



Sen. Michael E. Hastings

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LRB102 13525 AMC 28481 a

1 AMENDMENT TO HOUSE BILL 3666

2 AMENDMENT NO. _____. Amend House Bill 3666 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 "Apprentice" means a participant in an apprenticeship
10 program approved by and registered with the United States
11 Department of Labor's Bureau of Apprenticeship and Training.

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

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

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

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

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

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

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

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

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

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

26 "Equity investment eligible community" and "eligible

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

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

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

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

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

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

26 (3) persons who were formerly incarcerated.

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

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

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

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

14 (4) a plan to provide the following:

15 (A) preparatory classes;

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

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

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

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

1 be a vehicle for expanding equitable access to public health,
2 safety, a cleaner environment, quality jobs, and economic
3 opportunity.

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

20 Section 5-15. Regional Administrators.

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

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

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

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

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

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

25 (b) Subject to appropriation, the Department shall develop

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

10 (c) The Program shall be available to members of one or
11 more of the populations eligible under subsection (d) to enter
12 and complete the career pipeline leading to an
13 industry-recognized certification or credential, or
14 postsecondary credential for clean energy or related sector
15 jobs, with the goal of serving all of the equity focused
16 populations distributed across the network.

17 (d) The Program shall be available to members of one or
18 more of the population groups listed as equity focused
19 populations from communities in the following order of
20 priority:

21 (i) Communities that host coal-fired power plants or
22 coal mines.

23 (ii) Communities across the State.

24 (e) In admitting program participants, for each workforce
25 Hub Site, the Regional Administrators shall:

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

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

19 (B) dedicate at least two-thirds of program
20 placements to applicants that satisfy the criteria in
21 paragraph (1) or who reside in a geographic area that
22 is impacted by economic or environmental challenges,
23 defined as an area that is either (i) an R3 Area, as
24 defined pursuant to Section 10-40 of the Cannabis
25 Regulation and Tax Act, or (ii) an environmental
26 justice community, as defined by the Illinois Power

1 Agency, excluding any racial or ethnic indicators used
2 by the agency unless and until the constitutional
3 basis for their inclusion in determining program
4 admissions is established. Among applicants that
5 satisfy these criteria, preference shall be given to
6 applicants who face barriers to employment, such as
7 low educational attainment, prior involvement with the
8 criminal legal system, and language barriers; and
9 applicants that are graduates of or currently enrolled
10 in the foster care system; and

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

19 The Department and Regional Administrators shall protect
20 the confidentiality of any personal information provided by
21 program applicants regarding the applicant's status as a
22 formerly incarcerated person or foster care recipient;
23 however, the Department or Regional Administrators may publish
24 aggregated data on the number of participants that were
25 formerly incarcerated or foster care recipients so long as
26 that publication protects the identities of those persons.

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

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

18 (g) The Clean Jobs Workforce Hubs Network shall:

19 (1) coordinate with Energy Transition Navigators: (i)
20 to increase participation in the Clean Jobs Workforce
21 Network Program and clean energy and related sector
22 workforce and training opportunities; (ii) coordinate
23 recruitment, communications, and ongoing engagement with
24 potential employers, including, but not limited to,
25 activities such as job matchmaking initiatives, hosting
26 events such as job fairs, and collaborating with other Hub

1 Sites to identify and implement best practices for
2 employer engagement; and (iii) leverage community-based
3 organizations, educational institutions, and
4 community-based and labor-based training providers to
5 ensure members of equity focused populations across the
6 State have dedicated and sustained support to enter and
7 complete the career pipeline for clean energy and related
8 sector jobs;

9 (2) develop formal partnerships, including formal
10 sector partnerships between community-based organizations
11 and entities that provide clean energy jobs, including
12 businesses, nonprofit organizations, and worker-owned
13 cooperatives, to ensure that Program participants have
14 priority access to employment training and hiring
15 opportunities; and

16 (3) implement the Clean Jobs Curriculum to provide,
17 including, but not limited to, training, certification
18 preparation, job readiness, and skill development,
19 including soft skills, math skills, technical skills,
20 certification test preparation, and other development
21 needed, to Program participants.

22 (h) Funding for the Program is subject to appropriation
23 from the Energy Transition Assistance Fund.

24 (i) The Department shall require submission of quarterly
25 reports, including program performance metrics by each Hub
26 Site to the Regional Administrator of their Program Delivery

1 Area. Program performance metric include, but are not limited
2 to:

3 (1) demographic data, including racial, gender,
4 residency in eligible communities, and geographic
5 distribution data, on Program trainees entering and
6 graduating the Program;

7 (2) demographic data, including racial, gender,
8 residency in eligible communities, and geographic
9 distribution data, on Program trainees who are placed in
10 employment, including the percentages of trainees by race,
11 gender, and geographic categories in each individual job
12 type or category and whether employment is union,
13 nonunion, or nonunion via temporary agency;

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

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

20 (5) percentage of jobs by race, gender, and geography
21 held by Program trainees or graduates that are full-time
22 equivalent positions, meaning that the position held is
23 full-time, direct, and permanent based on 2,080 hours
24 worked per year (paid directly by the employer, whose
25 activities, schedule, and manner of work the employer
26 controls, and receives pay and benefits in the same manner

1 as permanent employees); and

2 (6) qualitative data consisting of open-ended
3 reporting on pertinent issues, including, but not limited
4 to, qualitative descriptions accompanying metrics or
5 identifying key successes and challenges.

6 (j) Within 3 years after the effective date of this Act,
7 the Department shall select an independent evaluator to review
8 and prepare a report on the performance of the Program and
9 Regional Administrators.

10 Section 5-25. Clean Jobs Curriculum.

11 (a) As used in this Section, "clean energy jobs", subject
12 to administrative rules, means jobs in the solar energy, wind
13 energy, energy efficiency, energy storage, solar thermal,
14 green hydrogen, geothermal, electric vehicle industries, other
15 renewable energy industries, industries achieving emission
16 reductions, and other related sectors including related
17 industries that manufacture, develop, build, maintain, or
18 provide ancillary services to renewable energy resources or
19 energy efficiency products or services, including the
20 manufacture and installation of healthier building materials
21 that contain fewer hazardous chemicals. "Clean energy jobs"
22 includes administrative, sales, other support functions within
23 these industries and other related sector industries.

24 (b) The Department shall convene a comprehensive
25 stakeholder process that includes representatives from the

1 State Board of Education, the Illinois Community College
2 Board, the Department of Labor, community-based organizations,
3 workforce development providers, labor unions, building
4 trades, educational institutions, residents of BIPOC and
5 low-income communities, residents of environmental justice
6 communities, clean energy businesses, nonprofit organizations,
7 worker-owned cooperatives, other groups that provide clean
8 energy jobs opportunities, groups that provide construction
9 and building trades job opportunities, and other participants
10 to identify the career pathways and training curriculum needed
11 for participants to be skilled, work ready, and able to enter
12 clean energy jobs. The curriculum shall:

13 (1) identify the core training curricular competency
14 areas needed to prepare workers to enter clean energy and
15 related sector jobs;

16 (2) identify a set of required core cross-training
17 competencies provided in each training area for clean
18 energy jobs with the goal of enabling any trainee to
19 receive a standard set of skills common to multiple
20 training areas that would provide a foundation for
21 pursuing a career composed of multiple clean energy job
22 types;

23 (3) include approaches to integrate broad occupational
24 training to provide career entry into the general
25 construction and building trades sector and any remedial
26 education and work readiness support necessary to achieve

1 educational and professional eligibility thresholds; and

2 (4) identify on-the-job training formats, where
3 relevant, and identify suggested trainer certification
4 standards, where relevant.

5 (c) The Department shall publish a report that includes
6 the findings, recommendations, and core curriculum identified
7 by the stakeholder group and shall post a copy of the report on
8 its public website. The Department shall convene the process
9 described to update and modify the recommended curriculum
10 every 3 years to ensure the curriculum contents are current to
11 the evolving clean energy industries, practices, and
12 technologies.

13 (d) Organizations that receive funding to provide training
14 under the Clean Jobs Workforce Network Program, including, but
15 not limited to, community-based and labor-based training
16 providers, and educational institutions must use the core
17 curriculum that is developed under this Section.

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

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

21 (b) Subject to appropriation, the Department shall create
22 and administer an Energy Transition Barrier Reduction Program.
23 The Program shall be used to provide supportive services for
24 individuals impacted by the energy transition. Services
25 allowed are intended to help program-eligible individuals

1 overcome financial and other barriers to participation in the
2 Clean Jobs Workforce Network Program and the Illinois Climate
3 Works Preapprenticeship Program.

4 (c) The Program shall be available to program-eligible
5 individuals from communities in the following order of
6 priority:

7 (1) communities that host coal-fired power plants or
8 coal mines;

9 (2) communities across the State.

10 (d) The Department shall determine appropriate allowable
11 program costs, elements, and financial supports to reduce
12 barriers to successful participation in the Clean Jobs
13 Workforce Program and the Illinois Climate Works
14 Preapprenticeship Program for equity focused populations.

15 (e) Community-based organizations and other nonprofits
16 selected by the Department shall provide supportive services
17 described in this Section to equity focused populations
18 participating in the Clean Jobs Workforce Network Program and
19 Illinois Climate Works Preapprenticeship Program.

20 (f) The community-based organizations that provide support
21 services under this Section shall coordinate with the Energy
22 Transition Navigators to ensure equity focused populations
23 have access to these services.

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

1 Section 5-35. Energy Transition Navigators.

2 (a) As used in this Section:

3 "Community-based provider" means a not-for-profit
4 organization that has a history of serving low-wage or
5 low-skilled workers or individuals from economically
6 disadvantaged communities.

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

10 (b) In order to engage equity focused populations to
11 participate in the Clean Jobs Workforce Network Program and
12 the Illinois Climate Works Preapprenticeship Program and
13 utilize the services offered under the Energy Transition
14 Barrier Reduction Program, the Department shall, subject to
15 appropriation, contract with community-based providers to
16 serve as Energy Transition Navigators. Energy Transition
17 Navigators shall provide education, outreach, and recruitment
18 services to equity focused populations, prioritizing
19 Program-eligible individuals, to make sure they are aware of
20 and engaged in the statewide and local workforce development
21 systems. Additional strategies may include, but are not
22 limited to, recruitment activities and events.

23 (c) For members of equity focused populations,
24 prioritizing Program-eligible individuals, who may be
25 interested in entrepreneurial pursuits, Energy Transition
26 Navigators may connect these individuals with their area Small

1 Business Development Center, Procurement Technical Assistance
2 Centers, or economic development organization to engage in
3 services, including, but not limited to, business consulting,
4 business planning, regulatory compliance, marketing, training,
5 accessing capital, government bid, and certification
6 assistance.

7 (d) Energy Transition Navigators shall engage equity
8 focused populations, prioritizing Program-eligible
9 individuals, organizations working with these populations,
10 local workforce innovation boards, and other relevant
11 stakeholders to coordinate outreach initiatives to promote
12 information regarding programs and services offered under the
13 Clean Jobs Workforce Network Program, the Illinois Climate
14 Works Preapprenticeship Program, and the Energy Transition
15 Barrier Reduction Program. Energy Transition Navigators shall
16 provide support where reasonable to individuals and entities
17 applying for these services and programs.

18 (e) Community education, outreach, and recruitment
19 regarding the Clean Jobs Workforce Network Program, the
20 Illinois Climate Works Preapprenticeship Program, and Energy
21 Transition Barrier Reduction Program shall be targeted to the
22 equity focused populations, prioritizing Program-eligible
23 individuals.

24 (f) Community-based providers shall partner with
25 educational institutions or organizations working with equity
26 focused populations, local employers, labor unions, and others

1 to identify members of equity focused populations in eligible
2 communities who are unable to advance in their careers due to
3 inadequate skills. Community-based providers shall provide
4 information and consultation to equity focused populations,
5 prioritizing Program-eligible individuals, on various
6 educational opportunities and supportive services available to
7 them.

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

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

26 (i) Each community-based organization that receives

1 funding from the Department as an Energy Transition Navigator
2 shall provide an annual report to the Department by April 1 of
3 each calendar year. The annual report shall include the
4 following 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 will be connected to
3 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) of this subsection who are initially
20 accepted and placed into apprenticeship programs in the
21 construction and building trades; and

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

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

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

15 (e) Training provided by the Climate Works Hubs shall be
16 available to members of equity focused populations from
17 communities in the following order of priority: (i)
18 communities that host coal-fired power plants or coal mines,
19 or both; and (ii) communities across the State.

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

22 (g) The Department shall adopt any rules deemed necessary
23 to implement this Section.

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

25 (a) As used in this Section, "community-based

1 organization" means a nonprofit organization, including an
2 accredited public college or university that:

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

6 (2) has knowledge of construction and clean energy
7 trades;

8 (3) demonstrates relationships with local residents
9 and other organizations serving the community; and

10 (4) demonstrates the ability to effectively serve
11 diverse and underrepresented populations.

12 (b) Subject to appropriation, the Department shall
13 develop, and through the Regional Administrators, administer
14 the Clean Energy Contractor Incubator Program ("Program") to
15 create a network of 13 Program delivery Hub Sites with program
16 elements delivered by community-based organizations and their
17 subcontractors geographically distributed across the State,
18 including at least one Hub Site located in or near each of the
19 following areas: Chicago (South Side), Chicago (Southwest and
20 West Sides), Waukegan, Rockford, Aurora, Joliet, Peoria,
21 Champaign, Danville, Decatur, Carbondale, East St. Louis, and
22 Alton.

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

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

26 (A) dedicate at least one-third of program

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

19 (B) dedicate at least two-thirds of program
20 placements to the owners of clean energy contractor
21 businesses and nonprofits that satisfy the criteria in
22 paragraph (1) or who reside in eligible communities.
23 Among applicants who live in eligible communities,
24 preference shall be given to applicants who face
25 barriers to employment, such as low educational
26 attainment, prior involvement with the criminal legal

1 system, and language barriers; and applicants that are
2 graduates of or currently enrolled in the foster care
3 system; and

4 (2) prioritize the remaining program placements for:
5 applicants who are displaced energy workers as defined in
6 the Energy Community Reinvestment Act; persons who face
7 barriers to employment, including low educational
8 attainment, prior involvement with the criminal legal
9 system, and language barriers; and applicants who are
10 graduates of or currently enrolled in the foster care
11 system, regardless of the applicants' area of residence.

12 Consideration shall also be given to any current or past
13 participant in the Clean Jobs Workforce Network Program,
14 Illinois Climate Works Preapprenticeship Program, or Returning
15 Residents Clean Energy Jobs Training Program.

16 The Department and Regional Administrators shall protect
17 the confidentiality of any personal information provided by
18 program applicants regarding the applicant's status as a
19 formerly incarcerated person or foster care recipient;
20 however, the Department or Regional Administrators may publish
21 aggregated data on the number of participants that were
22 formerly incarcerated or foster care recipients so long as
23 that publication protects the identities of those persons.

24 Any person who applies to the program may elect not to
25 share with the Department or Regional Administrators whether
26 he or she is a graduate or currently enrolled in the foster

1 care system or was formerly convicted.

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

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

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

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

22 (3) train, mentor, and provide other support needed to
23 allow participant contractors to: (i) build their
24 businesses and connect to specific projects, (ii) register
25 as approved vendors, (iii) engage in approved vendor
26 subcontracting and qualified installer opportunities, (iv)

1 develop partnering and networking skills, (v) compete for
2 capital and other resources, and (vi) execute clean
3 energy-related project installations and subcontracts;

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

7 (5) provide prevailing wage compliance training and
8 back office support to implement prevailing wage
9 practices; and

10 (6) provide recruitment and ongoing engagement with
11 entities that hire contractors and subcontractors,
12 programs providing renewable energy resource-related
13 projects, incentive programs, and approved vendor and
14 qualified installer opportunities, including, but not
15 limited to, activities such as matchmaking, events, and
16 collaborating with other Hub Sites.

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

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

23 (1) demographic data including: race, gender,
24 geographic location, R3 residency, Environmental Justice
25 Community residency, foster care system participation, and
26 justice-involvement for the owners of contractors

1 applying, accepted into, and graduating from the Program;

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

7 (3) the number of partnerships with participant
8 contractors that are expected to result in contracts for
9 work by the participant contractor, by race, gender,
10 geographic location, R3 residency, Environmental Justice
11 Community residency, foster care system participation, and
12 justice-involvement for the owners of contractors;

13 (4) changes in participant contractors' business
14 revenue, by race, gender, geographic location, R3
15 residency, Environmental Justice Community residency,
16 foster care system participation, and justice-involvement
17 for the owners of contractors;

18 (5) the number of new hires by participant
19 contractors, by race, gender, geographic location, R3
20 residency, Environmental Justice Community residency,
21 foster care system participation, and justice-involvement
22 for the owners of contractors;

23 (6) demographic data, including race, gender,
24 geographic location, R3 residency, Environmental Justice
25 Community residency, foster care system participation, and
26 justice-involvement, and average wage data, for new hires

1 by participant contractors;

2 (7) certifications held by participant contractors,
3 and number of participants holding each certification,
4 including, but not limited to, registration under the
5 Business Enterprise for Minorities, Women, and Persons
6 with Disabilities Act program and other programs intended
7 to certify BIPOC entities;

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

10 (9) indicators relevant for assessing the general
11 financial health of participant contractors.

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

16 Section 5-50. Returning Residents Clean Jobs Training
17 Program.

18 (a) Subject to appropriation, the Department shall develop
19 and, in coordination with the Department of Corrections,
20 administer the Returning Residents Clean Jobs Training
21 Program.

22 (b) As used in this Section:

23 "Commitment" means a judicially determined placement in
24 the custody of the Department of Corrections on the basis of a
25 conviction.

1 "Committed person" means a person committed to the
2 Department of Corrections.

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

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

6 (2) includes community colleges, nonprofits, and local
7 governments; and

8 (3) has a history of serving inmates or formerly
9 convicted persons.

10 "Correctional institution or facility" means a Department
11 of Corrections building or part of a Department of Corrections
12 building where committed persons are detained in a secure
13 manner.

14 "Department" means the Department of Corrections.

15 "Discharge" means the end of a sentence or the final
16 termination of a detainee's physical commitment to and
17 confinement in the Department of Corrections.

18 "Program" means the Returning Residents Clean Jobs
19 Training Program.

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

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

1 (c) Returning Residents Clean Jobs Training Program.

2 (1) Connected services. The Program shall prepare
3 graduates to work in the solar power and energy efficiency
4 industries.

5 (2) Recruitment of participants. The Program
6 Administrators shall, in coordination with the Department
7 of Corrections, educate committed persons in both men's
8 and women's correctional institutions and facilities on
9 the benefits of the Program and how to enroll in the
10 Program.

11 (3) Connection to employers. The Program
12 Administrators shall, with assistance from the Regional
13 Administrators, connect Program graduates with potential
14 employers in the solar power and energy efficiency and
15 related industries.

16 (4) Graduation. Participants who successfully complete
17 all assignments in the Program shall receive a Program
18 graduation certificate and any certifications earned in
19 the process.

20 (5) Eligibility. A committed person in a correctional
21 institution or facility is eligible if the committed
22 person:

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

24 (ii) consented in writing to participation in the
25 Program;

26 (iii) meets all Program and testing requirements;

1 (iv) is willing to follow all Program
2 requirements; and

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

5 The Department of Corrections shall have sole discretion
6 to determine whether a committed person's participation in the
7 Program poses a safety and security risk for the facility or
8 any person. The Department of Corrections shall determine
9 whether a committed person is eligible to participate in the
10 Program.

11 (d) Program entry and testing requirements. To enter the
12 Returning Residents Clean Jobs Training Program, committed
13 persons must complete a simple application, undergo an
14 interview and coaching session, and must score a minimum of a
15 6.0 or above on the Test for Adult Basic Education. The
16 Returning Residents Clean Jobs Training Program shall include
17 a one-week pre-program orientation that ensures the candidates
18 understand and are interested in continuing the Program.
19 Candidates that successfully complete the orientation may
20 continue to the full Program.

21 (d-5) Once approved for the new program, candidates must
22 receive essential employability skills training as part of
23 vocational or occupational training. Training must lead to
24 certifications or credentials that prepare candidates for
25 employment.

26 (e) Removal from the Program. The Department of

1 Corrections may remove a committed person enrolled in the
2 Program for violation of institutional rules; failure to
3 participate or meet expectations of the Program; failure of a
4 drug test; disruptive behavior; or for reasons of safety,
5 security, and order of the facility.

6 (f) Drug testing. A clean drug test is required to
7 complete the Returning Residents Clean Jobs Training Program.
8 A drug test shall be administered at least once prior to
9 graduation. The Department of Corrections shall be responsible
10 for the drug testing of applicants.

11 (g) Curriculum.

12 (1) The Department of Commerce and Economic
13 Opportunity shall design a curriculum for the Program that
14 is as similar as practical to the Clean Jobs Curriculum
15 and meets in-facility requirements. The curriculum shall
16 focus on preparing graduates for employment in the solar
17 power and energy efficiency industries. The Program shall
18 include structured hands-on activities in correctional
19 institutions or facilities, including classroom spaces and
20 outdoor spaces, to instruct participants in the core
21 curriculum established in this Act. The Department shall
22 consult with the Department of Corrections to ensure all
23 curriculum elements may be available within Department of
24 Corrections facilities.

25 (2) The Program Administrators shall collaborate to
26 create and publish a guidebook that allows for the

1 implementation of the curriculum and provides information
2 on all necessary and useful resources for Program
3 participants and graduates.

4 (h) Program administration.

5 (1) The Department of Commerce and Economic
6 Opportunity shall establish and hire a Program
7 Administrator for each Program Delivery Area to administer
8 and coordinate the Program. The Program Administrators
9 shall have strong capabilities, experience, and knowledge
10 related to program development and economic management;
11 cultural and language competency needed to be effective in
12 the communities to be served; expertise in working in and
13 with equity investment eligible communities; knowledge and
14 experience in working with providers of clean energy jobs;
15 and awareness of solar power and energy efficiency
16 industry trends and activities, workforce development best
17 practices, regional workforce development needs, and
18 community development. The Program Administrators shall
19 demonstrate a track record of strong partnerships with
20 community-based organizations.

21 The Program Administrator must pass a background check
22 administered by the Department of Corrections and be
23 approved by the Department of Corrections to work within a
24 secure facility prior to being hired by the Department of
25 Commerce and Economic Opportunity for a Program delivery
26 area.

1 (2) The Program Administrators shall:

2 (i) coordinate with Regional Administrators and
3 the Clean Jobs Workforce Network Program to ensure
4 that execution, performance, partnerships, marketing,
5 and Program access across the State consistent with
6 respecting regional differences;

7 (ii) work with community-based organizations
8 approved to provide industry-recognized credentials or
9 education institutions to deliver the Program;

10 (iii) collaborate to create and publish an
11 employer "Hiring Returning Residents" handbook that
12 includes benefits and expectations of hiring returning
13 residents, guidance on how to recruit, hire, and
14 retain returning residents, guidance on how to access
15 State and federal tax credits and incentives and State
16 and federal resources, guidance on how to update
17 company policies to support hiring and supporting
18 returning residents, and an understanding of the harm
19 in one-size-fits-all policies toward returning
20 residents. The handbook shall be updated every 5 years
21 or more frequently if needed to ensure that its
22 contents are accurate. The handbook shall be made
23 available on the Department's website;

24 (iv) work with potential employers to promote
25 company policies to support hiring and supporting
26 returning residents via employee/employer liability,

1 coverage, insurance, bonding, training, hiring
2 practices, and retention support;

3 (v) provide services such as job coaching and
4 financial coaching to Program graduates to support
5 employment longevity; and

6 (vi) identify clean energy job opportunities and
7 assist participants in achieving employment. The
8 Program shall include at least one job fair; include
9 job placement discussions with clean energy employers;
10 establish a partnership with Illinois solar energy
11 businesses and trade associations to identify solar
12 employers that support and hire returning residents;
13 and involve the Department of Commerce and Economic
14 Opportunity, Regional Administrators, and the Advisory
15 Council in finding employment for participants and
16 graduates in the clean energy and related sector
17 industries.

18 (3) The Department shall select community-based
19 organizations to provide Program elements at each
20 facility. Community-based organizations shall be
21 competitively selected by the Department of Commerce and
22 Economic Opportunity. Community-based organizations
23 delivering the Program elements outlined may provide all
24 elements required or may subcontract to other entities for
25 the provision of portions of Program elements. All
26 contractors who have regular interactions with committed

1 persons, regularly access a Department of Corrections
2 facility, or regularly access a committed person's
3 personal identifying information or other data elements
4 must pass a Department of Corrections background check
5 prior to being approved to administer the Program elements
6 at a facility.

7 (4) The Department shall aim to include training in
8 conjunction with other pre-release procedures and
9 movements. Delays in a workshop being provided shall not
10 cause delays in discharge.

11 (5) The Program Administrators may establish shortened
12 Returning Resident Clean Jobs Training Programs to prepare
13 and place graduates in the Clean Jobs Workforce Network
14 Program or the Illinois Climate Works Preapprenticeship
15 Program following the graduate's release from commitment.
16 Any graduate of these programs must be guaranteed
17 placement in a Clean Jobs Workforce Hubs training program
18 or the Illinois Climate Works Preapprenticeship Program.

19 (6) The Director of Corrections shall:

20 (i) Ensure that the wardens or superintendents of
21 all correctional institutions and facilities visibly
22 post information on the Program in an accessible
23 manner for committed individuals.

24 (ii) Identify the institutions and facilities
25 within the Department of Corrections that will offer
26 the Program. The determination of which facility will

1 offer the Program shall be based on available
2 programming space, staffing, population, facility
3 mission, security concerns, and any other relevant
4 factor in determining suitable locations for the
5 Program.

6 (i) Performance metrics.

7 (1) The Program Administrators shall collect data to
8 evaluate and ensure Program and participant success,
9 including:

10 (i) the number of returning residents who enrolled
11 in the Program;

12 (ii) the number of returning residents who
13 completed the Program;

14 (iii) the total number of individuals discharged;

15 (iv) the demographics of each entering and
16 graduating class;

17 (v) the percentage of graduates employed at 6 and
18 12 months after release;

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

21 (vii) the candidates interviewed and hiring
22 status;

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

26 (ix) continuing education and certifications

1 gained by Program graduates.

2 (2) The Department of Commerce and Economic
3 Opportunity shall publish an annual report containing
4 these performance metrics. Data may be disaggregated by
5 institution, discharge, or residence address of resident,
6 and other factors.

7 (j) Funding. Funding for the Program is subject to
8 appropriation from the Energy Transition Assistance Fund.
9 Funding may be made available from other lawful sources,
10 including donations, grants, and federal incentives.

11 (k) Access. The Program instructors and staff must pass a
12 background check administered by the Department of Corrections
13 prior to entering a Department of Corrections institution or
14 facility. The Warden or Superintendent shall have the
15 authority to deny a Program instructor or staff member entry
16 into an institution or facility for safety and security
17 concerns or failure to follow all facility procedures or
18 protocols. A Program instructor or staff member administering
19 the Program may be terminated or have his or her contract
20 canceled if the Program instructor or staff member is denied
21 entry into an institution or facility for safety and security
22 concerns.

23 Section 5-55. Clean Energy Primes Contractor Accelerator
24 Program.

25 (a) As used in this Section:

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

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

6 "Minority Business Enterprise certification" means the
7 certification or recognition certification affidavit from the
8 State of Illinois Department of Central Management Services
9 Business Enterprise Program or a program with equivalent
10 requirements.

11 "Program" means the Clean Energy Primes Contractor
12 Accelerator Program.

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

15 (b) Subject to appropriation, the Department shall
16 develop, and through a Primes Program Administrator and
17 Regional Primes Program Leads described in this Section,
18 administer the Clean Energy Primes Contractor Accelerator
19 Program. The Program shall be administered in 3 program
20 delivery areas: the Northern Illinois Program Delivery Area
21 covering Northern Illinois, the Central Illinois Program
22 Delivery Area covering Central Illinois, and the Southern
23 Illinois Program Delivery Area covering Southern Illinois.
24 Prior to developing the Program, the Department shall solicit
25 public comments, with a 30-day comment period, to gather input
26 on Program implementation and associated community outreach

1 options.

