. On or before November 1 of each year
3 beginning November 1, 2022, the Department shall notify the
4 electric utilities of the amount of the Department's estimated
5 obligations for grant payments during the delivery year
6 beginning the following June 1 pursuant to grant contracts
7 entered into pursuant to subsection (c-5) of Section 1-75 of
8 the Illinois Power Agency Act; and each electric utility shall
9 incorporate in the calculation of its Coal to Solar and Energy
10 Storage Initiative Charge the fractional portion of the
11 Department's estimated obligations equal to the electric
12 utility's kilowatthour deliveries to its delivery services
13 customers in the delivery year ended the preceding May 31 to
14 the aggregate deliveries of both electric utilities to
15 delivery services customers in such delivery year. The
16 electric utility shall remit on a monthly basis to the State
17 Treasurer, for deposit in the Coal to Solar and Energy Storage
18 Initiative Fund provided for in subsection (c-5) of Section
19 1-75 of the Illinois Power Agency Act, the electric utility's
20 collections of the Coal to Solar and Energy Storage Initiative
21 Charge estimated to be needed by the Department for grant
22 payments pursuant to grant contracts entered into pursuant to
23 subsection (c-5) of Section 1-75 of the Illinois Power Agency
24 Act. The initial charge under the electric utility's tariff
25 shall be effective for kilowatthours delivered beginning
26 January 1, 2023, and thereafter shall be revised to be

1 effective January 1, 2024 and each January 1 thereafter, based
2 on the payment obligations for the delivery year beginning the
3 following June 1. The tariff shall provide for the electric
4 utility to make an annual filing with the Commission on or
5 before November 15 of each year, beginning in 2023, setting
6 forth the Coal to Solar and Energy Storage Initiative Charge
7 to be in effect for the year beginning the following January 1.
8 The electric utility's tariff shall also provide that the
9 electric utility shall make a filing with the Commission on or
10 before August 1 of each year beginning in 2024 setting forth a
11 reconciliation, for the delivery year ended the preceding May
12 31, of the electric utility's collections of the Coal to Solar
13 and Energy Storage Initiative Charge against actual payments
14 for renewable energy credits pursuant to contracts entered
15 into, and the actual grant payments by the Department pursuant
16 to grant contracts entered into, pursuant to subsection (c-5)
17 of Section 1-75 of the Illinois Power Agency Act. The tariff
18 shall provide that any excess or shortfall of collections to
19 payments shall be deducted from or added to, on a
20 per-kilowatthour basis, the Coal to Solar and Energy Storage
21 Initiative Charge, over the 6-month period beginning October 1
22 of that calendar year.

23 (j) If a retail customer that obtains electric power and
24 energy from cogeneration or self-generation facilities
25 installed for its own use on or before January 1, 1997,
26 subsequently takes service from an alternative retail electric

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

19 (k) The electric utility shall be entitled to recover
20 through tariffed charges all of the costs associated with the
21 purchase of zero emission credits from zero emission
22 facilities to meet the requirements of subsection (d-5) of
23 Section 1-75 of the Illinois Power Agency Act, as well as all
24 of the costs associated with the purchase of carbon mitigation
25 credits from carbon-free energy resources to meet the
26 requirements of subsection (d-10) of Section 1-75 of the

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

1 as a separate line item on each such customer's bill.

2 Notwithstanding whether the Commission has approved the
3 initial long-term renewable resources procurement plan as of
4 June 1, 2017, an electric utility shall place new tariffed
5 charges into effect beginning with the June 2017 monthly
6 billing period, to the extent practicable, to begin recovering
7 the costs of procuring renewable energy resources, as those
8 charges are calculated under the limitations described in
9 subparagraph (E) of paragraph (1) of subsection (c) of Section
10 1-75 of the Illinois Power Agency Act. Notwithstanding the
11 date on which the utility places such new tariffed charges
12 into effect, the utility shall be permitted to collect the
13 charges under such tariff as if the tariff had been in effect
14 beginning with the first day of the June 2017 monthly billing
15 period. For the delivery years commencing June 1, 2017, June
16 1, 2018, ~~and~~ June 1, 2019, and each delivery year thereafter,
17 the electric utility shall deposit into a separate interest
18 bearing account of a financial institution the monies
19 collected under the tariffed charges. Money collected from
20 customers for the procurement of renewable energy resources in
21 a given delivery year may be spent by the utility for the
22 procurement of renewable resources over any of the following 5
23 delivery years, after which unspent money shall be credited
24 back to retail customers. The electric utility shall spend all
25 money collected in earlier delivery years that has not yet
26 been returned to customers, first, before spending money

1 collected in later delivery years. Any interest earned shall
2 be credited back to retail customers under the reconciliation
3 proceeding provided for in this subsection (k), provided that
4 the electric utility shall first be reimbursed from the
5 interest for the administrative costs that it incurs to
6 administer and manage the account. Any taxes due on the funds
7 in the account, or interest earned on it, will be paid from the
8 account or, if insufficient monies are available in the
9 account, from the monies collected under the tariffed charges
10 to recover the costs of procuring renewable energy resources.
11 Monies deposited in the account shall be subject to the
12 review, reconciliation, and true-up process described in this
13 subsection (k) that is applicable to the funds collected and
14 costs incurred for the procurement of renewable energy
15 resources.

16 The electric utility shall be entitled to recover all of
17 the costs identified in this subsection (k) through automatic
18 adjustment clause tariffs applicable to all of the utility's
19 retail customers that allow the electric utility to adjust its
20 tariffed charges consistent with this subsection (k). The
21 determination as to whether any excess funds were collected
22 during a given delivery year for the purchase of renewable
23 energy resources, and the crediting of any excess funds back
24 to retail customers, shall not be made until after the close of
25 the delivery year, which will ensure that the maximum amount
26 of funds is available to implement the approved long-term

1 renewable resources procurement plan during a given delivery
2 year. The amount of excess funds eligible to be credited back
3 to retail customers shall be reduced by an amount equal to the
4 payment obligations required by any contracts entered into by
5 an electric utility under contracts described in subsection
6 (b) of Section 1-56 and subsection (c) of Section 1-75 of the
7 Illinois Power Agency Act, even if such payments have not yet
8 been made and regardless of the delivery year in which those
9 payment obligations were incurred. Notwithstanding anything to
10 the contrary, including in tariffs authorized by this
11 subsection (k) in effect prior to the effective date of this
12 amendatory Act of the 102nd General Assembly, all unspent
13 funds as of May 31, 2021 shall remain in the utility account
14 and shall on a first in, first out basis be used toward utility
15 payment obligations under contracts described in subsection
16 (b) of Section 1-56 and subsection (c) of Section 1-75 of the
17 Illinois Power Agency Act. The electric utility's collections
18 under such automatic adjustment clause tariffs to recover the
19 costs of renewable energy resources, ~~and~~ zero emission credits
20 from zero emission facilities, and carbon mitigation credits
21 from carbon-free energy resources shall be subject to separate
22 annual review, reconciliation, and true-up against actual
23 costs by the Commission under a procedure that shall be
24 specified in the electric utility's automatic adjustment
25 clause tariffs and that shall be approved by the Commission in
26 connection with its approval of such tariffs. The procedure

1 shall provide that any difference between the electric
2 utility's collections for zero emission credits under the
3 automatic adjustment charges for an annual period and the
4 electric utility's actual costs of ~~renewable energy resources~~
5 ~~and~~ zero emission credits from zero emission facilities and
6 carbon mitigation credits from carbon-free energy resources
7 for that same annual period shall be refunded to or collected
8 from, as applicable, the electric utility's retail customers
9 in subsequent periods.

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

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

1 ~~(k) and to purchase renewable energy resources under an~~
2 ~~approved long term renewable resources procurement plan using~~
3 ~~those funds regardless of the delivery year in which the funds~~
4 ~~were collected during the 4 year period.~~

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

21 ~~If the amount of funds collected during the delivery year~~
22 ~~commencing June 1, 2018, exceeds the costs incurred during~~
23 ~~that delivery year, then up to half of this excess amount, as~~
24 ~~calculated on June 1, 2019, may be used to fund the programs~~
25 ~~under subsection (b) of Section 1-56 of the Illinois Power~~
26 ~~Agency Act in the same proportion the programs are funded~~

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

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

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

1 (1) A utility that has terminated any contract executed
2 under subsection (d-5) or (d-10) of Section 1-75 of the
3 Illinois Power Agency Act shall be entitled to recover any
4 remaining balance associated with the purchase of zero
5 emission credits or carbon mitigation credits prior to such
6 termination, and such utility shall also apply a credit to its
7 retail customer bills in the event of any over-collection.

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

1 the year ending December 31, 2015 by Illinois industrial
2 retail customers, as reported to the Edison Electric
3 Institute.

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

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

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

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

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

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

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

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

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

1 Section 8-103B beginning with the next delivery year
2 commencing after the date of the calculation required by
3 this subsection (m).

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

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

15 (220 ILCS 5/16-108.18 new)

16 Sec. 16-108.18. Performance-based ratemaking.

17 (a) The General Assembly finds:

18 (1) That improving the alignment of utility customer
19 and company interests is critical to ensuring equity,
20 rapid growth of distributed energy resources, electric
21 vehicles, and other new technologies that substantially
22 change the makeup of the grid and protect Illinois
23 residents and businesses from potential economic and
24 environmental harm from the State's energy systems.

25 (2) There is urgency around addressing increasing

1 threats from climate change and assisting communities that
2 have borne disproportionate impacts from climate change,
3 including air pollution, greenhouse gas emissions, and
4 energy burdens. Addressing this problem requires changes
5 to the business model under which utilities in Illinois
6 have traditionally functioned.

7 (3) Providing targeted incentives to support change
8 through a new performance-based structure to enhance
9 ratemaking is intended to enable alignment of utility,
10 customer, community, and environmental goals.

11 (4) Though Illinois has taken some measures to move
12 utilities to performance-based ratemaking through the
13 establishment of performance incentives and a
14 performance-based formula rate under the Energy
15 Infrastructure Modernization Act, these measures have not
16 been sufficiently transformative in urgently moving
17 electric utilities toward the State's ambitious energy
18 policy goals: protecting a healthy environment and
19 climate, improving public health, and creating quality
20 jobs and economic opportunities, including wealth
21 building, especially in economically disadvantaged
22 communities and communities of color.

23 (5) These measures were not developed through a
24 process to understand first what performance measures and
25 penalties would help drive the sought-after behavior by
26 the utilities.

1 (6) While the General Assembly has not made a finding
2 that the spending related to the Energy Infrastructure and
3 Modernization Act and its performance metrics was not
4 reasonable, it is important to address concerns that these
5 measures may have resulted in excess utility spending and
6 guaranteed profits without meaningful improvements in
7 customer experience, rate affordability, or equity.

8 (7) Discussions of performance incentive mechanisms
9 must always take into account the affordability of
10 customer rates and bills for all customers, including low
11 income customers.

12 (8) The General Assembly therefore directs the
13 Illinois Commerce Commission to complete a transition that
14 includes a comprehensive performance-based regulation
15 framework for electric utilities serving more than 500,000
16 customers. The breadth of this framework should revise
17 existing utility regulations to position Illinois electric
18 utilities to effectively and efficiently achieve current
19 and anticipated future energy needs of this State, while
20 ensuring affordability for consumers.

21 (b) As used in this Section:

22 "Commission" means the Illinois Commerce Commission.

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

26 "Distributed energy resources" or "DER" means a wide range

1 of technologies that are connected to the grid including those
2 that are located on the customer side of the customer's
3 electric meter and can provide value to the distribution
4 system, including, but not limited to, distributed generation,
5 energy storage, electric vehicles, and demand response
6 technologies.

7 "Economically disadvantaged communities" means areas of
8 one or more census tracts where average household income does
9 not exceed 80% of area median income.

10 "Environmental justice communities" means the definition
11 of that term as used and as may be updated in the long-term
12 renewable resources procurement plan by the Illinois Power
13 Agency and its Program Administrator in the Illinois Solar for
14 All Program.

15 "Equity investment eligible community" means the
16 geographic areas throughout Illinois which would most benefit
17 from equitable investments by the State designed to combat
18 discrimination. Specifically, "equity investment eligible
19 communities" is defined as the following areas:

20 (1) Areas where residents have historically been
21 excluded from economic opportunities, including
22 opportunities in the energy sector, as defined pursuant to
23 Section 10-40 of the Cannabis Regulation and Tax Act; and

24 (2) Areas where residents have been historically
25 subject to disproportionate burdens of pollution,
26 including pollution from the energy sector, as established

1 by environmental justice communities as defined by the
2 Illinois Power Agency, excluding any racial or ethnic
3 indicators.

4 "Performance incentive mechanism" or "PIM" means an
5 instrument by which utility performance is incentivized, which
6 could include a monetary reward or penalty.

7 "Performance Metric" means a manner of measurement for a
8 particular utility activity.

9 (c) Through coordinated, comprehensive system planning,
10 ratemaking, and performance incentives, the performance-based
11 ratemaking framework should be designed to accomplish the
12 following objectives:

13 (1) maintain and improve service reliability and
14 safety, including and particularly in environmental
15 justice, low-income and equity investment eligible
16 communities;

17 (2) decarbonize utility systems at a pace that meets
18 or exceeds State climate goals, while also ensuring the
19 affordability of rates for all customers, including low
20 income customers;

21 (3) direct electric utilities to make cost-effective
22 investments that support achievement of Illinois' clean
23 energy policies, including, at a minimum, investments
24 designed to integrate distributed energy resources, comply
25 with critical infrastructure protection standards, plans,
26 and industry best practices, and support and take

1 advantage of potential benefits from the electric vehicle
2 charging and other electrification, while mitigating the
3 impacts;

4 (4) choose cost-effective assets and services, whether
5 utility-supplied or through third-party contracting,
6 considering both economic and environmental costs and the
7 effects on utility rates, to deliver high-quality service
8 to customers at least cost;

9 (5) maintain the affordability of electric delivery
10 services for all customers, including low-income
11 customers;

12 (6) maintain and grow a diverse workforce, diverse
13 supplier procurement base and, for relevant programs,
14 diverse approved-vendor pools, including increased
15 opportunities for minority-owned, female-owned,
16 veteran-owned, and disability-owned business enterprises;

17 (7) improve customer service performance and
18 engagement;

19 (8) address the particular burdens faced by consumers
20 in environmental justice and equity investment eligible
21 communities, including shareholder, consumer, and publicly
22 funded bill payment assistance and credit and collection
23 policies, and ensure equitable disconnections, late fees,
24 or arrearages as a result of utility credit and collection
25 practices, which may include consideration of impact by
26 zip code; and

1 (9) implement or otherwise enhance current supplier
2 diversity programs to increase diverse contractor
3 participation in professional services, subcontracting,
4 and prime contracting opportunities with programs that
5 address barriers to access. Supplier diversity programs
6 shall address specific barriers related to RFP and
7 contract access, access to capital, information technology
8 and cyber security access and costs, administrative
9 burdens, and quality control with specific metrics,
10 outcomes, and demographic data reported.

11 (d) Multi-Year Rate Plan.

12 (1) If an electric utility had a performance-based
13 formula rate in effect under Section 16-108.5 as of
14 December 31, 2020, then the utility may file a petition
15 proposing tariffs implementing a 4-year Multi-Year Rate
16 Plan as provided in this Section no later than, January
17 20, 2023, for delivery service rates to be effective for
18 the billing periods January 1, 2024 through December 31,
19 2027. The Commission shall issue an order approving or
20 approving as modified the utility's plan no later than
21 December 20, 2023. The term "Multi-Year Rate Plan" refers
22 to a plan establishing the base rates the utility shall
23 charge for each delivery year of the 4-year period to be
24 covered by the plan, which shall be subject to
25 modification only as expressly allowed in this Section.

26 (2) A utility proposing a Multi-Year Rate Plan shall

1 provide a 4-year investment plan and a description of the
2 utility's major planned investments, including, at a
3 minimum, all investments of \$2,000,000 or greater over the
4 plan period for an electric utility that serves more than
5 3,000,000 retail customers in the State or \$500,000 for an
6 electric utility that serves less than 3,000,000 retail
7 customers in the State but more than 500,000 retail
8 customers in the State. The 4-year investment plan must be
9 consistent with the Multi-Year Integrated Grid Plan
10 described in Section 16-105.17. The investment plan shall
11 provide sufficiently detailed information, as required by
12 the Commission, including, at a minimum, a description of
13 each investment, the location of the investment, and an
14 explanation of the need for and benefit of such an
15 investment to the extent known.

16 (3) The Multi-Year Rate Plan shall be implemented
17 through a tariff filed with the Commission consistent with
18 the provisions of this paragraph that shall apply to all
19 delivery service customers. The Commission shall initiate
20 and conduct an investigation of the tariff in a manner
21 consistent with the provisions of this paragraph and the
22 provisions of Article IX, to the extent they do not
23 conflict with this paragraph. The Multi-Year Rate Plan
24 approved by the Commission shall do the following:

25 (A) Provide for the recovery of the utility's
26 forecasted rate base, based on the 4-year investment

1 plan and the utility's Integrated Grid Plan. The
2 forecasted rate base must include the utility's
3 planned capital investments, with rates based on
4 average annual plant investment, and
5 investment-related costs, including income tax
6 impacts, depreciation, and ratemaking adjustments and
7 costs that are prudently incurred and reasonable in
8 amount consistent with Commission practice and law.
9 The process used to develop the forecasts must be
10 iterative, rigorous, and lead to forecasts that
11 reasonably represent the utility's investments during
12 the forecasted period and ensure that the investments
13 are projected to be used and useful during the annual
14 investment period and least cost, consistent with the
15 provisions of Articles VIII and IX of the Act.

16 (B) The cost of equity shall be approved by the
17 Commission consistent with Commission practice and
18 law.

19 (C) The revenue requirement shall reflect the
20 utility's actual capital structure for the applicable
21 calendar year. A year-end capital structure that
22 includes a common equity ratio of up to and including
23 50% of the total capital structure shall be deemed
24 prudent and reasonable. A higher common equity ratio
25 must be specifically approved by the Commission.

26 (E) Provide for recovery of prudent and reasonable

1 projected operating expenses, giving effect to
2 ratemaking adjustments, consistent with Commission
3 practice and law under Article IX of the Act.
4 Operating expenses for years after the first year of
5 the Multi-Year Rate Plan may be estimated by the use of
6 known and measurable changes, expense reductions
7 associated with planned capital investments as
8 appropriate, and reasonable and appropriate
9 escalators, indices, or other metrics.