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

4 (1) 2 or more years of experience in a clean energy or
5 a related contracting field;

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

7 (3) a substantial and demonstrated commitment of
8 investing in and partnering with individuals and
9 institutions in equity investment eligible communities.

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

12 (1) projected hiring and industry job creation,
13 including wage and benefit expectations;

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

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

18 (4) capacity the applicant is anticipated to bring to
19 project development;

20 (5) willingness to assume risk;

21 (6) anticipated revenues from future projects;

22 (7) history of commitment to advancing equity as
23 demonstrated by, among other things, employment of or
24 ownership by equity investment eligible persons and a
25 history of partnership with equity focused community
26 organizations or government programs; and

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

3 Applicants for Program participation shall be allowed to
4 reapply for a future cohort if they are not selected, and the
5 Primes Program Administrator shall inform each applicant of
6 this option.

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

15 (e) The Department shall hire a Primes Program
16 Administrator with experience in leading a large
17 contractor-based business in Illinois; coaching and mentoring;
18 the Illinois clean energy industry; and working with equity
19 investment eligible community members, organizations, and
20 businesses.

21 (f) The Department shall select 3 Regional Primes Program
22 Leads who shall report directly to the Primes Program
23 Administrator. The Regional Primes Program Leads shall be
24 located within their Program Delivery Area and have experience
25 in leading a large contractor-based business in Illinois;
26 coaching and mentoring; the Illinois clean energy industry;

1 developing relationships with companies in the Program
2 Delivery Area; and working with equity investment eligible
3 community members, organizations, and businesses.

4 (g) The Department may determine how Program elements will
5 be delivered or may contract with organizations with
6 experience delivering the Program elements described in
7 subsection (h) of this Section.

8 (h) The Clean Energy Primes Contractor Accelerator Program
9 shall provide participants with:

10 (1) a 5-year, 6-month progressive course of one-on-one
11 coaching to assist each participant in developing an
12 achievable 5-year business plan, including review of
13 monthly metrics, and advice on achieving participant's
14 goals;

15 (2) operational support grants not to exceed
16 \$1,000,000 annually to support the growth of participant
17 contractors with access to capital for upfront project
18 costs and pre-development funding, among others. The
19 amount of the grant shall be based on anticipated project
20 size and scope;

21 (3) business coaching based on the participant's
22 needs;

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

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

1 (6) assistance with applying for Minority Business
2 Enterprise certification and other relevant certifications
3 and approved vendor status for programs offered by
4 utilities or other entities;

5 (7) assistance with preparing bids and Request for
6 Proposal applications;

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

10 (9) opportunities to connect with participants in
11 other Department programs;

12 (10) assistance connecting with and initiating
13 participation in the Illinois Power Agency's Adjustable
14 Block program, the Illinois Solar for All Program, and
15 utility programs; and

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

22 (i) The Primes Program Administrator shall:

23 (1) collect and report performance metrics as
24 described in this Section;

25 (2) review and assess:

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

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

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

6 (j) The Regional Primes Program Leads shall:

7 (1) publicize the Program; the budget shall include
8 funds to pay community-based organizations with a track
9 record of working with equity investment eligible
10 communities to complete this work;

11 (2) recruit qualified Program applicants;

12 (3) assist Program applicants with the application
13 process;

14 (4) introduce participants to the Program offerings;

15 (5) conduct entry and annual assessments with
16 participants to identify training, coaching, and other
17 Program service needs;

18 (6) assist participants in developing goals on entry
19 and annually, and assessing progress toward meeting the
20 goals;

21 (7) establish a metric reporting system with each
22 participant and track the metrics for progress against the
23 contractor's work plan and Program goals;

24 (8) assist participants in receiving their Minority
25 Business Enterprise certification and any other relevant
26 certifications and approved vendor statuses;

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

5 (10) pair participants with a mentor company;

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

8 (12) dispense a participant's awarded operational
9 grant funding;

10 (13) connect participants to zero-interest and
11 low-interest loans from the Climate Bank as established by
12 Article 850 of the Illinois Finance Authority Act or a
13 comparable financing mechanism;

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

16 (15) review a participant's progress and make a
17 recommendation to the Department about whether the
18 participant should continue in the Program, be considered
19 a Program graduate, and whether adjustments should be made
20 to a participant's grant funding, loans, and related
21 services;

22 (16) solicit information from participants, which
23 participants shall be required to provide, necessary to
24 understand the participant's business, including financial
25 and income information, certifications that the
26 participant is seeking to obtain, and ownership, employee,

1 and subcontractor data, including compensation, length of
2 service, and demographics; and

3 (17) other duties as required.

4 (k) Performance metrics. The Primes Program Administrator
5 and Regional Primes Program Leads shall collaborate to collect
6 and report the following metrics quarterly to the Department
7 and Advisory Council:

8 (1) demographic information on cohort recruiting and
9 formation, including racial, gender, geographic
10 distribution data, and data on the number and percentage
11 of R3 residents, environmental justice community
12 residents, foster care alumni, and formerly convicted
13 persons who are cohort applicants and admitted
14 participants;

15 (2) participant contractor engagement in other
16 Illinois clean energy programs such as the Adjustable
17 Block program, Illinois Solar for All Program, and the
18 utility-run energy efficiency and electric vehicle
19 programs;

20 (3) retention of participants in each cohort;

21 (4) total projects bid, started, and completed by
22 participants, including information about revenue, hiring,
23 and subcontractor relationships with projects;

24 (5) certifications issued;

25 (6) employment data for contractor hires and industry
26 jobs created, including demographic, salary, length of

1 service, and geographic data;

2 (7) grants and loans distributed; and

3 (8) participant satisfaction with the Program.

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

9 Data should be anonymized where needed to protect
10 participant privacy.

11 The Department shall make such reports publicly available
12 on its website.

13 (1) Mentorship Program.

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

19 (i) excellent standing with state clean energy
20 programs;

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

22 and

23 (iii) a proven track record of success in their
24 field.

25 (2) Mentor companies may receive a stipend, determined
26 by the Department, for their participation. Mentor

1 companies may identify what level of stipend they require.

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

5 (4) The Regional Primes Program Leads shall:

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

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

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

21 (5) Contractors may request reassignment to a new
22 mentor company.

23 (m) Disparity study. The Program Administrator shall
24 cooperate with the Illinois Power Agency in the conduct of a
25 disparity study, as described in subsection (c-15) of Section
26 1-75 of the Illinois Power Agency Act, and in the effectuation

1 of appropriate remedies necessary to address any
2 discrimination that such study may find. Potential remedies
3 shall include, but not be limited to, race-conscious remedies
4 to rapidly eliminate discrimination faced by minority
5 businesses and works in the industry this Program serves,
6 consistent with the law. Remedies shall be developed through
7 consultation with individuals, companies, and organizations
8 that have expertise on discrimination faced in the market and
9 potential legally permissible remedies for addressing it.
10 Notwithstanding any other requirement of this Section, the
11 Program Administrator shall modify program participation
12 criteria or goals as soon as the report has been published, in
13 such a way as is consistent with state and federal law, to
14 rapidly eliminate discrimination on minority businesses and
15 workers in the industry this Program serves by setting
16 standards for Program participation. This study will be paid
17 for with funds from the Energy Transition Assistance Fund or
18 any other lawful source.

19 (n) Program budget.

20 (1) The Department may allocate up to \$3,000,000
21 annually to the Primes Program Administrator for each of
22 the 3 regional budgets from the Energy Transition
23 Assistance Fund.

24 (2) The Primes Program Administrator shall work with
25 the Illinois Finance Authority and the Climate Bank as
26 established by Article 850 of the Illinois Finance

1 Authority Act or comparable financing institution so that
2 loan loss reserves may be sufficient to underwrite
3 \$7,000,000 in low-interest loans in each of the 3 Program
4 delivery areas.

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

7 Section 5-60. Jobs and Environmental Justice Grant
8 Program.

9 (a) In order to provide upfront capital to support the
10 development of projects, businesses, community organizations,
11 and jobs creating opportunity for historically disadvantaged
12 populations, and to provide seed capital to support community
13 ownership of renewable energy projects, the Program shall
14 create and administer a Jobs and Environmental Justice Grant
15 Program. The grant program shall be designed to help remove
16 barriers to project, community, and business development
17 caused by a lack of capital.

18 (b) The grant program shall provide grant awards of up to
19 \$1,000,000 per application to support the development of
20 renewable energy resources as defined in Section 1-10 of the
21 Illinois Power Agency Act, and energy efficiency measures as
22 defined in Section 8-103B of the Public Utilities Act. The
23 amount of a grant award shall be based on a project's size and
24 scope. Grants shall be provided upfront, in advance of other
25 incentives, to provide businesses, organizations, and

1 community groups with capital needed to plan, develop, and
2 execute a project. Grants shall be designed to coordinate with
3 and supplement existing incentive programs, such as the
4 Adjustable Block program, the Illinois Solar for All Program,
5 the community renewable generation projects, and renewable
6 energy procurements as described in the Illinois Power Agency
7 Act, as well as utility energy efficiency measures as
8 described in Section 8-103B of the Public Utilities Act.

9 (c) The Jobs and Environmental Justice Grant Program shall
10 include 2 subprograms:

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

12 (2) the Community Solar Energy Sovereignty Grant
13 Program.

14 (d) The Equitable Energy Future Grant Program is designed
15 to provide seed funding and pre-development funding
16 opportunities for disadvantaged contractors and to projects
17 that earn Equitable Energy Future Certification under Section
18 1-75 of the Illinois Power Agency Act.

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

22 (i) planning and project development, including
23 costs for professional services such as architecture,
24 design, engineering, auditing, consulting, and
25 developer services;

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

1 (iii) purchasing and leasing of land;

2 (iv) permitting and zoning;

3 (v) interconnection application costs and fees,
4 studies, and expenses;

5 (vi) equipment and supplies;

6 (vii) community outreach, marketing, and
7 engagement; and

8 (viii) staff and operations expenses.

9 (2) Grants shall be awarded to projects that most
10 effectively provide opportunities for equity eligible
11 contractors and equity investment eligible communities,
12 and should consider the following criteria:

13 (i) projects that provide community benefits,
14 which are projects that have one or more of the
15 following characteristics: (A) greater than 50% of the
16 project's energy provided or saved benefits low-income
17 residents, or (B) the project benefits not-for-profit
18 organizations providing services to low-income
19 households, affordable housing owners, or
20 community-based limited liability companies providing
21 services to low-income households;

22 (ii) projects that are located in equity
23 investment eligible communities;

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

25 (iv) projects that contract with contractors who
26 are participating or have participated in the Clean

1 Energy Contractor Incubator Program, Clean Energy
2 Primes Contractor Accelerator Program, or similar
3 programs; and

4 (v) projects employ a minimum of 51% of its
5 workforce from participants and graduates of the Clean
6 Jobs Workforce Network Program, Illinois Climate Works
7 Preapprenticeship Program, and Returning Residents
8 Clean Jobs Training Program.

9 (3) Grants shall be awarded to applicants that meet
10 the following criteria:

11 (i) earn Equitable Energy Future Certification per
12 the equity accountability systems described in
13 subsection (c-10) of Section 1-75 of the Illinois
14 Power Agency Act, or meet the equity building criteria
15 in paragraph (9.5) of subsection (g) of Section 8-103B
16 of the Public Utilities Act; and

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

20 (e) The Community Solar Energy Sovereignty Grant Program
21 shall be designed to support the pre-development and
22 development of community solar projects that promote community
23 ownership and energy sovereignty.

24 (1) Grants shall be awarded to applicants that best
25 demonstrate the ability and intent to create community
26 ownership and other local community benefits, including

1 local community wealth building via community renewable
2 generation projects. Grants shall be prioritized to
3 applicants for whom:

4 (i) the proposed project is located in and
5 supporting an equity investment eligible community or
6 communities; and

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

9 (2) Grant funds shall be awarded to support project
10 pre-development work and may also be awarded to support
11 the development of programs and entities to assist in the
12 long-term governance, management, and maintenance of
13 community solar projects, such as community solar
14 cooperatives. For example, funds may be awarded for:

15 (i) early stage project planning;

16 (ii) project team organization;

17 (iii) site identification;

18 (iv) organizing a project business model and
19 securing financing;

20 (v) procurement and contracting;

21 (vi) customer outreach and enrollment;

22 (vii) preliminary site assessments;

23 (viii) development of cooperative or community
24 ownership model; and

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

1 (3) Grant recipients shall submit reports to the
2 Agency at the end of the grant term on the activities
3 pursued under their grant and any lessons learned for
4 publication on the Agency's website so that other energy
5 sovereignty projects may learn from their experience.

6 (4) Eligible applicants shall include community-based
7 organizations, as defined in the Illinois Power Agency's
8 long-term renewable resources procurement plan, or
9 technical service providers working in direct partnership
10 with community-based organizations.

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

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

21 (g) The Program shall coordinate its grant subprograms
22 with the Clean Energy Jobs and Justice Fund to coordinate
23 grants under this Program with low-interest and no-interest
24 financing opportunities offered by the fund.

25 (h) The grant subprograms may have a budget of up to
26 \$34,000,000 per year. No more than 25% of the allocated budget

1 shall go to the Community Solar Energy Sovereignty Grant
2 Program.

3 Section 5-65. Energy Workforce Advisory Council.

4 (a) The Energy Workforce Advisory Council is hereby
5 created within the Department.

6 (b) The Council shall consist of the following voting
7 members appointed by the Governor with the advice and consent
8 of the Senate, chosen to ensure diverse geographic
9 representation:

10 (1) two members representing trade associations
11 representing companies active in the clean energy
12 industries;

13 (2) two members representing a labor union;

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

16 (4) two members representing higher education;

17 (5) two members representing economic development
18 organizations;

19 (6) two members representing local workforce
20 innovation boards;

21 (7) two residents of environmental justice
22 communities;

23 (8) three members from community-based organizations
24 in environmental justice communities and community-based
25 organizations serving low-income persons and families;

1 (9) two members who are policy or implementation
2 experts on small business development, contractor
3 incubation, or small business lending and financing needs;

4 (10) two members who are policy or implementation
5 experts on workforce development for populations and
6 individuals such as low-income persons and families,
7 environmental justice communities, BIPOC communities,
8 formerly convicted persons, persons who are or were in the
9 child welfare system, energy workers, gender nonconforming
10 and transgender individuals, and youth; and

11 (11) two representatives of clean energy businesses,
12 nonprofit organizations, or other groups that provide
13 clean energy.

14 The President of the Senate, the Minority Leader of the
15 Senate, the Speaker of the House of Representatives, and the
16 Minority Leader of the House of Representatives shall each
17 appoint 2 nonvoting members of the Council.

18 (c) The Council shall:

19 (1) coordinate and inform on worker and contractor
20 support priorities beyond current federal, State, local,
21 and private programs and resources;

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

24 (3) fulfill other duties determined by the Council to
25 further the success of the Workforce Hubs, Incubators, and
26 Returning Residents Programs;

- 1 (4) review program performance metrics;
- 2 (5) provide recommendations to the Department on the
3 administration of the following programs:
- 4 (i) the Clean Jobs Workforce Network Program;
- 5 (ii) the Illinois Climate Works Preapprenticeship
6 Program;
- 7 (iii) the Clean Energy Contractor Incubator
8 Program;
- 9 (iv) the Returning Residents Clean Jobs Training
10 Program; and
- 11 (v) the Clean Energy Primes Contractor Accelerator
12 Program;
- 13 (6) recommend outreach opportunities to ensure that
14 program contracting, training, and other opportunities are
15 widely publicized;
- 16 (7) participate in independent program evaluations;
17 and
- 18 (8) assist the Department by providing insight into
19 how relevant State, local, and federal programs are viewed
20 by residents, businesses, and institutions within their
21 respective communities.
- 22 (d) The Council shall conduct its first meeting within 30
23 days after all members have been appointed. The Council shall
24 meet quarterly after its first meeting. Additional hearings
25 and public meetings are permitted at the discretion of the
26 members. The Council may meet in person or through video or

1 audio conference. Meeting times may be varied to accommodate
2 Council member schedules.

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

6 Section 5-90. Repealer. This Act is repealed 14 years
7 after the effective date of this Act.

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

11 (20 ILCS 3501/801-1)

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

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

17 (20 ILCS 3501/801-5)

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

20 (a) that there are a number of existing State authorities
21 authorized to issue bonds to alleviate the conditions and
22 promote the objectives set forth below; and to provide a

1 stronger, better coordinated development effort, it is
2 determined to be in the interest of promoting the health,
3 safety, morals and general welfare of all the people of the
4 State to consolidate certain of such existing authorities into
5 one finance authority;

6 (b) that involuntary unemployment affects the health,
7 safety, morals and general welfare of the people of the State
8 of Illinois;

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

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

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

25 (f) that the State has a responsibility to help create a
26 favorable climate for new and improved job opportunities for

1 its citizens by encouraging the development of commercial
2 businesses and industrial and manufacturing plants within the
3 State;

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

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

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

26 (j) that it is in the public interest and the policy of

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

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

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

19 (1) that for the benefit of the people of the State of
20 Illinois, the conduct and increase of their commerce, the
21 protection and enhancement of their welfare, the development
22 of continued prosperity and the improvement of their health
23 and living conditions it is essential that all the people of
24 the State be given the fullest opportunity to learn and to
25 develop their intellectual and mental capacities and skills;
26 that to achieve these ends it is of the utmost importance that

1 private institutions of higher education within the State be
2 provided with appropriate additional means to assist the
3 people of the State in achieving the required levels of
4 learning and development of their intellectual and mental
5 capacities and skills and that cultural institutions within
6 the State be provided with appropriate additional means to
7 expand the services and resources which they offer for the
8 cultural, intellectual, scientific, educational and artistic
9 enrichment of the people of the State;

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

18 (n) that to preserve and protect the health of the
19 citizens of the State, and lower the costs of health care, that
20 financing for health facilities should be provided through the
21 State; and it is hereby declared to be the policy of the State,
22 in the interest of promoting the health, safety, morals and
23 general welfare of all the people of the State, to address the
24 conditions noted above, to increase job opportunities and to
25 retain existing jobs in the State, by making available through
26 the Illinois Finance Authority, hereinafter created, funds for

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

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

25 (p) that the realization of the objectives of the
26 Authority identified in this Act including, without

1 limitation, those designed (1) to assist and enable veterans,
2 minorities, women and disabled individuals to own and operate
3 small businesses; (2) to assist in the delivery of
4 agricultural assistance; and (3) to aid, assist, and encourage
5 economic growth and development within this State, will be
6 enhanced by empowering the Authority to purchase loan
7 participations from participating lenders;~~;~~

8 (g) that climate change threatens the health, welfare, and
9 prosperity of all the residents of the State;

10 (r) combating climate change is necessary to preserve and
11 enhance the health, welfare, and prosperity of all the
12 residents of the State;

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

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

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

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

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

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

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

1 of the transition process as described in Articles 22B and 22C
2 of the Illinois Pension Code.

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

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

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

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

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

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

25 (h) The term "person" means an individual, corporation,
26 unit of government, business trust, estate, trust, partnership

1 or association, 2 or more persons having a joint or common
2 interest, or any other legal entity.

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

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

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

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

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

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

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

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

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

1 equipment, furnishings, furniture, improvements, machinery,
2 rights of way, structures, accounts, contract rights or any
3 interest therein.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (x) The term "agricultural facility" means land, any
25 building or other improvement thereon or thereto, and any
26 personal properties deemed necessary or suitable for use,

1 whether or not now in existence, in farming, ranching, the
2 production of agricultural commodities (including, without
3 limitation, the products of aquaculture, hydroponics and
4 silviculture) or the treating, processing or storing of such
5 agricultural commodities when such activities are customarily
6 engaged in by farmers as a part of farming and which land,
7 building, improvement or personal property is located within
8 the State, or is located outside the State, provided that, if
9 such property is located outside the State, it must be owned,
10 operated, leased, or managed by an entity located within the
11 State or an entity affiliated with an entity located within
12 the State.

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

26 (z) The term "agribusiness" means any sole proprietorship,

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

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

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

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

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

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

1 (6) farm machinery, equipment and implement
2 manufacturing and supplying;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 or any other state or commonwealth of the United States.

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

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

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

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

19 (ll) The term "clean energy" means energy generation that
20 is substantially free (90% or more) of carbon dioxide
21 emissions by design or operations, or that otherwise
22 contributes to the reduction in emissions of environmentally
23 hazardous materials or reduces the volume of environmentally
24 dangerous materials.

25 (mm) The term "clean energy project" means the
26 acquisition, construction, refurbishment, creation,

1 development or redevelopment of any facility, equipment,
2 machinery, real property, or personal property for use by the
3 State or any unit of local government, school district, agency
4 or instrumentality, office, department, division, bureau,
5 commission, college, or university of the State, for use by
6 any person or institution, public or private, for profit or
7 not for profit, or for use in any trade or business, which the
8 Authority determines will aid, assist, or encourage the
9 development or implementation of clean energy in the State, or
10 as otherwise contemplated by Article 850.

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

15 (oo) "equity investment eligible community" and "eligible
16 community" mean the geographic areas throughout Illinois that
17 would most benefit from equitable investments by the State
18 designed to combat discrimination. Specifically, the eligible
19 communities shall be defined as the following areas:

20 (1) R3 Areas as established pursuant to Section 10-40
21 of the Cannabis Regulation and Tax Act, where residents
22 have historically been excluded from economic
23 opportunities, including opportunities in the energy
24 sector; and

25 (2) Environmental justice communities, as defined by
26 the Illinois Power Agency pursuant to the Illinois Power

1 Agency Act, where residents have historically been subject
2 to disproportionate burdens of pollution, including
3 pollution from the energy sector.

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

8 (1) persons whose primary residence is in an equity
9 investment eligible community;

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

12 (3) persons who were formerly incarcerated.

13 (qq) "Environmental justice community" means the
14 definition of that term based on existing methodologies and
15 findings used and as may be updated by the Illinois Power
16 Agency and its program administrator in the Illinois Solar for
17 All Program.

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

19 (20 ILCS 3501/801-40)

20 Sec. 801-40. In addition to the powers otherwise
21 authorized by law and in addition to the foregoing general
22 corporate powers, the Authority shall also have the following
23 additional specific powers to be exercised in furtherance of
24 the purposes of this Act.

25 (a) The Authority shall have power (i) to accept grants,

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

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

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

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

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

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

19 (d) With respect to the powers granted by this Act, the
20 Authority may adopt rules and regulations prescribing the
21 procedures by which persons may apply for assistance under
22 this Act. Nothing herein shall be deemed to preclude the
23 Authority, prior to the filing of any formal application, from
24 conducting preliminary discussions and investigations with
25 respect to the subject matter of any prospective application.

26 (e) The Authority shall have power to acquire by purchase,

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

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

17 (g) The Authority shall have power to lease pursuant to a
18 lease agreement any project so developed and constructed or
19 acquired to the approved tenant on such terms and conditions
20 as may be appropriate to further the purposes of this Act and
21 to maintain the credit of the Authority. Any such lease may
22 provide for either the Authority or the approved tenant to
23 assume initially, in whole or in part, the costs of
24 maintenance, repair and improvements during the leasehold
25 period. In no case, however, shall the total rentals from any
26 project during any initial leasehold period or the total loan

1 repayments to be made pursuant to any loan agreement, be less
2 than an amount necessary to return over such lease or loan
3 period (1) all costs incurred in connection with the
4 development, construction, acquisition or improvement of the
5 project and for repair, maintenance and improvements thereto
6 during the period of the lease or loan; provided, however,
7 that the rentals or loan repayments need not include costs met
8 through the use of funds other than those obtained by the
9 Authority through the issuance of its bonds or governmental
10 loans; (2) a reasonable percentage additive to be agreed upon
11 by the Authority and the borrower or tenant to cover a properly
12 allocable portion of the Authority's general expenses,
13 including, but not limited to, administrative expenses,
14 salaries and general insurance, and (3) an amount sufficient
15 to pay when due all principal of, interest and premium, if any
16 on, any bonds issued by the Authority with respect to the
17 project. The portion of total rentals payable under clause (3)
18 of this subsection (g) shall be deposited in such special
19 accounts, including all sinking funds, acquisition or
20 construction funds, debt service and other funds as provided
21 by any resolution, mortgage or trust agreement of the
22 Authority pursuant to which any bond is issued.

23 (h) The Authority has the power, upon the termination of
24 any leasehold period of any project, to sell or lease for a
25 further term or terms such project on such terms and
26 conditions as the Authority shall deem reasonable and

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

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

20 (j) The Authority may fix, determine, charge and collect
21 any premiums, fees, charges, costs and expenses, including,
22 without limitation, any application fees, commitment fees,
23 program fees, financing charges or publication fees from any
24 person in connection with its activities under this Act.

25 (k) In addition to the funds established as provided
26 herein, the Authority shall have the power to create and

1 establish such reserve funds and accounts as may be necessary
2 or desirable to accomplish its purposes under this Act and to
3 deposit its available monies into the funds and accounts.

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

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

25 (n) The Authority may establish an urban development
26 action grant program for the purpose of assisting

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

22 (o) The Authority may establish a Housing Partnership
23 Program whereby the Authority provides zero-interest loans to
24 municipalities for the purpose of assisting in the financing
25 of projects for the rehabilitation of affordable multi-family
26 housing for low and moderate income residents. The Authority

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

21 (p) The Authority may award grants to universities and
22 research institutions, research consortiums and other
23 not-for-profit entities for the purposes of: remodeling or
24 otherwise physically altering existing laboratory or research
25 facilities, expansion or physical additions to existing
26 laboratory or research facilities, construction of new

1 laboratory or research facilities or acquisition of modern
2 equipment to support laboratory or research operations
3 provided that such grants (i) be used solely in support of
4 project and equipment acquisitions which enhance technology
5 transfer, and (ii) not constitute more than 60 percent of the
6 total project or acquisition cost.

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

13 (r) In addition to the powers granted to the Authority
14 under subsection (i), and in all cases supplemental to it, the
15 Authority may establish a direct loan program to make loans
16 to, or may purchase participations in loans made by
17 participating lenders to, individuals, partnerships,
18 corporations, or other business entities for the purpose of
19 financing an industrial project, as defined in Section 801-10
20 of this Act. For the purposes of such program and not by way of
21 limitation on any other program of the Authority, including,
22 without limitation, programs established under subsection (i),
23 the Authority shall have the power to issue bonds, notes, or
24 other evidences of indebtedness including commercial paper for
25 purposes of providing a fund of capital from which it may make
26 such loans. The Authority shall have the power to use any

1 appropriations from the State made especially for the
2 Authority's direct loan program, or moneys at any time held by
3 the Authority under this Act outside the State treasury in the
4 custody of either the Treasurer of the Authority or a trustee
5 or depository appointed by the Authority, for additional
6 capital to make such loans or purchase such loan
7 participations, or for the purposes of reserve funds or
8 pledged funds which secure the Authority's obligations of
9 repayment of any bond, note or other form of indebtedness
10 established for the purpose of providing capital for which it
11 intends to make such loans or purchase such loan
12 participations. For the purpose of obtaining such capital, the
13 Authority may also enter into agreements with financial
14 institutions, participating lenders, and other persons for the
15 purpose of administering a loan participation program, selling
16 loans or developing a secondary market for such loans or loan
17 participations. Loans made under the direct loan program
18 specifically established under this subsection (r), including
19 loans under such program made by participating lenders in
20 which the Authority purchases a participation, may be in an
21 amount not to exceed \$600,000 and shall be made for a portion
22 of an industrial project which does not exceed 50% of the total
23 project. No loan may be made by the Authority unless approved
24 by the affirmative vote of at least 8 members of the board. The
25 Authority shall establish procedures and publish rules which
26 shall provide for the submission, review, and analysis of each

1 direct loan and loan participation application and which shall
2 preserve the ability of each board member and the Executive
3 Director, as applicable, to reach an individual business
4 judgment regarding the propriety of each direct loan or loan
5 participation. The collective discretion of the board to
6 approve or disapprove each loan shall be unencumbered. The
7 Authority may establish and collect such fees and charges,
8 determine and enforce such terms and conditions, and charge
9 such interest rates as it determines to be necessary and
10 appropriate to the successful administration of the direct
11 loan program, including purchasing loan participations. The
12 Authority may require such interests in collateral and such
13 guarantees as it determines are necessary to protect the
14 Authority's interest in the repayment of the principal and
15 interest of each loan and loan participation made under the
16 direct loan program. The restrictions established under this
17 subsection (r) shall not be applicable to any loan or loan
18 participation made under subsection (i) or to any loan or loan
19 participation made under any other Section of this Act.

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

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

26 (u) The Authority shall have the power to issue bonds,

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

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

21 (w) Moral Obligation. In the event that the Authority
22 determines that monies of the Authority will not be sufficient
23 for the payment of the principal of and interest on its bonds
24 during the next State fiscal year, the Chairperson, as soon as
25 practicable, shall certify to the Governor the amount required
26 by the Authority to enable it to pay such principal of and

1 interest on the bonds. The Governor shall submit the amount so
2 certified to the General Assembly as soon as practicable, but
3 no later than the end of the current State fiscal year. This
4 subsection shall apply only to any bonds or notes as to which
5 the Authority shall have determined, in the resolution
6 authorizing the issuance of the bonds or notes, that this
7 subsection shall apply. Whenever the Authority makes such a
8 determination, that fact shall be plainly stated on the face
9 of the bonds or notes and that fact shall also be reported to
10 the Governor. In the event of a withdrawal of moneys from a
11 reserve fund established with respect to any issue or issues
12 of bonds of the Authority to pay principal or interest on those
13 bonds, the Chairperson of the Authority, as soon as
14 practicable, shall certify to the Governor the amount required
15 to restore the reserve fund to the level required in the
16 resolution or indenture securing those bonds. The Governor
17 shall submit the amount so certified to the General Assembly
18 as soon as practicable, but no later than the end of the
19 current State fiscal year. The Authority shall obtain written
20 approval from the Governor for any bonds and notes to be issued
21 under this Section. In addition to any other bonds authorized
22 to be issued under Sections 825-60, 825-65(e), 830-25 and
23 845-5, the principal amount of Authority bonds outstanding
24 issued under this Section 801-40(w) or under 20 ILCS 3850/1-80
25 or 30 ILCS 360/2-6(c), which have been assumed by the
26 Authority, shall not exceed \$150,000,000. This subsection (w)

1 shall in no way be applied to any bonds issued by the Authority
2 on behalf of the Illinois Power Agency under Section 825-90 of
3 this Act.

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

20 (y) The Authority shall publish summaries of projects and
21 actions approved by the members of the Authority on its
22 website. These summaries shall include, but not be limited to,
23 information regarding the:

- 24 (1) project;
- 25 (2) Board's action or actions;
- 26 (3) purpose of the project;

- 1 (4) Authority's program and contribution;
- 2 (5) volume cap;
- 3 (6) jobs retained;
- 4 (7) projected new jobs;
- 5 (8) construction jobs created;
- 6 (9) estimated sources and uses of funds;
- 7 (10) financing summary;
- 8 (11) project summary;
- 9 (12) business summary;
- 10 (13) ownership or economic disclosure statement;
- 11 (14) professional and financial information;
- 12 (15) service area; and
- 13 (16) legislative district.

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

16 (z) Consistent with the findings and declaration of policy
17 set forth in item (j) of Section 801-5 of this Act, the
18 Authority shall have the power to make loans to the Police
19 Officers' Pension Investment Fund authorized by Section
20 22B-120 of the Illinois Pension Code and to make loans to the
21 Firefighters' Pension Investment Fund authorized by Section
22 22C-120 of the Illinois Pension Code. Notwithstanding anything
23 in this Act to the contrary, loans authorized by Section
24 22B-120 and Section 22C-120 of the Illinois Pension Code may
25 be made from any of the Authority's funds, including, but not
26 limited to, funds in its Illinois Housing Partnership Program

1 Fund, its Industrial Project Insurance Fund, or its Illinois
2 Venture Investment Fund.

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

4 (20 ILCS 3501/Art. 850 heading new)

5 ARTICLE 850

6 GENERAL PROVISIONS

7 (20 ILCS 3501/850-5 new)

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

16 (20 ILCS 3501/850-10 new)

17 Sec. 850-10. Powers and duties.

18 (a) The Authority shall have the powers enumerated in this
19 Act to assist in the development and implementation of clean
20 energy in the State. The powers enumerated in this Article
21 shall be in addition to all other powers of the Authority
22 conferred in this Act, including those related to clean energy
23 and the provision of clean water, drinking water, and

1 wastewater treatment. The powers of the Authority to issue
2 bonds, notes, and other obligations to finance loans
3 administered by the Illinois Environmental Protection Agency
4 under the Public Water Supply Loan Program or the Water
5 Pollution Control Loan Program or other similar programs shall
6 not be limited or otherwise affected by this amendatory Act of
7 the 102nd General Assembly.

8 (b) In its role as the Climate Bank of the State, the
9 Authority shall have the power to: (i) administer programs and
10 funds appropriated by the General Assembly for clean energy
11 projects in eligible communities and environmental justice
12 communities or owned by eligible persons, (ii) support
13 investment in the clean energy and clean water, drinking
14 water, and wastewater treatment, (iii) support and otherwise
15 promote investment in clean energy projects to foster the
16 growth, development, and commercialization of clean energy
17 projects and related enterprises, and (iv) stimulate demand
18 for clean energy and the development of clean energy projects.

19 (c) In addition to, and not in limitation of, any other
20 power of the Authority set forth in this Section or any other
21 provisions of the general statutes, the Authority shall have
22 and may exercise the following powers in furtherance of or in
23 carrying out its clean energy powers and purposes:

24 (1) To enter into joint ventures and invest in and
25 participate with any person, including, without
26 limitation, government entities and private corporations,

1 engaged primarily in the development of clean energy
2 projects, provided that members of the Authority or
3 officers may serve as directors, members, or officers of
4 any such business entity, and such service shall be deemed
5 to be in the discharge of the duties or within the scope of
6 the employment of any such member or officer, or Authority
7 or officers, as the case may be, so long as such member or
8 officer does not receive any compensation or direct or
9 indirect financial benefit as a result of serving in such
10 role.

11 (2) To utilize funding sources, including, but not
12 limited to:

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

19 (B) any federal funds that can be used for clean
20 energy purposes;

21 (C) charitable gifts, grants, and contributions as
22 well as loans from individuals, corporations,
23 university endowment funds, and philanthropic
24 foundations for clean energy projects or for the
25 provision of clean water, drinking water, and
26 wastewater treatment; and

1 (D) earnings and interest derived from financing
2 support activities for clean energy projects financed
3 by the Authority.

4 (3) To enter into contracts with private sources to
5 raise capital.

6 (d) The Authority may finance working capital, refinance
7 outstanding indebtedness of any person, and otherwise assist
8 in the investment of equity from any source, public or
9 private, in connection with clean energy projects or any other
10 projects authorized by this Act.

11 (e) The Authority may assess reasonable fees on its
12 financing activities to cover its reasonable costs and
13 expenses, as determined by the Authority.

14 (f) The Authority shall make information regarding the
15 rates, terms and conditions for all of its financing support
16 transactions available to the public for inspection, including
17 formal annual reviews by both a private auditor and the
18 Comptroller, and providing details to the public on the
19 Internet, provided public disclosure shall be restricted for
20 patentable ideas, trade secrets, and proprietary or
21 confidential commercial or financial information, disclosure
22 of which may cause commercial harm to a nongovernmental
23 recipient of such financing support and for other information
24 exempt from public records disclosure pursuant to Section
25 1-210.

1 (20 ILCS 3501/850-15 new)

2 Sec. 850-15. Purposes; Climate Bank. In its role as the
3 Climate Bank for the State, the Authority shall consider the
4 following purposes:

5 (1) the distribution of the benefits of clean energy
6 in an equitable manner, including by evaluating benefits
7 to eligible communities and equity investment eligible
8 persons;

9 (2) making clean energy accessible to all, especially
10 eligible persons, through financing opportunities and
11 grants for minority-owned businesses, as defined in the
12 Business Enterprise for Minorities, Women, and Persons
13 with Disabilities Act, and for low-income communities,
14 eligible communities, environmental justice communities,
15 and the businesses that serve these communities; and

16 (3) accelerating the investment of private capital
17 into clean energy projects in a manner reflective of the
18 geographic, racial, ethnic, gender, and income-level
19 diversity of the State.

20 Article 10. Energy Community Reinvestment Act

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

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

10 The General Assembly finds and declares that the health,
11 safety, and welfare of the people of this State are dependent
12 upon a healthy economy and vibrant communities; that the
13 closure of fossil fuel power plants, nuclear power plants, and
14 coal mines across this State have a significant impact on
15 their surrounding communities; that the expansion of renewable
16 energy creates job growth and contributes to the health,
17 safety, and welfare of the people of this State; that the
18 continual encouragement, development, growth, and expansion of
19 renewable energy within this State requires a cooperative and
20 continuous partnership between government and the renewable
21 energy sector; and that there are certain areas in this State
22 that have lost, or will lose, jobs due to the closure of fossil
23 fuel power plants, nuclear power plants, and coal mines and
24 need the particular attention of government, labor, and the
25 residents of Illinois to help attract new investment into
26 these areas and directly aid the local community and its

1 residents.

2 Therefore, it is declared to be the purpose of this Act to
3 explore ways of stimulating the growth of new private
4 investment, including renewable energy investment, in this
5 State and to foster job growth in areas impacted by the closure
6 of coal energy plants, coal mines, and nuclear energy plants.

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

9 "Agencies" or "State agencies" has the same meaning as
10 "State agencies" under Section 1-7 of the Illinois State
11 Auditing Act.

12 "Commission" means the Energy Transition Workforce
13 Commission created in Section 10-15.

14 "Department" means the Department of Commerce and Economic
15 Opportunity.

16 "Displaced energy worker" means an energy worker who has
17 lost employment, or is anticipated by the Department to lose
18 employment within the next 5 years, due to the reduced
19 operation or closure of a fossil fuel power plant, nuclear
20 power plant, or coal mine.

21 "Energy worker" means a person who has been employed
22 full-time for a period of one year or longer, and within the
23 previous 5 years, at a fossil fuel power plant, a nuclear power
24 plant, or a coal mine located within the State of Illinois,
25 whether or not they are employed by the owner of the power

1 plant or mine. Energy workers are considered to be full-time
2 if they work at least 35 hours per week for 45 weeks a year or
3 the 1,820 work-hour equivalent with vacations, paid holidays,
4 and sick time, but not overtime, included in this computation.
5 Classification of an individual as an energy worker continues
6 for 5 years from the latest date of employment or the effective
7 date of this Act, whichever is later.

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

12 "Fossil fuel power plant" means an electric generating
13 facility powered by gas, coal, other fossil fuels, or a
14 combination thereof.

15 "Local labor market area" means an economically integrated
16 area within which individuals reside and find employment
17 within a reasonable distance of their places of residence or
18 can readily change jobs without changing their places of
19 residence.

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

23 "Renewable energy enterprise" means a company that is
24 engaged in the production, manufacturing, distribution, or
25 development of renewable energy resources and associated
26 technologies.

1 "Renewable energy project" means a project conducted by a
2 renewable energy enterprise for the purpose of generating
3 renewable energy resources or energy storage.

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

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

8 Section 10-15. Energy Transition Workforce Commission.

9 (a) The Energy Transition Workforce Commission is hereby
10 created within the Department of Commerce and Economic
11 Opportunity.

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

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

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

16 (3) 5 members appointed by the Governor, with the
17 advice and consent of the Senate, of which at least one
18 shall be a representative of a local labor organization,
19 at least one shall be a resident of an environmental
20 justice community, at least one shall be a representative
21 of a national labor organization, and at least one shall
22 be a representative of the administrator of workforce
23 training programs created by this Act. Designees shall be
24 appointed within 60 days after a vacancy; and

25 (4) the 3 Regional Administrators selected under

1 Section 5-15 of the Energy Transition Act.

2 (c) Members of the Commission shall serve without
3 compensation, but may be reimbursed for necessary expenses
4 incurred in the performance of their duties from funds
5 appropriated for that purpose. The Department of Commerce and
6 Economic Opportunity shall provide administrative support to
7 the Commission.

8 (d) Within 240 days after the effective date of this Act,
9 the Commission shall produce an Energy Transition Workforce
10 Report regarding the anticipated impact of the energy
11 transition and a comprehensive set of recommendations to
12 address changes to the Illinois workforce during the period of
13 2020 through 2050, or a later year. The report shall contain
14 the following elements, designed to be used for the programs
15 created in this Act:

16 (1) Information related to the impact on current
17 workers, including:

18 (A) a comprehensive accounting of all employees
19 who currently work in fossil fuel energy generation,
20 nuclear energy generation, and coal mining in the
21 State; upon receipt of the employee's written
22 authorization for the employer's release of such
23 information to the Commission, this shall include
24 information on their location, employer, salary
25 ranges, full-time or part-time status, nature of their
26 work, educational attainment, union status, and other

1 factors the Commission finds relevant;

2 (B) the anticipated schedule of closures of fossil
3 fuel power plants, nuclear power plants, and coal
4 mines across the State; when information is
5 unavailable to provide exact data, the report shall
6 include approximations based upon the best available
7 information;

8 (C) an estimate of worker impacts due to scheduled
9 closures, including layoffs, early retirements, salary
10 changes, and other factors the Commission finds
11 relevant; and

12 (D) the likely outcome for workers who are
13 employed by facilities that are anticipated to close
14 or have significant layoffs during their tenure or
15 lifetime.

16 (2) Information regarding impact on communities and
17 local governments, including:

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

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

26 (C) 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) Following the completion of each report, or if the
9 Department finds that it is prudent to begin before the
10 completion of a report, the Department shall coordinate with
11 the Commission to create a comprehensive draft plan for
12 designing, maintaining, and funding programs established under
13 this Act, including the Displaced Energy Workers Bill of
14 Rights provided under Section 10-25. The draft plan shall
15 include, at a minimum, the following information:

16 (1) A detailed accounting of the anticipated costs for
17 each program and the anticipated amount of funding that
18 will be provided for each program.

19 (2) Information on the locations at which each program
20 shall have services provided; if this information is not
21 yet known by the Department at the time of the plan's
22 drafting, the Department shall generally explain how they
23 intend to determine the program locations. Within 240 days
24 after the effective date of this Act, the Department shall
25 publish the draft plan online. The Department shall take
26 public comments on the draft plan for a period of no less

1 than 45 days and publish the final plan within 60 days
2 after the closing of the comment period.

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

11 Section 10-20. Energy Transition Community Grants.

12 (a) Subject to appropriation, the Department shall
13 establish an Energy Transition Community Grant Program to
14 award grants to promote economic development in eligible
15 communities.

16 (b) Funds shall be made available from the Energy
17 Transition Assistance Fund to the Department to provide these
18 grants.

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

21 (1) the area contains a fossil fuel or nuclear power
22 plant that was retired from service or has significantly
23 reduced service within 10 years before the application for
24 designation or will be retired or have service
25 significantly reduced within 10 years following the

1 application for designation;

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

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

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

16 (e) To receive grant funds, an eligible community must
17 submit an application to the Department, using a form
18 developed by the Department.

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

25 (g) Grants must be used to plan for or address the economic
26 and social impact on the community or region of plant

1 retirement or transition.

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

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

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

17 (a) The Department, in collaboration with the Department
18 of Employment Security, shall have the authority to implement
19 the Displaced Energy Workers Bill of Rights, and shall be
20 responsible for the implementation of the Displaced Energy
21 Workers Bill of Rights programs and rights created under this
22 Section. The Department shall provide the following benefits
23 to displaced energy workers listed in paragraphs (1) through
24 (4) of this subsection:

25 (1) Advance notice of power plant or coal mine

1 closure.

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

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

21 (2) Education on programs. The Department shall take
22 reasonable steps to ensure that all displaced energy
23 workers are educated on the various programs available
24 through the Department to assist with the energy
25 transition, including, but not limited to, the Illinois
26 Dislocated Worker and Rapid Response programs. The

1 Department will develop an outreach strategy, workforce
2 toolkit and quick action plan to deploy when closures are
3 announced. This strategy will include identifying any
4 additional resources that may be needed to aid worker
5 transitions that would require contracting services.

6 (3) Employment assistance and career services. The
7 Department shall provide displaced energy workers with
8 assistance in finding new sources of employment through
9 the Energy Workforce Development Program established in
10 this Act. The Department shall provide information and
11 consultation to displaced energy workers on various
12 employment and educational opportunities available to
13 them, supportive services, and advise workers on which
14 opportunities meet their skills, needs, and preferences.

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

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

25 (C) For energy workers who may be interested in
26 entrepreneurial pursuits, the Department will connect

1 these individuals with their area Small Business
2 Development Center, procurement technical assistance
3 centers, and economic development organization to
4 engage in services, including, but not limited to,
5 business consulting, business planning, regulatory
6 compliance, marketing, training, accessing capital,
7 and government bid certification assistance.

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

12 (5) Insurance alternatives. Displaced energy workers
13 may purchase health insurance plans from Illinois Health
14 Benefits Exchanges which offer a similar level of
15 benefits, including, but not limited to, coverage,
16 in-network providers, deductibles, and copayments covered
17 during the previous 12 months of their employment.

18 (b) Plant owners and the owners of coal mines located in
19 Illinois shall be required to comply with the requirements set
20 out in this subsection (b). The owners shall be required to
21 take the following actions:

22 (1) Provide written notice of deactivation or closure
23 filing with the Regional Transmission Organization of
24 jurisdiction to the Department within 48 hours, if
25 applicable.

26 (2) Provide employment information for energy workers;

1 90 days prior to the closure of an electric generating
2 unit or mine, the owners of the power plant or mine shall
3 provide energy workers information on whether there are
4 employment opportunities provided by their employer.

5 (3) Annually report to the Department on announced
6 closures of qualifying facilities. The report must include
7 information on expected closure date, number of employees,
8 planning processes, services offered for employees (such
9 as training opportunities) leading up to the closure,
10 efforts made to retain employees through other employment
11 opportunities within the company, and any other
12 information that the Department requires in order to
13 implement this Section.

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

26 (5) Ninety days prior to closure date, provide job

1 descriptions for each employee at the plant or mine to the
2 Department and the entity providing career and training
3 counseling.

4 (6) Ninety days prior to closure date, make available
5 to the Department and the entity providing career and
6 training counseling any industry-related certifications
7 and on-the-job training the employee earned to allow union
8 training programs, community colleges, or other
9 certification programs to award credit for life
10 experiences in order to reduce the amount of time to
11 complete training, certificates, or degrees for the
12 dislocated employee.

13 (7) Maintain responsible retirement account
14 portfolios.

15 Section 10-30. Displaced Energy Worker Dependent
16 Transition Scholarship.

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

20 (b) Any natural child, legally adopted child, or stepchild
21 of an eligible displaced energy worker who possesses all
22 necessary entrance requirements shall, upon application and
23 proper proof, be awarded a transition scholarship consisting
24 of the equivalent of one calendar year of full-time
25 enrollment, including summer terms, to the State-supported

1 Illinois institution of higher learning of his or her choice.

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

6 (d) Full-time enrollment means 12 or more semester hours
7 of courses per semester, or 12 or more quarter hours of courses
8 per quarter, or the equivalent thereof per term. Scholarships
9 utilized by dependents enrolled in less than full-time study
10 shall be computed in the proportion which the number of hours
11 so carried bears to full-time enrollment.

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

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

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

23 (2) in the absence of transition scholarship
24 assistance, will be deterred by financial considerations
25 from completing an educational program at the
26 State-supported Illinois institution of higher learning of

1 his or her choice.

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

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

10 Section 10-35. Consideration of energy worker employment.

11 (a) All State departments and agencies shall conduct a
12 review of the Department of Commerce and Economic
13 Opportunity's registry of energy workers to determine whether
14 any qualified candidates are displaced energy workers before
15 making a final hiring decision for a position in State
16 employment.

17 (b) The Department of Commerce and Economic Opportunity
18 shall inform all State agencies and departments of the
19 obligations created by this Section and take steps to ensure
20 compliance.

21 (c) Nothing in this Section shall be interpreted to
22 indicate that the State is required to hire displaced energy
23 workers for any position.

24 (d) No part of this Section shall be interpreted to be in
25 conflict with federal or State civil rights or employment law.

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

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

18 Section 10-90. Repealer. This Act is repealed 14 years
19 after the effective date of this Act.

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

21 Section 15-1. Short title. This Article may be cited as

1 the Community Energy, Climate, and Jobs Planning Act.
2 References in this Article to "this Act" mean this Article.

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

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

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

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

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

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

1 electricity; photovoltaic, energy storage, or thermal
2 resource; or any combination thereof.

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

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

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

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

23 (3) automated energy control systems;

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

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

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

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

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

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

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

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

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

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

20 (3) a person who was formerly incarcerated.

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

24 "Local Employment Plan" means a bidding option that public
25 agencies may include in requests for proposals to incentivize
26 bidders to voluntarily plan to retain and create high-skilled

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

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

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

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

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

1 sewer districts, housing authorities, and transit agencies.

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

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

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

26 "Water use improvement" means any fixture, product,

1 system, device, or interacting group thereof for or serving
2 any property that has the effect of conserving water resources
3 through improved water management, efficiency, or thermal
4 resource.

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

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

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

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

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

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

24 (4) incentivize the creation and retention of quality
25 Illinois jobs (when federal funds are not involved) in the

1 emerging clean energy economy;

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

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

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

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

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

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

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

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

1 nature-based approaches for climate adaptation; and

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

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

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

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

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

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

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

1 community; and

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

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

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

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

9 (3) alternative transportation funding;

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

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

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

17 (7) networks of natural resources and infrastructure.

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

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

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

24 (3) direct public agencies to implement tools, such as
25 the U.S. Employment Plan or a Local Employment Plan, to
26 incentivize manufacturers in clean energy industries to

1 create and retain quality jobs and invest in training,
2 workforce development, and apprenticeship programs in
3 connection to a major contract;

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

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

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

13 (7) improve utility bill affordability;

14 (8) increase mass transit ridership;

15 (9) decrease vehicle miles traveled;

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

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

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

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

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

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

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

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

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

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

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

8 Section 15-90. Repealer. This Act is repealed 14 years
9 after the effective date of this Act.

10 Article 20. Illinois Clean Energy

11 Jobs and Justice Fund Act

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

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

21 (1) ensure that the benefits of the clean energy

1 economy are equitably distributed;

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

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

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

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

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

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

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

26 (9) pursue financial self-sustainability through

1 innovative financing products.

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

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

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

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

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

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

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

1 revised every 5 years.

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

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

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

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

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

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

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

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

22 (d) The Fund shall:

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

1 of that Code;

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

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

8 Section 20-20. Board of Directors.

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

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

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

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

1 (4) at least one member shall be a policy or
2 implementation expert in serving low-income, environmental
3 justice or BIPOC communities or individuals, including
4 environmental justice communities, BIPOC communities,
5 formerly convicted persons, persons who are or were in the
6 child welfare system, displaced energy workers, gender
7 nonconforming and transgender individuals, or youth; and

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

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

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

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

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

20 (b) Subsequent composition and terms.

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

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

1 is a candidate.

2 (3) All members elected pursuant to paragraph (2) of
3 subsection (a) of this Section shall have a term of 5
4 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 (5) Members of the Board can fulfill multiple
25 criteria, such as representing the southern region and an
26 MBE or BIPOC-owned business focused on the deployment of

1 clean energy.

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

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

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

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

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

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

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

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

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

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

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

26 (1) adopting an annual budget and plan of operations,

1 including a requirement of Board approval before the
2 budget or plan may take effect;

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

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

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

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

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

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

1 there, and a reporting format and schedule to be adhered to by
2 the Fund officers and staff. These metrics and reports shall
3 be posted quarterly on the Fund's website.

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

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

19 Section 20-25. Powers and duties.

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

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

25 (2) Support financing or other expenditures that

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

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

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

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

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

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

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

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

26 (A) baseline data on capital sources or providers,

1 loan recipients, projects funded, loan terms, and
2 other relevant financial data;

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

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

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

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

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

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

26 (3) invest in, acquire, lease, purchase, own, manage,

1 hold, sell, and dispose of real or personal property or
2 any interest therein;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 (h) The powers enumerated in this Section shall be
26 interpreted broadly to effectuate the purposes established in

1 this Section and shall not be construed as a limitation of
2 powers.

3 Section 20-30. Primary responsibilities in early program
4 development.

5 (a) Consistent with the goals of this Act, the Fund has the
6 authority to pursue a broad range of financial products and
7 services. In early development of products and services
8 offered, the Fund should consider the following programs as
9 its initial set of investment initiatives:

10 (1) a solar lease, power-purchase agreement, or
11 loan-to-own product specifically designed to complement
12 and grow the Illinois Solar for All Program;

13 (2) direct capitalization of contractors of color
14 participating in or graduating from the workforce and
15 business development programs established in the Energy
16 Transition Act;

17 (3) providing direct capitalization of community-based
18 projects in environmental justice communities through
19 upfront grants. Project applications should provide a
20 community benefit, align with environmental justice
21 communities, be in support of this Act's contractor and
22 workforce development goals, and support upfront planning,
23 development, and start up costs that often are not covered
24 prior to applying for program incentives and other loan
25 products;

1 (4) providing loan loss reserve products to secure
2 stable and low-interest financing for individual projects
3 and portfolios consistent with the goals of this Act that
4 would be otherwise unable to receive financing; and

5 (5) offering financing and administrative services for
6 municipal utilities and rural electric cooperatives to
7 create their own version of the on-bill Equitable Energy
8 Upgrade Program such as the Pay As You Save program
9 developed by the Energy Efficiency Institute.

10 Section 20-35. Executive director and fund management.

11 (a) The executive director hired by the Board shall have
12 the same qualifications as a director pursuant to subsections
13 (d), (g), and (h) of Section 20-20 of this Act. The executive
14 director may not be a candidate for the Board of Directors
15 while serving as executive director. The executive director
16 must have 5 or more years of experience in equitable and
17 inclusive financing serving racially and socioeconomically
18 diverse communities.

19 (b) To hire the executive director, the Board shall adhere
20 to any applicable State or federal law prohibiting
21 discrimination in employment.

22 (c) The Board shall require all applicants for the
23 position of executive director of the Fund to file a financial
24 statement consistent with requirements established by the
25 Board. The Board shall require the executive director to file

1 a current statement annually.

2 (d) The Fund shall be administered by the executive
3 director and the staff and overseen by the Board of Directors.
4 Fund officers and staff shall receive training in how to best
5 provide services and support to low-income, environmental
6 justice, and BIPOC communities and on supporting borrowers
7 with loan applications, loan underwriting, and loan services.

8 Section 20-40. Dissolution. The Fund may dissolve or be
9 dissolved under the General Not for Profit Corporation Act.

10 Section 20-90. Repealer. This Act is repealed 14 years
11 after the effective date of this Act.

12 Article 90.

13 Section 90-1. Legislative findings. The General Assembly
14 finds and declares:

15 (1) The overall objectives of regulation of the
16 electric utility industry in this State, as expressed by
17 the General Assembly in the Illinois Power Agency Act and
18 the Public Utilities Act, include the provision of
19 adequate, efficient, reliable, environmentally safe, and
20 least-cost utility services at prices that accurately
21 reflect the long-term cost of such services and that are
22 equitable to all citizens.

1 (2) For many years, a significant portion of the
2 electricity consumed by consumers and businesses in this
3 State, particularly in the downstate region, has been
4 produced by large coal-fueled electric generating stations
5 located in the downstate region. However, in recent years,
6 the prices for electric generating capacity and energy
7 available to coal-fueled electric generating stations
8 located in the downstate region of this State have been
9 insufficient to enable many electric generating facilities
10 located within the downstate region to remain in
11 operation, and have placed other electric generating
12 stations at risk of closure. Changes in environmental
13 regulations and, significantly, increasing concerns about
14 the effects of carbon emissions on the climate, have also
15 contributed to the retirement of coal-fueled generating
16 stations in the downstate region. As a result, the vast
17 majority of the coal-fueled generation located in
18 Illinois, and particularly in the downstate region, has
19 recently been retired or will be retired by no later than
20 the end of 2027.