10 (F) Amortize the amount of unprotected
11 property-related excess accumulated deferred income
12 taxes in rates as of January 1, 2023 over a period
13 ending December 31, 2027.

14 (G) Allow recovery of incentive compensation
15 expense that is based on the achievement of
16 operational metrics, including metrics related to
17 budget controls, outage duration and frequency,
18 safety, customer service, efficiency and productivity,
19 environmental compliance and attainment of
20 affordability and environmental goals, and other goals
21 and metrics approved by the Commission. Incentive
22 compensation expense that is based on net income or an
23 affiliate's earnings per share shall not be
24 recoverable;

25 (H) To the maximum extent practicable, align the
26 4-year investment plan and annual capital budgets with

1 the electric utility's Multi-Year Integrated Grid
2 Plan.

3 (4) The Commission shall establish annual rates for
4 each year of the Multi-Year Rate Plan that accurately
5 reflect and are based only upon the utility's reasonable
6 and prudent costs of service over the term of the plan,
7 including the effect of all ratemaking adjustments
8 consistent with Commission practice and law as determined
9 by the Commission, provided that the costs are not being
10 recovered elsewhere in rates. Tariff riders authorized by
11 the Commission may continue outside of a plan authorized
12 under this Section to the extent such costs are not
13 recovered elsewhere in rates. For the first multi-year
14 rate plan, the burden of proof shall be on the electric
15 utility to establish the prudence of investments and
16 expenditures and to establish that such investments
17 consistent with and reasonably necessary to meet the
18 requirements of the utility's first approved Multi-Year
19 Integrated Grid Plan described in Section 16-105.17 of
20 this Act. For subsequent Multi-Year Rate Plans, the burden
21 of proof shall be on the electric utility to establish the
22 prudence of investments and expenditures and to establish
23 that such investments are consistent with and reasonably
24 necessary to meet the requirements of the utility's most
25 recently approved Multi-Year Integrated Grid Plan
26 described in Section 16-105.17. The sole fact that a cost

1 differs from that incurred in a prior period or that an
2 investment is different from that described in the
3 Multi-Year Integrated Grid Plan shall not imply the
4 imprudence or unreasonableness of that cost or investment.
5 The sole fact that an investment is the same or similar to
6 that described in the Multi-Year Integrated Grid Plan
7 shall not imply prudence and reasonableness of that
8 investment.

9 (5) To facilitate public transparency, all materials,
10 data, testimony, and schedules shall be provided to the
11 Commission in an editable, machine-readable electronic
12 format. Should utilities designate any materials
13 confidential, they shall have an affirmative duty to
14 explain why the particular information is marked
15 confidential. In determining prudence and reasonableness
16 of rates, the Commission shall make its determination
17 based upon the record, including each public comment filed
18 or provided orally at open meetings consistent with the
19 Commission's rules and practices.

20 (6) The Commission may, by order, establish terms,
21 conditions, and procedures for submitting and approving a
22 Multi-Year Rate Plan necessary to implement this Section
23 and ensure that rates remain just and reasonable during
24 the course of the plan, including terms and procedures for
25 rate adjustment.

26 (7) An electric utility that files a tariff pursuant

1 to paragraph (3) must submit a one-time \$300,000 filing
2 fee at the time the Chief Clerk of the Commission accepts
3 the filing, which shall be a recoverable expense.

4 (8) An electric utility operating under a Multi-Year
5 Rate Plan shall file a new Multi-Year Rate Plan at least
6 300 days prior to the end of the initial Multi-Year Rate
7 Plan unless it elects to file a general rate case pursuant
8 to paragraph (9), and every 4 years thereafter, with a
9 rate-effective date of the proposed tariffs such that,
10 after the Commission suspension period, the rates would
11 take effect immediately at the close of the final year of
12 the initial Multi-Year Rate Plan. In subsequent Multi-Year
13 Rate Plans, as in the initial plans, utilities and
14 stakeholders may propose additional metrics that achieve
15 the outcomes described in paragraph (2) of subsection (f).

16 (9) Election of Rate Case.

17 (A) On or before the date prescribed by
18 subparagraph (B) of paragraph (9), electric utilities
19 that serve more than 500,000 retail customers in the
20 State shall file either a general rate case under
21 Section 9-201, or a Multi-Year Rate Plan, as set forth
22 in paragraph (1).

23 (B) Electric utilities described in subparagraph
24 (A) of paragraph (9) shall file their initial general
25 rate case or Multi-Year Rate Plan, as applicable, with
26 the Commission no later than January 20, 2023.

1 (C) Notwithstanding which rate filing option an
2 electric utility elects to file on the date prescribed
3 by subparagraph (B) of paragraph (9), the electric
4 utility shall be subject to the Multi-year Integrated
5 Plan filing requirements.

6 (D) Following its initial rate filing pursuant to
7 paragraph (2), an electric utility subject to the
8 requirements of this Section shall thereafter be
9 permitted to elect a different rate filing option
10 consistent with any filing intervals established for a
11 general rate case or Multi-Year Rate Plan, as follows:

12 (i) An electric utility that initially elected
13 to file a Multi-Year Rate Plan and thereafter
14 elects to transition to a general rate case may do
15 so upon completion of the 4-year Multi-Year Rate
16 Plan by filing a general rate case at the same time
17 that the utility would have filed its subsequent
18 Multi-Year Rate Plan, as specified in paragraph
19 (8). Notwithstanding this election, the annual
20 adjustment of the final year of the Multi-Year
21 Rate Plan shall proceed as specified in paragraph
22 (6) of subsection (f).

23 (ii) An electric utility that initially
24 elected to a file general rate case and thereafter
25 elects to transition to a Multi-Year Rate Plan may
26 do so only at the 4-year filing intervals

1 identified by paragraph (8).

2 (10) The Commission shall approve tariffs establishing
3 rate design for all delivery service customers unless the
4 electric utility makes the election specified in Section
5 16-105.5, in which case the rate design shall be subject
6 to the provisions of that Section.

7 (11) The Commission shall establish requirements for
8 annual performance evaluation reports to be submitted
9 annually for performance metrics. Such reports shall
10 include, but not be limited to, a description of the
11 utility's performance under each metric and an
12 identification of any extraordinary events that adversely
13 affected the utility's performance.

14 (12) For the first Multi-Year Rate Plan, the
15 Commission shall consolidate its investigation with the
16 proceeding under section 16-105.17 to establish the
17 Multi-Year Integrated Grid Plan no later than 45 days
18 after plan filing.

19 (13) Where a rate change under a Multi-Year Rate Plan
20 will result in a rate increase, an electric utility may
21 propose a rate phase-in plan that the Commission shall
22 approve with or without modification or deny in its final
23 order approving the new delivery services rates. A
24 proposed rate phase-in plan under this paragraph must
25 allow the new delivery services rates to be implemented in
26 no more than 2 steps, as follows: in the first step, at

1 least 50% of the approved rate increase must be reflected
2 in rates, and, in the second step, 100% of the rate
3 increase must be reflected in rates. The second step's
4 rates must take effect no later than 12 months after the
5 first step's rates were placed into effect. The portion of
6 the approved rate increase not implemented in the first
7 step shall be recorded on the electric utility's books as
8 a regulatory asset, and shall accrue carrying costs to
9 ensure that the utility does not recover more or less than
10 it otherwise would because of the deferral. This portion
11 shall be recovered, with such carrying costs at the
12 weighted average cost of capital, through a surcharge
13 applied to retail customer bills that (i) begins no later
14 than 12 months after the date on which the second step's
15 rates went into effect and (ii) is applied over a period
16 not to exceed 24. Nothing in this paragraph is intended to
17 limit the Commission's authority to mitigate the impact of
18 rates caused by rate plans, or any other instance on a
19 revenue-neutral basis; nor shall it mitigate a utility's
20 ability to make proposals to mitigate the impact of rates.
21 When a deferral, or similar method, is used to mitigate
22 the impact of rates, the utility should be allowed to
23 recover carrying costs.

24 (14) Notwithstanding the provisions of Section (13),
25 the Commission may, on its own initiative, take
26 revenue-neutral measures to relieve the impact of rate

1 increases on customers. Such initiatives may be taken by
2 the Commission in the first Multi-Year Rate Plan,
3 subsequent multi-year plans, or in other instances
4 described in the Act.

5 (15) Whenever during the pendency of a Multi-year Rate
6 Plan, an electric utility subject to this Section becomes
7 aware that, due to circumstances beyond its control,
8 prudent operating practices will require the utility to
9 make adjustments to the Multi-Year Rate Plan, the electric
10 utility may file a petition with the Commission requesting
11 modification of the approved annual revenue requirements
12 included in the Multi-Year Rate Plan. The electric utility
13 must support its request with evidence demonstrating why a
14 modification is necessary, due to circumstances beyond the
15 utility's control, to follow prudent operating practices
16 and must set forth the changes to each annual revenue
17 requirement to be approved, and the basis for any changes
18 in anticipated operating expenses or capital investment
19 levels. The utility shall affirmatively address the impact
20 of the changes on the Multi-Year Integrated Grid Plan and
21 Multi-Year Rate Plan originally submitted and approved by
22 the Commission. Any interested party may file an objection
23 to the changes proposed, or offer alternatives to the
24 utility's proposal, as supported by testimony and
25 evidence. After notice and hearing, the Commission shall
26 issue a final order regarding the electric utility's

1 request no later than 180 days after the filing of the
2 petition.

3 (e) Performance incentive mechanisms.

4 (1) The electric industry is undergoing rapid
5 transformation, including fundamental changes in how
6 electricity is generated, procured, and delivered and how
7 customers are choosing to participate in the supply and
8 delivery of electricity to and from the electric grid.
9 Building upon the State's goals to increase the
10 procurement of electricity from renewable energy
11 resources, including distributed generation and storage
12 devices, the General Assembly finds that electric
13 utilities should make cost-effective investments that
14 support moving forward on Illinois' clean energy policies.
15 It is therefore in the State's interest for the Commission
16 to establish performance incentive mechanisms in order to
17 better tie utility revenues to performance and customer
18 benefits, accelerate progress on Illinois energy and other
19 goals, ensure equity and affordability of rates for all
20 customers, including low-income customers, and hold
21 utilities publicly accountable.

22 (2) The Commission shall approve, based on the
23 substantial evidence proffered in the proceeding initiated
24 pursuant to this subsection performance metrics that, to
25 the extent practicable and achievable by the electric
26 utility, encourage cost-effective, equitable utility

1 achievement of the outcomes described in this subsection
2 (e) while ensuring no degradation in the significant
3 performance improvement achieved through previously
4 established performance metrics. For each electric
5 utility, the Commission shall approve metrics designed to
6 achieve incremental improvements over baseline performance
7 values and targets, over a performance period of up to 10
8 years, and no less than 4 years.

9 (A) The Commission shall approve no more than 8
10 metrics, with at least one metric from each of the
11 categories below, for each electric utility, from
12 subparagraphs (i) through (vi). Upon a utility
13 request, the Commission may approve the use of a
14 specific, measurable, and achievable tracking metric
15 described in paragraph (3) of subsection (e) as a
16 performance metric pursuant to paragraph (2) of
17 subsection (e).

18 (i) Metrics designed to ensure the utility
19 maintains and improves the high standards of both
20 overall and locational reliability and resiliency,
21 and makes improvements in power quality, including
22 and particularly in environmental justice and
23 equity investment eligible communities.

24 (ii) Peak load reductions attributable to
25 demand response programs.

26 (iii) Supplier diversity expansion, including

1 diverse contractor participation in professional
2 services, subcontracting, and prime contracting
3 opportunities, development of programs that
4 address the barriers to access, aligning
5 demographics of contractors to the demographics in
6 the utility's service territory, establish
7 long-term mentoring relationships that develop and
8 remove barriers to access for diverse and
9 underserved contractors. The utilities shall
10 provide solutions, resources, and tools to address
11 complex barriers of entry related to costly and
12 time-intensive cyber security requirements,
13 increasingly complex information technology
14 requirements, insurance barriers, service provider
15 sign-up process barriers, administrative process
16 barriers, and other barriers that inhibit access
17 to RFPs and contracts. For programs with contracts
18 over \$1,000,000, winning bidders must demonstrate
19 a subcontractor development or mentoring
20 relationship with at least one of their diverse
21 subcontracting partners for a core component of
22 the scope of the project. The mentoring time and
23 cost shall be taken into account in the creation
24 of RFP and shall include a structured and measured
25 plan by the prime contractor to increase the
26 capabilities of the subcontractor in their

1 proposed scope. The metric shall include reporting
2 on all supplier diversity programs by goals,
3 program results, demographics and geography, with
4 separate reporting by category of minority-owned,
5 female-owned, veteran-owned, and disability-owned
6 business enterprise metrics. The report shall
7 include resources and expenses committed to the
8 programs and conversion rates of new diverse
9 utility contractors.

10 (iv) Achieve affordable customer delivery
11 service costs, with particular emphasis on keeping
12 the bills of lower-income households, households
13 in equity investment eligible communities, and
14 household in environmental justice communities
15 within a manageable portion of their income and
16 adopting credit and collection policies that
17 reduce disconnections for these households
18 specifically and for customers overall to ensure
19 equitable disconnections, late fees, or arrearages
20 as a result of utility credit and collection
21 practices, which may include consideration of
22 impact by zip code.

23 (v) Metrics designed around the utility's
24 timeliness to customer requests for
25 interconnection in key milestone areas, such as:
26 initial response, supplemental review, and system

1 feasibility study; improved average service
2 reliability index for those customers that have
3 interconnected a distributed renewable energy
4 generation device to the utility's distribution
5 system and are lawfully taking service under an
6 applicable tariff; offering a variety of
7 affordable rate options, including demand
8 response, time of use rates for delivery and
9 supply, real-time pricing rates for supply;
10 comprehensive and predictable net metering, and
11 maximizing the benefits of grid modernization and
12 clean energy for ratepayers; and improving
13 customer access to utility system information
14 according to consumer demand and interest.

15 (vi) Metrics designed to measure the utility's
16 customer service performance, which may include
17 the average length of time to answer a customer's
18 call by a customer service representative, the
19 abandoned call rate and the relative ranking of
20 the electric utility, by a reputable third-party
21 organization, in customer service satisfaction
22 when compared to other similar electric utilities
23 in the Midwest region.

24 (B) Performance metrics shall include a
25 description of the metric, a calculation method, a
26 data collection method, annual performance targets,

1 and any incentives or penalties for the utility's
2 achievement of, or failure to achieve, their
3 performance targets, provided that the total amount of
4 potential incentives and penalties shall be
5 symmetrical. Incentives shall be rewards or penalties
6 or both, reflected as basis points added to, or
7 subtracted from, the utility's cost of equity. The
8 metrics and incentives shall apply for the entire time
9 period covered by a Multi-Year Rate Plan. The total
10 for all metrics shall be equal to 40 basis points,
11 however, the Commission may adjust the basis points
12 upward or downward by up to 20 basis points for any
13 given Multi-Year Rate Plan, as appropriate, but in no
14 event may the total exceed 60 basis points or fall
15 below 20 basis points.

16 (C) Metrics related to reliability shall be
17 implemented to ensure equitable benefits to
18 environmental justice and equity investment eligible
19 communities, as defined in this Act.

20 (D) The Commission shall approve performance
21 metrics that are reasonably within control of the
22 utility to achieve. The Commission also shall not
23 approve a metric that is solely expected to have the
24 effect of reducing the workforce. Performance metrics
25 should measure outcomes and actual, rather than
26 projected, results where possible. Nothing in this

1 paragraph is intended to require that different
2 electric utilities must be subject to the same
3 metrics, goals, or incentives.

4 (E) Increases or enhancements to an existing
5 performance goal or target shall be considered in
6 light of other metrics, cost-effectiveness, and other
7 factors the Commission deems appropriate. Performance
8 metrics shall include one year of tracking data
9 collected in a consistent manner, verifiable by an
10 independent evaluator in order to establish a baseline
11 and measure outcomes and actual results against
12 projections where possible.

13 (F) For the purpose of determining reasonable
14 performance metrics and related incentives, the
15 Commission shall develop a methodology to calculate
16 net benefits that includes customer and societal costs
17 and benefits and quantifies the effect on delivery
18 rates. In determining the appropriate level of a
19 reward or penalty, the Commission shall consider: the
20 extent to which the amount is likely to encourage the
21 utility to achieve the performance target in the least
22 cost manner; the value of benefits to customers, the
23 grid, public health and safety, and the environment
24 from achievement of the performance target, including
25 in particular benefits to equity investment eligible
26 community; the affordability of customer's electric

1 bills, including low-income customers, the utility's
2 revenue requirement, the promotion of renewable and
3 distributed energy, and other such factors that the
4 Commission deems appropriate. The consideration of
5 these factors shall result in an incentive level that
6 ensures benefits exceed costs for customers.

7 (G) Achievement of performance metrics are based
8 on the assumptions that the utility will adopt or
9 implement the technology and equipment, and make the
10 investments to the extent reasonably necessary to
11 achieve the goal. If the electric utility is unable to
12 meet the performance metrics as a result of
13 extraordinary circumstances outside of its control,
14 including but not limited to government-declared
15 emergencies, then the utility shall be permitted to
16 file a petition with the Commission requesting that
17 the utility be excused from compliance with the
18 applicable performance goal or goals and the
19 associated financial incentives and penalties. The
20 burden of proof shall be on the utility, consistent
21 with Article IX, and the utility's petition shall be
22 supported by substantial evidence. The Commission
23 shall, after notice and hearing, enter its order
24 approving or denying, in whole or in part, the
25 utility's petition based on the extent to which the
26 utility demonstrated that its achievement of the

1 affected metrics and performance goals was hindered by
2 extraordinary circumstances outside of the utility's
3 control.

4 (3) The Commission shall approve reasonable and
5 appropriate tracking metrics to collect and monitor data
6 for the purpose of measuring and reporting utility
7 performance and for establishing future performance
8 metrics. These additional tracking metrics shall include
9 at least one metric from each of the following categories
10 of performance:

11 (A) Minimize emissions of greenhouse gases and
12 other air pollutants that harm human health,
13 particularly in environmental justice and equity
14 investment eligible communities, through minimizing
15 total emissions by accelerating electrification of
16 transportation, buildings and industries where such
17 electrification results in net reductions, across all
18 fuels and over the life of electrification measures,
19 of greenhouse gases and other pollutants, taking into
20 consideration the fuel mix used to produce electricity
21 at the relevant hour and the effect of accelerating
22 electrification on electricity delivery services
23 rates, supply prices and peak demand, provided the
24 revenues the utility receives from accelerating
25 electrification of transportation, buildings and
26 industries exceed the costs.