21 (3) Reliable electric service at all times is
22 essential to the functioning of a modern economy and of
23 society in general. The health, welfare, and prosperity of
24 Illinois citizens, including the attractiveness of the
25 State of Illinois to business and industry, requires the
26 availability of sufficient electric generating capacity,

1 including energy storage capacity, to meet the demands of
2 consumers and businesses in this State at all times.
3 However, to a significant extent, electricity, when
4 generated, cannot be stored for future use in any
5 significant amount relative to the total amount of
6 electricity that existing generating facilities can
7 produce. Rather, for the most part, electricity must be
8 produced instantaneously at the time and in the amount
9 that it is demanded by residential and business consumers.
10 The development of energy storage facilities provides some
11 opportunity to store some amounts of electricity for use
12 at later times; but energy storage facilities with
13 sufficient capacity to deliver electricity to meet the
14 demands of consumers in this State, 24 hours per day, 7
15 days per week on every day of the year, have not yet been
16 built.

17 (4) Both the Midcontinent Independent System Operator,
18 Inc., which is the independent transmission system
19 operator for downstate Illinois, and its Independent
20 Market Monitor, have expressed concerns about the
21 sufficiency of electric generating resources in downstate
22 Illinois over the next several years, due primarily to the
23 announced and anticipated retirements of coal-fueled
24 electric generating facilities and concerns about how
25 quickly and extensively new wind and solar generating
26 facilities will be placed into service. Concerns have also

1 been expressed, based on the intermittent nature of wind
2 and solar generating facilities, as to whether the grid
3 can operate reliably without sufficient dispatchable
4 generation resources or significant additions of energy
5 storage facilities to balance the output of renewable
6 generating facilities. The General Assembly believes that
7 the State cannot afford to find itself in a situation of
8 insufficient electric generating resources to meet the
9 needs of Illinois residential and business consumers 24
10 hours a day, 7 days a week. Thus, consistent with the
11 overall objectives of the regulation of the electric
12 utility industry in this State and the interests of the
13 State in protecting the health and welfare of its
14 residents, regulation should ensure that sufficient
15 generating resources, including energy storage resources,
16 are available to enable the electric utility grid to meet
17 the demands of Illinois electricity consumers at all
18 times.

19 (5) Through previous enactments beginning in 2007, the
20 General Assembly has provided financial incentives for the
21 construction and operation of wind, solar, and other types
22 of renewable energy facilities to serve load in Illinois.
23 In such enactments, the General Assembly has recognized
24 that providing opportunities to enter into long-term
25 contracts for the purchase of renewable energy credits
26 from renewable energy facilities creates incentives, and

1 in fact is necessary, for the construction and operation
2 of such resources. Developers typically cannot,
3 financially, develop new, large-scale renewable energy
4 generating resources without having secured long-term
5 contracts for the renewable energy credits that the new
6 facilities will produce.

7 (6) The permitting and siting of new wind and solar
8 generating facilities in Illinois are subject to local
9 governmental control, and in many areas of this State,
10 there has been strong opposition to the siting and
11 construction of new utility-scale wind and solar
12 generating facilities, which in turn has resulted in the
13 denial of, or withdrawal of requests for, necessary
14 approvals for some projects and the enactment of local
15 zoning ordinances imposing requirements and restrictions
16 that increase the costs and reduce the economic
17 attractiveness of such projects. This has resulted in
18 delay or cancellation of a number of renewable energy
19 projects. This experience demonstrates the advantages of
20 targeting the installation of new utility-scale renewable
21 energy facilities at sites that are already suitable for
22 installation of such facilities and can be readily
23 permitted.

24 (7) In light of the intermittent nature of many types
25 of renewable energy facilities, such as wind and solar
26 generation, the installation and operation of electricity

1 storage facilities in conjunction with the installation
2 and operation of renewable generation facilities can
3 enhance the value of renewable energy resources to the
4 electric grid.

5 (8) The sites of many of the large coal-fueled
6 electric generating stations located in the downstate
7 region of this State that have recently been retired or
8 announced for retirement, or are at risk of retirement,
9 have existing infrastructure and other characteristics
10 which make them suitable potential sites for development
11 of new renewable energy generating facilities and
12 electricity storage facilities. This infrastructure and
13 other characteristics include large amounts of available
14 land situated at a suitable distance from populated areas,
15 suitable levels of exposure to sunlight, and high voltage
16 interconnections to nearby bulk electric system
17 transmission grid facilities at strategic locations.
18 Development of these generating plant sites for
19 large-scale renewable energy generating facilities,
20 particularly photovoltaic facilities which require large
21 amounts of space, and electricity storage facilities, can
22 help advance this State's objective of increasing the
23 portion of the State's total electricity usage that is
24 supplied by zero emission resources, and reducing the
25 proportion of the electricity produced in this State that
26 is produced by carbon-emitting resources, while supporting

1 the reliability of electric service in the downstate
2 region. Accordingly, the General Assembly finds that it is
3 in the public interest to encourage the redevelopment of
4 the sites of retired and still-operating coal-fueled
5 electric generating stations as locations for renewable
6 energy generating facilities and electricity storage
7 facilities.

8 (9) Many, if not all, of the coal-fueled electric
9 generating plants in this State that have recently been
10 retired or announced for retirement, or are at near-term
11 risk of retirement, were at one time owned, at whole or in
12 part, by a public utility as defined in Section 3-105 of
13 the Public Utilities Act and were thereby devoted to
14 public service and the public use in Illinois, with their
15 costs paid for by rates paid by public utility ratepayers
16 in Illinois. The General Assembly finds that it is
17 appropriate to provide incentives to the owners of the
18 sites of coal-fueled electric generating facilities in
19 this State that were once owned by public utilities, to
20 repurpose those sites in a manner that continues to
21 benefit the public by providing for the generation of
22 carbon-free, non-emitting electricity and reliable bulk
23 electric service.

24 (10) The General Assembly finds it is appropriate for
25 the State of Illinois to establish a program to provide
26 incentives for the installation and operation of new

1 renewable energy facilities, along with energy storage
2 facilities, at the sites of retired and at-risk
3 coal-fueled electric generating facilities in this State,
4 to help expedite the transition of this State's electric
5 generation fleet to lower-emitting resources while
6 ensuring the availability of sufficient electric energy
7 resources to meet the demands of residential and business
8 electricity consumers in this State.

9 (11) In light of the foregoing findings, the purpose
10 of the program established in subsection (c-5) of Section
11 1-75 of the Illinois Power Agency Act is to incentivize
12 and support conversion and development of unused (or to be
13 unused) sites of recently retired and soon to-be-retired
14 coal-fueled power plants in this State to productive new
15 uses as sites for the generation and provision of
16 electricity from renewable energy facilities and energy
17 storage facilities, thereby contributing to the State's
18 efforts to reduce carbon emissions from facilities in this
19 State and increase the production of the State's
20 electricity needs from clean energy resources. The
21 provisions of this Act also will support the reliability
22 of the bulk power grid in this State by incentivizing and
23 supporting installation of new generating facilities and
24 energy storage facilities at locations on the grid where
25 synchronous generation was formerly located.

1 Section 90-3. The Illinois Administrative Procedure Act is
2 amended by adding 5-45.9 as follows:

3 (5 ILCS 100/5-45.9 new)

4 Sec. 5-45.9. Emergency rulemaking; Multi-Year Integrated
5 Grid Plans. To provide for the expeditious and timely
6 implementation of Section 16-105.17 of the Public Utilities
7 Act, emergency rules implementing Section 16-105.17 of the
8 Public Utilities Act may be adopted in accordance with Section
9 5-45 by the Illinois Commerce Commission. The adoption of
10 emergency rules authorized by Section 5-45 and this Section is
11 deemed to be necessary for the public interest, safety, and
12 welfare.

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

15 Section 90-5. The Illinois Governmental Ethics Act is
16 amended by adding Section 1-121 and by changing Sections
17 4A-102 and 4A-103 as follows:

18 (5 ILCS 420/1-121 new)

19 Sec. 1-121. Public utility. "Public utility" has the
20 meaning provided in Section 3-105 of the Public Utilities Act.

21 (5 ILCS 420/4A-102) (from Ch. 127, par. 604A-102)

22 Sec. 4A-102. The statement of economic interests required

1 by this Article shall include the economic interests of the
2 person making the statement as provided in this Section. The
3 interest (if constructively controlled by the person making
4 the statement) of a spouse or any other party, shall be
5 considered to be the same as the interest of the person making
6 the statement. Campaign receipts shall not be included in this
7 statement.

8 (a) The following interests shall be listed by all
9 persons required to file:

10 (1) The name, address and type of practice of any
11 professional organization or individual professional
12 practice in which the person making the statement was
13 an officer, director, associate, partner or
14 proprietor, or served in any advisory capacity, from
15 which income in excess of \$1200 was derived during the
16 preceding calendar year;

17 (2) The nature of professional services (other
18 than services rendered to the unit or units of
19 government in relation to which the person is required
20 to file) and the nature of the entity to which they
21 were rendered if fees exceeding \$5,000 were received
22 during the preceding calendar year from the entity for
23 professional services rendered by the person making
24 the statement.

25 (3) The identity (including the address or legal
26 description of real estate) of any capital asset from

1 which a capital gain of \$5,000 or more was realized in
2 the preceding calendar year.

3 (4) The name of any unit of government which has
4 employed the person making the statement during the
5 preceding calendar year other than the unit or units
6 of government in relation to which the person is
7 required to file.

8 (5) The name of any entity from which a gift or
9 gifts, or honorarium or honoraria, valued singly or in
10 the aggregate in excess of \$500, was received during
11 the preceding calendar year.

12 (b) The following interests shall also be listed by
13 persons listed in items (a) through (f), item (l), item
14 (n), and item (p) of Section 4A-101:

15 (1) The name and instrument of ownership in any
16 entity doing business in the State of Illinois, in
17 which an ownership interest held by the person at the
18 date of filing is in excess of \$5,000 fair market value
19 or from which dividends of in excess of \$1,200 were
20 derived during the preceding calendar year. (In the
21 case of real estate, location thereof shall be listed
22 by street address, or if none, then by legal
23 description). No time or demand deposit in a financial
24 institution, nor any debt instrument need be listed;

25 (2) Except for professional service entities, the
26 name of any entity and any position held therein from

1 which income of in excess of \$1,200 was derived during
2 the preceding calendar year, if the entity does
3 business in the State of Illinois. No time or demand
4 deposit in a financial institution, nor any debt
5 instrument need be listed.

6 (3) The identity of any compensated lobbyist with
7 whom the person making the statement maintains a close
8 economic association, including the name of the
9 lobbyist and specifying the legislative matter or
10 matters which are the object of the lobbying activity,
11 and describing the general type of economic activity
12 of the client or principal on whose behalf that person
13 is lobbying.

14 (c) The following interests shall also be listed by
15 persons listed in items (a) through (c) and item (e) of
16 Section 4A-101.5:

17 (1) The name and instrument of ownership in any
18 entity doing business with a unit of local government
19 in relation to which the person is required to file if
20 the ownership interest of the person filing is greater
21 than \$5,000 fair market value as of the date of filing
22 or if dividends in excess of \$1,200 were received from
23 the entity during the preceding calendar year. (In the
24 case of real estate, location thereof shall be listed
25 by street address, or if none, then by legal
26 description). No time or demand deposit in a financial

1 institution, nor any debt instrument need be listed.

2 (2) Except for professional service entities, the
3 name of any entity and any position held therein from
4 which income in excess of \$1,200 was derived during
5 the preceding calendar year if the entity does
6 business with a unit of local government in relation
7 to which the person is required to file. No time or
8 demand deposit in a financial institution, nor any
9 debt instrument need be listed.

10 (3) The name of any entity and the nature of the
11 governmental action requested by any entity which has
12 applied to a unit of local government in relation to
13 which the person must file for any license, franchise
14 or permit for annexation, zoning or rezoning of real
15 estate during the preceding calendar year if the
16 ownership interest of the person filing is in excess
17 of \$5,000 fair market value at the time of filing or if
18 income or dividends in excess of \$1,200 were received
19 by the person filing from the entity during the
20 preceding calendar year.

21 (d) The following interest shall also be listed by
22 persons listed in items (a) through (f) of Section 4A-101:
23 the name of any spouse or immediate family member living
24 with such person employed by a public utility in this
25 State and the name of the public utility that employs such
26 person.

1 For the purposes of this Section, the unit of local
2 government in relation to which a person is required to file
3 under item (e) of Section 4A-101.5 shall be the unit of local
4 government that contributes to the pension fund of which such
5 person is a member of the board.

6 (Source: P.A. 101-221, eff. 8-9-19.)

7 (5 ILCS 420/4A-103) (from Ch. 127, par. 604A-103)

8 Sec. 4A-103. The statement of economic interests required
9 by this Article to be filed with the Secretary of State or
10 county clerk shall be ~~filled in by typewriting or hand~~
11 ~~printing, shall be~~ verified, dated, and signed by the person
12 making the statement and shall contain substantially the
13 following:

14 STATEMENT OF ECONOMIC INTERESTS

15 INSTRUCTIONS:

16 You may find the following documents helpful to you in
17 completing this form:

18 (1) federal income tax returns, including any related
19 schedules, attachments, and forms; and

20 (2) investment and brokerage statements.

21 To complete this form, you do not need to disclose
22 specific amounts or values or report interests relating either
23 to political committees registered with the Illinois State

1 Board of Elections or to political committees, principal
2 campaign committees, or authorized committees registered with
3 the Federal Election Commission.

4 The information you disclose will be available to the
5 public.

6 You must answer all 6 questions. Certain questions will
7 ask you to report any applicable assets or debts held in, or
8 payable to, your name; held jointly by, or payable to, you with
9 your spouse; or held jointly by, or payable to, you with your
10 minor child. If you have any concerns about whether an
11 interest should be reported, please consult your department's
12 ethics officer, if applicable.

13 Please ensure that the information you provide is complete
14 and accurate. If you need more space than the form allows,
15 please attach additional pages for your response. If you are
16 subject to the State Officials and Employees Ethics Act, your
17 ethics officer must review your statement of economic
18 interests before you file it. Failure to complete the
19 statement in good faith and within the prescribed deadline may
20 subject you to fines, imprisonment, or both.

21 BASIC INFORMATION:

22 Name:.....

23 Job title:

24 Office, department, or agency that requires you to file this
25 form:.....

1 Other offices, departments, or agencies that require you to
 2 file a Statement of Economic Interests form:
 3 Full mailing address:.....
 4 Preferred e-mail address (optional):

5 QUESTIONS:

6 1. If you have any single asset that was worth more than
 7 \$10,000 as of the end of the preceding calendar year and is
 8 held in, or payable to, your name, held jointly by, or payable
 9 to, you with your spouse, or held jointly by, or payable to,
 10 you with your minor child, list such assets below. In the case
 11 of investment real estate, list the city and state where the
 12 investment real estate is located. If you do not have any such
 13 assets, list "none" below.

14
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19 2. Excluding the position for which you are required to
 20 file this form, list the source of any income in excess of
 21 \$7,500 required to be reported during the preceding calendar
 22 year. If you sold an asset that produced more than \$7,500 in
 23 capital gains in the preceding calendar year, list the name of
 24 the asset and the transaction date on which the sale or
 25 transfer took place. If you had no such sources of income or

1 assets, list "none" below.

2 Source of Income / Name of Date Sold (if applicable)

3 Asset

4

5

6

7 3. Excluding debts incurred on terms available to the
8 general public, such as mortgages, student loans, and credit
9 card debts, if you owed any single debt in the preceding
10 calendar year exceeding \$10,000, list the creditor of the debt
11 below. If you had no such debts, list "none" below.

12 List the creditor for all applicable debts owed by you,
13 owed jointly by you with your spouse, or owed jointly by you
14 with your minor child. In addition to the types of debts listed
15 above, you do not need to report any debts to or from financial
16 institutions or government agencies, such as debts secured by
17 automobiles, household furniture or appliances, as long as the
18 debt was made on terms available to the general public, debts
19 to members of your family, or debts to or from a political
20 committee registered with the Illinois State Board of
21 Elections or any political committee, principal campaign
22 committee, or authorized committee registered with the Federal
23 Election Commission.

24

25

1
 2

3 4. List the name of each unit of government of which you or
 4 your spouse were an employee, contractor, or office holder
 5 during the preceding calendar year other than the unit or
 6 units of government in relation to which the person is
 7 required to file and the title of the position or nature of the
 8 contractual services.

<u>Name of Unit of Government</u>	<u>Title or Nature of Services</u>
10
11
12

13 5. If you maintain an economic relationship with a
 14 lobbyist or if a member of your family is known to you to be a
 15 lobbyist registered with any unit of government in the State
 16 of Illinois, list the name of the lobbyist below and identify
 17 the nature of your relationship with the lobbyist. If you do
 18 not have an economic relationship with a lobbyist or a family
 19 member known to you to be a lobbyist registered with any unit
 20 of government in the State of Illinois, list "none" below.

<u>Name of Lobbyist</u>	<u>Relationship to Filer</u>
22
23
24

1 6. List the name of each person, organization, or entity
 2 that was the source of a gift or gifts, or honorarium or
 3 honoraria, valued singly or in the aggregate in excess of \$500
 4 received during the preceding calendar year and the type of
 5 gift or gifts, or honorarium or honoraria, excluding any gift
 6 or gifts from a member of your family that was not known to be
 7 a lobbyist registered with any unit of government in the State
 8 of Illinois. If you had no such gifts, list "none" below.

9
 10
 11

12 7. List the name of any spouse or immediate family member
 13 living with the person making this statement employed by a
 14 public utility in this State and the name of the public utility
 15 that employs the relative.

<u>Name and Relation</u>	<u>Public Utility</u>
17
18
19

20 VERIFICATION:

21 "I declare that this statement of economic interests
 22 (including any attachments) has been examined by me and to the
 23 best of my knowledge and belief is a true, correct and complete
 24 statement of my economic interests as required by the Illinois
 25 Governmental Ethics Act. I understand that the penalty for

1 willfully filing a false or incomplete statement is a fine not
2 to exceed \$2,500 or imprisonment in a penal institution other
3 than the penitentiary not to exceed one year, or both fine and
4 imprisonment."

5 Printed Name of Filer:

6 Date:.....

7 Signature:

8 If this statement of economic interests requires ethics
9 officer review prior to filing, the applicable ethics officer
10 must complete the following:

11 CERTIFICATION OF ETHICS OFFICER REVIEW:

12 "In accordance with law, as Ethics Officer, I reviewed
13 this statement of economic interests prior to its filing."

14 Printed Name of Ethics Officer:

15 Date:.....

16 Signature:

17 Preferred e-mail address (optional):

18 ~~STATEMENT OF ECONOMIC INTEREST~~

19 ~~(TYPE OR HAND PRINT)~~

20 ~~.....~~

21 ~~(name)~~

22 ~~.....~~

23 ~~(each office or position of employment for which this~~

1 ~~statement is filed)~~

2 ~~.....~~

3 ~~(full mailing address)~~

4 ~~GENERAL DIRECTIONS:~~

5 ~~The interest (if constructively controlled by the person~~
6 ~~making the statement) of a spouse or any other party, shall be~~
7 ~~considered to be the same as the interest of the person making~~
8 ~~the statement.~~

9 ~~Campaign receipts shall not be included in this statement.~~

10 ~~If additional space is needed, please attach supplemental~~
11 ~~listing.~~

12 ~~1. List the name and instrument of ownership in any entity~~
13 ~~doing business in the State of Illinois, in which the~~
14 ~~ownership interest held by the person at the date of filing is~~
15 ~~in excess of \$5,000 fair market value or from which dividends~~
16 ~~in excess of \$1,200 were derived during the preceding calendar~~
17 ~~year. (In the case of real estate, location thereof shall be~~
18 ~~listed by street address, or if none, then by legal~~
19 ~~description.) No time or demand deposit in a financial~~
20 ~~institution, nor any debt instrument need be listed.~~

21 ~~Business Entity~~

~~Instrument of Ownership~~

22 ~~.....~~

23 ~~.....~~

24 ~~.....~~

25 ~~.....~~

26 ~~2. List the name, address and type of practice of any~~

1 ~~professional organization in which the person making the~~
 2 ~~statement was an officer, director, associate, partner or~~
 3 ~~proprietor or served in any advisory capacity, from which~~
 4 ~~income in excess of \$1,200 was derived during the preceding~~
 5 ~~calendar year.~~

Name	Address	Type of Practice
.....
.....
.....

10 ~~3. List the nature of professional services rendered~~
 11 ~~(other than to the State of Illinois) to each entity from which~~
 12 ~~income exceeding \$5,000 was received for professional services~~
 13 ~~rendered during the preceding calendar year by the person~~
 14 ~~making the statement.~~

15

16

17 ~~4. List the identity (including the address or legal~~
 18 ~~description of real estate) of any capital asset from which a~~
 19 ~~capital gain of \$5,000 or more was realized during the~~
 20 ~~preceding calendar year.~~

21

22

23 ~~5. List the identity of any compensated lobbyist with whom~~
 24 ~~the person making the statement maintains a close economic~~
 25 ~~association, including the name of the lobbyist and specifying~~
 26 ~~the legislative matter or matters which are the object of the~~

1 ~~lobbying activity, and describing the general type of economic~~
 2 ~~activity of the client or principal on whose behalf that~~
 3 ~~person is lobbying.~~

Lobbyist	Legislative Matter	Client or Principal
.....
.....

7 ~~6. List the name of any entity doing business in the State~~
 8 ~~of Illinois from which income in excess of \$1,200 was derived~~
 9 ~~during the preceding calendar year other than for professional~~
 10 ~~services and the title or description of any position held in~~
 11 ~~that entity. (In the case of real estate, location thereof~~
 12 ~~shall be listed by street address, or if none, then by legal~~
 13 ~~description). No time or demand deposit in a financial~~
 14 ~~institution nor any debt instrument need be listed.~~

Entity	Position Held
.....
.....
.....

19 ~~7. List the name of any unit of government which employed~~
 20 ~~the person making the statement during the preceding calendar~~
 21 ~~year other than the unit or units of government in relation to~~
 22 ~~which the person is required to file.~~

23 ~~.....~~
 24 ~~.....~~

25 ~~8. List the name of any entity from which a gift or gifts,~~
 26 ~~or honorarium or honoraria, valued singly or in the aggregate~~

1 ~~in excess of \$500, was received during the preceding calendar~~
2 ~~year.~~

3

4 VERIFICATION:

5 ~~"I declare that this statement of economic interests~~
6 ~~(including any accompanying schedules and statements) has been~~
7 ~~examined by me and to the best of my knowledge and belief is a~~
8 ~~true, correct and complete statement of my economic interests~~
9 ~~as required by the Illinois Governmental Ethics Act. I~~
10 ~~understand that the penalty for willfully filing a false or~~
11 ~~incomplete statement shall be a fine not to exceed \$1,000 or~~
12 ~~imprisonment in a penal institution other than the~~
13 ~~penitentiary not to exceed one year, or both fine and~~
14 ~~imprisonment."~~

15

16 ~~(date of filing) (signature of person making the statement)~~

17 (Source: P.A. 95-173, eff. 1-1-08.)

18 Section 90-10. The State Officials and Employees Ethics
19 Act is amended by changing Section 5-50 as follows:

20 (5 ILCS 430/5-50)

21 Sec. 5-50. Ex parte communications; special government
22 agents.

23 (a) This Section applies to ex parte communications made
24 to any agency listed in subsection (e).

1 (b) "Ex parte communication" means any written or oral
2 communication by any person that imparts or requests material
3 information or makes a material argument regarding potential
4 action concerning regulatory, quasi-adjudicatory, investment,
5 or licensing matters pending before or under consideration by
6 the agency. "Ex parte communication" does not include the
7 following: (i) statements by a person publicly made in a
8 public forum; (ii) statements regarding matters of procedure
9 and practice, such as format, the number of copies required,
10 the manner of filing, and the status of a matter; and (iii)
11 statements made by a State employee of the agency to the agency
12 head or other employees of that agency.

13 (b-5) An ex parte communication received by an agency,
14 agency head, or other agency employee from an interested party
15 or his or her official representative or attorney shall
16 promptly be memorialized and made a part of the record.

17 (c) An ex parte communication received by any agency,
18 agency head, or other agency employee, other than an ex parte
19 communication described in subsection (b-5), shall immediately
20 be reported to that agency's ethics officer by the recipient
21 of the communication and by any other employee of that agency
22 who responds to the communication. The ethics officer shall
23 require that the ex parte communication be promptly made a
24 part of the record. The ethics officer shall promptly file the
25 ex parte communication with the Executive Ethics Commission,
26 including all written communications, all written responses to

1 the communications, and a memorandum prepared by the ethics
2 officer stating the nature and substance of all oral
3 communications, the identity and job title of the person to
4 whom each communication was made, all responses made, the
5 identity and job title of the person making each response, the
6 identity of each person from whom the written or oral ex parte
7 communication was received, the individual or entity
8 represented by that person, any action the person requested or
9 recommended, and any other pertinent information. The
10 disclosure shall also contain the date of any ex parte
11 communication.

12 (d) "Interested party" means a person or entity whose
13 rights, privileges, or interests are the subject of or are
14 directly affected by a regulatory, quasi-adjudicatory,
15 investment, or licensing matter. For purposes of an ex parte
16 communication received by either the Illinois Commerce
17 Commission or the Illinois Power Agency, "interested party"
18 also includes: (1) an organization comprised of 2 or more
19 businesses, persons, nonprofit entities, or any combination
20 thereof, that are working in concert to advance public policy
21 advocated by the organization, or (2) any party selling
22 renewable energy resources procured by the Illinois Power
23 Agency pursuant to Section 16-111.5 of the Public Utilities
24 Act and Section 1-75 of the Illinois Power Agency Act.

25 (e) This Section applies to the following agencies:

26 Executive Ethics Commission

1 Illinois Commerce Commission
2 Illinois Power Agency
3 Educational Labor Relations Board
4 State Board of Elections
5 Illinois Gaming Board
6 Health Facilities and Services Review Board
7 Illinois Workers' Compensation Commission
8 Illinois Labor Relations Board
9 Illinois Liquor Control Commission
10 Pollution Control Board
11 Property Tax Appeal Board
12 Illinois Racing Board
13 Illinois Purchased Care Review Board
14 Department of State Police Merit Board
15 Motor Vehicle Review Board
16 Prisoner Review Board
17 Civil Service Commission
18 Personnel Review Board for the Treasurer
19 Merit Commission for the Secretary of State
20 Merit Commission for the Office of the Comptroller
21 Court of Claims
22 Board of Review of the Department of Employment Security
23 Department of Insurance
24 Department of Professional Regulation and licensing boards
25 under the Department
26 Department of Public Health and licensing boards under the

1 Department
2 Office of Banks and Real Estate and licensing boards under
3 the Office
4 State Employees Retirement System Board of Trustees
5 Judges Retirement System Board of Trustees
6 General Assembly Retirement System Board of Trustees
7 Illinois Board of Investment
8 State Universities Retirement System Board of Trustees
9 Teachers Retirement System Officers Board of Trustees

10 (f) Any person who fails to (i) report an ex parte
11 communication to an ethics officer, (ii) make information part
12 of the record, or (iii) make a filing with the Executive Ethics
13 Commission as required by this Section or as required by
14 Section 5-165 of the Illinois Administrative Procedure Act
15 violates this Act.

16 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

17 Section 90-15. The Department of Commerce and Economic
18 Opportunity Law of the Civil Administrative Code of Illinois
19 is amended by adding Section 605-1075 as follows:

20 (20 ILCS 605/605-1075 new)

21 Sec. 605-1075. Energy Transition Assistance Fund.

22 (a) The General Assembly hereby declares that management
23 of several economic development programs requires a
24 consolidated funding source to improve resource efficiency.

1 The General Assembly specifically recognizes that properly
2 servicing communities and workers impacted by the energy
3 transition requires that the Department of Commerce and
4 Economic Opportunity have access to the resources required for
5 the execution of the programs for workforce and contractor
6 development, just transition investments and community
7 support, and the implementation and administration of energy
8 and justice efforts by the State.

9 (b) The Department shall be responsible for the
10 administration of the Energy Transition Assistance Fund and
11 shall allocate funding on the basis of priorities established
12 in this Section. Each year, the Department shall determine the
13 available amount of resources in the Fund that can be
14 allocated to the programs identified in this Section, and
15 allocate the funding accordingly. The Department shall, to the
16 extent practical, consider both the short-term and long-term
17 costs of the programs and allocate funding so that the
18 Department is able to cover both the short-term and long-term
19 costs of these programs using projected revenue.