1 (B) Enhance the grid's flexibility to adapt to
2 increased deployment of nondispatchable resources,
3 improve the ability and performance of the grid on
4 load balancing, and offer a variety of rate plans to
5 match consumer consumption patterns and lower consumer
6 bills for electricity delivery and supply.

7 (C) Ensure rates reflect cost savings attributable
8 to grid modernization and utilize distributed energy
9 resources that allow the utility to defer or forgo
10 traditional grid investments that would otherwise be
11 required to provide safe and reliable service.

12 (D) Metrics designed to create and sustain
13 full-time-equivalent jobs and opportunities for all
14 segments of the population and workforce, including
15 minority-owned businesses, women-owned businesses,
16 veteran-owned businesses, and businesses owned by a
17 person or persons with a disability, and that do not,
18 consistent with State and federal law, discriminate
19 based on race or socioeconomic status as a result of
20 this amendatory Act of the 102nd General Assembly.

21 (E) Maximize and prioritize the allocation of grid
22 planning benefits to environmental justice and
23 economically disadvantaged customers and communities,
24 such that all metrics provide equitable benefits
25 across the utility's service territory and maintain
26 and improve utility customers' access to uninterrupted

1 utility services.

2 (4) The Commission may establish new tracking and
3 performance metrics in future Multi-Year Rate Plans to
4 further measure achievement of the outcomes set forth in
5 paragraph (2) of subsection (f) and the other goals and
6 requirements of this Section.

7 (5) The Commission shall also evaluate metrics that
8 were established in prior Multi-Year Rate Plans to
9 determine if there has been an unanticipated material
10 change in circumstances such that adjustments are required
11 to improve the likelihood of the outcomes described in
12 paragraph (2) of subsection (f). For metrics that were
13 established in prior Multi-Year Rate Plan proceedings and
14 that the Commission elects to continue, the design of
15 these metrics, including the goals of tracking metrics and
16 the targets and incentive levels and structures of
17 performance metrics, may be adjusted pursuant to the
18 requirements in this Section. The Commission may also
19 change, adjust or phase out tracking and performance
20 metrics that were established in prior Multi-Year Rate
21 Plan proceedings if these metrics no longer meet the
22 requirements of this Section or if they are rendered
23 obsolete by the changing needs and technology of an
24 evolving grid. Additionally, performance metrics that no
25 longer require an incentive to create improved utility
26 performance may become tracking metrics in a Multi-Year

1 Rate Plan proceeding.

2 (6) The Commission shall initiate a workshop process
3 no later than August 1, 2021, or 15 days after the
4 effective date of this amendatory Act of the 102nd General
5 Assembly, whichever is later, for the purpose of
6 facilitating the development of metrics for each utility.
7 The workshop shall be coordinated by the staff of the
8 Commission, or a facilitator retained by staff, and shall
9 be organized and facilitated in a manner that encourages
10 representation from diverse stakeholders and ensures
11 equitable opportunities for participation, without
12 requiring formal intervention or representation by an
13 attorney. Working with staff of the Commission the
14 facilitator may conduct a combination of workshops
15 specific to a utility or applicable to multiple utilities
16 where content and stakeholders are substantially similar.
17 The workshop process shall conclude no later than October
18 31, 2021. Following the workshop, the staff of the
19 Commission, or the facilitator retained by the Staff,
20 shall prepare and submit a report to the Commission that
21 identifies the participants in the process, the metrics
22 proposed during the process, any material issues that
23 remained unresolved at the conclusions of such process,
24 and any recommendations for workshop process improvements.
25 Any workshop participant may file comments and reply
26 comments in response to the Staff report.

1 (A) No later than January, 20, 2022, each electric
2 utility that intends to file a petition pursuant to
3 subsection (b) shall file a petition with the
4 Commission seeking approval of its performance
5 metrics, which shall include for each metric, at a
6 minimum, (i) a detailed description, (ii) the
7 calculation of the baseline, (iii) the performance
8 period and overall performance goal, provided that the
9 performance period shall not commence prior to January
10 1, 2024, (iv) each annual performance goal, (v) the
11 performance adjustment, which shall be a symmetrical
12 basis point increase or decrease to the utility's cost
13 of equity based on the extent to which the utility
14 achieved the annual performance goal, and (vi) the new
15 or modified tariff mechanism that will apply the
16 performance adjustments. The Commission shall issue
17 its order approving, or approving with modification,
18 the utility's proposed performance metrics no later
19 than September 30, 2022.

20 (B) No later than August 1, 2025, the Commission
21 shall initiate a workshop process that conforms to the
22 workshop purpose and requirements of this paragraph to
23 the extent they do not conflict. The workshop process
24 shall conclude no later than October 31, 2025, and the
25 staff of the Commission, or the facilitator retained
26 by the Staff, shall prepare and submit a report

1 consistent with the requirements described in this
2 paragraph. No later than January 20, 2026, each
3 electric utility subject to the requirements of this
4 Section shall file a petition the reflects, and is
5 consistent with, the components required in this
6 paragraph, and the Commission shall issue its order
7 approving, or approving with modification, the
8 utility's proposed performance metrics no later than
9 September 30, 2026.

10 (f) On May 1 of each year, following the approval of the
11 first Multi-Year Rate Plan and its initial year, the
12 Commission shall open an annual performance evaluation
13 proceeding to evaluate the utilities' performance on their
14 metric targets during the year just completed, as well as the
15 appropriate Annual Adjustment as defined in paragraph (6). The
16 Commission shall determine the performance and annual
17 adjustments to be applied through a surcharge in the following
18 calendar year.

19 (1) On February 15 of each year, prior to the annual
20 performance evaluation proceeding, each utility shall file
21 a performance evaluation report with the Commission that
22 includes a description of and all data supporting how the
23 utility performed under each performance metric and an
24 identification of any extraordinary events that adversely
25 impacted the utility's performance.

26 (2) The metrics approved under this Section are based

1 on the assumptions that the utility may fully implement
2 the technology and equipment, and make the investments,
3 required to achieve the metrics and performance goals. If
4 the utility is unable to meet the metrics and performance
5 goals because it was hindered by unanticipated technology
6 or equipment implementation delays, government-declared
7 emergencies, or other investment impediments, then the
8 utility shall be permitted to file a petition with the
9 Commission on or before the date that its report is due
10 pursuant to paragraph (1) requesting that the utility be
11 excused from compliance with the applicable performance
12 goal or goals. The burden of proof shall be on the utility,
13 consistent with Article IX, and the utility's petition
14 shall be supported by substantial evidence. No later than
15 90 days after the utility files its petition, the
16 Commission shall, after notice and hearing, enter its
17 order approving or denying, in whole or in part, the
18 utility's petition based on the extent to which the
19 utility demonstrated that its achievement of the affected
20 metrics and performance goals was hindered by
21 unanticipated technology or equipment implementation
22 delays, or other investment impediments, that were
23 reasonably outside of the utility's control.

24 (3) The electric utility shall provide for an annual
25 independent evaluation of its performance on metrics. The
26 independent evaluator shall review the utility's

1 assumptions, baselines, targets, calculation
2 methodologies, and other relevant information, especially
3 ensuring that the utility's data for establishing
4 baselines matches actual performance, and shall provide a
5 report to the Commission in each annual performance
6 evaluation describing the results. The independent
7 evaluator shall present this report as evidence as a
8 nonparty participant and shall not be represented by the
9 utility's legal counsel. The independent evaluator shall
10 be hired through a competitive bidding process with
11 approval of the contract by the Commission.

12 The Commission shall consider the report of the
13 independent evaluator in determining the utility's
14 achievement of performance targets. Discrepancies between
15 the utility's assumptions, baselines, targets, or
16 calculations and those of the independent evaluator shall
17 be closely scrutinized by the Commission. If the
18 Commission finds that the utility's reported data for any
19 metric or metrics significantly and incorrectly deviates
20 from the data reported by the independent evaluator, then
21 the Commission shall order the utility to revise its data
22 collection and calculation process within 60 days, with
23 specifications where appropriate.

24 (4) The Commission shall, after notice and hearing in
25 the annual performance evaluation proceeding, enter an
26 order approving the utility's performance adjustment based

1 on its achievement of or failure to achieve its
2 performance targets no later than December 20 each year.
3 The Commission-approved penalties or incentives shall be
4 applied beginning with the next calendar year.

5 (5) In order to promote the transparency of utility
6 investments during the effective period of a multi-year
7 rate plan, inform the Commission's investigation and
8 adjustment of rates in the annual adjustment process, and
9 to facilitate the participation of stakeholders in the
10 annual adjustment process, an electric utility with an
11 effective Multi-Year Rate Plan shall, within 90 days of
12 the close of each quarter during the Multi-Year Rate Plan
13 period, submit to the Commission a report that summarizes
14 the additions to utility plant that were placed into
15 service during the prior quarter, which for purposes of
16 the report shall be the most recently closed fiscal
17 quarter. The report shall also summarize the utility plant
18 the electric utility projects it will place into service
19 through the end of the calendar year in which the report is
20 filed. The projections, estimates, plans, and
21 forward-looking information that are provided in the
22 reports pursuant to this paragraph are for planning
23 purposes and are intended to be illustrative of the
24 investments that the utility proposes to make as of the
25 time of submittal. Nothing in this paragraph precludes, or
26 is intended to limit, a utility's ability to modify and

1 update its projections, estimates, plans, and
2 forward-looking information previously submitted in order
3 to reflect stakeholder input or other new or updated
4 information and analysis, including, but not limited to,
5 changes in specific investment needs, customer electric
6 use patterns, customer applications and preferences, and
7 commercially available equipment and technologies, however
8 the utility shall explain any changes or deviations
9 between the projected investments from the quarterly
10 reports and actual investments in the annual report. The
11 reports submitted pursuant to this subsection are intended
12 to be flexible planning tools, and are expected to evolve
13 as new information becomes available. Within 7 days of
14 receiving a quarterly report, the Commission shall timely
15 make such report available to the public by posting it on
16 the Commission's website. Each quarterly report shall
17 include the following detail:

18 (A) The total dollar value of the additions to
19 utility plant placed in service during the prior
20 quarter;

21 (B) A list of the major investment categories the
22 electric utility used to manage its routine standing
23 operational activities during the prior quarter
24 including the total dollar amount for the work
25 reflected in each investment category in which utility
26 plant in service is equal to or greater than

1 \$2,000,000 for an electric utility that serves more
2 than 3,000,000 customers in the State or \$500,000 for
3 an electric utility that serves less than 3,000,000
4 customers but more than 500,000 customers in the State
5 as of the last day of the quarterly reporting period,
6 as well as a summary description of each investment
7 category;

8 (C) A list of the projects which the electric
9 utility has identified by a unique investment tracking
10 number for utility plant placed in service during the
11 prior quarter for utility plant placed in service with
12 a total dollar value as of the last day of the
13 quarterly reporting period that is equal to or greater
14 than \$2,000,000 for an electric utility that serves
15 more than 3,000,000 customers in the State or \$500,000
16 for an electric utility that serves less than
17 3,000,000 retail customers but more than \$500,000
18 retail customers in the State, as well as a summary of
19 each project;

20 (D) The estimated total dollar value of the
21 additions to utility plant projected to be placed in
22 service through the end of the calendar year in which
23 the report is filed;

24 (E) A list of the major investment categories the
25 electric utility used to manage its routine standing
26 operational activities with utility plant projected to

1 be placed in service through the end of the calendar
2 year in which the report is filed, including the total
3 dollar amount for the work reflected in each
4 investment category in which utility plant in service
5 is projected to be equal to or greater than \$2,000,000
6 for an electric utility that serves more than
7 3,000,000 customers in the State or \$500,000 for an
8 electric utility that serves less than 3,000,000
9 retail customers but more than 500,000 retail
10 customers in the State, as well as a summary
11 description of each investment category; and

12 (F) A list of the projects for which the electric
13 utility has identified by a unique investment tracking
14 number for utility plant projected to be placed in
15 service through the end of the calendar year in which
16 the report is filed with an estimated dollar value
17 that is equal to or greater than \$2,000,000 for an
18 electric utility that serves more than 3,000,000
19 customers in the State or \$500,000 for an electric
20 utility that serves less than 3,000,000 retails
21 customers but more than \$500,000 retail customers in
22 the State, as well as a summary description of each
23 project.

24 (6) As part of the Annual Performance Adjustment, the
25 electric utility shall submit evidence sufficient to
26 support a determination of its actual revenue requirement

1 for the applicable calendar year, consistent with the
2 provisions of paragraphs (d) and (f). The electric utility
3 shall bear the burden of demonstrating that its costs were
4 prudent and reasonable, subject to the provisions of
5 paragraph (4). The Commission's review of the electric
6 utility's annual adjustment shall be based on the same
7 evidentiary standards, including, but not limited to,
8 those concerning the prudence and reasonableness of the
9 known and measurable costs forecasted to be incurred by
10 the utility, and the used and usefulness of the actual
11 plant investment pursuant to Section 9-211 of the Act,
12 that the Commission applies in a proceeding to review a
13 filing for changes in rates pursuant to Section 9-201 of
14 this Act. The Commission shall determine the prudence and
15 reasonableness of the actual costs incurred by the utility
16 during the applicable calendar year, as well as determine
17 the original cost of plant in service as of the end of the
18 applicable calendar year. The Commission shall then
19 determine the Annual Adjustment, which means the amount by
20 which, the electric utility's actual revenue requirement
21 for the applicable year of the Multi-Year Rate Plan either
22 exceeded, or was exceeded by, the revenue requirement
23 approved by the Commission for such calendar year, plus
24 carrying costs calculated at the weighted average cost of
25 capital approved for the Multi-Year Rate Plan.

26 The Commission's determination of the electric

1 utility's actual revenue requirement for the applicable
2 calendar year shall be based on:

3 (A) the Commission-approved used and useful,
4 prudent and reasonable actual costs for the applicable
5 calendar year, which shall be determined pursuant to
6 the following criteria:

7 (i) The overall level of actual costs incurred
8 during the calendar year, provided that the
9 Commission may not allow recovery of actual costs
10 that are more than 105% of the approved revenue
11 requirement calculated as provided in item (ii),
12 except to the extent the Commission approves a
13 modification of the Multi-Year Rate Plan to permit
14 such recovery.

15 (ii) The calculation of 105% of the revenue
16 requirement required by this subparagraph shall
17 exclude the revenue requirement impacts of the
18 following volatile and fluctuating variables that
19 occurred during the year: (i) storms and
20 weather-related events for which the utility
21 provides sufficient evidence to demonstrate that
22 such expenses were not foreseeable and not in
23 control of the utility; (ii) new business; (iii)
24 changes in interest rates; (iv) changes in taxes;
25 (v) facility relocations; (vi) changes in pension
26 or post-retirement benefits costs due to

1 fluctuations in interest rates, market returns or
2 actuarial assumptions; (vii) amortization expenses
3 related to costs; and (viii) changes in the timing
4 of when an expenditure or investment is made such
5 that it is accelerated to occur during the
6 applicable year or deferred to occur in a
7 subsequent year.

8 (B) the year-end rate base;

9 (C) the cost of equity approved in the multi-year
10 rate plan; and

11 (D) the electric utility's actual year-end capital
12 structure, provided that the common equity ratio in
13 such capital structure may not exceed the common
14 equity ratio that was approved by the Commission in
15 the Multi-Year Rate Plan.

16 (2) The Commission's determinations of the prudence
17 and reasonableness of the costs incurred for the
18 applicable year, and of the original cost of plant in
19 service as of the end of the applicable calendar year,
20 shall be final upon entry of the Commission's order and
21 shall not be subject to collateral attack in any other
22 Commission proceeding, case, docket, order, rule, or
23 regulation; however, nothing in this Section shall
24 prohibit a party from petitioning the Commission to rehear
25 or appeal to the courts the order pursuant to the
26 provisions of this Act.

1 (g) During the period leading to approval of the first
2 Multi-Year Integrated Grid Plan, each electric utility will
3 necessarily continue to invest in its distribution grid. Those
4 investments will be subject to a determination of prudence and
5 reasonableness consistent with Commission practice and law.
6 Any failure to conform to the Multi-Year Integrated Grid Plan
7 ultimately approved shall not imply imprudence or
8 unreasonableness.

9 (h) After calculating the Performance Adjustment and
10 Annual Adjustment, the Commission shall order the electric
11 utility to collect the amount in excess of the revenue
12 requirement from customers, or issue a refund to customers, as
13 applicable, to be applied through a surcharge beginning with
14 the next calendar year.

15 Electric utilities subject to the requirements of this
16 Section shall be permitted to file new or revised tariffs to
17 comply with the provisions of, and Commission orders entered
18 pursuant to, this Section.

19 (220 ILCS 5/16-108.19 new)

20 Sec. 16-108.19. Division of Integrated Distribution
21 Planning.

22 (a) The Commission shall establish the Division of
23 Integrated Distribution Planning within the Bureau of Public
24 Utilities. The Division shall be staffed by no less than 13
25 professionals, including 4 engineers, one rate analyst, 2

1 accountants, one policy analyst, one utility research and
2 analysis analyst, one cybersecurity analyst, one informational
3 technology specialist, and 2 lawyers to review and evaluate
4 Integrated Grid Plans, updated to Integrated Grid Plans,
5 audits, and other duties as assigned by the Chief of the Public
6 Utilities Bureau.

7 (b) The Division of Integrated Distribution Planning shall
8 be established by July 1, 2022.

9 (220 ILCS 5/16-108.20 new)

10 Sec. 16-108.20. Cost-effectiveness incentive.

11 (a) The General Assembly finds that it is critical to
12 maintain this focus on utility bill affordability as the State
13 transitions to a clean energy economy. The General Assembly
14 accordingly finds that it may be in the public interest to
15 incentivize electric utilities to reduce spending where
16 practicable and where such reduction will not have an adverse
17 impact on the State's clean energy goals; the Act's
18 overarching objectives of efficiency, environmental quality,
19 reliability, and equity; or the utility's achievement on its
20 metrics.

21 (b) In addition to the performance metrics established and
22 approved by the Commission pursuant to Section 16-108.18 of
23 this Act, the Commission may also determine whether each
24 electric utility that serves more than 500,000 retail
25 customers in the State may also be subject to a performance

1 metric that incentivizes the utility to make cost-effective
2 choices and stretch to achieve cost savings for public utility
3 customers where it can do so without adverse impact (on
4 efficiency, environmental quality, reliability or equity).

5 (c) The Commission shall initiate a docket on the subject
6 of cost-effective shared savings, and shall make a
7 determination if it would be in the public interest and the
8 best interest of electric utility customers to establish a
9 performance metric that incentivizes utilities to reduce their
10 costs while meeting all other performance metrics and
11 addressing State goals as found in the Act.

12 (d) At the conclusion of the docket, if the Commission
13 determines that such an incentive is in the best interest of
14 consumers, the Commission shall have the authority to set a
15 specific metric as part of the performance metric process
16 pursuant to Section 16-108.18. Such metric shall include a
17 determination of the percentage of the shared savings to be
18 returned to the customers and to the utility. Such percentage
19 shall be set so as to incentivize the utility to make savings,
20 while providing substantial benefits to consumers.

21 (220 ILCS 5/16-108.21 new)

22 Sec. 16-108.21. Accelerated repayment of excess deferred
23 income tax.

24 (a) The General Assembly finds:

25 (1) That a portion of each utility's compensation from

1 ratepayers is attributable to reimbursement for federal
2 taxes paid by the utility.

3 (2) Due to the enactment of the 2017 Tax Cut and Jobs
4 Act, the federal income tax rate for corporations was
5 lowered, resulting in excess deferred income tax for
6 distribution utilities in the State that serve more than
7 100,000 customers.

8 (3) In proceedings before the Commission, it was
9 determined that the repayment period to ratepayers by the
10 utilities which serve more than 100,000 customers in this
11 State for this excess deferred income tax would be 39.5
12 years.

13 (4) The COVID-19 pandemic has harmed many customers of
14 all rate classes in the State, and resulted in the
15 Commission adopting a number of measures to provide relief
16 for customers.

17 (5) It would be in the interest of the State for the
18 repayment of the excess deferred income tax referenced in
19 Commission Dockets 19-0436, 19-0387, 20-0381, and 20-0393
20 to be paid back to ratepayers on a timetable greatly
21 accelerated from that set forth in the above-mentioned
22 dockets.

23 (b) Notwithstanding the Commission Orders in Dockets
24 19-0436, 19-0387, 20-0381, and 20-0383, the excess deferred
25 income tax referenced in those dockets shall be fully refunded
26 to ratepayers by the respective utilities no later than

1 December 31, 2025.

2 (c) The Commission shall initiate a docket to provide for
3 the refunding of these excess deferred income taxes to
4 ratepayers of the utilities referenced in those dockets, and
5 shall set forth any necessary provisions to accomplish the
6 reimbursement on the schedule delineated in subsection (b).

7 (220 ILCS 5/16-108.25 new)

8 Sec. 16-108.25. Tariff regarding transition in rates. Each
9 electric utility that files a Multi-Year Rate Plan pursuant to
10 Section 16-108.18 or a general rate case as described in this
11 Act shall also file a tariff that sets forth the processes and
12 procedures by which the electric utility will transition from
13 its current rates and ratemaking mechanism to the new
14 Multi-Year Rate Plan or a general rate case and rates that will
15 take effect under that multi-year plan. The proposed tariff
16 shall be consistent with the tariff approved by the Commission
17 in Docket No. 20-0426 and covers the period until the new
18 delivery rates are effective and all required processes and
19 procedures described in the tariff have been completed.

20 Each electric utility subject to this Section shall file
21 its proposed tariff no later than 30 days after the effective
22 date of this amendatory Act of the 102nd General Assembly, and
23 the Commission shall enter its order approving the tariff no
24 later than 120 days after it was filed if the Commission finds
25 that the proposed tariff is consistent with the tariff

1 previously approved in Docket No. 20-0426 for the period until
2 the new delivery rates are effective and all required
3 processes and procedures described in the tariff have been
4 completed. If the Commission does not so find, then the
5 Commission shall approve the utility's tariff with those
6 modifications that are required to make the proposed tariff
7 consistent with the tariff approved in Docket 20-0426 until
8 the new delivery rates are effective and all required
9 processes and procedures described in the tariff have been
10 completed.

11 An electric utility that has a tariff in effect on the
12 effective date of this amendatory Act of the 102nd General
13 Assembly that provides for the transition from its current
14 rates and ratemaking mechanism to new base rates approved
15 pursuant to Article IX, shall file a compliance tariff
16 modifying its existing tariff to comply with the provisions of
17 this Section. The compliance tariff shall go into effect on 45
18 days' notice.

19 (220 ILCS 5/16-108.30 new)

20 Sec. 16-108.30. Energy Transition Assistance Fund.

21 (a) The Energy Transition Assistance Fund is hereby
22 created as a special fund in the State treasury. The Energy
23 Transition Assistance Fund is authorized to receive moneys
24 collected pursuant to this Section. Subject to appropriation,
25 the Department of Commerce and Economic Opportunity, the

1 Capital Development Board, the Department of Central
2 Management Services, and the Illinois Student Assistance
3 Commission shall use moneys from the Energy Transition
4 Assistance Fund consistent with the purposes of this Act and
5 Section 605-1065 of the Department of Commerce and Economic
6 Opportunity Law of the Civil Administrative Code of Illinois.

7 (b) An electric utility serving more than 500,000
8 customers in the State shall assess each of its customer
9 accounts a monthly energy transition assistance charge for the
10 Energy Transition Assistance Fund. The monthly charge shall be
11 set based upon the value determined by the Department of
12 Commerce and Economic Opportunity pursuant to subsections (e)
13 and (f) of Section 605-1065 of the Department of Commerce and
14 Economic Opportunity Law of the Civil Administrative Code of
15 Illinois.

16 (c) Within 75 days after the effective date of this
17 amendatory Act of the 102nd General Assembly, each electric
18 utility serving more than 500,000 customers in the State shall
19 file with the Illinois Commerce Commission tariffs
20 incorporating the energy transition assistance charge in other
21 charges stated in such tariffs, which shall become effective
22 no later than the beginning of the first billing cycle
23 following such filing. Each electric utility serving more than
24 500,000 customers in the State shall, prior to the beginning
25 of each calendar year starting with calendar year 2022, file
26 with the Illinois Commerce Commission tariff revisions to

1 incorporate annual revisions to the energy transition
2 assistance charge as prescribed by the Department of Commerce
3 and Economic Opportunity pursuant to subsection (f) of Section
4 605-1065 of the Department of Commerce and Economic
5 Opportunity Law of the Civil Administrative Code of Illinois
6 so that such revision becomes effective no later than the
7 beginning of the first billing cycle in each respective year.

8 (d) The energy transition assistance charge shall be
9 considered a charge for public utility service.

10 (e) By the 20th day of the month following the month in
11 which the charges imposed by this Section were collected, each
12 electric utility serving more than 500,000 customers in the
13 State shall remit to Department of Revenue all moneys received
14 as payment of the energy transition assistance charge on a
15 return prescribed and furnished by the Department of Revenue
16 showing such information as the Department of Revenue may
17 reasonably require. If a customer makes a partial payment, a
18 public utility shall apply such partial payments first to
19 amounts owed to the utility. No customer may be subjected to
20 disconnection of their utility service for failure to pay the
21 energy transition assistance charge.

22 If any payment provided for in this subsection exceeds the
23 electric utility's liabilities under this Act, as shown on an
24 original return, the Department may authorize the electric
25 utility to credit such excess payment against liability
26 subsequently to be remitted to the Department under this Act,

1 in accordance with reasonable rules adopted by the Department.

2 All the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e,
3 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13
4 of the Retailers' Occupation Tax Act that are not inconsistent
5 with this Act apply, as far as practicable, to the charge
6 imposed by this Act to the same extent as if those provisions
7 were included in this Act. References in the incorporated
8 Sections of the Retailers' Occupation Tax Act to retailers, to
9 sellers, or to persons engaged in the business of selling
10 tangible personal property mean persons required to remit the
11 charge imposed under this Act.

12 (f) The Department of Revenue shall deposit into the
13 Energy Transition Assistance Fund all moneys remitted to it in
14 accordance with this Section.

15 (g) The Department of Revenue may establish such rules as
16 it deems necessary to implement this Section.

17 (h) The Department of Commerce and Economic Opportunity
18 may establish such rules as it deems necessary to implement
19 this Section.

20 (220 ILCS 5/16-111.5)

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

22 (a) An electric utility that on December 31, 2005 served
23 at least 100,000 customers in Illinois shall procure power and
24 energy for its eligible retail customers in accordance with
25 the applicable provisions set forth in Section 1-75 of the

1 Illinois Power Agency Act and this Section. Beginning with the
2 delivery year commencing on June 1, 2017, such electric
3 utility shall also procure zero emission credits from zero
4 emission facilities in accordance with the applicable
5 provisions set forth in Section 1-75 of the Illinois Power
6 Agency Act, and, for years beginning on or after June 1, 2017,
7 the utility shall procure renewable energy resources in
8 accordance with the applicable provisions set forth in Section
9 1-75 of the Illinois Power Agency Act and this Section.
10 Beginning with the delivery year commencing on June 1, 2022,
11 an electric utility serving over 3,000,000 customers shall
12 also procure carbon mitigation credits from carbon-free energy
13 resources in accordance with the applicable provisions set
14 forth in Section 1-75 of the Illinois Power Agency Act and this
15 Section. A small multi-jurisdictional electric utility that on
16 December 31, 2005 served less than 100,000 customers in
17 Illinois may elect to procure power and energy for all or a
18 portion of its eligible Illinois retail customers in
19 accordance with the applicable provisions set forth in this
20 Section and Section 1-75 of the Illinois Power Agency Act.
21 This Section shall not apply to a small multi-jurisdictional
22 utility until such time as a small multi-jurisdictional
23 utility requests the Illinois Power Agency to prepare a
24 procurement plan for its eligible retail customers. "Eligible
25 retail customers" for the purposes of this Section means those
26 retail customers that purchase power and energy from the

1 electric utility under fixed-price bundled service tariffs,
2 other than those retail customers whose service is declared or
3 deemed competitive under Section 16-113 and those other
4 customer groups specified in this Section, including
5 self-generating customers, customers electing hourly pricing,
6 or those customers who are otherwise ineligible for
7 fixed-price bundled tariff service. For those customers that
8 are excluded from the procurement plan's electric supply
9 service requirements, and the utility shall procure any supply
10 requirements, including capacity, ancillary services, and
11 hourly priced energy, in the applicable markets as needed to
12 serve those customers, provided that the utility may include
13 in its procurement plan load requirements for the load that is
14 associated with those retail customers whose service has been
15 declared or deemed competitive pursuant to Section 16-113 of
16 this Act to the extent that those customers are purchasing
17 power and energy during one of the transition periods
18 identified in subsection (b) of Section 16-113 of this Act.

19 (b) A procurement plan shall be prepared for each electric
20 utility consistent with the applicable requirements of the
21 Illinois Power Agency Act and this Section. For purposes of
22 this Section, Illinois electric utilities that are affiliated
23 by virtue of a common parent company are considered to be a
24 single electric utility. Small multi-jurisdictional utilities
25 may request a procurement plan for a portion of or all of its
26 Illinois load. Each procurement plan shall analyze the

1 projected balance of supply and demand for those retail
2 customers to be included in the plan's electric supply service
3 requirements over a 5-year period, with the first planning
4 year beginning on June 1 of the year following the year in
5 which the plan is filed. The plan shall specifically identify
6 the wholesale products to be procured following plan approval,
7 and shall follow all the requirements set forth in the Public
8 Utilities Act and all applicable State and federal laws,
9 statutes, rules, or regulations, as well as Commission orders.
10 Nothing in this Section precludes consideration of contracts
11 longer than 5 years and related forecast data. Unless
12 specified otherwise in this Section, in the procurement plan
13 or in the implementing tariff, any procurement occurring in
14 accordance with this plan shall be competitively bid through a
15 request for proposals process. Approval and implementation of
16 the procurement plan shall be subject to review and approval
17 by the Commission according to the provisions set forth in
18 this Section. A procurement plan shall include each of the
19 following components:

- 20 (1) Hourly load analysis. This analysis shall include:
 - 21 (i) multi-year historical analysis of hourly
 - 22 loads;
 - 23 (ii) switching trends and competitive retail
 - 24 market analysis;
 - 25 (iii) known or projected changes to future loads;
 - 26 and

1 (iv) growth forecasts by customer class.

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

4 (i) the impact of demand response programs and
5 energy efficiency programs, both current and
6 projected; for small multi-jurisdictional utilities,
7 the impact of demand response and energy efficiency
8 programs approved pursuant to Section 8-408 of this
9 Act, both current and projected; and

10 (ii) supply side needs that are projected to be
11 offset by purchases of renewable energy resources, if
12 any.

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

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

18 (ii) the proposed mix of demand-response products
19 for which contracts will be executed during the next
20 year. For small multi-jurisdictional electric
21 utilities that on December 31, 2005 served fewer than
22 100,000 customers in Illinois, these shall be defined
23 as demand-response products offered in an energy
24 efficiency plan approved pursuant to Section 8-408 of
25 this Act. The cost-effective demand-response measures
26 shall be procured whenever the cost is lower than

1 procuring comparable capacity products, provided that
2 such products shall:

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

6 (B) at least satisfy the demand-response
7 requirements of the regional transmission
8 organization market in which the utility's service
9 territory is located, including, but not limited
10 to, any applicable capacity or dispatch
11 requirements;

12 (C) provide for customers' participation in
13 the stream of benefits produced by the
14 demand-response products;

15 (D) provide for reimbursement by the
16 demand-response provider of the utility for any
17 costs incurred as a result of the failure of the
18 supplier of such products to perform its
19 obligations thereunder; and

20 (E) meet the same credit requirements as apply
21 to suppliers of capacity, in the applicable
22 regional transmission organization market;

23 (iii) monthly forecasted system supply
24 requirements, including expected minimum, maximum, and
25 average values for the planning period;

26 (iv) the proposed mix and selection of standard

1 wholesale products for which contracts will be
2 executed during the next year, separately or in
3 combination, to meet that portion of its load
4 requirements not met through pre-existing contracts,
5 including but not limited to monthly 5 x 16 peak period
6 block energy, monthly off-peak wrap energy, monthly 7
7 x 24 energy, annual 5 x 16 energy, other standardized
8 energy or capacity products designed to provide
9 eligible retail customer benefits from commercially
10 deployed advanced technologies including but not
11 limited to HVDC converter stations, as such term is
12 defined in Section 1-10 of the Illinois Power Agency
13 Act, whether or not such product is currently
14 available in wholesale markets, annual off-peak wrap
15 energy, annual 7 x 24 energy, monthly capacity, annual
16 capacity, peak load capacity obligations, capacity
17 purchase plan, and ancillary services;

18 (v) proposed term structures for each wholesale
19 product type included in the proposed procurement plan
20 portfolio of products; and

21 (vi) an assessment of the price risk, load
22 uncertainty, and other factors that are associated
23 with the proposed procurement plan; this assessment,
24 to the extent possible, shall include an analysis of
25 the following factors: contract terms, time frames for
26 securing products or services, fuel costs, weather

1 patterns, transmission costs, market conditions, and
2 the governmental regulatory environment; the proposed
3 procurement plan shall also identify alternatives for
4 those portfolio measures that are identified as having
5 significant price risk and mitigation in the form of
6 additional retail customer and ratepayer price,
7 reliability, and environmental benefits from
8 standardized energy products delivered from
9 commercially deployed advanced technologies including
10 but not limited to HVDC converter stations, as such
11 term is defined in Section 1-10 of the Illinois Power
12 Agency Act, whether or not such product is currently
13 available in wholesale markets.

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

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

26 (i) The initial long-term renewable resources

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

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

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

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

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

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

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

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

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

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

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

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

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

24 In approving any long-term renewable resources
25 procurement plan after the effective date of this
26 Act, the Commission shall approve or modify the

1 Agency's proposal for minimum percentage of work
2 completed by a combination of eligible persons or
3 equity eligible contractors pursuant to
4 subparagraph (P) of paragraph (1) of subsection
5 (c) of Section 1-75 of the Illinois Power Agency
6 Act. The Commission shall consider any analysis
7 performed by the Agency in developing its
8 proposal, including past performance, availability
9 of equity eligible contractors, and availability
10 of equity eligible individuals at the time the
11 long-term renewable resources procurement plan is
12 approved. If the Commission determines that
13 either: (i) an insufficient number of equity
14 eligible contractors are available to meet the
15 Agency's proposed goal, or (ii) an insufficient
16 number of equity eligible contractors are
17 available to serve specific sectors or geographic
18 regions, the Commission shall modify the
19 percentage required by item (ii) of subparagraph
20 (K-5) of subsection (c) of the Illinois Power
21 Agency Act.

22 (iii) The Agency or third parties contracted by
23 the Agency shall implement all programs authorized by
24 the Commission in an approved long-term renewable
25 resources procurement plan without further review and
26 approval by the Commission. Third parties shall not

1 begin implementing any programs or receive any payment
2 under this Section until the Commission has approved
3 the contract or contracts under the process authorized
4 by the Commission in item (D) of subparagraph (ii) of
5 paragraph (5) of this subsection (b) and the third
6 party and the Agency or utility, as applicable, have
7 executed the contract. For those renewable energy
8 credits subject to procurement through a competitive
9 bid process under the plan or under the initial
10 forward procurements for wind and solar resources
11 described in subparagraph (G) of paragraph (1) of
12 subsection (c) of Section 1-75 of the Illinois Power
13 Agency Act, the Agency shall follow the procurement
14 process specified in the provisions relating to
15 electricity procurement in subsections (e) through (i)
16 of this Section.

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

1 under paragraph (6) of subsection (c) of Section 1-75
2 of the Illinois Power Agency Act, subsection (c-5) of
3 Section 1-75 of the Illinois Power Agency Act, and
4 subsection (k) or subsection (i-5), as applicable, of
5 Section 16-108 of this Act, and contracts executed
6 under this Section shall expressly incorporate this
7 limitation.

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

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

18 (b-5) An electric utility that as of January 1, 2019
19 served more than 300,000 retail customers in this State shall
20 purchase renewable energy credits from new renewable energy
21 facilities constructed at or adjacent to the sites of
22 coal-fueled electric generating facilities in this State in
23 accordance with subsection (c-5) of Section 1-75 of the
24 Illinois Power Agency Act. Except as expressly provided in
25 this Section, the plans and procedures for such procurements
26 shall not be included in the procurement plans provided for in

1 this Section, but rather shall be conducted and implemented
2 solely in accordance with subsection (c-5) of Section 1-75 of
3 the Illinois Power Agency Act.