20 The available funding for each year shall be allocated
21 from the Fund in the following order of priority:

22 (1) for costs related to the Clean Jobs Workforce
23 Network Program, up to \$21,000,000 annually prior to June
24 1, 2023 and \$24,333,333 annually thereafter;

25 (2) for costs related to the Clean Energy Contractor
26 Incubator Program, up to \$21,000,000 annually;

1 (3) for costs related to the Clean Energy Primes
2 Contractor Accelerator Program, up to \$9,000,000 annually;

3 (4) for costs related to the Barrier Reduction
4 Program, up to \$21,000,000 annually;

5 (5) for costs related to the Jobs and Environmental
6 Justice Grant Program, up to \$34,000,000 annually;

7 (6) for costs related to the Returning Residents Clean
8 Jobs Training Program, up to \$6,000,000 annually;

9 (7) for costs related to Energy Transition Navigators,
10 up to \$6,000,000 annually;

11 (8) for costs related to the Illinois Climate Works
12 Preapprenticeship Program, up to \$10,000,000 annually;

13 (9) for costs related to Energy Transition Community
14 Support Grants, up to \$40,000,000 annually;

15 (10) for costs related to the Displaced Energy Worker
16 Dependent Scholarship, upon request by the Illinois
17 Student Assistance Commission, up to \$1,100,000 annually;

18 (11) up to \$10,000,000 annually shall be transferred
19 to the Public Utilities Fund for use by the Illinois
20 Commerce Commission for costs of administering the changes
21 made to the Public Utilities Act by this amendatory Act of
22 the 102nd General Assembly;

23 (12) up to \$4,000,000 annually shall be transferred to
24 the Illinois Power Agency Operations Fund for use by the
25 Illinois Power Agency; and

26 (13) for costs related to the Clean Energy Jobs and

1 Justice Fund, up to \$1,000,000 annually.

2 The Department is authorized to utilize up to 10% of the
3 Energy Transition Assistance Fund for administrative and
4 operational expenses to implement the requirements of this
5 Act.

6 (c) Within 30 days after the effective date of this
7 amendatory Act of the 102nd General Assembly, each electric
8 utility serving more than 500,000 customers in the State shall
9 report to the Department its total kilowatt-hours of energy
10 delivered during the 12 months ending on the immediately
11 preceding May 31. By October 31, 2021 and each October 31
12 thereafter, each electric utility serving more than 500,000
13 customers in the State shall report to the Department its
14 total kilowatt-hours of energy delivered during the 12 months
15 ending on the immediately preceding May 31.

16 (d) The Department shall, within 60 days after the
17 effective date of this amendatory Act of the 102nd General
18 Assembly:

19 (1) determine the amount necessary, but not more than
20 \$140,000,000, to meet the funding needs of the programs
21 reliant upon the Energy Transition Assistance Fund as a
22 revenue source for the period between the effective date
23 of this amendatory Act of the 102nd General Assembly and
24 December 31, 2021;

25 (2) determine, based on the kilowatt-hour deliveries
26 for the 12 months ending May 31, 2021 reported by the

1 electric utilities under subsection (c), the total energy
2 transition assistance charge to be allocated to each
3 electric utility for the period between the effective date
4 of this amendatory Act of the 102nd General Assembly and
5 December 31, 2021; and

6 (3) report the total energy transition assistance
7 charge applicable until December 31, 2021 to each electric
8 utility serving more than 500,000 customers in the State
9 and the Illinois Commerce Commission for purposes of
10 filing the tariff pursuant to Section 16-108.30 of the
11 Public Utilities Act.

12 (e) The Department shall by November 30, 2021, and each
13 November 30 thereafter:

14 (1) determine the amount necessary, but not more than
15 \$140,000,000, to meet the funding needs of the programs
16 reliant upon the Energy Transition Assistance Fund as a
17 revenue source for the immediately following calendar
18 year;

19 (2) determine, based on the kilowatt-hour deliveries
20 for the 12 months ending on the immediately preceding May
21 31 reported to it by the electric utilities under
22 subsection (c), the total energy transition assistance
23 charge to be allocated to each electric utility for the
24 immediately following calendar year; and

25 (3) report the energy transition assistance charge
26 applicable for the immediately following calendar year to

1 each electric utility serving more than 500,000 customers
2 in the State and the Illinois Commerce Commission for
3 purposes of filing the tariff pursuant to Section
4 16-108.30 of the Public Utilities Act.

5 (f) The energy transition assistance charge may not exceed
6 \$140,000,000 annually. If, at the end of the calendar year,
7 any surplus remains in the Energy Transition Assistance Fund,
8 the Department may allocate the surplus from the fund in the
9 following order of priority:

10 (1) for costs related to the development of the
11 Stretch Energy Codes and other standards at the Capital
12 Development Board, up to \$500,000 annually, at the request
13 of the Board;

14 (2) up to \$7,000,000 annually shall be transferred to
15 the Energy Efficiency Trust Fund and Clean Air Act Permit
16 Fund for use by the Environmental Protection Agency for
17 costs related to energy efficiency and weatherization, and
18 costs of implementation, administration, and enforcement
19 of the Clean Air Act; and

20 (3) 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 Section 90-20. The Electric Vehicle Act is amended by
24 changing Section 15 and by adding Sections 40, 45, 50, 55, and
25 60 as follows:

1 (20 ILCS 627/15)

2 Sec. 15. Electric Vehicle Coordinator. The Governor, with
3 the advice and consent of the Senate, shall appoint a person
4 within the Illinois Environmental Protection Agency ~~Department~~
5 ~~of Commerce and Economic Opportunity~~ to serve as the Electric
6 Vehicle Coordinator for the State of Illinois. This person may
7 be an existing employee with other duties. The Coordinator
8 shall act as a point person for electric vehicle-related and
9 electric vehicle charging-related ~~electric vehicle related~~
10 policies and activities in Illinois, including, but not
11 limited to, the issuance of electric vehicle rebates for
12 consumers and electric vehicle charging rebates for
13 organizations and companies.

14 (Source: P.A. 97-89, eff. 7-11-11.)

15 (20 ILCS 627/40 new)

16 Sec. 40. Rulemaking; resources. The Agency shall adopt
17 rules as necessary and dedicate sufficient resources to
18 implement Sections 45, 50, and 55.

19 (20 ILCS 627/45 new)

20 Sec. 45. Beneficial electrification.

21 (a) It is the intent of the General Assembly to decrease
22 reliance on fossil fuels, reduce pollution from the
23 transportation sector, increase access to electrification for

1 all consumers, and ensure that electric vehicle adoption and
2 increased electricity usage and demand do not place
3 significant additional burdens on the electric system and
4 create benefits for Illinois residents.

5 (1) Illinois should increase the adoption of electric
6 vehicles in the State to 1,000,000 by 2030.

7 (2) Illinois should strive to be the best state in the
8 nation in which to drive and manufacture electric
9 vehicles.

10 (3) Widespread adoption of electric vehicles is
11 necessary to electrify the transportation sector,
12 diversify the transportation fuel mix, drive economic
13 development, and protect air quality.

14 (4) Accelerating the adoption of electric vehicles
15 will drive the decarbonization of Illinois' transportation
16 sector.

17 (5) Expanded infrastructure investment will help
18 Illinois more rapidly decarbonize the transportation
19 sector.

20 (6) Statewide adoption of electric vehicles requires
21 increasing access to electrification for all consumers.

22 (7) Widespread adoption of electric vehicles requires
23 increasing public access to charging equipment throughout
24 Illinois, especially in low-income and environmental
25 justice communities, where levels of air pollution burden
26 tend to be higher.

1 (8) Widespread adoption of electric vehicles and
2 charging equipment has the potential to provide customers
3 with fuel cost savings and electric utility customers with
4 cost-saving benefits.

5 (9) Widespread adoption of electric vehicles can
6 improve an electric utility's electric system efficiency
7 and operational flexibility, including the ability of the
8 electric utility to integrate renewable energy resources
9 and make use of off-peak generation resources that support
10 the operation of charging equipment.

11 (10) Widespread adoption of electric vehicles should
12 stimulate innovation, competition, and increased choices
13 in charging equipment and networks and should also attract
14 private capital investments and create high-quality jobs
15 in Illinois.

16 (b) As used in this Section:

17 "Agency" means the Environmental Protection Agency.

18 "Beneficial electrification programs" means programs that
19 lower carbon dioxide emissions, replace fossil fuel use,
20 create cost savings, improve electric grid operations, reduce
21 increases to peak demand, improve electric usage load shape,
22 and align electric usage with times of renewable generation.
23 All beneficial electrification programs shall provide for
24 incentives such that customers are induced to use electricity
25 at times of low overall system usage or at times when
26 generation from renewable energy sources is high. "Beneficial

1 electrification programs" include a portfolio of the
2 following:

3 (1) time-of-use electric rates;

4 (2) hourly pricing electric rates;

5 (3) optimized charging programs or programs that
6 encourage charging at times beneficial to the electric
7 grid;

8 (4) optional demand-response programs specifically
9 related to electrification efforts;

10 (5) incentives for electrification and associated
11 infrastructure tied to using electricity at off-peak
12 times;

13 (6) incentives for electrification and associated
14 infrastructure targeted to medium-duty and heavy-duty
15 vehicles used by transit agencies;

16 (7) incentives for electrification and associated
17 infrastructure targeted to school buses;

18 (8) incentives for electrification and associated
19 infrastructure for medium-duty and heavy-duty government
20 and private fleet vehicles;

21 (9) low-income programs that provide access to
22 electric vehicles for communities where car ownership or
23 new car ownership is not common;

24 (10) incentives for electrification in eligible
25 communities;

26 (11) incentives or programs to enable quicker adoption

1 of electric vehicles by developing public charging
2 stations in dense areas, workplaces, and low-income
3 communities;

4 (12) incentives or programs to develop electric
5 vehicle infrastructure that minimizes range anxiety,
6 filling the gaps in deployment, particularly in rural
7 areas and along highway corridors;

8 (13) incentives to encourage the development of
9 electrification and renewable energy generation in close
10 proximity in order to reduce grid congestion;

11 (14) offer support to low-income communities who are
12 experiencing financial and accessibility barriers such
13 that electric vehicle ownership is not an option; and

14 (15) other such programs as defined by the Commission.

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

20 "Commission" means the Illinois Commerce Commission.

21 "Coordinator" means the Electric Vehicle Coordinator.

22 "Council" means the Electric Vehicle Advisory Council.

23 "Electric vehicle" means a vehicle that is exclusively
24 powered by and refueled by electricity, must be plugged in to
25 charge, and is licensed to drive on public roadways. "Electric
26 vehicle" does not include electric motorcycles or hybrid

1 electric vehicles and extended-range electric vehicles that
2 are also equipped with conventional fueled propulsion or
3 auxiliary engines.

4 "Electric vehicle charging station" means a station that
5 delivers electricity from a source outside an electric vehicle
6 into one or more electric vehicles.

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

11 "Equity investment eligible community" or "eligible
12 community" means the geographic areas throughout Illinois
13 which would most benefit from equitable investments by the
14 State designed to combat discrimination and foster sustainable
15 economic growth. Specifically, "eligible community" means the
16 following areas:

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

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

1 "Equity investment eligible person" or "eligible person"
2 means the persons who would most benefit from equitable
3 investments by the State designed to combat discrimination and
4 foster sustainable economic growth. Specifically, "eligible
5 person" means the following people:

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

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

10 (3) persons who were formerly incarcerated.

11 "Low-income" means persons and families whose income does
12 not exceed 80% of the state median income for the current State
13 fiscal year as established by the U.S. Department of Health
14 and Human Services.

15 "Make-ready infrastructure" means the electrical and
16 construction work necessary between the distribution circuit
17 to the connection point of charging equipment.

18 "Optimized charging programs" mean programs whereby owners
19 of electric vehicles can set their vehicles to be charged
20 based on the electric system's current demand, retail or
21 wholesale market rates, incentives, the carbon or other
22 pollution intensity of the electric generation mix, the
23 provision of grid services, efficient use of the electric
24 grid, or the availability of clean energy generation.
25 Optimized charging programs may be operated by utilities as
26 well as third parties.

1 (c) The Commission shall initiate a workshop process no
2 later than November 30, 2021 for the purpose of soliciting
3 input on the design of beneficial electrification programs
4 that the utility shall offer. The workshop shall be
5 coordinated by the Staff of the Commission, or a facilitator
6 retained by Staff, and shall be organized and facilitated in a
7 manner that encourages representation from diverse
8 stakeholders, including stakeholders representing
9 environmental justice and low-income communities, and ensures
10 equitable opportunities for participation, without requiring
11 formal intervention or representation by an attorney.

12 The stakeholder workshop process shall take into
13 consideration the benefits of electric vehicle adoption and
14 barriers to adoption, including:

15 (1) the benefit of lower bills for customers who do
16 not charge electric vehicles;

17 (2) benefits to the distribution system from electric
18 vehicle usage;

19 (3) the avoidance and reduction in capacity costs from
20 optimized charging and off-peak charging;

21 (4) energy price and cost reductions;

22 (5) environmental benefits, including greenhouse gas
23 emission and other pollution reductions;

24 (6) current barriers to mass-market adoption,
25 including cost of ownership and availability of charging
26 stations;

1 (7) current barriers to increasing access among
2 populations that have limited access to electric vehicle
3 ownership, communities significantly impacted by
4 transportation-related pollution, and market segments that
5 create disproportionate pollution impacts;

6 (8) benefits of and incentives for medium-duty and
7 heavy-duty fleet vehicle electrification;

8 (9) opportunities for eligible communities to benefit
9 from electrification;

10 (10) geographic areas and market segments that should
11 be prioritized for electrification infrastructure
12 investment.

13 The workshops shall consider barriers, incentives,
14 enabling rate structures, and other opportunities for the bill
15 reduction and environmental benefits described in this
16 subsection.

17 The workshop process shall conclude no later than February
18 28, 2022. Following the workshop, the Staff of the Commission,
19 or the facilitator retained by the Staff, shall prepare and
20 submit a report, no later than March 31, 2022, to the
21 Commission that includes, but is not limited to,
22 recommendations for transportation electrification investment
23 or incentives in the following areas:

24 (i) publicly accessible Level 2 and fast-charging
25 stations, with a focus on bringing access to
26 transportation electrification in densely populated areas

1 and workplaces within eligible communities;

2 (ii) medium-duty and heavy-duty charging
3 infrastructure used by government and private fleet
4 vehicles that serve or travel through environmental
5 justice or eligible communities;

6 (iii) medium-duty and heavy-duty charging
7 infrastructure used in school bus operations, whether
8 private or public, that primarily serve governmental or
9 educational institutions, and also serve or travel through
10 environmental justice or eligible communities;

11 (iv) public transit medium-duty and heavy-duty
12 charging infrastructure, developed in consultation with
13 public transportation agencies; and

14 (v) publicly accessible Level 2 and fast-charging
15 stations targeted to fill gaps in deployment, particularly
16 in rural areas and along State highway corridors.

17 The report must also identify the participants in the
18 process, program designs proposed during the process,
19 estimates of the costs and benefits of proposed programs, any
20 material issues that remained unresolved at the conclusions of
21 such process, and any recommendations for workshop process
22 improvements. The report shall be used by the Commission to
23 inform and evaluate the cost effectiveness and achievement of
24 goals within the submitted Beneficial Electrification Plans.

25 (d) No later than July 1, 2022, electric utilities serving
26 greater than 500,000 customers in the State shall file a

1 Beneficial Electrification Plan with the Illinois Commerce
2 Commission for programs that start no later than January 1,
3 2023. The plan shall take into consideration recommendations
4 from the workshop report described in this Section. Within 45
5 days after the filing of the Beneficial Electrification Plan,
6 the Commission shall, with reasonable notice, open an
7 investigation to consider whether the plan meets the
8 objectives and contains the information required by this
9 Section. The Commission shall determine if the proposed plan
10 is cost-beneficial and in the public interest. When
11 considering if the plan is in the public interest and
12 determining appropriate levels of cost recovery for
13 investments and expenditures related to programs proposed by
14 an electric utility, the Commission shall consider whether the
15 investments and other expenditures are designed and reasonably
16 expected to:

17 (1) maximize total energy cost savings and rate
18 reductions so that nonparticipants can benefit;

19 (2) address environmental justice interests by
20 ensuring there are significant opportunities for residents
21 and businesses in eligible communities to directly
22 participate in and benefit from beneficial electrification
23 programs;

24 (3) support at least a 40% investment of make-ready
25 infrastructure incentives to facilitate the rapid
26 deployment of charging equipment in or serving

1 environmental justice, low-income, and eligible
2 communities; however, nothing in this subsection is
3 intended to require a specific amount of spending in a
4 particular geographic area;

5 (4) support at least a 5% investment target in
6 electrifying medium-duty and heavy-duty school bus and
7 diesel public transportation vehicles located in or
8 serving environmental justice, low-income, and eligible
9 communities in order to provide those communities and
10 businesses with greater economic investment,
11 transportation opportunities, and a cleaner environment so
12 they can directly benefit from transportation
13 electrification efforts; however, nothing in this
14 subsection is intended to require a specific amount of
15 spending in a particular geographic area;

16 (5) stimulate innovation, competition, private
17 investment, and increased consumer choices in electric
18 vehicle charging equipment and networks;

19 (6) contribute to the reduction of carbon emissions
20 and meeting air quality standards, including improving air
21 quality in eligible communities who disproportionately
22 suffer from emissions from the medium-duty and heavy-duty
23 transportation sector;

24 (7) support the efficient and cost-effective use of
25 the electric grid in a manner that supports electric
26 vehicle charging operations; and

1 (8) provide resources to support private investment in
2 charging equipment for uses in public and private charging
3 applications, including residential, multi-family, fleet,
4 transit, community, and corridor applications.

5 The plan shall be determined to be cost-beneficial if the
6 total cost of beneficial electrification expenditures is less
7 than the net present value of increased electricity costs
8 (defined as marginal avoided energy, avoided capacity, and
9 avoided transmission and distribution system costs) avoided by
10 programs under the plan, the net present value of reductions
11 in other customer energy costs, net revenue from all electric
12 charging in the service territory, and the societal value of
13 reduced carbon emissions and surface-level pollutants,
14 particularly in environmental justice communities. The
15 calculation of costs and benefits should be based on net
16 impacts, including the impact on customer rates.

17 The Commission shall approve, approve with modifications,
18 or reject the plan within 270 days from the date of filing. The
19 Commission may approve the plan if it finds that the plan will
20 achieve the goals described in this Section and contains the
21 information described in this Section. Proceedings under this
22 Section shall proceed according to the rules provided by
23 Article IX of the Public Utilities Act. Information contained
24 in the approved plan shall be considered part of the record in
25 any Commission proceeding under Section 16-107.6 of the Public
26 Utilities Act, provided that a final order has not been

1 entered prior to the initial filing date. The Beneficial
2 Electrification Plan shall specifically address, at a minimum,
3 the following:

4 (i) make-ready investments to facilitate the rapid
5 deployment of charging equipment throughout the State,
6 facilitate the electrification of public transit and other
7 vehicle fleets in the light-duty, medium-duty, and
8 heavy-duty sectors, and align with Agency-issued rebates
9 for charging equipment;

10 (ii) the development and implementation of beneficial
11 electrification programs, including time-of-use rates and
12 their benefit for electric vehicle users and for all
13 customers, optimized charging programs to achieve savings
14 identified, and new contracts and compensation for
15 services in those programs, through signals that allow
16 electric vehicle charging to respond to local system
17 conditions, manage critical peak periods, serve as a
18 demand response or peak resource, and maximize renewable
19 energy use and integration into the grid;

20 (iii) optional commercial tariffs utilizing
21 alternatives to traditional demand-based rate structures
22 to facilitate charging for light duty, heavy duty, and
23 fleet electric vehicles;

24 (iv) financial and other challenges to electric
25 vehicle usage in low-income communities, and strategies
26 for overcoming those challenges, particularly in

1 communities and for people for whom car ownership is not
2 an option;

3 (v) methods of minimizing ratepayer impacts and
4 exempting or minimizing, to the extent possible,
5 low-income ratepayers from the costs associated with
6 facilitating the expansion of electric vehicle charging;

7 (vi) plans to increase access to Level 3 Public
8 Electric Vehicle Charging Infrastructure to serve vehicles
9 that need quicker charging times and vehicles of persons
10 who have no other access to charging infrastructure,
11 regardless of whether those projects participate in
12 optimized charging programs;

13 (vii) whether to establish charging standards for type
14 of plugs eligible for investment or incentive programs,
15 and if so, what standards;

16 (viii) opportunities for coordination and cohesion
17 with electric vehicle and electric vehicle charging
18 equipment incentives established by any agency,
19 department, board, or commission of the State, any other
20 unit of government in the State, any national programs, or
21 any unit of the federal government;

22 (ix) ideas for the development of online tools,
23 applications, and data sharing that provide essential
24 information to those charging electric vehicles, and
25 enable an automated charging response to price signals,
26 emission signals, real-time renewable generation

1 production, and other Commission-approved or
2 customer-desired indicators of beneficial charging times;
3 and

4 (x) customer education, outreach, and incentive
5 programs that increase awareness of the programs and the
6 benefits of transportation electrification, including
7 direct outreach to eligible communities;

8 (e) Proceedings under this Section shall proceed according
9 to the rules provided by Article IX of the Public Utilities
10 Act. Information contained in the approved plan shall be
11 considered part of the record in any Commission proceeding
12 under Section 16-107.6 of the Public Utilities Act, provided
13 that a final order has not been entered prior to the initial
14 filing date.

15 (f) The utility shall file an update to the plan on July 1,
16 2024 and every 3 years thereafter. This update shall describe
17 transportation investments made during the prior plan period,
18 investments planned for the following 24 months, and updates
19 to the information required by this Section. Beginning with
20 the first update, the utility shall develop the plan in
21 conjunction with the distribution system planning process
22 described in Section 16-105.17, including incorporation of
23 stakeholder feedback from that process.

24 (g) Within 35 days after the utility files its report, the
25 Commission shall, upon its own initiative, open an
26 investigation regarding the utility's plan update to

1 investigate whether the objectives described in this Section
2 are being achieved. The Commission shall determine whether
3 investment targets should be increased based on achievement of
4 spending goals outlined in the Beneficial Electrification Plan
5 and consistency with outcomes directed in the plan stakeholder
6 workshop report. If the Commission finds, after notice and
7 hearing, that the utility's plan is materially deficient, the
8 Commission shall issue an order requiring the utility to
9 devise a corrective action plan, subject to Commission
10 approval, to bring the plan into compliance with the goals of
11 this Section. The Commission's order shall be entered within
12 270 days after the utility files its annual report. The
13 contents of a plan filed under this Section shall be available
14 for evidence in Commission proceedings. However, omission from
15 an approved plan shall not render any future utility
16 expenditure to be considered unreasonable or imprudent. The
17 Commission may, upon sufficient evidence, allow expenditures
18 that were not part of any particular distribution plan. The
19 Commission shall consider revenues from electric vehicles in
20 the utility's service territory in evaluating the retail rate
21 impact. The retail rate impact from the development of
22 electric vehicle infrastructure shall not exceed 1% per year
23 of the total annual revenue requirements of the utility.

24 (h) In meeting the requirements of this Section, the
25 utility shall demonstrate efforts to increase the use of
26 contractors and electric vehicle charging station installers

1 that meet multiple workforce equity actions, including, but
2 not limited to:

3 (1) the business is headquartered in or the person
4 resides in an eligible community;

5 (2) the business is majority owned by eligible person
6 or the contractor is an eligible person;

7 (3) the business or person is certified by another
8 municipal, State, federal, or other certification for
9 disadvantaged businesses;

10 (4) the business or person meets the eligibility
11 criteria for a certification program such as:

12 (A) certified under Section 2 of the Business
13 Enterprise for Minorities, Women, and Persons with
14 Disabilities Act;

15 (B) certified by another municipal, State,
16 federal, or other certification for disadvantaged
17 businesses;

18 (C) submits an affidavit showing that the vendor
19 meets the eligibility criteria for a certification
20 program such as those in items (A) and (B); or

21 (D) if the vendor is a nonprofit, meets any of the
22 criteria in those in item (A), (B), or (C) with the
23 exception that the nonprofit is not required to meet
24 any criteria related to being a for-profit entity, or
25 is controlled by a board of directors that consists of
26 51% or greater individuals who are equity investment

1 eligible persons; or

2 (E) ensuring that program implementation
3 contractors and electric vehicle charging station
4 installers pay employees working on electric vehicle
5 charging installations at or above the prevailing wage
6 rate when such a wage rate has been published by the
7 Department of Labor and pay employees working on
8 energy efficiency programs at or above the median wage
9 rate for a similar job description in the nearest
10 metropolitan area when there is no applicable
11 published prevailing wage rate.

12 If necessary, utilities may conduct surveys to establish
13 the median wage rate for a given job description. Utilities
14 shall establish reporting procedures for vendors that ensure
15 compliance with this subsection, but are structured to avoid,
16 wherever possible, placing an undue administrative burden on
17 vendors.

18 (i) Program data collection.

19 (1) In order to ensure that the benefits provided to
20 Illinois residents and business by the clean energy
21 economy are equitably distributed across the State, it is
22 necessary to accurately measure the applicants and
23 recipients of this Program. The purpose of this paragraph
24 is to require the implementing utilities to collect all
25 data from Program applicants and beneficiaries to track
26 and improve equitable distribution of benefits across

1 Illinois communities. The further purpose is to measure
2 any potential impact of racial discrimination on the
3 distribution of benefits and provide the utilities the
4 information necessary to correct any discrimination
5 through methods consistent with State and federal law.

6 (2) The implementing utilities shall collect
7 demographic and geographic data for each applicant and
8 each person or business awarded benefits or contracts
9 under this Program.

10 (3) The implementing utilities shall collect the
11 following information from applicants and Program or
12 procurement beneficiaries where applicable:

13 (A) demographic information, including racial or
14 ethnic identity for real persons employed, contracted,
15 or subcontracted through the program;

16 (B) demographic information, including racial or
17 ethnic identity of business owners;

18 (C) geographic location of the residency of real
19 persons or geographic location of the headquarters for
20 businesses; and

21 (D) any other information necessary for the
22 purpose of achieving the purpose of this paragraph.

23 (4) The utility shall publish, at least annually,
24 aggregated information on the demographics of program and
25 procurement applicants and beneficiaries. The utilities
26 shall protect personal and confidential business

1 information as necessary.

2 (5) The utilities shall conduct a regular review
3 process to confirm the accuracy of reported data.

4 (6) On a quarterly basis, utilities shall collect data
5 necessary to ensure compliance with this Section and shall
6 communicate progress toward compliance to program
7 implementation contractors and electric vehicle charging
8 station installation vendors.

9 (7) Utilities filing Beneficial Electrification Plans
10 under this Section shall report annually to the Illinois
11 Commerce Commission and the General Assembly on how
12 hiring, contracting, job training, and other practices
13 related to its Beneficial electrification programs enhance
14 the diversity of vendors working on such programs. These
15 reports must include data on vendor and employee
16 diversity.

17 (j) The provisions of this Section are severable under
18 Section 1.31 of the Statute on Statutes.

19 (20 ILCS 627/50 new)

20 Sec. 50. Plan updates. The utility shall file an update to
21 the plan on July 1, 2024 and every 3 years thereafter. This
22 update shall describe transportation investments made during
23 the prior plan period, investments planned for the following
24 24 months, and updates to the information required by this
25 Section. Within 35 days after the utility files its report,

1 the 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. If the Commission finds, after notice and
5 hearing, that the utility's plan is materially deficient, the
6 Commission shall issue an order requiring the utility to
7 devise a corrective action plan, subject to Commission
8 approval, to bring the plan into compliance with the goals of
9 this Section. The Commission's order shall be entered within
10 270 days after the utility files its annual report.

11 The contents of a plan filed under this Section shall be
12 available for evidence in Commission proceedings. However,
13 omission from an approved plan shall not render any future
14 utility expenditure to be considered unreasonable or
15 imprudent. The Commission may, upon sufficient evidence, allow
16 expenditures that were not part of any particular distribution
17 plan.

18 (20 ILCS 627/55 new)

19 Sec. 55. Charging rebate program.

20 (a) In order to substantially offset the installation
21 costs of electric vehicle charging infrastructure, beginning
22 July 1, 2022, and continuing as long as funds are available,
23 the Agency shall issue rebates, consistent with the
24 Commission-approved Beneficial Electrification Plans in
25 accordance with Section 45, to public and private

1 organizations and companies to install and maintain Level 2 or
2 Level 3 charging stations.

3 (b) The Agency shall award rebates or grants that fund up
4 to 80% of the cost of the installation of charging stations.

5 The Agency shall award additional incentives per port for
6 every charging station installed in an eligible community and
7 every charging station located to support eligible persons. In
8 order to be eligible to receive a rebate or grant, the
9 organization or company must submit an application to the
10 Agency and commit to paying the prevailing wage for the
11 installation project. The Agency shall by rule provide
12 application and other programmatic details and requirements,
13 including additional incentives for eligible communities. The
14 Agency may determine per port or project caps based on a review
15 of best practices and stakeholder engagement. The Agency shall
16 accept applications on a rolling basis and shall award rebates
17 or grants within 60 days of each application. The Agency may
18 not award rebates or grants to an organization or company that
19 does not pay the prevailing wage for the installation of a
20 charging station for which it seeks a rebate or grant.

21 (20 ILCS 627/60 new)

22 Sec. 60. Study on loss infrastructure funds and
23 replacement options. The Illinois Department of Transportation
24 shall conduct a study to be delivered to the members of the
25 Illinois General Assembly and made available to the public no

1 later than September 30, 2022. The study shall consider how
2 the proliferation of electric vehicles will adversely affect
3 resources needed for transportation infrastructure and take
4 into consideration any relevant federal actions. The study
5 shall identify the potential revenue loss and offer multiple
6 options for replacing those lost revenues. The Illinois
7 Department of Transportation shall collaborate with
8 organizations representing businesses involved in designing
9 and building transportation infrastructure, organized labor,
10 the general business community, and users of the system. In
11 addition, the Illinois Department of Transportation may
12 collaborate with other state agencies, including but not
13 limited to the Illinois Secretary of State and the Illinois
14 Department of Revenue.

15 This Section is repealed on January 1, 2024.

16 Section 90-23. The Illinois Enterprise Zone Act is amended
17 by changing Section 5.5 as follows:

18 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

19 Sec. 5.5. High Impact Business.

20 (a) In order to respond to unique opportunities to assist
21 in the encouragement, development, growth, and expansion of
22 the private sector through large scale investment and
23 development projects, the Department is authorized to receive
24 and approve applications for the designation of "High Impact

1 Businesses" in Illinois subject to the following conditions:

2 (1) such applications may be submitted at any time
3 during the year;

4 (2) such business is not located, at the time of
5 designation, in an enterprise zone designated pursuant to
6 this Act;

7 (3) the business intends to do one or more of the
8 following:

9 (A) the business intends to make a minimum
10 investment of \$12,000,000 which will be placed in
11 service in qualified property and intends to create
12 500 full-time equivalent jobs at a designated location
13 in Illinois or intends to make a minimum investment of
14 \$30,000,000 which will be placed in service in
15 qualified property and intends to retain 1,500
16 full-time retained jobs at a designated location in
17 Illinois. The business must certify in writing that
18 the investments would not be placed in service in
19 qualified property and the job creation or job
20 retention would not occur without the tax credits and
21 exemptions set forth in subsection (b) of this
22 Section. The terms "placed in service" and "qualified
23 property" have the same meanings as described in
24 subsection (h) of Section 201 of the Illinois Income
25 Tax Act; or

26 (B) the business intends to establish a new

1 electric generating facility at a designated location
2 in Illinois. "New electric generating facility", for
3 purposes of this Section, means a newly-constructed
4 electric generation plant or a newly-constructed
5 generation capacity expansion at an existing electric
6 generation plant, including the transmission lines and
7 associated equipment that transfers electricity from
8 points of supply to points of delivery, and for which
9 such new foundation construction commenced not sooner
10 than July 1, 2001. Such facility shall be designed to
11 provide baseload electric generation and shall operate
12 on a continuous basis throughout the year; and (i)
13 shall have an aggregate rated generating capacity of
14 at least 1,000 megawatts for all new units at one site
15 if it uses natural gas as its primary fuel and
16 foundation construction of the facility is commenced
17 on or before December 31, 2004, or shall have an
18 aggregate rated generating capacity of at least 400
19 megawatts for all new units at one site if it uses coal
20 or gases derived from coal as its primary fuel and
21 shall support the creation of at least 150 new
22 Illinois coal mining jobs, or (ii) shall be funded
23 through a federal Department of Energy grant before
24 December 31, 2010 and shall support the creation of
25 Illinois coal-mining jobs, or (iii) shall use coal
26 gasification or integrated gasification-combined cycle

1 units that generate electricity or chemicals, or both,
2 and shall support the creation of Illinois coal-mining
3 jobs. The business must certify in writing that the
4 investments necessary to establish a new electric
5 generating facility would not be placed in service and
6 the job creation in the case of a coal-fueled plant
7 would not occur without the tax credits and exemptions
8 set forth in subsection (b-5) of this Section. The
9 term "placed in service" has the same meaning as
10 described in subsection (h) of Section 201 of the
11 Illinois Income Tax Act; or

12 (B-5) the business intends to establish a new
13 gasification facility at a designated location in
14 Illinois. As used in this Section, "new gasification
15 facility" means a newly constructed coal gasification
16 facility that generates chemical feedstocks or
17 transportation fuels derived from coal (which may
18 include, but are not limited to, methane, methanol,
19 and nitrogen fertilizer), that supports the creation
20 or retention of Illinois coal-mining jobs, and that
21 qualifies for financial assistance from the Department
22 before December 31, 2010. A new gasification facility
23 does not include a pilot project located within
24 Jefferson County or within a county adjacent to
25 Jefferson County for synthetic natural gas from coal;
26 or

1 (C) the business intends to establish production
2 operations at a new coal mine, re-establish production
3 operations at a closed coal mine, or expand production
4 at an existing coal mine at a designated location in
5 Illinois not sooner than July 1, 2001; provided that
6 the production operations result in the creation of
7 150 new Illinois coal mining jobs as described in
8 subdivision (a)(3)(B) of this Section, and further
9 provided that the coal extracted from such mine is
10 utilized as the predominant source for a new electric
11 generating facility. The business must certify in
12 writing that the investments necessary to establish a
13 new, expanded, or reopened coal mine would not be
14 placed in service and the job creation would not occur
15 without the tax credits and exemptions set forth in
16 subsection (b-5) of this Section. The term "placed in
17 service" has the same meaning as described in
18 subsection (h) of Section 201 of the Illinois Income
19 Tax Act; or

20 (D) the business intends to construct new
21 transmission facilities or upgrade existing
22 transmission facilities at designated locations in
23 Illinois, for which construction commenced not sooner
24 than July 1, 2001. For the purposes of this Section,
25 "transmission facilities" means transmission lines
26 with a voltage rating of 115 kilovolts or above,

1 including associated equipment, that transfer
2 electricity from points of supply to points of
3 delivery and that transmit a majority of the
4 electricity generated by a new electric generating
5 facility designated as a High Impact Business in
6 accordance with this Section. The business must
7 certify in writing that the investments necessary to
8 construct new transmission facilities or upgrade
9 existing transmission facilities would not be placed
10 in service without the tax credits and exemptions set
11 forth in subsection (b-5) of this Section. The term
12 "placed in service" has the same meaning as described
13 in subsection (h) of Section 201 of the Illinois
14 Income Tax Act; or

15 (E) the business intends to establish a new wind
16 power facility at a designated location in Illinois.
17 For purposes of this Section, "new wind power
18 facility" means a newly constructed electric
19 generation facility, or a newly constructed expansion
20 of an existing electric generation facility, placed in
21 service on or after July 1, 2009, that generates
22 electricity using wind energy devices, and such
23 facility shall be deemed to include all associated
24 transmission lines, substations, and other equipment
25 related to the generation of electricity from wind
26 energy devices. For purposes of this Section, "wind

1 energy device" means any device, with a nameplate
2 capacity of at least 0.5 megawatts, that is used in the
3 process of converting kinetic energy from the wind to
4 generate electricity; or

5 (E-5) the business intends to establish a new
6 utility-scale solar facility at a designated location
7 in Illinois. For purposes of this Section, "new
8 utility-scale solar power facility" means a newly
9 constructed electric generation facility, or a newly
10 constructed expansion of an existing electric
11 generation facility, placed in service on or after
12 July 1, 2021, that (i) generates electricity using
13 photovoltaic cells and (ii) has a nameplate capacity
14 that is greater than 5,000 kilowatts, and such
15 facility shall be deemed to include all associated
16 transmission lines, substations, energy storage
17 facilities, and other equipment related to the
18 generation and storage of electricity from
19 photovoltaic cells; or

20 (F) the business commits to (i) make a minimum
21 investment of \$500,000,000, which will be placed in
22 service in a qualified property, (ii) create 125
23 full-time equivalent jobs at a designated location in
24 Illinois, (iii) establish a fertilizer plant at a
25 designated location in Illinois that complies with the
26 set-back standards as described in Table 1: Initial

1 Isolation and Protective Action Distances in the 2012
2 Emergency Response Guidebook published by the United
3 States Department of Transportation, (iv) pay a
4 prevailing wage for employees at that location who are
5 engaged in construction activities, and (v) secure an
6 appropriate level of general liability insurance to
7 protect against catastrophic failure of the fertilizer
8 plant or any of its constituent systems; in addition,
9 the business must agree to enter into a construction
10 project labor agreement including provisions
11 establishing wages, benefits, and other compensation
12 for employees performing work under the project labor
13 agreement at that location; for the purposes of this
14 Section, "fertilizer plant" means a newly constructed
15 or upgraded plant utilizing gas used in the production
16 of anhydrous ammonia and downstream nitrogen
17 fertilizer products for resale; for the purposes of
18 this Section, "prevailing wage" means the hourly cash
19 wages plus fringe benefits for training and
20 apprenticeship programs approved by the U.S.
21 Department of Labor, Bureau of Apprenticeship and
22 Training, health and welfare, insurance, vacations and
23 pensions paid generally, in the locality in which the
24 work is being performed, to employees engaged in work
25 of a similar character on public works; this paragraph
26 (F) applies only to businesses that submit an

1 application to the Department within 60 days after
2 July 25, 2013 (the effective date of Public Act
3 98-109) ~~this amendatory Act of the 98th General~~
4 ~~Assembly~~; and

5 (4) no later than 90 days after an application is
6 submitted, the Department shall notify the applicant of
7 the Department's determination of the qualification of the
8 proposed High Impact Business under this Section.

9 (b) Businesses designated as High Impact Businesses
10 pursuant to subdivision (a)(3)(A) of this Section shall
11 qualify for the credits and exemptions described in the
12 following Acts: Section 9-222 and Section 9-222.1A of the
13 Public Utilities Act, subsection (h) of Section 201 of the
14 Illinois Income Tax Act, and Section 1d of the Retailers'
15 Occupation Tax Act; provided that these credits and exemptions
16 described in these Acts shall not be authorized until the
17 minimum investments set forth in subdivision (a)(3)(A) of this
18 Section have been placed in service in qualified properties
19 and, in the case of the exemptions described in the Public
20 Utilities Act and Section 1d of the Retailers' Occupation Tax
21 Act, the minimum full-time equivalent jobs or full-time
22 retained jobs set forth in subdivision (a)(3)(A) of this
23 Section have been created or retained. Businesses designated
24 as High Impact Businesses under this Section shall also
25 qualify for the exemption described in Section 5l of the
26 Retailers' Occupation Tax Act. The credit provided in

1 subsection (h) of Section 201 of the Illinois Income Tax Act
2 shall be applicable to investments in qualified property as
3 set forth in subdivision (a) (3) (A) of this Section.

4 (b-5) Businesses designated as High Impact Businesses
5 pursuant to subdivisions (a) (3) (B), (a) (3) (B-5), (a) (3) (C),
6 and (a) (3) (D) of this Section shall qualify for the credits
7 and exemptions described in the following Acts: Section 51 of
8 the Retailers' Occupation Tax Act, Section 9-222 and Section
9 9-222.1A of the Public Utilities Act, and subsection (h) of
10 Section 201 of the Illinois Income Tax Act; however, the
11 credits and exemptions authorized under Section 9-222 and
12 Section 9-222.1A of the Public Utilities Act, and subsection
13 (h) of Section 201 of the Illinois Income Tax Act shall not be
14 authorized until the new electric generating facility, the new
15 gasification facility, the new transmission facility, or the
16 new, expanded, or reopened coal mine is operational, except
17 that a new electric generating facility whose primary fuel
18 source is natural gas is eligible only for the exemption under
19 Section 51 of the Retailers' Occupation Tax Act.

20 (b-6) Businesses designated as High Impact Businesses
21 pursuant to subdivision (a) (3) (E) of this Section shall
22 qualify for the exemptions described in Section 51 of the
23 Retailers' Occupation Tax Act; any business so designated as a
24 High Impact Business being, for purposes of this Section, a
25 "Wind Energy Business".

26 (b-7) Beginning on January 1, 2021, businesses designated

1 as High Impact Businesses by the Department shall qualify for
2 the High Impact Business construction jobs credit under
3 subsection (h-5) of Section 201 of the Illinois Income Tax Act
4 if the business meets the criteria set forth in subsection (i)
5 of this Section. The total aggregate amount of credits awarded
6 under the Blue Collar Jobs Act (Article 20 of Public Act 101-9
7 ~~this amendatory Act of the 101st General Assembly~~) shall not
8 exceed \$20,000,000 in any State fiscal year.

9 (c) High Impact Businesses located in federally designated
10 foreign trade zones or sub-zones are also eligible for
11 additional credits, exemptions and deductions as described in
12 the following Acts: Section 9-221 and Section 9-222.1 of the
13 Public Utilities Act; and subsection (g) of Section 201, and
14 Section 203 of the Illinois Income Tax Act.

15 (d) Except for businesses contemplated under subdivision
16 (a) (3) (E) of this Section, existing Illinois businesses which
17 apply for designation as a High Impact Business must provide
18 the Department with the prospective plan for which 1,500
19 full-time retained jobs would be eliminated in the event that
20 the business is not designated.

21 (e) Except for new wind power facilities contemplated
22 under subdivision (a) (3) (E) of this Section, new proposed
23 facilities which apply for designation as High Impact Business
24 must provide the Department with proof of alternative
25 non-Illinois sites which would receive the proposed investment
26 and job creation in the event that the business is not

1 designated as a High Impact Business.

2 (f) Except for businesses contemplated under subdivision
3 (a)(3)(E) of this Section, in the event that a business is
4 designated a High Impact Business and it is later determined
5 after reasonable notice and an opportunity for a hearing as
6 provided under the Illinois Administrative Procedure Act, that
7 the business would have placed in service in qualified
8 property the investments and created or retained the requisite
9 number of jobs without the benefits of the High Impact
10 Business designation, the Department shall be required to
11 immediately revoke the designation and notify the Director of
12 the Department of Revenue who shall begin proceedings to
13 recover all wrongfully exempted State taxes with interest. The
14 business shall also be ineligible for all State funded
15 Department programs for a period of 10 years.

16 (g) The Department shall revoke a High Impact Business
17 designation if the participating business fails to comply with
18 the terms and conditions of the designation. However, the
19 penalties for new wind power facilities or Wind Energy
20 Businesses or new utility-scale solar power facilities for
21 failure to comply with any of the terms or conditions of the
22 Illinois Prevailing Wage Act shall be only those penalties
23 identified in the Illinois Prevailing Wage Act, and the
24 Department shall not revoke a High Impact Business designation
25 as a result of the failure to comply with any of the terms or
26 conditions of the Illinois Prevailing Wage Act in relation to

1 a new wind power facility or a Wind Energy Business or new
2 utility-scale solar power facility.

3 (h) Prior to designating a business, the Department shall
4 provide the members of the General Assembly and Commission on
5 Government Forecasting and Accountability with a report
6 setting forth the terms and conditions of the designation and
7 guarantees that have been received by the Department in
8 relation to the proposed business being designated.

9 (i) High Impact Business construction jobs credit.
10 Beginning on January 1, 2021, a High Impact Business may
11 receive a tax credit against the tax imposed under subsections
12 (a) and (b) of Section 201 of the Illinois Income Tax Act in an
13 amount equal to 50% of the amount of the incremental income tax
14 attributable to High Impact Business construction jobs credit
15 employees employed in the course of completing a High Impact
16 Business construction jobs project. However, the High Impact
17 Business construction jobs credit may equal 75% of the amount
18 of the incremental income tax attributable to High Impact
19 Business construction jobs credit employees if the High Impact
20 Business construction jobs credit project is located in an
21 underserved area.

22 The Department shall certify to the Department of Revenue:
23 (1) the identity of taxpayers that are eligible for the High
24 Impact Business construction jobs credit; and (2) the amount
25 of High Impact Business construction jobs credits that are
26 claimed pursuant to subsection (h-5) of Section 201 of the

1 Illinois Income Tax Act in each taxable year. Any business
2 entity that receives a High Impact Business construction jobs
3 credit shall maintain a certified payroll pursuant to
4 subsection (j) of this Section.

5 As used in this subsection (i):

6 "High Impact Business construction jobs credit" means an
7 amount equal to 50% (or 75% if the High Impact Business
8 construction project is located in an underserved area) of the
9 incremental income tax attributable to High Impact Business
10 construction job employees. The total aggregate amount of
11 credits awarded under the Blue Collar Jobs Act (Article 20 of
12 Public Act 101-9 ~~this amendatory Act of the 101st General~~
13 ~~Assembly~~) shall not exceed \$20,000,000 in any State fiscal
14 year

15 "High Impact Business construction job employee" means a
16 laborer or worker who is employed by an Illinois contractor or
17 subcontractor in the actual construction work on the site of a
18 High Impact Business construction job project.

19 "High Impact Business construction jobs project" means
20 building a structure or building or making improvements of any
21 kind to real property, undertaken and commissioned by a
22 business that was designated as a High Impact Business by the
23 Department. The term "High Impact Business construction jobs
24 project" does not include the routine operation, routine
25 repair, or routine maintenance of existing structures,
26 buildings, or real property.

1 "Incremental income tax" means the total amount withheld
2 during the taxable year from the compensation of High Impact
3 Business construction job employees.

4 "Underserved area" means a geographic area that meets one
5 or more of the following conditions:

6 (1) the area has a poverty rate of at least 20%
7 according to the latest federal decennial census;

8 (2) 75% or more of the children in the area
9 participate in the federal free lunch program according to
10 reported statistics from the State Board of Education;

11 (3) at least 20% of the households in the area receive
12 assistance under the Supplemental Nutrition Assistance
13 Program (SNAP); or

14 (4) the area has an average unemployment rate, as
15 determined by the Illinois Department of Employment
16 Security, that is more than 120% of the national
17 unemployment average, as determined by the U.S. Department
18 of Labor, for a period of at least 2 consecutive calendar
19 years preceding the date of the application.

20 (j) Each contractor and subcontractor who is engaged in
21 and executing a High Impact Business Construction jobs
22 project, as defined under subsection (i) of this Section, for
23 a business that is entitled to a credit pursuant to subsection
24 (i) of this Section shall:

25 (1) make and keep, for a period of 5 years from the
26 date of the last payment made on or after June 5, 2021 (the

1 effective date of Public Act 101-9) ~~this amendatory Act of~~
2 ~~the 101st General Assembly~~ on a contract or subcontract
3 for a High Impact Business Construction Jobs Project,
4 records for all laborers and other workers employed by the
5 contractor or subcontractor on the project; the records
6 shall include:

7 (A) the worker's name;

8 (B) the worker's address;

9 (C) the worker's telephone number, if available;

10 (D) the worker's social security number;

11 (E) the worker's classification or
12 classifications;

13 (F) the worker's gross and net wages paid in each
14 pay period;

15 (G) the worker's number of hours worked each day;

16 (H) the worker's starting and ending times of work
17 each day;

18 (I) the worker's hourly wage rate; and

19 (J) the worker's hourly overtime wage rate;

20 (2) no later than the 15th day of each calendar month,
21 provide a certified payroll for the immediately preceding
22 month to the taxpayer in charge of the High Impact
23 Business construction jobs project; within 5 business days
24 after receiving the certified payroll, the taxpayer shall
25 file the certified payroll with the Department of Labor
26 and the Department of Commerce and Economic Opportunity; a

1 certified payroll must be filed for only those calendar
2 months during which construction on a High Impact Business
3 construction jobs project has occurred; the certified
4 payroll shall consist of a complete copy of the records
5 identified in paragraph (1) of this subsection (j), but
6 may exclude the starting and ending times of work each
7 day; the certified payroll shall be accompanied by a
8 statement signed by the contractor or subcontractor or an
9 officer, employee, or agent of the contractor or
10 subcontractor which avers that:

11 (A) he or she has examined the certified payroll
12 records required to be submitted by the Act and such
13 records are true and accurate; and

14 (B) the contractor or subcontractor is aware that
15 filing a certified payroll that he or she knows to be
16 false is a Class A misdemeanor.

17 A general contractor is not prohibited from relying on a
18 certified payroll of a lower-tier subcontractor, provided the
19 general contractor does not knowingly rely upon a
20 subcontractor's false certification.

21 Any contractor or subcontractor subject to this
22 subsection, and any officer, employee, or agent of such
23 contractor or subcontractor whose duty as an officer,
24 employee, or agent it is to file a certified payroll under this
25 subsection, who willfully fails to file such a certified
26 payroll on or before the date such certified payroll is

1 required by this paragraph to be filed and any person who
2 willfully files a false certified payroll that is false as to
3 any material fact is in violation of this Act and guilty of a
4 Class A misdemeanor.

5 The taxpayer in charge of the project shall keep the
6 records submitted in accordance with this subsection on or
7 after June 5, 2021 (the effective date of Public Act 101-9)
8 ~~this amendatory Act of the 101st General Assembly~~ for a period
9 of 5 years from the date of the last payment for work on a
10 contract or subcontract for the High Impact Business
11 construction jobs project.

12 The records submitted in accordance with this subsection
13 shall be considered public records, except an employee's
14 address, telephone number, and social security number, and
15 made available in accordance with the Freedom of Information
16 Act. The Department of Labor shall accept any reasonable
17 submissions by the contractor that meet the requirements of
18 this subsection (j) and shall share the information with the
19 Department in order to comply with the awarding of a High
20 Impact Business construction jobs credit. A contractor,
21 subcontractor, or public body may retain records required
22 under this Section in paper or electronic format.

23 (k) Upon 7 business days' notice, each contractor and
24 subcontractor shall make available for inspection and copying
25 at a location within this State during reasonable hours, the
26 records identified in this subsection (j) to the taxpayer in

1 charge of the High Impact Business construction jobs project,
2 its officers and agents, the Director of the Department of
3 Labor and his or her deputies and agents, and to federal,
4 State, or local law enforcement agencies and prosecutors.

5 (Source: P.A. 101-9, eff. 6-5-19; revised 7-12-19.)

6 Section 90-24. The Department of Labor Law of the Civil
7 Administrative Code of Illinois is amended by changing Section
8 1505-215 and by adding Section 1505-220 as follows:

9 (20 ILCS 1505/1505-215)

10 Sec. 1505-215. Bureau on Apprenticeship Programs and Clean
11 Energy Jobs ; ~~Advisory Board.~~

12 (a) For purposes of this Section:

13 "Clean energy jobs" means jobs in the clean energy sector.

14 "Clean energy jobs" includes constructing, development,
15 planning, administrative, sales, and other support functions
16 within these industries.

17 "Clean energy sector" means solar energy, wind energy,
18 energy efficiency, solar thermal, green hydrogen, geothermal,
19 and electric vehicle industries and other renewable energy
20 industries, industries achieving emission reductions, and
21 related industries that manufacture, develop, build, maintain,
22 or provide ancillary services to renewable energy resources or
23 energy efficiency products or services, including the
24 manufacture and installation of healthier building materials

1 that contain fewer hazardous chemicals.

2 (b) There is created within the Department of Labor a
3 Bureau on Apprenticeship Programs and Clean Energy Jobs. This
4 Bureau shall work to increase minority participation in active
5 apprentice programs in Illinois that are approved by the
6 United States Department of Labor and in clean energy jobs in
7 Illinois. The Bureau shall identify barriers to minorities
8 gaining access to construction careers and careers in clean
9 energy jobs and make recommendations to the Governor and the
10 General Assembly for policies to remove those barriers. The
11 Department may hire staff to perform outreach in promoting
12 diversity in active apprenticeship programs approved by the
13 United States Department of Labor and compile reports and
14 diversity, equity, and inclusion plans for clean energy sector
15 jobs. The Bureau and the Department shall coordinate with the
16 Department of Commerce and Economic Opportunity, Energy
17 Workforce Advisory Council, and the Energy Transition
18 Navigators in its efforts to compile information and remove
19 barriers to participation in clean energy jobs.

20 (c) The Bureau shall annually compile racial and gender
21 workforce diversity information from contractors receiving
22 State or other public funds and by labor unions with members
23 working on projects receiving State or other public funds that
24 are not otherwise subject to subsection (d).

25 (d) The Bureau shall compile racial and gender workforce
26 diversity information from certified transcripts of payroll

1 reports filed in the preceding year pursuant to the Prevailing
2 Wage Act for all clean energy sector construction projects.
3 The Bureau shall also compile racial and gender workforce
4 diversity information from all corporations, nonprofits,
5 developers, contractors, and other entities receiving State or
6 other public funds for projects in the clean energy sector.
7 The Bureau shall work with the Department of Commerce and
8 Economic Opportunity, the Illinois Power Agency, the Illinois
9 Commerce Commission, and other agencies, as necessary, to
10 receive and share data and reporting on racial and gender
11 workforce diversity, demographic data, and any other data
12 necessary to achieve the goals of this Section. The Bureau
13 shall work with the Department of Commerce and Economic
14 Opportunity to review the workforce recruiting and hiring
15 database developed in accordance with subsection (c-25) of
16 Section 1-75 of the Illinois Power Agency Act to verify
17 equitable recruiting and hiring practices by contractors and
18 employers in clean energy jobs.

19 (e) By April 15, 2022 and every April 15 thereafter, the
20 Bureau shall publish and make available on the Department's
21 website a report summarizing the racial and gender diversity
22 of the workforce on all clean energy sector projects by
23 county. The report shall use a consistent structure for
24 information requests and presentation, with an easy-to-use
25 table of contents, to enable comparable year-over-year
26 solicitation and benchmarking of data. The development of the

1 report structure shall be open to a public review and comment
2 period. That report shall compare the race, ethnicity, and
3 gender of the workers on clean energy projects to the general
4 population of the county in which the project is located. The
5 report shall also disaggregate such data to compare the race,
6 ethnicity, and gender of workers employed by union and
7 nonunion contractors and compare the race, ethnicity, and
8 gender of workers who reside in Illinois and those who reside
9 outside of Illinois. The report shall also include the race,
10 ethnicity, and gender of the workers by prevailing wage
11 classification.

12 (f) If the race, ethnicity, and gender of the workforce on
13 a clean energy sector project does not meet or exceed that of
14 the general population of the county in which the project is
15 located or, in the case of a project in which any of the
16 workers are represented by a union, the geographic
17 jurisdiction of that union, the Bureau shall request a written
18 explanation from the contractors that employed workers on such
19 project and any unions representing those workers, as
20 applicable. If deemed necessary by the Bureau, the contractors
21 and any unions representing workers on such project shall be
22 required by the Bureau to develop a plan to increase
23 diversity, equity, and inclusion on future clean energy sector
24 projects in that county or, in the case of a union, the
25 geographic jurisdiction covered by the union. The plan should
26 include: (i) areas of work and clean energy jobs each entity

1 will actively seek more participation in during the next year;
2 (ii) an outline of the plan to alert and encourage potential
3 workers to seek clean energy jobs; (iii) an explanation of the
4 challenges faced in finding quality workers and suggestions
5 for what the Bureau could do to aid in identifying potential
6 workers; (iv) a list of certifications, if any, the entity
7 requires for workers to obtain clean energy jobs; (v) the
8 point of contact for any potential worker seeking a clean
9 energy job or other opportunity with the entity; and (vi) any
10 success stories to encourage other entities to emulate the
11 best practices.