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

20 (1) The procurement administrator shall:

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

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

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

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

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

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

11 (vi) administer the request for proposals process;

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

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

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

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

6 (xi) administer related contingency procurement
7 events.

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

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

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

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

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

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

26 (vi) provide expert advice to the Commission and

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

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

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

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

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

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

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

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

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

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

1 consistent with the requirements of subsection (c-5) of
2 Section 1-75 of the Illinois Power Agency Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (g) Within 3 business days after the Commission decision
24 approving the results of a procurement event, the utility
25 shall enter into binding contractual arrangements with the
26 winning suppliers using the standard form contracts; except

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

5 (h) For the procurement of standard wholesale products,
6 the names of the successful bidders and the load weighted
7 average of the winning bid prices for each contract type and
8 for each contract term shall be made available to the public at
9 the time of Commission approval of a procurement event. For
10 procurements conducted to meet the requirements of subsection
11 (b) of Section 1-56 or subsection (c) of Section 1-75 of the
12 Illinois Power Agency Act governed by the provisions of this
13 Section, the address and nameplate capacity of the new
14 renewable energy generating facility proposed by a winning
15 bidder shall also be made available to the public at the time
16 of Commission approval of a procurement event, along with the
17 business address and contact information for any winning
18 bidder. An estimate or approximation of the nameplate capacity
19 of the new renewable energy generating facility may be
20 disclosed if necessary to protect the confidentiality of
21 individual bid prices.

22 The Commission, the procurement monitor, the procurement
23 administrator, the Illinois Power Agency, and all participants
24 in the procurement process shall maintain the confidentiality
25 of all other supplier and bidding information in a manner
26 consistent with all applicable laws, rules, regulations, and

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

24 (i) Within 2 business days after a Commission decision
25 approving the results of a procurement event or such other
26 date as may be required by the Commission from time to time,

1 the utility shall file for informational purposes with the
2 Commission its actual or estimated retail supply charges, as
3 applicable, by customer supply group reflecting the costs
4 associated with the procurement and computed in accordance
5 with the tariffs filed pursuant to subsection (l) of this
6 Section and approved by the Commission.

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

26 (i) Within 14 days following filing of the initial

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

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

24 (k) (Blank).

25 (k-5) (Blank).

26 (l) An electric utility shall recover its costs incurred

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

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

1 electric utility's tariffed charges applicable to all of its
2 retail customers, as specified in subsection (k) or subsection
3 (i-5), as applicable, of Section 16-108 of this Act, and shall
4 not be recovered through the electric utility's tariffed
5 charges for electric power and energy supply to its eligible
6 retail customers.

7 (m) The Commission has the authority to adopt rules to
8 carry out the provisions of this Section. For the public
9 interest, safety, and welfare, the Commission also has
10 authority to adopt rules to carry out the provisions of this
11 Section on an emergency basis immediately following August 28,
12 2007 (the effective date of Public Act 95-481).

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

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

25 (p) An electric utility subject to this Section may
26 propose to invest, lease, own, or operate an electric

1 generation facility as part of its procurement plan, provided
2 the utility demonstrates that such facility is the least-cost
3 option to provide electric service to those retail customers
4 included in the plan's electric supply service requirements.
5 If the facility is shown to be the least-cost option and is
6 included in a procurement plan prepared in accordance with
7 Section 1-75 of the Illinois Power Agency Act and this
8 Section, then the electric utility shall make a filing
9 pursuant to Section 8-406 of this Act, and may request of the
10 Commission any statutory relief required thereunder. If the
11 Commission grants all of the necessary approvals for the
12 proposed facility, such supply shall thereafter be considered
13 as a pre-existing contract under subsection (b) of this
14 Section. The Commission shall in any order approving a
15 proposal under this subsection specify how the utility will
16 recover the prudently incurred costs of investing in, leasing,
17 owning, or operating such generation facility through just and
18 reasonable rates charged to those retail customers included in
19 the plan's electric supply service requirements. Cost recovery
20 for facilities included in the utility's procurement plan
21 pursuant to this subsection shall not be subject to review
22 under or in any way limited by the provisions of Section
23 16-111(i) of this Act. Nothing in this Section is intended to
24 prohibit a utility from filing for a fuel adjustment clause as
25 is otherwise permitted under Section 9-220 of this Act.

26 (q) If the Illinois Power Agency filed with the

1 Commission, under Section 16-111.5 of this Act, its proposed
2 procurement plan for the period commencing June 1, 2017, and
3 the Commission has not yet entered its final order approving
4 the plan on or before the effective date of this amendatory Act
5 of the 99th General Assembly, then the Illinois Power Agency
6 shall file a notice of withdrawal with the Commission, after
7 the effective date of this amendatory Act of the 99th General
8 Assembly, to withdraw the proposed procurement of renewable
9 energy resources to be approved under the plan, other than the
10 procurement of renewable energy credits from distributed
11 renewable energy generation devices using funds previously
12 collected from electric utilities' retail customers that take
13 service pursuant to electric utilities' hourly pricing tariff
14 or tariffs and, for an electric utility that serves less than
15 100,000 retail customers in the State, other than the
16 procurement of renewable energy credits from distributed
17 renewable energy generation devices. Upon receipt of the
18 notice, the Commission shall enter an order that approves the
19 withdrawal of the proposed procurement of renewable energy
20 resources from the plan. The initially proposed procurement of
21 renewable energy resources shall not be approved or be the
22 subject of any further hearing, investigation, proceeding, or
23 order of any kind.

24 This amendatory Act of the 99th General Assembly preempts
25 and supersedes any order entered by the Commission that
26 approved the Illinois Power Agency's procurement plan for the

1 period commencing June 1, 2017, to the extent it is
2 inconsistent with the provisions of this amendatory Act of the
3 99th General Assembly. To the extent any previously entered
4 order approved the procurement of renewable energy resources,
5 the portion of that order approving the procurement shall be
6 void, other than the procurement of renewable energy credits
7 from distributed renewable energy generation devices using
8 funds previously collected from electric utilities' retail
9 customers that take service under electric utilities' hourly
10 pricing tariff or tariffs and, for an electric utility that
11 serves less than 100,000 retail customers in the State, other
12 than the procurement of renewable energy credits for
13 distributed renewable energy generation devices.

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

15 (220 ILCS 5/16-111.10 new)

16 Sec. 16-111.10. Equitable Energy Upgrade Program.

17 (a) The General Assembly finds and declares that Illinois
18 homes and businesses can contribute to the creation of a clean
19 energy economy, conservation of natural resources, and
20 reliability of the electricity grid through the installation
21 of cost-effective renewable energy generation, energy
22 efficiency, and energy storage systems. Further, a large
23 portion of Illinois residents and businesses that would
24 benefit from the installation of energy efficiency, storage,
25 and renewable energy generation systems are unable to purchase

1 systems due to capital or credit barriers. This State should
2 pursue options to enable many more Illinoisans to access the
3 health, environmental, and financial benefits of new clean
4 energy technology.

5 (b) As used in this Section:

6 "Commission" means the Illinois Commerce Commission.

7 "Energy project" means renewable energy generation
8 systems, including solar projects, energy efficiency upgrades,
9 energy storage systems, or any combination thereof.

10 "Fund" means the Clean Energy Jobs and Justice Fund
11 established in the Illinois Clean Energy Jobs and Justice Fund
12 Act.

13 "Program" means the Equitable Energy Upgrade Program
14 established under subsection (c).

15 "Utility" means electric public utilities providing
16 services under this Act.

17 (c) The Commission shall open an investigation into and
18 direct all electric public utilities in this State to adopt an
19 Equitable Energy Upgrade Program that permits customers to
20 finance the construction of energy projects through an
21 optional tariff payable directly through their utility bill,
22 modeled after the Pay As You Save system, developed by the
23 Energy Efficiency Institute. The Program model shall enable
24 utilities to offer to make investments in energy projects to
25 customer properties with low-cost capital and use an opt-in
26 tariff to recover the costs. The Program shall be designed to

1 provide customers with immediate financial savings if they
2 choose to participate. The Program shall allow residential
3 electric utility customers that own the property, or renters
4 that have permission of the property owner, for which they
5 subscribe to utility service to agree to the installation of
6 an energy project. The Program shall ensure:

7 (1) eligible projects do not require upfront payments;
8 however, customers may pay down the costs for projects
9 with a payment to the installing contractor in order to
10 qualify projects that would otherwise require upfront
11 payments;

12 (2) eligible projects have sufficient estimated
13 savings and estimated life span to produce significant,
14 immediate net savings;

15 (3) participants shall agree the utility can recover
16 its costs for the projects at their location by paying for
17 the project through an optional tariff directly through
18 the participant's electricity bill, allowing participants
19 to benefit from installation of energy projects without
20 traditional loans;

21 (4) accessibility by lower-income residents and
22 environmental justice community residents; and

23 (5) the utilities and Program contractors have ensured
24 that customers have exhausted other State, federal, or
25 utility-sponsored programs to support the financing of
26 eligible projects before they are enrolled in the optional

1 tariff.

2 (d) The Commission shall establish Program guidelines with
3 the anticipated schedule of Program availability as follows:

4 (1) Year 1: Beginning in the first year of operation,
5 each utility is required to obtain low-cost capital of at
6 least \$20,000,000 annually for investments in energy
7 projects.

8 (2) Year 2: Beginning in the second year of operation,
9 each utility is required to obtain low-cost capital for
10 investments in energy projects of at least \$40,000,000
11 annually.

12 (3) Year 3: Beginning in the third year of operation,
13 each utility is required to obtain low-cost capital for
14 investments in as many systems as customers demand,
15 subject to available capital provided by the utility,
16 State, or other lenders.

17 (e) In the design of the Program, the Commission shall:

18 (1) Within 270 days after the effective date of this
19 amendatory Act of the 102nd General Assembly, convene a
20 workshop during which interested participants may discuss
21 issues and submit comments related to the Program.

22 (2) Establish Program guidelines for implementation of
23 the Program in accordance with the Pay As You Save
24 Essential Elements and Minimum Program Requirements that
25 electric utilities must abide by when implementing the
26 Program. Program guidelines established by the Commission

1 shall include the following elements:

2 (A) The Commission shall establish conditions
3 under which utilities secure capital to fund the
4 energy projects. The Commission may allow utilities to
5 raise capital independently, work with third-party
6 lenders to secure the capital for participants, or a
7 combination thereof. Any process the Commission
8 approves must use a market mechanism to identify the
9 least costly sources of capital funds so as to pass on
10 maximum savings to participants. The State or the
11 Clean Energy Jobs and Justice Fund may also provide
12 capital for the Program.

13 (B) Customer protection guidelines should be
14 designed consistent with Pay As You Save Essential
15 Elements and Minimum Program Requirements.

16 (C) The Commission shall establish conditions by
17 which utilities may connect Program participants to
18 energy project vendors. In setting conditions for
19 connection, the Commission may prioritize vendors that
20 have a history of good relations with the State,
21 including vendors that have hired participants from
22 State-created job training programs.

23 (D) Guarantee that conservative estimates of
24 financial savings will immediately and significantly
25 exceed Program costs for Program participants.

26 (f) Within 120 days after the Commission releases the

1 Program conditions established under this Section, each
2 utility subject to the requirements of this Section shall
3 submit an informational filing to the Commission that
4 describes its plan for implementing the provisions of this
5 Section. If the Commission finds that the submission does not
6 properly comply with the statutory or regulatory requirements
7 of the Program, the Commission may require that the utility
8 make modifications to its filing.

9 (g) An independent process evaluation shall be conducted
10 after one year of the Program's operation. An independent
11 impact evaluation shall be conducted after 3 years of
12 operation, excluding one-time startup costs and results from
13 the first 12 months of the Program. The Commission shall
14 convene an advisory council of stakeholders, including
15 representation of low-income and environmental justice
16 community members to make recommendations in response to the
17 findings of the independent evaluation.

18 (h) The Program shall be designed using the Pay As You Save
19 system guidelines to be cost-effective for customers. Only
20 projects that are deemed to be cost-effective and can be
21 reasonably expected to ensure customer savings are eligible
22 for funding through the Program, unless, as specified in
23 paragraph (1) of subsection (c), customers able to make
24 upfront copayments to installers buy down the cost of projects
25 so it can be deemed cost-effective.

26 (i) Eligible customers must be:

1 (1) property renters with permission of the property
2 owner; or

3 (2) property owners.

4 (j) The calculation of project cost-effectiveness shall be
5 based upon the Pay As You Save system requirements.

6 (1) The calculation of cost-effectiveness must be
7 conducted by an objective process approved by the
8 Commission and based on rates in effect at the time of
9 installation.

10 (2) A project shall be considered cost-effective only
11 if it is estimated to produce significant immediate net
12 savings, not counting copayments voluntarily made by
13 customers. The Commission may establish guidelines by
14 which this required savings is estimated.

15 (k) The Program should be modeled after the Pay As You Save
16 system, by which Program participants finance energy projects
17 using the savings that the energy project creates with a
18 tariffed on-bill program. Eligible projects shall not create
19 personal debt for the customer, result in a lien in the event
20 of nonpayment, or require customers to pay monthly charges for
21 any upgrade that fails and is not repaired within 21 days. The
22 utility may restart charges once the upgrade is repaired and
23 functioning and extend the term of payments to recover its
24 costs for missed payments and deferred cost recovery,
25 providing the upgrade continues to function.

26 (l) Any energy project that is defective or damaged due to

1 no fault of the participant must be either replaced or
2 repaired with parts that meet industry standards at the cost
3 of the utility or vendor, as specified by the Commission, and
4 charges shall be suspended until repairs or replacement is
5 completed. The Commission may establish, increase, or replace
6 the requirements imposed in this subsection. The Commission
7 may determine that this responsibility is best handled by
8 participating project vendors in the form of insurance,
9 contractual guarantees, or other mechanisms, and issue rules
10 detailing this requirement. Customers shall not be charged
11 monthly payments for upgrades that are no longer functioning.

12 (m) In the event of nonpayment, the remaining balance due
13 to pay off the system shall remain with the utility meter at an
14 upgraded location. The Commission shall establish conditions
15 subject to this constraint in the event of nonpayment that are
16 in accordance with the Pay As You Save system.

17 (n) If the demand by utility customers exceeds the Program
18 capital supply in a given year, utilities shall ensure that
19 50% of participants are:

20 (1) customers in neighborhoods where a majority of
21 households make 150% or less of area median income; or

22 (2) residents of environmental justice communities.

23 (o) Utilities shall endeavor to inform customers about the
24 availability of the Program, their potential eligibility for
25 participation in the Program, and whether they are likely to
26 save money on the basis of an estimate conducted using

1 variables consistent with the Program that the utility has at
2 its disposal. The Commission may establish guidelines by which
3 utilities must abide by this directive and alternatives if the
4 Commission deems utilities' efforts as inadequate.

5 (p) Subject to Commission specifications under subsection
6 (c), each utility shall work with certified project vendors
7 selected using a request for proposals process to establish
8 the terms and processes under which a utility can install
9 eligible renewable energy generation and energy storage
10 systems using the capital to fit the Equitable Energy Upgrade
11 model. The certified project vendor shall explain and offer
12 the approved upgrades to customers and shall assist customers
13 in applying for financing through the Program. As part of the
14 process, vendors shall also provide participants with
15 information about any other relevant incentives that may be
16 available.

17 (q) An electric utility shall recover all of the prudently
18 incurred costs of offering a program approved by the
19 Commission under this Section. For investor-owned utilities,
20 shareholder incentives will be proportional to meeting
21 Commission approved thresholds for the number of customers
22 served and the amount of its investments in those locations.

23 (r) The Commission shall adopt all rules necessary for the
24 administration of this Section.

1 Sec. 16-127. Environmental disclosure.

2 (a) Effective January 1, 2013, every electric utility and
3 alternative retail electric supplier shall provide the
4 following information, to the maximum extent practicable, to
5 its customers on a quarterly basis:

6 (i) the known sources of electricity supplied,
7 broken-out by percentages, of biomass power, coal-fired
8 power, hydro power, natural gas-fired power, nuclear
9 power, oil-fired power, solar power, wind power and other
10 resources, respectively;

11 (ii) a pie chart that graphically depicts the
12 percentages of the sources of the electricity supplied as
13 set forth in subparagraph (i) of this subsection;

14 (iii) a pie chart that graphically depicts the
15 quantity of renewable energy resources procured pursuant
16 to Section 1-75 of the Illinois Power Agency Act as a
17 percentage of electricity supplied to serve eligible
18 retail customers as defined in Section 16-111.5(a) of this
19 Act; and

20 (iv) after May, 31, 2017, a pie chart that graphically
21 depicts the quantity of zero emission credits from zero
22 emission facilities procured under Section 1-75 of the
23 Illinois Power Agency Act as a percentage of the actual
24 load of retail customers within its service area, and, for
25 an electric utility serving over 3,000,000 customers, the
26 quantity of carbon mitigation credits from carbon-free

1 energy resources procured under Section 1-75 of the
2 Illinois Power Agency Act, which may be depicted in
3 combination with the zero emission credits procured.

4 (b) In addition, every electric utility and alternative
5 retail electric supplier shall provide, to the maximum extent
6 practicable, to its customers on a quarterly basis, a
7 standardized chart in a format to be determined by the
8 Commission in a rule following notice and hearings which
9 provides the amounts of carbon dioxide, nitrogen oxides and
10 sulfur dioxide emissions and nuclear waste attributable to the
11 known sources of electricity supplied as set forth in
12 subparagraph (i) of subsection (a) of this Section.

13 (c) The electric utilities and alternative retail electric
14 suppliers may provide their customers with such other
15 information as they believe relevant to the information
16 required in subsections (a) and (b) of this Section. All of the
17 information required in subsections (a) and (b) of this
18 Section shall be made available by the electric utilities or
19 alternative retail electric suppliers either in an electronic
20 medium, such as on a website or by electronic mail, or through
21 the U.S. Postal Service.

22 (d) For the purposes of subsection (a) of this Section,
23 "biomass" means dedicated crops grown for energy production
24 and organic wastes.

25 (e) All of the information provided in subsections (a) and
26 (b) of this Section shall be presented to the Commission for

1 inclusion in its World Wide Web Site.