12 The Bureau and all entities subject to the requirements of
13 subsection (d) shall hold an annual workshop open to the
14 public in 2022 and every year thereafter on the state of racial
15 and gender workforce diversity in the clean energy sector in
16 order to collaboratively seek solutions to structural
17 impediments to achieving diversity, equity, and inclusion
18 goals, including testimony from each participating entity,
19 subject matter experts, and advocates.

20 (g) The Bureau shall publish each annual report prepared
21 and filed pursuant to subsection (d) on the Department of
22 Labor's website for at least 5 years.

23 (Source: P.A. 101-170, eff. 1-1-20; 101-601, eff. 1-1-20;
24 revised 10-22-20.)

1 Sec. 1505-220. Small Clean Energy Contractor Prevailing
2 Wage Act Assistance. The General Assembly finds that small
3 clean energy businesses, especially those in or serving
4 underserved or historically disinvested communities, need
5 assistance and resources to help them comply with the
6 Prevailing Wage Act. Therefore, the Department of Labor shall
7 develop and administer a statewide program to assist small
8 clean energy contractors in administering and complying with
9 the Prevailing Wage Act requirements. This Program shall
10 provide training and ongoing technical assistance pertaining
11 to compliance with the Prevailing Wage Act, including
12 certified payroll reporting requirements. Ongoing assistance
13 shall include, but is not limited to, answering contractor
14 questions, recommending tools and process improvements,
15 establishing an account with and utilizing the Certified
16 Transcript of Payroll Portal and alerting businesses when
17 certified payroll reports are incomplete or incorrect,
18 building administrative expertise within individual
19 businesses, and any other assistance businesses identify as
20 needed based on verbal or other input. All Program training,
21 technical assistance, materials, services, and systems shall
22 be structured to accommodate and address real-world
23 circumstances encountered by small clean energy contractors;
24 shall be developed, refined, and adjusted as necessary in
25 consultation with such contractors; and shall be administered
26 to serve businesses that operate in languages other than

1 English and do so at a level of service equivalent to that
2 offered to businesses that operate in English. The Department
3 may enter into agreements with contractors with experience in
4 supporting small businesses in underserved or historically
5 disinvested communities to implement portions or all of the
6 program, ensuring such capacity is developed in northern,
7 central, and southern Illinois regions. The Department shall
8 communicate and market program services to small clean energy
9 contractors statewide, and may do so in coordination with the
10 Department of Commerce and Economic Opportunity.

11 Section 90-25. The Energy Efficient Building Act is
12 amended by changing Sections 10, 15, 20, 30, and 45 and by
13 adding Section 55 as follows:

14 (20 ILCS 3125/10)

15 Sec. 10. Definitions.

16 "Board" means the Capital Development Board.

17 "Building" includes both residential buildings and
18 commercial buildings.

19 "Code" means the latest published edition of the
20 International Code Council's International Energy Conservation
21 Code as adopted by the Board, including any published
22 supplements adopted by the Board and any amendments and
23 adaptations to the Code that are made by the Board.

24 "Commercial building" means any building except a building

1 that is a residential building, as defined in this Section.

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

4 "Municipality" means any city, village, or incorporated
5 town.

6 "Residential building" means (i) a detached one-family or
7 2-family dwelling or (ii) any building that is 3 stories or
8 less in height above grade that contains multiple dwelling
9 units, in which the occupants reside on a primarily permanent
10 basis, such as a townhouse, a row house, an apartment house, a
11 convent, a monastery, a rectory, a fraternity or sorority
12 house, a dormitory, and a rooming house; provided, however,
13 that when applied to a building located within the boundaries
14 of a municipality having a population of 1,000,000 or more,
15 the term "residential building" means a building containing
16 one or more dwelling units, not exceeding 4 stories above
17 grade, where occupants are primarily permanent.

18 "Site energy index" means a scalar published by the
19 Pacific Northwest National Laboratories representing the ratio
20 of the site energy performance of an evaluated code compared
21 to the site energy performance of the 2006 International
22 Energy Conservation Code. A "site energy index" includes only
23 conservation measures and excludes net energy credit for any
24 on-site or off-site energy production.

25 (Source: P.A. 101-144, eff. 7-26-19.)

1 (20 ILCS 3125/15)

2 Sec. 15. Energy Efficient Building Code. The Board, in
3 consultation with the Department, shall adopt the Code as
4 minimum requirements for commercial buildings, applying to the
5 construction of, renovations to, and additions to all
6 commercial buildings in the State. The Board, in consultation
7 with the Department, shall also adopt the Code as the minimum
8 and maximum requirements for residential buildings, applying
9 to the construction of, renovations to, and additions to all
10 residential buildings in the State, except as provided for in
11 Section 45 of this Act. The Board may appropriately adapt the
12 International Energy Conservation Code to apply to the
13 particular economy, population distribution, geography, and
14 climate of the State and construction therein, consistent with
15 the public policy objectives of this Act.

16 (Source: P.A. 96-778, eff. 8-28-09.)

17 (20 ILCS 3125/20)

18 Sec. 20. Applicability.

19 (a) The Board shall review and adopt the Code within one
20 year after its publication. The Code shall take effect within
21 6 months after it is adopted by the Board, except that,
22 beginning January 1, 2012, the Code adopted in 2012 shall take
23 effect on January 1, 2013. Except as otherwise provided in
24 this Act, the Code shall apply to (i) any new building or
25 structure in this State for which a building permit

1 application is received by a municipality or county and (ii)
2 beginning on the effective date of this amendatory Act of the
3 100th General Assembly, each State facility specified in
4 Section 4.01 of the Capital Development Board Act. In the case
5 of any addition, alteration, renovation, or repair to an
6 existing residential or commercial structure, the Code adopted
7 under this Act applies only to the portions of that structure
8 that are being added, altered, renovated, or repaired. The
9 changes made to this Section by this amendatory Act of the 97th
10 General Assembly shall in no way invalidate or otherwise
11 affect contracts entered into on or before the effective date
12 of this amendatory Act of the 97th General Assembly.

13 (b) The following buildings shall be exempt from the Code:

14 (1) Buildings otherwise exempt from the provisions of
15 a locally adopted building code and buildings that do not
16 contain a conditioned space.

17 (2) Buildings that do not use either electricity or
18 fossil fuel for comfort conditioning. For purposes of
19 determining whether this exemption applies, a building
20 will be presumed to be heated by electricity, even in the
21 absence of equipment used for electric comfort heating,
22 whenever the building is provided with electrical service
23 in excess of 100 amps, unless the code enforcement
24 official determines that this electrical service is
25 necessary for purposes other than providing electric
26 comfort heating.

1 (3) Historic buildings. This exemption shall apply to
2 those buildings that are listed on the National Register
3 of Historic Places or the Illinois Register of Historic
4 Places, and to those buildings that have been designated
5 as historically significant by a local governing body that
6 is authorized to make such designations.

7 (4) (Blank).

8 (5) Other buildings specified as exempt by the
9 International Energy Conservation Code.

10 (c) Additions, alterations, renovations, or repairs to an
11 existing building, building system, or portion thereof shall
12 conform to the provisions of the Code as they relate to new
13 construction without requiring the unaltered portion of the
14 existing building or building system to comply with the Code.
15 The following need not comply with the Code, provided that the
16 energy use of the building is not increased: (i) storm windows
17 installed over existing fenestration, (ii) glass-only
18 replacements in an existing sash and frame, (iii) existing
19 ceiling, wall, or floor cavities exposed during construction,
20 provided that these cavities are filled with insulation, and
21 (iv) construction where the existing roof, wall, or floor is
22 not exposed.

23 (d) A unit of local government that does not regulate
24 energy efficient building standards is not required to adopt,
25 enforce, or administer the Code; however, any energy efficient
26 building standards adopted by a unit of local government must

1 comply with this Act. If a unit of local government does not
2 regulate energy efficient building standards, any
3 construction, renovation, or addition to buildings or
4 structures is subject to the provisions contained in this Act.

5 (Source: P.A. 100-729, eff. 8-3-18.)

6 (20 ILCS 3125/30)

7 Sec. 30. Enforcement. The Board, in consultation with the
8 Department, shall determine procedures for compliance with the
9 Code. These procedures may include but need not be limited to
10 certification by a national, State, or local accredited energy
11 conservation program or inspections from private
12 Code-certified inspectors using the Code. For purposes of the
13 Illinois Stretch Energy Code under Section 55, the Board shall
14 allow and encourage, as an alternative compliance mechanism,
15 project certification by a nationally recognized nonprofit
16 certification organization specializing in high-performance
17 passive buildings and offering climate-specific building
18 energy standards that require equal or better energy
19 performance than the Illinois Stretch Energy Code.

20 (Source: P.A. 93-936, eff. 8-13-04.)

21 (20 ILCS 3125/45)

22 Sec. 45. Home rule.

23 (a) (Blank). ~~No unit of local government, including any~~
24 ~~home rule unit, may regulate energy efficient building~~

1 ~~standards for commercial buildings in a manner that is less~~
2 ~~stringent than the provisions contained in this Act.~~

3 (b) No unit of local government, including any home rule
4 unit, may regulate energy efficient building standards for
5 residential buildings in a manner that is either less or more
6 stringent than the standards established pursuant to this Act;
7 provided, however, that the following entities may regulate
8 energy efficient building standards for residential or
9 commercial buildings in a manner that is more stringent than
10 the provisions contained in this Act: (i) a unit of local
11 government, including a home rule unit, that has, on or before
12 May 15, 2009, adopted or incorporated by reference energy
13 efficient building standards for residential or commercial
14 buildings that are equivalent to or more stringent than the
15 2006 International Energy Conservation Code, (ii) a unit of
16 local government, including a home rule unit, that has, on or
17 before May 15, 2009, provided to the Capital Development
18 Board, as required by Section 10.18 of the Capital Development
19 Board Act, an identification of an energy efficient building
20 code or amendment that is equivalent to or more stringent than
21 the 2006 International Energy Conservation Code, (ii-5) a
22 municipality that has adopted the Illinois Stretch Energy
23 Code, and (iii) a municipality with a population of 1,000,000
24 or more.

25 (c) No unit of local government, including any home rule
26 unit or unit of local government that is subject to State

1 regulation under the Code as provided in Section 15 of this
2 Act, may hereafter enact any annexation ordinance or
3 resolution, or require or enter into any annexation agreement,
4 that imposes energy efficient building standards for
5 residential or commercial buildings that are either less or
6 more stringent than the energy efficiency standards in effect,
7 at the time of construction, throughout the unit of local
8 government, except for the Illinois Stretch Energy Code.

9 (d) This Section is a denial and limitation of home rule
10 powers and functions under subsection (i) of Section 6 of
11 Article VII of the Illinois Constitution on the concurrent
12 exercise by home rule units of powers and functions exercised
13 by the State. Nothing in this Section, however, prevents a
14 unit of local government from adopting an energy efficiency
15 code or standards for commercial buildings that are more
16 stringent than the Code under this Act.

17 (Source: P.A. 99-639, eff. 7-28-16.)

18 (20 ILCS 3125/55 new)

19 Sec. 55. Illinois Stretch Energy Code.

20 (a) The Board, in consultation with the Department, shall
21 create and adopt the Illinois Stretch Energy Code, to allow
22 municipalities and projects authorized or funded by the Board
23 to achieve more energy efficiency in buildings than the
24 Illinois Energy Conservation Code through a consistent pathway
25 across the State. The Illinois Stretch Energy Code shall be

1 available for adoption by any municipality and shall set
2 minimum energy efficiency requirements, taking the place of
3 the Illinois Energy Conservation Code within any municipality
4 that adopts the Illinois Stretch Energy Code.

5 (b) The Illinois Stretch Energy Code shall have separate
6 components for commercial and residential buildings, which may
7 be adopted by the municipality jointly or separately.

8 (c) The Illinois Stretch Energy Code shall apply to all
9 projects to which an energy conservation code is applicable
10 that are authorized or funded in any part by the Board after
11 January 1, 2023.

12 (d) Development of the Illinois Stretch Energy Code shall
13 be completed and available for adoption by municipalities by
14 December 31, 2023.

15 (e) Consistent with the requirements under paragraph (2.5)
16 of subsection (q) of Section 8-103B of the Public Utilities
17 Act and under paragraph (2) of subsection (j) of Section
18 8-104.1 of the Public Utilities Act, municipalities that adopt
19 the Illinois Stretch Energy Code may use utility programs to
20 support compliance with the Illinois Stretch Energy Code. The
21 amount of savings from such utility efforts that may be
22 counted toward achievement of their annual savings goals shall
23 be based on reasonable estimates of the increase in savings
24 resulting from the utility efforts, relative to reasonable
25 approximations of what would have occurred absent the utility
26 involvement.

1 (f) The Illinois Stretch Energy Code's residential
2 components shall:

3 (1) apply to residential buildings as defined under
4 Section 10;

5 (2) set performance targets using a site energy index
6 with reductions relative to the 2006 International Energy
7 Conservation Code; and

8 (3) include stretch energy codes with site energy
9 index standards and adoption dates as follows: by no later
10 than December 31, 2022, the Board shall create and adopt a
11 stretch energy code with a site energy index no greater
12 than 0.50 of the 2006 International Energy Conservation
13 Code; by no later than December 31, 2025, the Board shall
14 create and adopt a stretch energy code with a site energy
15 index no greater than 0.40 of the 2006 International
16 Energy Conservation Code, unless the Board identifies
17 unanticipated burdens associated with the stretch energy
18 code adopted in 2022, in which case the Board may adopt a
19 stretch energy code with a site energy index no greater
20 than 0.42 of the 2006 International Energy Conservation
21 Code, provided that the more relaxed standard has a site
22 energy index that is at least 0.05 more restrictive than
23 the 2024 International Energy Conservation Code; by no
24 later than December 31, 2028, the Board shall create and
25 adopt a stretch energy code with a site energy index no
26 greater than 0.33 of the 2006 International Energy

1 Conservation Code, unless the Board identifies
2 unanticipated burdens associated with the stretch energy
3 code adopted in 2025, in which case the Board may adopt a
4 stretch energy code with a site energy index no greater
5 than 0.35 of the 2006 International Energy Conservation
6 Code, but only if that more relaxed standard has a site
7 energy index that is at least 0.05 more restrictive than
8 the 2027 International Energy Conservation Code; and by no
9 later than December 31, 2031, the Board shall create and
10 adopt a stretch energy code with a site energy index no
11 greater than 0.25 of the 2006 International Energy
12 Conservation Code.

13 (g) The Illinois Stretch Energy Code's commercial
14 components shall:

15 (1) apply to commercial buildings as defined under
16 Section 10;

17 (2) set performance targets using a site energy index
18 with reductions relative to the 2006 International Energy
19 Conservation Code; and

20 (3) include stretch energy codes with site energy
21 index standards and adoption dates as follows: by no later
22 than December 31, 2022, the Board shall create and adopt a
23 stretch energy code with a site energy index no greater
24 than 0.60 of the 2006 International Energy Conservation
25 Code; by no later than December 31, 2025, the Board shall
26 create and adopt a stretch energy code with a site energy

1 index no greater than 0.50 of the 2006 International
2 Energy Conservation Code; by no later than December 31,
3 2028, the Board shall create and adopt a stretch energy
4 code with a site energy index no greater than 0.44 of the
5 2006 International Energy Conservation Code; and by no
6 later than December 31, 2031, the Board shall create and
7 adopt a stretch energy code with a site energy index no
8 greater than 0.39 of the 2006 International Energy
9 Conservation Code.

10 (h) The process for the creation of the Illinois Stretch
11 Energy Code includes:

12 (1) within 60 days after the effective date of this
13 amendatory Act of the 102nd General Assembly, the Capital
14 Development Board shall establish an Illinois Stretch
15 Energy Code Task Force to advise and provide technical
16 assistance and recommendations to the Capital Development
17 Board for the Illinois Stretch Energy Code, which shall:

18 (A) advise the Capital Development Board on
19 creation of interim performance targets, code
20 requirements, and an implementation plan for the
21 Illinois Stretch Energy Code;

22 (B) recommend amendments to proposed rules issued
23 by the Capital Development Board;

24 (C) recommend complementary programs or policies;

25 (D) complete recommendations and development for
26 the Illinois Stretch Energy Code elements and

1 requirements by July 31, 2022;

2 (E) be composed of, but not limited to,
3 representatives, or their designees, from the
4 following entities:

5 (i) a representative from a group that
6 represents environmental justice;

7 (ii) a representative of a nonprofit or
8 professional association advocating for the
9 environment;

10 (iii) a representative of an organization
11 representing local governments in the metropolitan
12 Chicago region;

13 (iv) a representative of the City of Chicago;

14 (v) a representative of an organization
15 representing local governments outside the
16 metropolitan Chicago region;

17 (vi) a representative for the investor-owned
18 utilities of Illinois;

19 (vii) an energy-efficiency advocate with
20 technical expertise in single-family residential
21 buildings;

22 (viii) an energy-efficiency advocate with
23 technical expertise in commercial buildings;

24 (ix) an energy-efficiency advocate with
25 technical expertise in multifamily buildings, such
26 as an affordable housing developer;

1 (x) a representative from the architecture or
2 engineering industry;

3 (xi) a representative from a home builders
4 association;

5 (xii) a representative from the commercial
6 building industry;

7 (xiii) a representative of the enforcement
8 industry, such as a code official or energy rater;

9 (xiv) a representative of organized labor; and

10 (xv) other experts or organizations deemed
11 necessary by the Capital Development Board; and

12 (F) be co-chaired by:

13 (i) a representative of the environmental
14 community;

15 (ii) a representative of the environmental
16 justice community; and

17 (iii) a municipal representative.

18 (2) As part of its deliberations, the Illinois Stretch
19 Energy Code Task Force shall actively solicit input from
20 other energy code stakeholders and interested parties.

21 Section 90-30. The Illinois Power Agency Act is amended by
22 changing Sections 1-5, 1-10, 1-20, 1-35, 1-56, 1-70, 1-75,
23 1-92, and 1-125 and by adding Section 1-128 as follows:

24 (20 ILCS 3855/1-5)

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

3 (1) The health, welfare, and prosperity of all
4 Illinois residents ~~citizens~~ require the provision of
5 adequate, reliable, affordable, efficient, and
6 environmentally sustainable electric service at the lowest
7 total cost over time, taking into account any benefits of
8 price stability.

9 (1.5) To provide the highest quality of life for the
10 residents of Illinois and to provide for a clean and
11 healthy environment, it is the policy of this State to
12 rapidly transition to 100% clean energy by 2050.

13 (2) (Blank).

14 (3) (Blank).

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

23 (5) Procuring a diverse electricity supply portfolio
24 will ensure the lowest total cost over time for adequate,
25 reliable, efficient, and environmentally sustainable
26 electric service.

1 (6) Including renewable resources and zero emission
2 credits from zero emission facilities in that portfolio
3 will reduce long-term direct and indirect costs to
4 consumers by decreasing environmental impacts and by
5 avoiding or delaying the need for new generation,
6 transmission, and distribution infrastructure. Developing
7 new renewable energy resources in Illinois, including
8 brownfield solar projects and community solar projects,
9 will help to diversify Illinois electricity supply, avoid
10 and reduce pollution, reduce peak demand, and enhance
11 public health and well-being of Illinois residents.

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

15 (8) Developing brownfield solar projects in Illinois
16 will help return blighted or contaminated land to
17 productive use while enhancing public health and the
18 well-being of Illinois residents, including those in
19 environmental justice communities.

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

26 (10) The State should encourage the use of advanced

1 clean coal technologies that capture and sequester carbon
2 dioxide emissions to advance environmental protection
3 goals and to demonstrate the viability of coal and
4 coal-derived fuels in a carbon-constrained economy.

5 (10.5) The State should encourage the development of
6 interregional high voltage direct current (HVDC)
7 transmission lines that benefit Illinois. All ratepayers
8 in the State served by the regional transmission
9 organization where the HVDC converter station is
10 interconnected benefit from the long-term price stability
11 and market access provided by interregional HVDC
12 transmission facilities. The benefits to Illinois include:
13 reduction in wholesale power prices; access to lower-cost
14 markets; enabling the integration of additional renewable
15 generating units within the State through near
16 instantaneous dispatchability and the provision of
17 ancillary services; creating good-paying union jobs in
18 Illinois; and, enhancing grid reliability and climate
19 resilience via HVDC facilities that are installed
20 underground.

21 (10.6) The health, welfare, and safety of the people
22 of the State are advanced by developing new HVDC
23 transmission lines predominantly along transportation
24 rights-of-way, with an HVDC converter station that is
25 located in the service territory of a public utility as
26 defined in Section 3-105 of the Public Utilities Act

1 serving more than 3,000,000 retail customers, and with a
2 project labor agreement as defined in Section 1-10 of this
3 Act.

4 (11) The General Assembly enacted Public Act 96-0795
5 to reform the State's purchasing processes, recognizing
6 that government procurement is susceptible to abuse if
7 structural and procedural safeguards are not in place to
8 ensure independence, insulation, oversight, and
9 transparency.

10 (12) The principles that underlie the procurement
11 reform legislation apply also in the context of power
12 purchasing.

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

26 The General Assembly therefore finds that it is necessary

1 to create the Illinois Power Agency and that the goals and
2 objectives of that Agency are to accomplish each of the
3 following:

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

19 (B) Conduct the competitive procurement processes
20 identified in Public Act 99-906 ~~this Act~~.

21 (C) Develop electric generation and co-generation
22 facilities that use indigenous coal or renewable
23 resources, or both, financed with bonds issued by the
24 Illinois Finance Authority.

25 (D) Supply electricity from the Agency's facilities at
26 cost to one or more of the following: municipal electric

1 systems, governmental aggregators, or rural electric
2 cooperatives in Illinois.

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

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

10 (G) Operate in a structurally insulated, independent,
11 and transparent fashion so that nothing impedes the
12 Agency's mission to secure power at the best prices the
13 market will bear, provided that the Agency meets all
14 applicable legal requirements.

15 (H) Implement renewable energy procurement and
16 training programs throughout the State to diversify
17 Illinois electricity supply, improve reliability, avoid
18 and reduce pollution, reduce peak demand, and enhance
19 public health and well-being of Illinois residents,
20 including low-income residents.

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

22 (20 ILCS 3855/1-10)

23 Sec. 1-10. Definitions.

24 "Agency" means the Illinois Power Agency.

25 "Agency loan agreement" means any agreement pursuant to

1 which the Illinois Finance Authority agrees to loan the
2 proceeds of revenue bonds issued with respect to a project to
3 the Agency upon terms providing for loan repayment
4 installments at least sufficient to pay when due all principal
5 of, interest and premium, if any, on those revenue bonds, and
6 providing for maintenance, insurance, and other matters in
7 respect of the project.

8 "Authority" means the Illinois Finance Authority.

9 "Brownfield site photovoltaic project" means photovoltaics
10 that are either:

11 (1) interconnected to an electric utility as defined
12 in this Section, a municipal utility as defined in this
13 Section, a public utility as defined in Section 3-105 of
14 the Public Utilities Act, or an electric cooperative, as
15 defined in Section 3-119 of the Public Utilities Act, and
16 ~~(2)~~ located at a site that is regulated by any of the
17 following entities under the following programs:

18 (A) the United States Environmental Protection
19 Agency under the federal Comprehensive Environmental
20 Response, Compensation, and Liability Act of 1980, as
21 amended;

22 (B) the United States Environmental Protection
23 Agency under the Corrective Action Program of the
24 federal Resource Conservation and Recovery Act, as
25 amended;

26 (C) the Illinois Environmental Protection Agency

1 under the Illinois Site Remediation Program; or

2 (D) the Illinois Environmental Protection Agency
3 under the Illinois Solid Waste Program; ~~or~~

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

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

1 emit if, at the time construction commences, the facility is
2 scheduled to commence operation during 2016 or 2017, and at
3 least 90% of the total carbon dioxide emissions that the
4 facility would otherwise emit if, at the time construction
5 commences, the facility is scheduled to commence operation
6 after 2017. The power block of the clean coal facility shall
7 not exceed allowable emission rates for sulfur dioxide,
8 nitrogen oxides, carbon monoxide, particulates and mercury for
9 a natural gas-fired combined-cycle facility the same size as
10 and in the same location as the clean coal facility at the time
11 the clean coal facility obtains an approved air permit. All
12 coal used by a clean coal facility shall have high volatile
13 bituminous rank and greater than 1.7 pounds of sulfur per
14 million btu content, unless the clean coal facility does not
15 use gasification technology and was operating as a
16 conventional coal-fired electric generating facility on June
17 1, 2009 (the effective date of Public Act 95-1027).

18 "Clean coal SNG brownfield facility" means a facility that
19 (1) has commenced construction by July 1, 2015 on an urban
20 brownfield site in a municipality with at least 1,000,000
21 residents; (2) uses a gasification process to produce
22 substitute natural gas; (3) uses coal as at least 50% of the
23 total feedstock over the term of any sourcing agreement with a
24 utility and the remainder of the feedstock may be either
25 petroleum coke or coal, with all such coal having a high
26 bituminous rank and greater than 1.7 pounds of sulfur per

1 million Btu content unless the facility reasonably determines
2 that it is necessary to use additional petroleum coke to
3 deliver additional consumer savings, in which case the
4 facility shall use coal for at least 35% of the total feedstock
5 over the term of any sourcing agreement; and (4) captures and
6 sequesters at least 85% of the total carbon dioxide emissions
7 that the facility would otherwise emit.

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

21 "Clean energy" means energy generation that is 90% or
22 greater free of carbon dioxide emissions.

23 "Commission" means the Illinois Commerce Commission.

24 "Community renewable generation project" means an electric
25 generating facility that:

26 (1) is powered by wind, solar thermal energy,

1 photovoltaic cells or panels, biodiesel, crops and
2 untreated and unadulterated organic waste biomass, ~~tree~~
3 ~~waste~~, and hydropower that does not involve new
4 construction or significant expansion of hydropower dams;

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

12 (3) credits the value of electricity generated by the
13 facility to the subscribers of the facility; and

14 (4) is limited in nameplate capacity to less than or
15 equal to 5,000 ~~2,000~~ kilowatts.

16 "Costs incurred in connection with the development and
17 construction of a facility" means:

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

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

25 (3) all origination, commitment, utilization,
26 facility, placement, underwriting, syndication, credit

1 enhancement, and rating agency fees;

2 (4) engineering, design, procurement, consulting,
3 legal, accounting, title insurance, survey, appraisal,
4 escrow, trustee, collateral agency, interest rate hedging,
5 interest rate swap, capitalized interest, contingency, as
6 required by lenders, and other financing costs, and other
7 expenses for professional services; and

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

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

18 "Delivery year" means the consecutive 12-month period
19 beginning June 1 of a given year and ending May 31 of the
20 following year.

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

23 "Director" means the Director of the Illinois Power
24 Agency.

25 "Demand-response" means measures that decrease peak
26 electricity demand or shift demand from peak to off-peak

1 periods.

2 "Distributed renewable energy generation device" means a
3 device that is:

4 (1) powered by wind, solar thermal energy,
5 photovoltaic cells or panels, biodiesel, crops and
6 untreated and unadulterated organic waste biomass, tree
7 waste, and hydropower that does not involve new
8 construction or significant expansion of hydropower dams,
9 waste heat to power systems, or qualified combined heat
10 and power systems;

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

17 (3) located on the customer side of the customer's
18 electric meter and is primarily used to offset that
19 customer's electricity load; and

20 (4) (blank). ~~limited in nameplate capacity to less~~
21 ~~than or equal to 2,000 kilowatts.~~

22 "Energy efficiency" means measures that reduce the amount
23 of electricity or natural gas consumed in order to achieve a
24 given end use. "Energy efficiency" includes voltage
25 optimization measures that optimize the voltage at points on
26 the electric distribution voltage system and thereby reduce

1 electricity consumption by electric customers' end use
2 devices. "Energy efficiency" also includes measures that
3 reduce the total Btus of electricity, natural gas, and other
4 fuels needed to meet the end use or uses.