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

3 (220 ILCS 5/16-135 new)

4 Sec. 16-135. Energy Storage Program.

5 (a) The Illinois General Assembly hereby finds and
6 declares that:

7 (1) Energy storage systems provide opportunities to:

8 (A) reduce costs to ratepayers directly or
9 indirectly by avoiding or deferring the need for
10 investment in new generation and for upgrades to
11 systems for the transmission and distribution of
12 electricity;

13 (B) reduce the use of fossil fuels for meeting
14 demand during peak load periods;

15 (C) provide ancillary services such as frequency
16 response, load following, and voltage support;

17 (D) assist electric utilities with integrating
18 sources of renewable energy into the grid for the
19 transmission and distribution of electricity, and with
20 maintaining grid stability;

21 (E) support diversification of energy resources;

22 (F) enhance the resilience and reliability of the
23 electric grid; and

24 (G) reduce greenhouse gas emissions and other air
25 pollutants resulting from power generation, thereby

1 minimizing public health impacts that result from
2 power generation.

3 (2) There are significant barriers to obtaining the
4 benefits of energy storage systems, including inadequate
5 valuation of the services that energy storage can provide
6 to the grid and the public.

7 (3) It is in the public interest to:

8 (A) develop a robust competitive market for
9 existing and new providers of energy storage systems
10 in order to leverage Illinois' position as a leader in
11 advanced energy and to capture the potential for
12 economic development;

13 (B) implement targets and programs to achieve
14 deployment of energy storage systems; and

15 (C) modernize distributed energy resource programs
16 and interconnection standards to lower costs and
17 efficiently deploy energy storage systems in order to
18 increase economic development and job creation within
19 the State's clean energy economy.

20 (b) In this Section:

21 "Energy storage peak standard" means a percentage of
22 annual retail electricity sales during peak hours that an
23 electric utility must derive from electricity discharged from
24 eligible energy storage systems.

25 "Deployment" means the installation of energy storage
26 systems through a variety of mechanisms, including utility

1 procurement, customer installation, or other processes.

2 "Electric utility" has the same meaning as provided in
3 Section 16-102.

4 "Energy storage system" means a technology that is capable
5 of absorbing zero-carbon energy, storing it for a period of
6 time, and redelivering that energy after it has been stored in
7 order to provide direct or indirect benefits to the broader
8 electricity system. The term includes, but is not limited to,
9 electrochemical, thermal, and electromechanical technologies.

10 "Non-wires alternatives solicitation" means a utility
11 solicitation for third-party-owned or utility-owned
12 distributed energy resources that uses nontraditional
13 solutions to defer or replace planned investment on the
14 distribution or transmission system.

15 "Total peak demand" means the highest hourly electricity
16 demand for an electric utility in a given year, measured in
17 megawatts, from all of the electric utility's customers of
18 distribution service.

19 (c) The Commission, in consultation with the Illinois
20 Power Agency, shall initiate a proceeding to examine specific
21 programs, mechanisms, and policies that could support the
22 deployment of energy storage systems. The Illinois Commerce
23 Commission shall engage a broad group of Illinois
24 stakeholders, including electric utilities, the energy storage
25 industry, the renewable energy industry, and others to inform
26 the proceeding. The proceeding must, at minimum:

1 (1) develop a framework to identify and measure the
2 potential costs, benefits, that deployment of energy
3 storage could produce, as well as barriers to realizing
4 such benefits, including, but not limited to:

5 (A) avoided cost and deferred investments in
6 generation, transmission, and distribution facilities;

7 (B) reduced ancillary services costs;

8 (C) reduced transmission and distribution
9 congestion;

10 (D) lower peak power costs and reduced capacity
11 costs;

12 (E) reduced costs for emergency power supplies
13 during outages;

14 (F) reduced curtailment of renewable energy
15 generators;

16 (G) reduced greenhouse gas emissions and other
17 criteria air pollutants;

18 (H) increased grid hosting capacity of renewable
19 energy generators that produce energy on an
20 intermittent basis;

21 (I) increased reliability and resilience of the
22 electric grid;

23 (J) reduced line losses;

24 (K) increased resource diversification;

25 (L) increased economic development;

26 (2) analyze and estimate:

1 (A) the impact on the system's ability to
2 integrate renewable resources;

3 (B) the benefits of addition of storage at
4 specific locations, such as at existing peaking units
5 or locations on the grid close to large load centers;

6 (C) the impact on grid reliability and power
7 quality; and

8 (D) the effect on retail electric rates and supply
9 rates over the useful life of a given energy storage
10 system; and

11 (3) Evaluate and identify cost-effective policies and
12 programs to support the deployment of energy storage
13 systems, including, but not limited to:

14 (A) incentive programs;

15 (B) energy storage peak standards;

16 (C) non-wires alternative solicitation;

17 (D) peak demand reduction programs for
18 behind-the-meter storage for all customer classes;

19 (E) value of distributed energy resources
20 programs;

21 (F) tax incentives;

22 (G) time-varying rates;

23 (H) updating of interconnection processes and
24 metering standards; and

25 (I) procurement by the Illinois Power Agency of
26 energy storage resources.

1 (d) The Commission shall, no later than May 31, 2022,
2 submit to the General Assembly and the Governor any
3 recommendations for additional legislative, regulatory, or
4 executive actions based on the findings of the proceeding.

5 (e) At the conclusion of the proceeding required under
6 subsection (c), the Commission shall consider and recommend to
7 the Governor and General Assembly energy storage deployment
8 targets, if any, for each electric utility that serves more
9 than 200,000 customers to be achieved by December 31, 2032,
10 including recommended interim targets.

11 (f) In setting recommendations for energy storage
12 deployment targets, the Commission shall:

13 (1) take into account the costs and benefits of
14 procuring energy storage according to the framework
15 developed in the proceeding under subsection (c);

16 (2) consider establishing specific sub-categories of
17 deployment of systems by point of interconnection or
18 application.

19 (220 ILCS 5/17-900 new)

20 Sec. 17-900. Customer self-generation of electricity.

21 (a) The General Assembly finds and declares that municipal
22 systems and electric cooperatives shall continue to be
23 governed by their respective governing bodies, but that such
24 governing bodies should recognize and implement policies to
25 provide the opportunity for their residential and small

1 commercial customers who wish to self-generate electricity and
2 for reasonable credits to customers for excess electricity,
3 balanced against the rights of the other non-self-generating
4 customers. This includes creating consistent, fair policies
5 that are accessible to all customers and transparent, fair
6 processes for raising and addressing any concerns.

7 (b) Customers have the right to install renewable
8 generating facilities to be located on the customer's premises
9 or customer's side of the billing meter and that are intended
10 primarily to offset the customer's own electrical requirements
11 and produce, consume, and store their own renewable energy
12 without discriminatory repercussions from an electric
13 cooperative or municipal system. This includes a customer's
14 rights to:

15 (1) generate, consume, and deliver excess renewable
16 energy to the distribution grid and reduce his or her use
17 of electricity obtained from the grid;

18 (2) use technology to store energy at his or her
19 residence;

20 (3) interconnect his or her electrical system that
21 generates renewable energy, stores energy, or any
22 combination thereof, with the electricity meter on the
23 customer's premises that is provided by an electric
24 cooperative or municipal system:

25 (A) in a timely manner;

26 (B) in accordance with requirements established by

1 the electric cooperative or municipal utility to
2 ensure the safety of utility workers; and

3 (C) after providing written notice to the electric
4 cooperative or municipal utility system providing
5 service in the service territory, installing a
6 nomenclature plate on the electrical meter panel and
7 meeting all applicable State and local safety and
8 electrical code requirements associated with
9 installing a parallel distributed generation system;
10 and

11 (4) receive fair credit for excess energy delivered to
12 the distribution grid.

13 (c) The policies of municipal systems and electric
14 cooperatives regarding self-generation and credits for excess
15 electricity may reasonably differ from those required of other
16 entities by Article XVI of the Public Utilities Act or other
17 Acts. The credits must recognize the value of self-generation
18 to the distribution grid and benefits to other customers.

19 (d) Within 180 days after this amendatory Act of the 102nd
20 General Assembly, each electric cooperative and municipal
21 system shall update its policies for the interconnection and
22 fair crediting of customer self-generation and storage if
23 necessary, to comply with the standards of subsection (b) of
24 this Section. Each electric cooperative and municipal system
25 shall post its updated policies to a public-facing area of its
26 website.

1 (e) An electric cooperative or municipal system customer
2 who produces, consumes, and stores his or her own renewable
3 energy shall not face discriminatory rate design, fees or
4 charges, treatment, or excessive compliance requirements that
5 would unreasonably affect that customer's right to
6 self-generate electricity as provided for in this Section.

7 (f) An electric cooperative or municipal utility system
8 customer shall have a right to appeal any decision related to
9 self-generation and storage that violates these rights to
10 self-generation and non-discrimination pursuant to the
11 provisions of this Section through a complaint under the
12 Administrative Review Law or similar legal process.

13 Section 90-55. If and only if Senate Bill 2017 of the 102nd
14 General Assembly becomes law in the form in which it passed
15 both houses on June 1, 2021, then the Energy Assistance Act is
16 amended by changing Sections 13 and 18 as follows:

17 (305 ILCS 20/13)

18 (Section scheduled to be repealed on January 1, 2025)

19 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

20 (a) The Supplemental Low-Income Energy Assistance Fund is
21 hereby created as a special fund in the State Treasury.
22 ~~Notwithstanding any other law to the contrary, the~~
23 ~~Supplemental Low Income Energy Assistance Fund is not subject~~
24 ~~to sweeps, administrative charge backs, or any other fiscal or~~

1 ~~budgetary maneuver that would in any way transfer any amounts~~
2 ~~from the Supplemental Low-Income Energy Assistance Fund into~~
3 ~~any other fund of the State.~~ The Supplemental Low-Income
4 Energy Assistance Fund is authorized to receive moneys from
5 voluntary donations from individuals, foundations,
6 corporations, and other sources, moneys received pursuant to
7 Section 17, and, by statutory deposit, the moneys collected
8 pursuant to this Section. The Fund is also authorized to
9 receive voluntary donations from individuals, foundations,
10 corporations, and other sources. Subject to appropriation, the
11 Department shall use moneys from the Supplemental Low-Income
12 Energy Assistance Fund for payments to electric or gas public
13 utilities, municipal electric or gas utilities, and electric
14 cooperatives on behalf of their customers who are participants
15 in the program authorized by Sections 4 and 18 of this Act, for
16 the provision of weatherization services and for
17 administration of the Supplemental Low-Income Energy
18 Assistance Fund. All other deposits outside of the Energy
19 Assistance Charge as set forth in subsection (b) are not
20 subject to the percentage restrictions related to
21 administrative and weatherization expenses provided in this
22 subsection. The yearly expenditures for weatherization may not
23 exceed 10% of the amount collected during the year pursuant to
24 this Section, except when unspent funds from the Supplemental
25 Low-Income Energy Assistance Fund are reallocated from a
26 previous year; any unspent balance of the 10% weatherization

1 allowance may be utilized for weatherization expenses in the
2 year they are reallocated. The yearly administrative expenses
3 of the Supplemental Low-Income Energy Assistance Fund may not
4 exceed 13% of the amount collected during that year pursuant
5 to this Section, except when unspent funds from the
6 Supplemental Low-Income Energy Assistance Fund are reallocated
7 from a previous year; any unspent balance of the 13%
8 administrative allowance may be utilized for administrative
9 expenses in the year they are reallocated. Of the 13%
10 administrative allowance, no less than 8% shall be provided to
11 Local Administrative Agencies for administrative expenses.

12 (b) Notwithstanding the provisions of Section 16-111 of
13 the Public Utilities Act but subject to subsection (k) of this
14 Section, each public utility, electric cooperative, as defined
15 in Section 3.4 of the Electric Supplier Act, and municipal
16 utility, as referenced in Section 3-105 of the Public
17 Utilities Act, that is engaged in the delivery of electricity
18 or the distribution of natural gas within the State of
19 Illinois shall, effective January 1, 2021, assess each of its
20 customer accounts a monthly Energy Assistance Charge for the
21 Supplemental Low-Income Energy Assistance Fund. The delivering
22 public utility, municipal electric or gas utility, or electric
23 or gas cooperative for a self-assessing purchaser remains
24 subject to the collection of the fee imposed by this Section.
25 The monthly charge shall be as follows:

26 (1) Base Energy Assistance Charge per month on each

1 account for residential electrical service;

2 (2) Base Energy Assistance Charge per month on each
3 account for residential gas service;

4 (3) Ten times the Base Energy Assistance Charge per
5 month on each account for non-residential electric service
6 which had less than 10 megawatts of peak demand during the
7 previous calendar year;

8 (4) Ten times the Base Energy Assistance Charge per
9 month on each account for non-residential gas service
10 which had distributed to it less than 4,000,000 therms of
11 gas during the previous calendar year;

12 (5) Three hundred and seventy-five times the Base
13 Energy Assistance Charge per month on each account for
14 non-residential electric service which had 10 megawatts or
15 greater of peak demand during the previous calendar year;
16 and

17 (6) Three hundred and seventy-five times the Base
18 Energy Assistance Charge per month on each account For
19 non-residential gas service which had 4,000,000 or more
20 therms of gas distributed to it during the previous
21 calendar year.

22 The Base Energy Assistance Charge shall be \$0.48 per month
23 for the calendar year beginning January 1, 2022 and shall
24 increase by \$0.16 per month for any calendar year, provided no
25 less than 80% of the previous State fiscal year's available
26 Supplemental Low-Income Energy Assistance Fund funding was

1 exhausted. The maximum Base Energy Assistance Charge shall not
2 exceed \$0.96 per month for any calendar year.

3 The incremental change to such charges imposed by Public
4 Act 99-933 and this amendatory Act of the 102nd General
5 Assembly shall not (i) be used for any purpose other than to
6 directly assist customers and (ii) be applicable to utilities
7 serving less than 25,000 customers in Illinois on January 1,
8 2021. The incremental change to such charges imposed by this
9 amendatory Act of the 102nd General Assembly are intended to
10 increase utilization of the Percentage of Income Payment Plan
11 (PIPP or PIP Plan) and shall be applied such that PIP Plan
12 enrollment is at least doubled, as compared to 2020
13 enrollment, by 2024.

14 In addition, electric and gas utilities have committed,
15 and shall contribute, a one-time payment of \$22 million to the
16 Fund, within 10 days after the effective date of the tariffs
17 established pursuant to Sections 16-111.8 and 19-145 of the
18 Public Utilities Act to be used for the Department's cost of
19 implementing the programs described in Section 18 of this
20 amendatory Act of the 96th General Assembly, the Arrearage
21 Reduction Program described in Section 18, and the programs
22 described in Section 8-105 of the Public Utilities Act. If a
23 utility elects not to file a rider within 90 days after the
24 effective date of this amendatory Act of the 96th General
25 Assembly, then the contribution from such utility shall be
26 made no later than February 1, 2010.

1 (c) For purposes of this Section:

2 (1) "residential electric service" means electric
3 utility service for household purposes delivered to a
4 dwelling of 2 or fewer units which is billed under a
5 residential rate, or electric utility service for
6 household purposes delivered to a dwelling unit or units
7 which is billed under a residential rate and is registered
8 by a separate meter for each dwelling unit;

9 (2) "residential gas service" means gas utility
10 service for household purposes distributed to a dwelling
11 of 2 or fewer units which is billed under a residential
12 rate, or gas utility service for household purposes
13 distributed to a dwelling unit or units which is billed
14 under a residential rate and is registered by a separate
15 meter for each dwelling unit;

16 (3) "non-residential electric service" means electric
17 utility service which is not residential electric service;
18 and

19 (4) "non-residential gas service" means gas utility
20 service which is not residential gas service.

21 (d) Within 30 days after the effective date of this
22 amendatory Act of the 96th General Assembly, each public
23 utility engaged in the delivery of electricity or the
24 distribution of natural gas shall file with the Illinois
25 Commerce Commission tariffs incorporating the Energy
26 Assistance Charge in other charges stated in such tariffs,

1 which shall become effective no later than the beginning of
2 the first billing cycle following such filing.

3 (e) The Energy Assistance Charge assessed by electric and
4 gas public utilities shall be considered a charge for public
5 utility service.

6 (f) By the 20th day of the month following the month in
7 which the charges imposed by the Section were collected, each
8 public utility, municipal utility, and electric cooperative
9 shall remit to the Department of Revenue all moneys received
10 as payment of the Energy Assistance Charge on a return
11 prescribed and furnished by the Department of Revenue showing
12 such information as the Department of Revenue may reasonably
13 require; provided, however, that a utility offering an
14 Arrearage Reduction Program or Supplemental Arrearage
15 Reduction Program pursuant to Section 18 of this Act shall be
16 entitled to net those amounts necessary to fund and recover
17 the costs of such Programs as authorized by that Section that
18 is no more than the incremental change in such Energy
19 Assistance Charge authorized by Public Act 96-33. If a
20 customer makes a partial payment, a public utility, municipal
21 utility, or electric cooperative may elect either: (i) to
22 apply such partial payments first to amounts owed to the
23 utility or cooperative for its services and then to payment
24 for the Energy Assistance Charge or (ii) to apply such partial
25 payments on a pro-rata basis between amounts owed to the
26 utility or cooperative for its services and to payment for the

1 Energy Assistance Charge.

2 If any payment provided for in this Section exceeds the
3 distributor's liabilities under this Act, as shown on an
4 original return, the Department may authorize the distributor
5 to credit such excess payment against liability subsequently
6 to be remitted to the Department under this Act, in accordance
7 with reasonable rules adopted by the Department. If the
8 Department subsequently determines that all or any part of the
9 credit taken was not actually due to the distributor, the
10 distributor's discount shall be reduced by an amount equal to
11 the difference between the discount as applied to the credit
12 taken and that actually due, and that distributor shall be
13 liable for penalties and interest on such difference.

14 (g) The Department of Revenue shall deposit into the
15 Supplemental Low-Income Energy Assistance Fund all moneys
16 remitted to it in accordance with subsection (f) of this
17 Section. The utilities shall coordinate with the Department to
18 establish an equitable and practical methodology for
19 implementing this subsection (g) beginning with the 2010
20 program year.

21 (h) On or before December 31, 2002, the Department shall
22 prepare a report for the General Assembly on the expenditure
23 of funds appropriated from the Low-Income Energy Assistance
24 Block Grant Fund for the program authorized under Section 4 of
25 this Act.

26 (i) The Department of Revenue may establish such rules as

1 it deems necessary to implement this Section.

2 (j) The Department of Commerce and Economic Opportunity
3 may establish such rules as it deems necessary to implement
4 this Section.

5 (k) The charges imposed by this Section shall only apply
6 to customers of municipal electric or gas utilities and
7 electric or gas cooperatives if the municipal electric or gas
8 utility or electric or gas cooperative makes an affirmative
9 decision to impose the charge. If a municipal electric or gas
10 utility or an electric cooperative makes an affirmative
11 decision to impose the charge provided by this Section, the
12 municipal electric or gas utility or electric cooperative
13 shall inform the Department of Revenue in writing of such
14 decision when it begins to impose the charge. If a municipal
15 electric or gas utility or electric or gas cooperative does
16 not assess this charge, the Department may not use funds from
17 the Supplemental Low-Income Energy Assistance Fund to provide
18 benefits to its customers under the program authorized by
19 Section 4 of this Act.

20 In its use of federal funds under this Act, the Department
21 may not cause a disproportionate share of those federal funds
22 to benefit customers of systems which do not assess the charge
23 provided by this Section.

24 This Section is repealed on January 1, 2025 unless renewed
25 by action of the General Assembly.

26 (Source: P.A. 99-457, eff. 1-1-16; 99-906, eff. 6-1-17;

1 99-933, eff. 1-27-17; 100-863, eff. 8-14-18; 100-1171, eff.
2 1-4-19; 10200SB2017enr.)

3 (305 ILCS 20/18)

4 Sec. 18. Financial assistance; payment plans.

5 (a) The Percentage of Income Payment Plan (PIPP or PIP
6 Plan) is hereby created as a mandatory bill payment assistance
7 program for low-income residential customers of utilities
8 serving more than 100,000 retail customers as of January 1,
9 2021 ~~2009~~. The PIP Plan will:

10 (1) bring participants' gas and electric bills into
11 the range of affordability;

12 (2) provide incentives for participants to make timely
13 payments;

14 (3) encourage participants to reduce usage and
15 participate in conservation and energy efficiency measures
16 that reduce the customer's bill and payment requirements;
17 ~~and~~

18 (4) identify participants whose homes are most in need
19 of weatherization; and ~~and~~

20 (5) endeavor to maximize participation and spend at
21 least 80% of the funding available for the year.

22 (b) For purposes of this Section:

23 (1) "LIHEAP" means the energy assistance program
24 established under the Illinois Energy Assistance Act and
25 the Low-Income Home Energy Assistance Act of 1981.

1 (2) "Plan participant" is an eligible participant who
2 is also eligible for the PIPP and who will receive either a
3 percentage of income payment credit under the PIPP
4 criteria set forth in this Act or a benefit pursuant to
5 Section 4 of this Act. Plan participants are a subset of
6 eligible participants.

7 (3) "Pre-program arrears" means the amount a plan
8 participant owes for gas or electric service at the time
9 the participant is determined to be eligible for the PIPP
10 or the program set forth in Section 4 of this Act.

11 (4) "Eligible participant" means any person who has
12 applied for, been accepted and is receiving residential
13 service from a gas or electric utility and who is also
14 eligible for LIHEAP or otherwise satisfies the eligibility
15 criteria set forth in paragraph (1) of subsection (c).

16 (c) The PIP Plan shall be administered as follows:

17 (1) The Department shall coordinate with Local
18 Administrative Agencies (LAAs), to determine eligibility
19 for the Illinois Low Income Home Energy Assistance Program
20 (LIHEAP) pursuant to the Energy Assistance Act, provided
21 that eligible income shall be no more than 150% of the
22 poverty level or 60% of the State median income, except
23 that for the period from the effective date of this
24 amendatory Act of the 101st General Assembly through June
25 30, 2021, eligible income shall be no more than 200% of the
26 poverty level. Applicants will be screened to determine

1 whether the applicant's projected payments for electric
2 service or natural gas service over a 12-month period
3 exceed the criteria established in this Section. The
4 Department, in consultation with the Policy Advisory
5 Council, may adjust the percentage of poverty level
6 annually to determine income eligibility. To maintain the
7 financial integrity of the program, the Department may
8 limit eligibility to households with income below 125% of
9 the poverty level.

10 (2) The Department shall establish the percentage of
11 income formula to determine the amount of a monthly credit
12 for participants with eligible income based on poverty
13 level. , not to exceed \$150 per month per household, not to
14 exceed \$1,800 annually; however, for the period from the
15 effective date of this amendatory Act of the 101st General
16 Assembly through June 30, 2021, the monthly credit for
17 participants with eligible income over 100% of the poverty
18 level may be as much as \$200 per month per household, not
19 to exceed \$2,400 annually, and, the monthly credit for
20 participants with eligible income 100% or less of the
21 poverty level may be as much as \$250 per month per
22 household, not to exceed \$3,000 annually. Credits will be
23 applied to PIP Plan participants' utility bills based on
24 the portion of the bill that is the responsibility of the
25 participant provided that the percentage shall be no more
26 than a total of 6% of the relevant income for gas and

1 electric utility bills combined, but in any event no less
2 than \$10 per month, unless the household does not pay
3 directly for heat, in which case its payment shall be 2.4%
4 of income but in any event no less than \$5 per month. The
5 Department, in consultation with the Policy Advisory
6 Council, may adjust such monthly credit amounts annually
7 and may establish a minimum credit amount based on the
8 cost of administering the program and may deny credits to
9 otherwise eligible participants if the cost of
10 administering the credit exceeds the actual amount of any
11 monthly credit to a participant. If the participant takes
12 both gas and electric service, 50% ~~66.67%~~ of the credit
13 shall be allocated to the entity that provides the
14 participant's primary energy supply for heating. Each
15 participant shall enter into a levelized payment plan for,
16 as applicable, gas and electric service and such plans
17 shall be implemented by the utility so that a
18 participant's usage and required payments are reviewed and
19 adjusted regularly, but no more frequently than quarterly.
20 Nothing in this Section is intended to prohibit a
21 customer, who is otherwise eligible for LIHEAP, from
22 participating in the program described in Section 4 of
23 this Act. Eligible participants who receive such a benefit
24 shall be considered plan participants and shall be
25 eligible to participate in the Arrearage Reduction Program
26 described in item (5) of this subsection (c).

1 (3) The Department shall remit, through the LAAs, to
2 the utility or participating alternative supplier that
3 portion of the plan participant's bill that is not the
4 responsibility of the participant. In the event that the
5 Department fails to timely remit payment to the utility,
6 the utility shall be entitled to recover all costs related
7 to such nonpayment through the automatic adjustment clause
8 tariffs established pursuant to Section 16-111.8 and
9 Section 19-145 of the Public Utilities Act. For purposes
10 of this item (3) of this subsection (c), payment is due on
11 the date specified on the participant's bill. The
12 Department, the Department of Revenue and LAAs shall adopt
13 processes that provide for the timely payment required by
14 this item (3) of this subsection (c).

15 (4) A plan participant is responsible for all actual
16 charges for utility service in excess of the PIPP credit.
17 Pre-program arrears that are included in the Arrearage
18 Reduction Program described in item (5) of this subsection
19 (c) shall not be included in the calculation of the
20 levelized payment plan. Emergency or crisis assistance
21 payments shall not affect the amount of any PIPP credit to
22 which a participant is entitled.

23 (5) Electric and gas utilities subject to this Section
24 shall implement an Arrearage Reduction Program (ARP) for
25 plan participants as follows: for each month that a plan
26 participant timely pays his or her utility bill, the

1 utility shall apply a credit to a portion of the
2 participant's pre-program arrears, if any, equal to
3 one-twelfth of such arrearage provided that the total
4 amount of arrearage credits shall equal no more than
5 \$1,000 annually for each participant for gas and no more
6 than \$1,000 annually for each participant for electricity.
7 In the third year of the PIPP, the Department, in
8 consultation with the Policy Advisory Council established
9 pursuant to Section 5 of this Act, shall determine by rule
10 an appropriate per participant total cap on such amounts,
11 if any. Those plan participants participating in the ARP
12 shall not be subject to the imposition of any additional
13 late payment fees on pre-program arrears covered by the
14 ARP. In all other respects, the utility shall bill and
15 collect the monthly bill of a plan participant pursuant to
16 the same rules, regulations, programs and policies as
17 applicable to residential customers generally.
18 Participation in the Arrearage Reduction Program shall be
19 limited to the maximum amount of funds available as set
20 forth in subsection (f) of Section 13 of this Act. In the
21 event any donated funds under Section 13 of this Act are
22 specifically designated for the purpose of funding the
23 ARP, the Department shall remit such amounts to the
24 utilities upon verification that such funds are needed to
25 fund the ARP. Nothing in this Section shall preclude a
26 utility from continuing to implement, and apply credits

1 under, an ARP in the event that the PIPP or LIHEAP is
2 suspended due to lack of funding such that the plan
3 participant does not receive a benefit under either the
4 PIPP or LIHEAP.

5 (5.5) In addition to the ARP described in paragraph
6 (5) of this subsection (c), utilities may also implement a
7 Supplemental Arrearage Reduction Program (SARP) for
8 eligible participants who are not able to become plan
9 participants due to PIPP timing or funding constraints. If
10 a utility elects to implement a SARP, it shall be
11 administered as follows: for each month that a SARP
12 participant timely pays his or her utility bill, the
13 utility shall apply a credit to a portion of the
14 participant's pre-program arrears, if any, equal to
15 one-twelfth of such arrearage, provided that the utility
16 may limit the total amount of arrearage credits to no more
17 than \$1,000 annually for each participant for gas and no
18 more than \$1,000 annually for each participant for
19 electricity. SARP participants shall not be subject to the
20 imposition of any additional late payment fees on
21 pre-program arrears covered by the SARP. In all other
22 respects, the utility shall bill and collect the monthly
23 bill of a SARP participant under the same rules,
24 regulations, programs, and policies as applicable to
25 residential customers generally. Participation in the SARP
26 shall be limited to the maximum amount of funds available

1 as set forth in subsection (f) of Section 13 of this Act.
2 In the event any donated funds under Section 13 of this Act
3 are specifically designated for the purpose of funding the
4 SARP, the Department shall remit such amounts to the
5 utilities upon verification that such funds are needed to
6 fund the SARP.

7 (6) The Department may terminate a plan participant's
8 eligibility for the PIP Plan upon notification by the
9 utility that the participant's monthly utility payment is
10 more than 75 ~~45~~ days past due. One-twelfth of a customer's
11 arrears shall be deducted from the total arrears owed
12 for each on-time payment made by the customer.

13 (7) The Department, in consultation with the Policy
14 Advisory Council, may adjust the number of PIP Plan
15 participants annually, if necessary, to match the
16 availability of funds. Any plan participant who qualifies
17 for a PIPP credit under a utility's PIPP shall be entitled
18 to participate in and receive a credit under such
19 utility's ARP for so long as such utility has ARP funds
20 available, regardless of whether the customer's
21 participation under another utility's PIPP or ARP has been
22 curtailed or limited because of a lack of funds.

23 (8) The Department shall fully implement the PIPP at
24 the earliest possible date it is able to effectively
25 administer the PIPP. Within 90 days of the effective date
26 of this amendatory Act of the 96th General Assembly, the

1 Department shall, in consultation with utility companies,
2 participating alternative suppliers, LAAs and the Illinois
3 Commerce Commission (Commission), issue a detailed
4 implementation plan which shall include detailed testing
5 protocols and analysis of the capacity for implementation
6 by the LAAs and utilities. Such consultation process also
7 shall address how to implement the PIPP in the most
8 cost-effective and timely manner, and shall identify
9 opportunities for relying on the expertise of utilities,
10 LAAs and the Commission. Following the implementation of
11 the testing protocols, the Department shall issue a
12 written report on the feasibility of full or gradual
13 implementation. The PIPP shall be fully implemented by
14 September 1, 2011, but may be phased in prior to that date.

15 (9) As part of the screening process established under
16 item (1) of this subsection (c), the Department and LAAs
17 shall assess whether any energy efficiency or demand
18 response measures are available to the plan participant at
19 no cost, and if so, the participant shall enroll in any
20 such program for which he or she is eligible. The LAAs
21 shall assist the participant in the applicable enrollment
22 or application process.

23 (10) Each alternative retail electric and gas supplier
24 serving residential customers shall elect whether to
25 participate in the PIPP or ARP described in this Section.
26 Any such supplier electing to participate in the PIPP

1 shall provide to the Department such information as the
2 Department may require, including, without limitation,
3 information sufficient for the Department to determine the
4 proportionate allocation of credits between the
5 alternative supplier and the utility. If a utility in
6 whose service territory an alternative supplier serves
7 customers contributes money to the ARP fund which is not
8 recovered from ratepayers, then an alternative supplier
9 which participates in ARP in that utility's service
10 territory shall also contribute to the ARP fund in an
11 amount that is commensurate with the number of alternative
12 supplier customers who elect to participate in the
13 program.

14 (11) The PIPP shall be designed and implemented each
15 year to maximize participation and spend at least 80% of
16 the funding available for the year.

17 (d) The Department, in consultation with the Policy
18 Advisory Council, shall develop and implement a program to
19 educate customers about the PIP Plan and about their rights
20 and responsibilities under the percentage of income component.
21 The Department, in consultation with the Policy Advisory
22 Council, shall establish a process that LAAs shall use to
23 contact customers in jeopardy of losing eligibility due to
24 late payments. The Department shall ensure that LAAs are
25 adequately funded to perform all necessary educational tasks.

26 (e) The PIPP shall be administered in a manner which

1 ensures that credits to plan participants will not be counted
2 as income or as a resource in other means-tested assistance
3 programs for low-income households or otherwise result in the
4 loss of federal or State assistance dollars for low-income
5 households.

6 (f) In order to ensure that implementation costs are
7 minimized, the Department and utilities shall work together to
8 identify cost-effective ways to transfer information
9 electronically and to employ available protocols that will
10 minimize their respective administrative costs as follows:

11 (1) The Commission may require utilities to provide
12 such information on customer usage and billing and payment
13 information as required by the Department to implement the
14 PIP Plan and to provide written notices and communications
15 to plan participants.

16 (2) Each utility and participating alternative
17 supplier shall file annual reports with the Department and
18 the Commission that cumulatively summarize and update
19 program information as required by the Commission's rules.
20 The reports shall track implementation costs and contain
21 such information as is necessary to evaluate the success
22 of the PIPP.

23 (2.5) The Department shall annually prepare and submit
24 a report to the General Assembly, the Commission, and the
25 Policy Advisory Council that identifies the following
26 amounts for the most recently completed year: total moneys

1 collected under subsection (b) of Section 13 for all PIPPs
2 implemented in the State; moneys allocated to each utility
3 for implementation of its PIPP; and moneys allocated to
4 each utility for other purposes, including a description
5 of each of those purposes. The Commission shall publish
6 the report on its website.

7 (3) The Department and the Commission shall have the
8 authority to promulgate rules and regulations necessary to
9 execute and administer the provisions of this Section.

10 (g) Each utility shall be entitled to recover reasonable
11 administrative and operational costs incurred to comply with
12 this Section from the Supplemental Low Income Energy
13 Assistance Fund. The utility may net such costs against monies
14 it would otherwise remit to the Funds, and each utility shall
15 include in the annual report required under subsection (f) of
16 this Section an accounting for the funds collected.

17 (Source: P.A. 101-636, eff. 6-10-20.)

18 Section 90-57. The Environmental Protection Act is amended
19 by amending Section 9.15 and by adding Sections 3.131, 9.18,
20 and 22.63 as follows:

21 (415 ILCS 5/3.131 new)

22 Sec. 3.131. Clean energy. "Clean energy" means energy
23 generation that is substantially free (90% or greater) of
24 carbon dioxide emissions.

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 or is otherwise not addressed by the Board in
8 regulations for greenhouse gases. These exemptions do. ~~This~~
9 ~~exemption does~~ not relieve an owner or operator from the
10 obligation to comply with other applicable rules or
11 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 or is
16 otherwise not addressed by the Board in regulations for
17 greenhouse gases. These exemptions do. ~~This exemption does~~ not
18 relieve an owner or operator from the obligation to comply
19 with other applicable rules or regulations.

20 (c) (Blank). ~~Notwithstanding any provision to the contrary~~
21 ~~in this Section, an air pollution construction or operating~~
22 ~~permit shall not be required due to emissions of greenhouse~~
23 ~~gases if any of the following events occur:~~

24 ~~(1) enactment of federal legislation depriving the~~
25 ~~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) (Blank). ~~If any event listed in subsection (c) of this~~
15 ~~Section occurs, permits issued after such event shall not~~
16 ~~impose permit terms or conditions addressing greenhouse gases~~
17 ~~during the effectiveness of any event listed in subsection~~
18 ~~(c).~~

19 (e) (Blank). ~~If an event listed in subsection (c) of this~~
20 ~~Section occurs, any owner or operator with a permit that~~
21 ~~includes terms or conditions addressing greenhouse gases may~~
22 ~~elect to submit an application to the Agency to address a~~
23 ~~revision or repeal of such terms or conditions. The Agency~~
24 ~~shall expeditiously process such permit application in~~
25 ~~accordance with applicable laws and regulations.~~

26 (f) As used in this Section:

1 "Carbon dioxide equivalent emissions" or "CO₂e" means the
2 sum total of the mass amount of emissions in tons per year,
3 calculated by multiplying the mass amount of each of the six
4 greenhouse gases specified in Section 3.207 of the Act (in
5 tons per year) by its associated global warming potential as
6 set forth in 40 CFR 98, subpart A, table A-1 or its successor,
7 and then adding them all together.

8 "Electric generating unit" or "EGU" means a fossil
9 fuel-fired stationary boiler, combustion turbine, or combined
10 cycle system that serves a generator that has a nameplate
11 capacity greater than 25 MWe and produces electricity for
12 sale.

13 "Environmental justice community" has the same meaning as
14 that term based on existing methodologies and findings, used
15 and as may be updated by the Illinois Power Agency and its
16 program administrator in the Illinois Solar for All program.

17 "Equity investment eligible community" or "eligible
18 community" means the geographic areas throughout Illinois
19 which would most benefit from equitable investments by the
20 State designed to combat discrimination and foster sustainable
21 economic growth. Specifically, "eligible community" means the
22 following areas:

- 23 (1) areas where residents have been historically
24 excluded from economic opportunities, including
25 opportunities in the energy sector, as defined pursuant to
26 Section 10-40 of the Cannabis Regulation and Tax Act; and

1 (2) areas where residents have been historically
2 subject to disproportionate burdens of pollution,
3 including pollution from the energy sector, as established
4 by environmental justice communities as defined by the
5 Illinois Power Agency pursuant to the Illinois Power
6 Agency Act, excluding any racial or ethnic indicators.

7 "Equity investment eligible person" or "eligible person" means
8 the persons who would most benefit from equitable investments
9 by the State designed to combat discrimination and foster
10 sustainable economic growth. Specifically, "eligible person"
11 means the following people:

12 (1) persons whose primary residence is in an equity
13 investment eligible community;

14 (2) persons whose primary residence is in a
15 municipality, or a county with a population under 100,000,
16 where the closure of an electric generating unit or mine
17 has been publicly announced, or the electric generating
18 unit or mine is in the process of closing or closed within
19 the last 5 years;

20 (3) persons who are graduates of or currently enrolled
21 in the foster care system; or

22 (4) persons who were formerly incarcerated.

23 "Large greenhouse gas-emitting" or "large GHG-emitting
24 unit" means a unit that is an electric generating unit or other
25 fossil fuel-fired unit that itself has a nameplate capacity or
26 serves a generator that has a nameplate capacity greater than

1 25 MWe and that produces electricity (including, but not
2 limited to, coal-fired, coal-derived, oil-fired, natural
3 gas-fired, and cogeneration units).

4 (g) The Agency shall, within 365 days after the effective
5 date of this amendatory Act of the 102nd General Assembly,
6 initiate a rulemaking to amend Title 35 of the Illinois
7 Administrative Code to:

8 (1) establish declining greenhouse gas emissions caps
9 beginning in 2024 from all large GHG-emitting units so as
10 to progressively eliminate all greenhouse gas emissions
11 from such units by the end of calendar year 2035 for EGUs
12 that use coal as a fuel; and

13 (2) fully eliminate all greenhouse gas emissions by
14 the end of calendar year 2045 for remaining large
15 GHG-emitting units.

16 No later than 365 days after receipt of the Agency's
17 proposal under this Section, the Board shall adopt rules that
18 establish declining emissions caps for greenhouse gases for
19 each individual large GHG-emitting unit in Illinois, as well
20 as aggregate statewide greenhouse gas emissions caps, which
21 equal the sum of all unit-specific caps except those units
22 that, as of the effective date of this amendatory act of the
23 102nd General Assembly, have ceased operations or have
24 announced plans to cease operations before December 31, 2035.
25 The Board may set different declining caps for each unit, but
26 caps must decline to zero emissions for all EGUs that use coal

1 as a fuel by the end of calendar year 2035 and all other large
2 GHG-emitting units by the end of calendar year 2045.

3 (h) As part of its rulemaking proposal, the Agency:

4 (1) Shall conduct a stakeholder process prior to
5 initiating a rulemaking proceeding before the Illinois
6 Pollution Control Board that encourages the meaningful
7 participation of Illinois residents. This process should
8 include a public comment period, during which the Agency
9 shall:

10 (A) encourage and accept written public comments
11 from across the State;

12 (B) hold 3 public outreach events; and

13 (C) ensure access for residents by providing
14 opportunity for oral public comment outside the
15 workday.

16 (2) May, in setting declining rates of greenhouse gas
17 emissions from individual large GHG-emitting units,
18 consider factors such as the amount of greenhouse gas
19 emissions at a unit, environmental justice considerations,
20 electric grid supply and reliability, and unit operational
21 schedule.

22 (3) May set greenhouse gas emissions caps that result
23 in zero emissions from certain EGUs that use coal as a fuel
24 earlier than end of calendar year 2035 and from other
25 large GHG-emitting units earlier than end of calendar year
26 2045, as supported by the Agency's assessment of units.

1 (i) The Agency's rulemaking proposal and the Board's
2 adopted rule shall address the following:

3 (1) Aggregate statewide emissions caps. The Agency
4 shall establish one baseline for EGUs that use coal as a
5 fuel and one baseline for all other large GHG-emitting
6 units. These baselines shall serve as the starting point
7 for emissions caps that progressively decline according to
8 a schedule proposed by the Agency and promulgated by the
9 Board.

10 Baselines shall be determined by adding together the
11 applicable individually-calculated unit baselines as
12 follows: For each large GHG-emitting unit for which the
13 Agency has issued a permit to operate or a permit to
14 construct as of the date the Agency proposes the rule to
15 the Board, the baseline shall be the average of the total
16 actual greenhouse gas emissions, calculated in terms of
17 CO₂e, from the years 2018, 2019, and 2020.

18 For any units that were not yet operating in 2018 but
19 were operating by January 1, 2020, the baseline amount
20 included within the aggregate statewide emissions cap
21 shall be the total actual greenhouse gas emissions,
22 calculated in terms of CO₂e, from the unit in 2020. For any
23 units that were not yet operating by January 1, 2020, the
24 baseline amount included within the aggregate statewide
25 emissions cap shall be an amount that is proposed by the
26 Agency and adopted by the Board, consistent with expected

1 operations and taking into account any other operational
2 factors that have occurred prior to the proposal and
3 adoption of the rule. Any source that, as of the effective
4 date of this amendatory act of the 102nd General Assembly,
5 has ceased operations or has announced plans to cease
6 operations before December 31, 2035, shall not be included
7 in the baseline. The aggregate emissions caps shall be the
8 sum of the unit-specific emissions caps, as described in
9 paragraph (2). To ensure consistent progress toward the
10 goal of eliminating all greenhouse gas emissions from
11 large GHG-emitting units, the aggregate emissions caps
12 shall decrease by no less than 20% of the applicable
13 baseline amount in every 5-year period.

14 (2) Unit-specific emissions caps. The Agency shall
15 include in its rulemaking proposal declining greenhouse
16 gas emissions caps, calculated in terms of CO₂e, that
17 delineate each unit's allowable greenhouse gas emissions
18 in every year until the unit reaches zero greenhouse gas
19 emissions.

20 These caps shall be established by evaluating
21 individual units and setting appropriate declining caps
22 for emission reductions, except for those units excluded
23 from the baseline calculation in paragraph (1). Greenhouse
24 gas emissions caps shall apply to each large GHG-emitting
25 unit in the State. The unit-specific emissions caps for
26 those units excluded from the baseline calculation in

1 paragraph (1) because they have announced plans to cease
2 operations before December 31, 2035, shall reduce those
3 units' greenhouse gas emissions to zero on or before the
4 previously announced date. To ensure the principles of
5 environmental justice and equitable outcomes are reflected
6 in the process of emissions reduction, no less than half
7 of each 20% decrease over 5 years in the aggregate
8 emissions caps described in paragraph (1) shall be
9 attributable to unit-specific emissions caps placed on
10 large GHG-emitting units as delineated by the prioritized
11 list set forth below in this paragraph (2). Within this
12 set of large GHG-emitting units, unit-specific declining
13 caps shall provide for emission reductions from individual
14 units in the following order of priority:

15 (A) The EGU that uses coal as a fuel, is located in
16 or within 3 miles of an eligible community, and within
17 a 3-mile radius has the highest average score of the EJ
18 Index indicators as defined by the U.S. Environmental
19 Protection Agency's EJSCREEN dataset as of the
20 effective date of this amendatory Act of the 102nd
21 General Assembly;

22 (B) EGUs that use coal as a fuel and are located in
23 or within 3 miles of eligible communities, starting
24 with the largest greenhouse gas emitter; and

25 (C) all other large GHG-emitting units that are
26 located in or within 3 miles of eligible communities.

1 (j) The Agency's proposal and the Board's adopted rule
2 shall include language that allows EGUs that use coal as a fuel
3 to temporarily continue emitting greenhouse gases after 2035
4 and other large GHG-emitting units to temporarily continue
5 emitting greenhouse gases after 2045, or for any large
6 GHG-emitting unit to continue emitting larger amounts of
7 greenhouse gases than otherwise allowed by a declining cap, or
8 after any earlier deadline specified in the rulemaking, only
9 in such circumstance that it has been determined as described
10 in this subsection (j) that ongoing operation of the unit is
11 necessary to maintain power grid supply and reliability for
12 EGUs or is necessary to serve as an emergency backup to
13 operations for other large GHG-emitting units. The rule must
14 include language mandating that:

15 (1) each large GHG-emitting unit that is a participant
16 in a regional transmission organization submit
17 documentation to the appropriate regional transmission
18 organization by deadlines specified in the rulemaking that
19 meets all applicable regulatory requirements necessary to
20 obtain approval to permanently cease operating the large
21 GHG-emitting unit;

22 (2) if any large GHG-emitting unit that is a
23 participant in a regional transmission organization
24 receives notice that the regional transmission
25 organization has determined that operation of the unit is
26 required to maintain transmission supply and reliability,

1 the unit may continue operating but the owner or operator
2 of the unit must use its best efforts to resolve the supply
3 and reliability requirement with the regional transmission
4 organization and cease operation as soon as practicable;
5 and

6 (3) any large GHG-emitting unit that is not a
7 participant in a regional transmission organization be
8 allowed to continue emitting greenhouse gases after 2045
9 in the capacity of an emergency backup unit if the owner or
10 operator can justify the need for such extension to the
11 Agency, in consultation with the Illinois Commerce
12 Commission.

13 (k) No variance, adjusted standard, or other regulatory
14 relief otherwise available in this Act may be granted to the
15 emissions reduction and elimination obligations in this
16 Section.

17 (l) Each year by June 30, beginning in 2025, the Agency
18 shall prepare and publish on its website a report setting
19 forth the actual greenhouse gas emissions from individual
20 units and the aggregate statewide emissions from all units for
21 the prior year.

22 (Source: P.A. 97-95, eff. 7-12-11.)

23 (415 ILCS 5/9.18 new)

24 Sec. 9.18. Commission on market-based carbon pricing
25 solutions.

1 (a) In the United States, state-based market policies to
2 reduce greenhouse gases have been in operation since 2009.
3 More than a quarter of the United States' population lives in a
4 state with carbon pricing and these states represent a third
5 of the United States' gross domestic product. Market-based
6 policies have proved effective at reducing emissions in states
7 across the United States, and around the world. Additionally,
8 well-designed carbon pricing incentivizes energy efficiency
9 and drives investments in low-carbon solutions and
10 technologies, such as renewables, hydrogen, biofuels, and
11 carbon capture, use, and storage. Illinois must assess
12 available suites of programs and policies to support a rapid,
13 economy-wide decarbonization and spur the development of a
14 clean energy economy in the State, while maintaining Illinois'
15 competitive advantage.

16 (b) The Governor is hereby authorized to create a carbon
17 pricing commission to study the short-term and long-term
18 impacts of joining, implementing, or designing a sector-based,
19 statewide, or regional carbon pricing program. The commission
20 shall analyze and compare the relative cost of, and greenhouse
21 gas reductions from, various carbon pricing programs available
22 to Illinois and the Midwest, including, but not limited to:
23 the Regional Greenhouse Gas Initiative (RGGI), the
24 Transportation and Climate Initiative (TCI), California's
25 cap-and-trade program, California's low carbon fuel standard,
26 Washington State's cap-and-invest program, the Oregon Clean

1 Fuels Program, and other relevant market-based programs. At
2 the conclusion of the study, no later than December 31, 2022,
3 the commission shall issue a public report containing its
4 findings.

5 (c) This Section is repealed on January 1, 2024.

6 (415 ILCS 5/22.63 new)

7 Sec. 22.63. Prairie State Transition Task Force.

8 (a) In this Section:

9 "Task Force" means the Prairie State Transition Task
10 Force.

11 "Campus" means the Prairie State Energy Campus.

12 (b) There is hereby created a Prairie State Transition
13 Task Force, whose purpose is to evaluate the long-term
14 financial outlook for the Prairie State Energy Campus,
15 identify economic measures that may be necessary to help the
16 transition, prepare the joint indirect Campus owners in
17 Illinois for the eventual closure of the Campus, and
18 investigate the feasibility of carbon capture and
19 sequestration technology. This Task Force shall, among other
20 activities, prepare a report that provides a detailed
21 accounting of potential funding from the federal government or
22 other sources that will enable this transition to occur with
23 minimum impact on the joint indirect Campus owners in
24 Illinois.

25 (c) The Task Force shall be made up of 5 members, each of

1 which shall be selected as follows:

2 (1) one member shall represent the Illinois
3 municipalities and municipal utilities that collectively
4 and indirectly own the Campus, with each such entity
5 entitled to a single vote if there is disagreement among
6 those entities as to which member to select;

7 (2) one member shall be selected by the Illinois
8 Attorney General;

9 (3) one member who represents community organizations
10 and non-profits, with an interest in the health,
11 environmental, or economic impacts of the Campus, shall be
12 selected by the Governor;

13 (4) one member shall be selected by the Governor after
14 consulting the Illinois delegation to the United States
15 Congress whose constituents include residents and
16 ratepayers of the Illinois municipalities and municipal
17 utilities that collectively and indirectly own the Campus;
18 and

19 (5) one member shall be selected by the Governor.

20 If any members cannot be identified by the groups listed
21 in paragraphs (1) through (4) within 180 days of the effective
22 date of this Act, the Governor may appoint a member with
23 experience in the appropriate area.

24 (d) The Task Force is hereby granted the authority and
25 obligation to:

26 (1) conduct a financial audit of the Campus, including

1 an examination of potential financial solutions to
2 alleviate the existing indirect debt obligations facing
3 the joint indirect Campus owners in Illinois;

4 (2) review the existing debt structure for the Campus
5 and the individual finances of each joint indirect Campus
6 owner, in order to recommend an appropriate and equitable
7 method for allocating any funds, whether from the State or
8 from the federal government, that may be given to support
9 the joint indirect Campus owners in Illinois;

10 (3) investigate technical and financial options to
11 install carbon capture and sequestration technologies at
12 the Campus;

13 (4) hold a series of public hearings, which shall be
14 made reasonably available to members of the public as well
15 as to each of the joint indirect Campus owners, to discuss
16 its findings and recommendations; the hearings shall offer
17 the public and the joint indirect Campus Owners in
18 Illinois a reasonable opportunity to offer feedback before
19 any final report is issued; and

20 (5) prepare a written report, no later than 2 years
21 after the Task Force is convened, that offers
22 recommendations for the most equitable way to provide
23 assistance to the joint indirect Campus owners in Illinois
24 as they transition away from reliance on the Campus and
25 resolve their Campus-related indirect debt obligations.

26 (e) The municipalities and municipal utilities in Illinois

1 that are joint indirect owners of the Campus shall cooperate
2 to the fullest extent possible with the Task Force,
3 notwithstanding any exemptions related to disclosure of
4 information that are applicable under the Freedom of
5 Information Act.

6 (f) The Task Force is explicitly barred from discussing,
7 suggesting, or otherwise making any changes to any operational
8 requirements located elsewhere in this Act, including to any
9 decarbonization obligations or future retirement mandates.

10 (g) The Prairie State Transition Task Force is subject to
11 appropriation.

12 (h) The Environmental Protection Agency shall provide
13 administrative and other support to the Commission.

14 Section 90-60. The Illinois Worker Adjustment and
15 Retraining Notification Act is amended by changing Section 10
16 as follows:

17 (820 ILCS 65/10)

18 Sec. 10. Notice.

19 (a) An employer may not order a mass layoff, relocation,
20 or employment loss unless, 60 days before the order takes
21 effect, the employer gives written notice of the order to the
22 following:

23 (1) affected employees and representatives of affected
24 employees; and

1 (2) the Department of Commerce and Economic
2 Opportunity and the chief elected official of each
3 municipal and county government within which the
4 employment loss, relocation, or mass layoff occurs.

5 (a-5) An owner of an investor-owned electric generating
6 plant or coal mining operation may not order a mass layoff,
7 relocation, or employment loss unless, 2 years before the
8 order takes effect, the employer gives written notice of the
9 order to the following:

10 (1) affected employees and representatives of affected
11 employees; and

12 (2) the Department of Commerce and Economic
13 Opportunity and the chief elected official of each
14 municipal and county government within which the
15 employment loss, relocation, or mass layoff occurs.

16 (b) An employer required to give notice of any mass
17 layoff, relocation, or employment loss under this Act shall
18 include in its notice the elements required by the federal
19 Worker Adjustment and Retraining Notification Act (29 U.S.C.
20 2101 et seq.).

21 (c) Notwithstanding the requirements of subsection (a), an
22 employer is not required to provide notice if a mass layoff,
23 relocation, or employment loss is necessitated by a physical
24 calamity or an act of terrorism or war.

25 (d) The mailing of notice to an employee's last known
26 address or inclusion of notice in the employee's paycheck

1 shall be considered acceptable methods for fulfillment of the
2 employer's obligation to give notice to each affected employee
3 under this Act.

4 (e) In the case of a sale of part or all of an employer's
5 business, the seller shall be responsible for providing notice
6 for any plant closing or mass layoff in accordance with this
7 Section, up to and including the effective date of the sale.
8 After the effective date of the sale of part or all of an
9 employer's business, the purchaser shall be responsible for
10 providing notice for any plant closing or mass layoff in
11 accordance with this Section. Notwithstanding any other
12 provision of this Act, any person who is an employee of the
13 seller (other than a part-time employee) as of the effective
14 date of the sale shall be considered an employee of the
15 purchaser immediately after the effective date of the sale.

16 (f) An employer which is receiving State or local economic
17 development incentives for doing or continuing to do business
18 in this State may be required to provide additional notice
19 pursuant to Section 15 of the Business Economic Support Act.

20 (g) The rights and remedies provided to employees by this
21 Act are in addition to, and not in lieu of, any other
22 contractual or statutory rights and remedies of the employees,
23 and are not intended to alter or affect such rights and
24 remedies, except that the period of notification required by
25 this Act shall run concurrently with any period of
26 notification required by contract or by any other law.

1 (h) It is the sense of the General Assembly that an
2 employer who is not required to comply with the notice
3 requirements of this Section should, to the extent possible,
4 provide notice to its employees about a proposal to close a
5 plant or permanently reduce its workforce.

6 (Source: P.A. 93-915, eff. 1-1-05.)

7 Article 99. Miscellaneous Provisions; Effective Date

8 Section 99-97. Severability. The provisions of this Act
9 are severable under Section 1.31 of the Statute on Statutes.

10 Section 99-99. Effective date. This Act takes effect upon
11 becoming law.".