5 "Electric utility" has the same definition as found in
6 Section 16-102 of the Public Utilities Act.

7 "Equitable Energy Future Certification" and "EEFC" are
8 synonymous and mean a certification provided to an applicant
9 by the Illinois Power Agency where an applicant commits that a
10 project will meet one or more of the following criteria: (i)
11 more than 50% of the work on the project have or will be
12 performed by eligible persons; or (ii) more than 50% of the
13 work on the project have or will be done by equity eligible
14 contractors. The Agency will establish Equitable Energy Future
15 Certification standards for entities where certification by
16 individual project is infeasible, which can include
17 certification of a portfolio of projects if an entity can
18 demonstrate consistent EEFC eligibility across that portfolio.

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

25 (1) R3 Areas as established pursuant to Section 10-40
26 of the Cannabis Regulation and Tax Act, where residents

1 have historically been excluded from economic
2 opportunities, including opportunities in the energy
3 sector; and

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

9 "Equity eligible persons" or "eligible persons" means
10 persons who would most benefit from equitable investments by
11 the State designed to combat discrimination, specifically:

12 (1) persons who graduate from or are current or former
13 participants in the Clean Jobs Workforce Network Program,
14 the Clean Energy Contractor Incubator Program, the
15 Illinois Climate Works Preapprenticeship Program,
16 Returning Residents Clean Jobs Training Program, or the
17 Clean Energy Primes Contractor Accelerator Program, and
18 the solar training pipeline and multi-cultural jobs
19 program created in paragraphs (a) (1) and (a) (3) of Section
20 16-108.21 of the Public Utilities Act;

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

23 (3) persons who were formerly incarcerated;

24 (4) persons whose primary residence is in an equity
25 investment eligible community.

26 "Equity eligible contractor" means a business that is

1 majority-owned by eligible persons, or a nonprofit or
2 cooperative that is majority-governed by eligible persons, or
3 is a natural person that is an eligible person offering
4 personal services as an independent contractor.

5 "Facility" means an electric generating unit or a
6 co-generating unit that produces electricity along with
7 related equipment necessary to connect the facility to an
8 electric transmission or distribution system.

9 "General Contractor" means the entity or organization with
10 main responsibility for the building of a construction project
11 and who is the party signing the prime construction contract
12 for the project.

13 "Governmental aggregator" means one or more units of local
14 government that individually or collectively procure
15 electricity to serve residential retail electrical loads
16 located within its or their jurisdiction.

17 "High voltage direct current converter station" means the
18 collection of equipment that converts direct current energy
19 from a high voltage direct current transmission line into
20 alternating current using Voltage Source Conversion technology
21 and that is interconnected with transmission or distribution
22 assets located in Illinois.

23 "High voltage direct current renewable energy credit"
24 means a renewable energy credit associated with a renewable
25 energy resource where the renewable energy resource has
26 entered into a contract to transmit the energy associated with

1 such renewable energy credit over high voltage direct current
2 transmission facilities.

3 "High voltage direct current transmission facilities"
4 means the collection of installed equipment that converts
5 alternating current energy in one location to direct current
6 and transmits that direct current energy to a high voltage
7 direct current converter station using Voltage Source
8 Conversion technology. "High voltage direct current
9 transmission facilities" includes the high voltage direct
10 current converter station itself and associated high voltage
11 direct current transmission lines. Notwithstanding the
12 preceding, an otherwise qualifying collection of equipment
13 does not qualify as high voltage direct current transmission
14 facilities unless its developer entered into a project labor
15 agreement, is capable of transmitting electricity at 525kv
16 with an Illinois converter station located and interconnected
17 in the region of the PJM Interconnection, LLC, and the system
18 does not operate as a public utility, as that term is defined
19 in Section 3-105 of the Public Utilities Act.

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

23 "Indexed renewable energy credit" means a tradable credit
24 that represents the environmental attributes of one megawatt
25 hour of energy produced from a renewable energy resource, the
26 price of which shall be calculated by subtracting the strike

1 price offered by a new utility-scale wind project or a new
2 utility-scale photovoltaic project from the index price in a
3 given settlement period.

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

7 "Local government" means a unit of local government as
8 defined in Section 1 of Article VII of the Illinois
9 Constitution.

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

12 "Municipal utility" means a public utility owned and
13 operated by any subdivision or municipal corporation of this
14 State.

15 "Nameplate capacity" means the aggregate inverter
16 nameplate capacity in kilowatts AC.

17 "Person" means any natural person, firm, partnership,
18 corporation, either domestic or foreign, company, association,
19 limited liability company, joint stock company, or association
20 and includes any trustee, receiver, assignee, or personal
21 representative thereof.

22 "Project" means the planning, bidding, and construction of
23 a facility.

24 "Project labor agreement" means a pre-hire collective
25 bargaining agreement that covers all terms and conditions of
26 employment on a specific construction project and must include

1 the following:

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

4 (2) provisions establishing the benefits and other
5 compensation for each class of labor organization
6 employee;

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

9 (4) provisions establishing that no lockout or
10 disputes will be engaged in by the general contractor
11 building the project; and

12 (5) provisions for minorities and women, as defined
13 under the Business Enterprise for Minorities, Women, and
14 Persons with Disabilities Act, setting forth goals for
15 apprenticeship hours to be performed by minorities and
16 women and setting forth goals for total hours to be
17 performed by underrepresented minorities and women.

18 A labor organization and the general contractor building
19 the project shall have the authority to include other terms
20 and conditions as they deem necessary.

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

23 "Qualified combined heat and power systems" means systems
24 that, either simultaneously or sequentially, produce
25 electricity and useful thermal energy from a single fuel
26 source. Such systems are eligible for "renewable energy

1 credits" in an amount equal to its total energy output where a
2 renewable fuel is consumed or in an amount equal to the net
3 reduction in nonrenewable fuel consumed on a total energy
4 output basis.

5 "Real property" means any interest in land together with
6 all structures, fixtures, and improvements thereon, including
7 lands under water and riparian rights, any easements,
8 covenants, licenses, leases, rights-of-way, uses, and other
9 interests, together with any liens, judgments, mortgages, or
10 other claims or security interests related to real property.

11 "Renewable energy credit" means a tradable credit that
12 represents the environmental attributes of one megawatt hour
13 of energy produced from a renewable energy resource.

14 "Renewable energy resources" includes energy and its
15 associated renewable energy credit or renewable energy credits
16 from wind, solar thermal energy, photovoltaic cells and
17 panels, biodiesel, anaerobic digestion, crops and untreated
18 and unadulterated organic waste biomass, ~~tree waste,~~ and
19 hydropower that does not involve new construction or
20 significant expansion of hydropower dams, waste heat to power
21 systems, or qualified combined heat and power systems. For
22 purposes of this Act, landfill gas produced in the State is
23 considered a renewable energy resource. "Renewable energy
24 resources" does not include the incineration or burning of
25 tires, garbage, general household, institutional, and
26 commercial waste, industrial lunchroom or office waste,

1 landscape waste ~~other than tree waste~~, railroad crossties,
2 utility poles, or construction or demolition debris, other
3 than untreated and unadulterated waste wood. "Renewable energy
4 resources" also includes high voltage direct current renewable
5 energy credits and the associated energy converted to
6 alternating current by a high voltage direct current converter
7 station to the extent that: (1) the generator of such
8 renewable energy resource contracted with a third party to
9 transmit the energy over the high voltage direct current
10 transmission facilities, and (2) the third-party contracting
11 for delivery of renewable energy resources over the high
12 voltage direct current transmission facilities have ownership
13 rights over the unretired associated high voltage direct
14 current renewable energy credit.

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

17 "Revenue bond" means any bond, note, or other evidence of
18 indebtedness issued by the Authority, the principal and
19 interest of which is payable solely from revenues or income
20 derived from any project or activity of the Agency.

21 "Seller" means the supplier of a renewable energy credit
22 produced from a new utility-scale wind project or a new
23 utility-scale photovoltaic project.

24 "Sequester" means permanent storage of carbon dioxide by
25 injecting it into a saline aquifer, a depleted gas reservoir,
26 or an oil reservoir, directly or through an enhanced oil

1 recovery process that may involve intermediate storage,
2 regardless of whether these activities are conducted by a
3 clean coal facility, a clean coal SNG facility, a clean coal
4 SNG brownfield facility, or a party with which a clean coal
5 facility, clean coal SNG facility, or clean coal SNG
6 brownfield facility has contracted for such purposes.

7 "Service area" has the same definition as found in Section
8 16-102 of the Public Utilities Act.

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

12 "Sourcing agreement" means (i) in the case of an electric
13 utility, an agreement between the owner of a clean coal
14 facility and such electric utility, which agreement shall have
15 terms and conditions meeting the requirements of paragraph (3)
16 of subsection (d) of Section 1-75, (ii) in the case of an
17 alternative retail electric supplier, an agreement between the
18 owner of a clean coal facility and such alternative retail
19 electric supplier, which agreement shall have terms and
20 conditions meeting the requirements of Section 16-115(d) (5) of
21 the Public Utilities Act, and (iii) in case of a gas utility,
22 an agreement between the owner of a clean coal SNG brownfield
23 facility and the gas utility, which agreement shall have the
24 terms and conditions meeting the requirements of subsection
25 (h-1) of Section 9-220 of the Public Utilities Act.

26 "Strike price" means a contract price for energy and

1 renewable energy credits from a new utility-scale wind project
2 or a new utility-scale photovoltaic project.

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

13 "Subscription" means an interest in a community renewable
14 generation project expressed in kilowatts, which is sized
15 primarily to offset part or all of the subscriber's
16 electricity usage.

17 "Substitute natural gas" or "SNG" means a gas manufactured
18 by gasification of hydrocarbon feedstock, which is
19 substantially interchangeable in use and distribution with
20 conventional natural gas.

21 "Total resource cost test" or "TRC test" means a standard
22 that is met if, for an investment in energy efficiency or
23 demand-response measures, the benefit-cost ratio is greater
24 than one. The benefit-cost ratio is the ratio of the net
25 present value of the total benefits of the program to the net
26 present value of the total costs as calculated over the

1 lifetime of the measures. A total resource cost test compares
2 the sum of avoided electric utility costs, representing the
3 benefits that accrue to the system and the participant in the
4 delivery of those efficiency measures and including avoided
5 costs associated with reduced use of natural gas or other
6 fuels, avoided costs associated with reduced water
7 consumption, and avoided costs associated with reduced
8 operation and maintenance costs, as well as other quantifiable
9 societal benefits, to the sum of all incremental costs of
10 end-use measures that are implemented due to the program
11 (including both utility and participant contributions), plus
12 costs to administer, deliver, and evaluate each demand-side
13 program, to quantify the net savings obtained by substituting
14 the demand-side program for supply resources. In calculating
15 avoided costs of power and energy that an electric utility
16 would otherwise have had to acquire, reasonable estimates
17 shall be included of financial costs likely to be imposed by
18 future regulations and legislation on emissions of greenhouse
19 gases. In discounting future societal costs and benefits for
20 the purpose of calculating net present values, a societal
21 discount rate based on actual, long-term Treasury bond yields
22 should be used. Notwithstanding anything to the contrary, the
23 TRC test shall not include or take into account a calculation
24 of market price suppression effects or demand reduction
25 induced price effects.

26 "Utility-scale solar project" means an electric generating

1 facility that:

2 (1) generates electricity using photovoltaic cells;
3 and

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

6 "Utility-scale wind project" means an electric generating
7 facility that:

8 (1) generates electricity using wind; and

9 (2) has a nameplate capacity that is greater than
10 5,000 ~~2,000~~ kilowatts.

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

14 "Zero emission credit" means a tradable credit that
15 represents the environmental attributes of one megawatt hour
16 of energy produced from a zero emission facility.

17 "Zero emission facility" means a facility that: (1) is
18 fueled by nuclear power; and (2) is interconnected with PJM
19 Interconnection, LLC or the Midcontinent Independent System
20 Operator, Inc., or their successors.

21 (Source: P.A. 98-90, eff. 7-15-13; 99-906, eff. 6-1-17.)

22 (20 ILCS 3855/1-20)

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

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

25 (1) Develop electricity procurement plans to ensure

1 adequate, reliable, affordable, efficient, and
2 environmentally sustainable electric service at the lowest
3 total cost over time, taking into account any benefits of
4 price stability, for electric utilities that on December
5 31, 2005 provided electric service to at least 100,000
6 customers in Illinois and for small multi-jurisdictional
7 electric utilities that (A) on December 31, 2005 served
8 less than 100,000 customers in Illinois and (B) request a
9 procurement plan for their Illinois jurisdictional load.
10 Except as provided in paragraph (1.5) of this subsection
11 (a), the electricity procurement plans shall be updated on
12 an annual basis and shall include electricity generated
13 from renewable resources sufficient to achieve the
14 standards specified in this Act. Beginning with the
15 delivery year commencing June 1, 2017, develop procurement
16 plans to include zero emission credits generated from zero
17 emission facilities sufficient to achieve the standards
18 specified in this Act. Beginning with the delivery year
19 commencing on June 1, 2022, the Agency is authorized to
20 develop carbon mitigation credit procurement plans to
21 include carbon mitigation credits generated from
22 carbon-free energy resources sufficient to achieve the
23 standards specified in this Act.

24 (1.5) Develop a long-term renewable resources
25 procurement plan in accordance with subsection (c) of
26 Section 1-75 of this Act for renewable energy credits in

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

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

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

26 (2.10) Oversee the procurement by electric utilities

1 that served more than 300,000 customers in this State as
2 of January 1, 2019 of renewable energy credits from new
3 renewable energy facilities to be installed, along with
4 energy storage facilities, at or adjacent to the sites of
5 electric generating facilities that burned coal as their
6 primary fuel source as of January 1, 2016 in accordance
7 with subsection (c-5) of Section 1-75 of this Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (12) To enter into agreements with the Illinois

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

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

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

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

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

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

1 the residents ~~citizens~~ of Illinois.

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

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

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

12 (21) To accept and expend appropriations.

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

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

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

26 (25) To conduct competitive gasification feedstock

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

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

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

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

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

1 (c) of Section 1-75.

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

3 (20 ILCS 3855/1-35)

4 Sec. 1-35. Agency rules. The Agency shall adopt rules as
5 may be necessary and appropriate for the operation of the
6 Agency. In addition to other rules relevant to the operation
7 of the Agency, the Agency shall adopt rules that accomplish
8 each of the following:

9 (1) Establish procedures for monitoring the
10 administration of any contract administered directly or
11 indirectly by the Agency; except that the procedures shall
12 not extend to executed contracts between electric
13 utilities and their suppliers.

14 (2) If deemed necessary by the Agency, establish
15 ~~Establish~~ procedures for the recovery of costs incurred in
16 connection with the development and construction of a
17 facility should the Agency cancel a project, provided that
18 no such costs shall be passed on to public utilities or
19 their customers or paid from the Illinois Power Agency
20 Operations Fund.

21 (3) Implement accounting rules and a system of
22 accounts, in accordance with State law, permitting all
23 reporting (i) required by the State, (ii) required under
24 this Act, (iii) required by the Authority, or (iv)
25 required under the Public Utilities Act.

1 The Agency shall not adopt any rules that infringe upon
2 the authority granted to the Commission.

3 (Source: P.A. 95-481, eff. 8-28-07.)

4 (20 ILCS 3855/1-56)

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

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

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

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

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

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

1 1-75 of this Act, and the program shall be designed to grow
2 the low-income solar market. The Agency or utility, as
3 applicable, shall purchase renewable energy credits from
4 the (i) photovoltaic distributed renewable energy
5 generation projects and (ii) community solar projects that
6 are procured under procurement processes authorized by the
7 long-term renewable resources procurement plans approved
8 by the Commission.

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

1 this Act, shall initially be allocated among the programs
2 described in this paragraph (2), as follows: 35% ~~22.5%~~ of
3 these funds shall be allocated to programs described in
4 subparagraphs ~~subparagraph~~ (A) and (E) of this paragraph
5 (2), 40% ~~37.5%~~ of these funds shall be allocated to
6 programs described in subparagraph (B) of this paragraph
7 (2), and 25% ~~15%~~ of these funds shall be allocated to
8 programs described in subparagraph (C) of this paragraph
9 (2), ~~and 25% of these funds, but in no event more than~~
10 ~~\$50,000,000, shall be allocated to programs described in~~
11 ~~subparagraph (D) of this paragraph (2).~~ The allocation of
12 funds among subparagraphs (A), (B), ~~or~~ (C), and (E) of
13 this paragraph (2) may be changed if the Agency, after
14 receiving input through a stakeholder process, ~~or~~
15 ~~administrator, through delegated authority,~~ determines
16 incentives in subparagraphs (A), (B), ~~or~~ (C), or (E) of
17 this paragraph (2) have not been adequately subscribed to
18 fully utilize available Illinois Solar for All Program
19 funds ~~the Illinois Power Agency Renewable Energy Resources~~
20 ~~Fund. The determination shall include input through a~~
21 ~~stakeholder process. The program offerings described in~~
22 ~~subparagraphs (A) through (D) of this paragraph (2) shall~~
23 ~~also be implemented through contracts funded from such~~
24 ~~additional amounts as are allocated to one or more of the~~
25 ~~programs in the long term renewable resources procurement~~
26 ~~plans as specified in subsection (c) of Section 1-75 of~~

1 ~~this Act and subparagraph (0) of paragraph (1) of such~~
2 ~~subsection (c).~~

3 Contracts that will be paid with funds in the Illinois
4 Power Agency Renewable Energy Resources Fund shall be
5 executed by the Agency. Contracts that will be paid with
6 funds collected by an electric utility shall be executed
7 by the electric utility.

8 Contracts under the Illinois Solar for All Program
9 shall include an approach, as set forth in the long-term
10 renewable resources procurement plans, to ensure the
11 wholesale market value of the energy is credited to
12 participating low-income customers or organizations and to
13 ensure tangible economic benefits flow directly to program
14 participants, except in the case of low-income
15 multi-family housing where the low-income customer does
16 not directly pay for energy. Priority shall be given to
17 projects that demonstrate meaningful involvement of
18 low-income community members in designing the initial
19 proposals. Acceptable proposals to implement projects must
20 demonstrate the applicant's ability to conduct initial
21 community outreach, education, and recruitment of
22 low-income participants in the community. Projects must
23 include job training opportunities if available, with the
24 specific level of trainee usage to be determined through
25 the Agency's long-term renewable resources procurement
26 plan, and the Illinois Solar for All Program Administrator

1 shall ~~endeavor to~~ coordinate with the job training
2 programs described in paragraph (1) of subsection (a) of
3 Section 16-108.12 of the Public Utilities Act and in the
4 Energy Transition Act.

5 The Agency shall make every effort to ensure that
6 small and emerging businesses, particularly those located
7 in low-income and environmental justice communities, are
8 able to participate in the Illinois Solar for All Program.
9 These efforts may include, but shall not be limited to,
10 proactive support from the program administrator,
11 different or preferred access to subprograms and
12 administrator-identified customers or grassroots
13 education provider-identified customers, and different
14 incentive levels. The Agency shall report on progress and
15 barriers to participation of small and emerging businesses
16 in the Illinois Solar for All Program at least once a year.
17 The report shall be made available on the Agency's website
18 and, in years when the Agency is updating its long-term
19 renewable resources procurement plan, included in that
20 Plan.

21 (A) Low-income single-family and small multifamily
22 solar distributed generation incentive. This program
23 will provide incentives to low-income customers,
24 either directly or through solar providers, to
25 increase the participation of low-income households in
26 photovoltaic on-site distributed generation at

1 residential buildings containing one to 4 units.
2 Companies participating in this program that install
3 solar panels shall commit to hiring job trainees for a
4 portion of their low-income installations, and an
5 administrator shall facilitate partnering the
6 companies that install solar panels with entities that
7 provide solar panel installation job training. It is a
8 goal of this program that a minimum of 25% of the
9 incentives for this program be allocated to projects
10 located within environmental justice communities.
11 Contracts entered into under this paragraph may be
12 entered into with an entity that will develop and
13 administer the program and shall also include
14 contracts for renewable energy credits from the
15 photovoltaic distributed generation that is the
16 subject of the program, as set forth in the long-term
17 renewable resources procurement plan. Additionally:

18 (i) The Agency shall reserve a portion of this
19 program for projects that promote energy
20 sovereignty through ownership of projects by
21 low-income households, not-for-profit
22 organizations providing services to low-income
23 households, affordable housing owners, community
24 cooperatives, or community-based limited liability
25 companies providing services to low-income
26 households. Projects that feature energy ownership

1 should ensure that local people have control of
2 the project and reap benefits from the project
3 over and above energy bill savings. The Agency may
4 consider the inclusion of projects that promote
5 ownership over time or that involve partial
6 project ownership by communities, as promoting
7 energy sovereignty. Incentives for projects that
8 promote energy sovereignty may be higher than
9 incentives for equivalent projects that do not
10 promote energy sovereignty under this same
11 program.

12 (ii) Through its long-term renewable resources
13 procurement plan, the Agency shall consider
14 additional program and contract requirements to
15 ensure faithful compliance by applicants
16 benefiting from preferences for projects
17 designated to promote energy sovereignty. The
18 Agency shall make every effort to enable solar
19 providers already participating in the Adjustable
20 Block-Program under subparagraph (K) of paragraph
21 (1) of subsection (c) of Section 1-75 of this Act,
22 and particularly solar providers developing
23 projects under item (i) of subparagraph (K) of
24 paragraph (1) of subsection (c) of Section 1-75 of
25 this Act to easily participate in the Low-Income
26 Distributed Generation Incentive program described

1 under this subparagraph (A), and vice versa. This
2 effort may include, but shall not be limited to,
3 utilizing similar or the same application systems
4 and processes, similar or the same forms and
5 formats of communication, and providing active
6 outreach to companies participating in one program
7 but not the other. The Agency shall report on
8 efforts made to encourage this cross-participation
9 in its long-term renewable resources procurement
10 plan.

11 (B) Low-Income Community Solar Project Initiative.
12 Incentives shall be offered to low-income customers,
13 either directly or through developers, to increase the
14 participation of low-income subscribers of community
15 solar projects. The developer of each project shall
16 identify its partnership with community stakeholders
17 regarding the location, development, and participation
18 in the project, provided that nothing shall preclude a
19 project from including an anchor tenant that does not
20 qualify as low-income. Companies participating in this
21 program that develop or install solar projects shall
22 commit to hiring job trainees for a portion of their
23 low-income installations, and an administrator shall
24 facilitate partnering the companies that install solar
25 projects with entities that provide solar installation
26 and related job training. Incentives should also be

1 ~~offered to community solar projects that are 100%~~
2 ~~low-income subscriber owned, which includes low income~~
3 ~~households, not for-profit organizations, and~~
4 ~~affordable housing owners.~~ It is a goal of this
5 program that a minimum of 25% of the incentives for
6 this program be allocated to community photovoltaic
7 projects in environmental justice communities. The
8 Agency shall reserve a portion of this program for
9 projects that promote energy sovereignty through
10 ownership of projects by low-income households,
11 not-for-profit organizations providing services to
12 low-income households, affordable housing owners, or
13 community-based limited liability companies providing
14 services to low-income households. Projects that
15 feature energy ownership should ensure that local
16 people have control of the project and reap benefits
17 from the project over and above energy bill savings.
18 The Agency may consider the inclusion of projects that
19 promote ownership over time or that involve partial
20 project ownership by communities, as promoting energy
21 sovereignty. Incentives for projects that promote
22 energy sovereignty may be higher than incentives for
23 equivalent projects that do not promote energy
24 sovereignty under this same program. Contracts entered
25 into under this paragraph may be entered into with
26 developers and shall also include contracts for

1 renewable energy credits related to the program.

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

1 and shall also include contracts for renewable energy
2 credits related to the program.

3 (D) (Blank). ~~Low Income Community Solar Pilot~~
4 ~~Projects. Under this program, persons, including, but~~
5 ~~not limited to, electric utilities, shall propose~~
6 ~~pilot community solar projects. Community solar~~
7 ~~projects proposed under this subparagraph (D) may~~
8 ~~exceed 2,000 kilowatts in nameplate capacity, but the~~
9 ~~amount paid per project under this program may not~~
10 ~~exceed \$20,000,000. Pilot projects must result in~~
11 ~~economic benefits for the members of the community in~~
12 ~~which the project will be located. The proposed pilot~~
13 ~~project must include a partnership with at least one~~
14 ~~community based organization. Approved pilot projects~~
15 ~~shall be competitively bid by the Agency, subject to~~
16 ~~fair and equitable guidelines developed by the Agency.~~
17 ~~Funding available under this subparagraph (D) may not~~
18 ~~be distributed solely to a utility, and at least some~~
19 ~~funds under this subparagraph (D) must include a~~
20 ~~project partnership that includes community ownership~~
21 ~~by the project subscribers. Contracts entered into~~
22 ~~under this paragraph may be entered into with an~~
23 ~~entity that will develop and administer the program or~~
24 ~~with developers and shall also include contracts for~~
25 ~~renewable energy credits related to the program. A~~
26 ~~project proposed by a utility that is implemented~~

1 ~~under this subparagraph (D) shall not be included in~~
2 ~~the utility's ratebase.~~

3 (E) Low-income large multifamily solar incentive.

4 This program shall provide incentives to low-income
5 customers, either directly or through solar providers,
6 to increase the participation of low-income households
7 in photovoltaic on-site distributed generation at
8 residential buildings with 5 or more units. Companies
9 participating in this program that develop or install
10 solar projects shall commit to hiring job trainees for
11 a portion of their low-income installations, and an
12 administrator shall facilitate partnering the
13 companies that install solar projects with entities
14 that provide solar installation and related job
15 training. It is a goal of this program that a minimum
16 of 25% of the incentives for this program be allocated
17 to projects located within environmental justice
18 communities. The Agency shall reserve a portion of
19 this program for projects that promote energy
20 sovereignty through ownership of projects by
21 low-income households, not-for-profit organizations
22 providing services to low-income households,
23 affordable housing owners, or community-based limited
24 liability companies providing services to low-income
25 households. Projects that feature energy ownership
26 should ensure that local people have control of the

1 project and reap benefits from the project over and
2 above energy bill savings. The Agency may consider the
3 inclusion of projects that promote ownership over time
4 or that involve partial project ownership by
5 communities, as promoting energy sovereignty.
6 Incentives for projects that promote energy
7 sovereignty may be higher than incentives for
8 equivalent projects that do not promote energy
9 sovereignty under this same program. Contracts entered
10 into under this paragraph may be entered into with an
11 entity that will develop and administer the program
12 and shall include contracts for renewable energy
13 credits from the photovoltaic distributed generation
14 that is the subject of the program, as set forth in the
15 long-term renewable resources procurement plan.

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

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

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

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

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

1 if applicable.

2 The Agency shall direct that up to 5% of the funds
3 available under the Illinois Solar for All Program to
4 community-based groups and other qualifying organizations
5 to assist in community-driven education efforts related to
6 the Illinois Solar for All Program, including general
7 energy education, job training program outreach efforts,
8 and other activities deemed to be qualified by the Agency.
9 Grassroots education funding shall not be used to support
10 the marketing by solar project development firms and
11 organizations, unless such education provides equal
12 opportunities for all applicable firms and organizations.

13 (4) The Agency shall, consistent with the requirements
14 of this subsection (b), propose the Illinois Solar for All
15 Program terms, conditions, and requirements, including the
16 prices to be paid for renewable energy credits, and which
17 prices may be determined through a formula, through the
18 development, review, and approval of the Agency's
19 long-term renewable resources procurement plan described
20 in subsection (c) of Section 1-75 of this Act and Section
21 16-111.5 of the Public Utilities Act. In the course of the
22 Commission proceeding initiated to review and approve the
23 plan, including the Illinois Solar for All Program
24 proposed by the Agency, a party may propose an additional
25 low-income solar or solar incentive program, or
26 modifications to the programs proposed by the Agency, and

1 the Commission may approve an additional program, or
2 modifications to the Agency's proposed program, if the
3 additional or modified program more effectively maximizes
4 the benefits to low-income customers after taking into
5 account all relevant factors, including, but not limited
6 to, the extent to which a competitive market for
7 low-income solar has developed. Following the Commission's
8 approval of the Illinois Solar for All Program, the Agency
9 or a party may propose adjustments to the program terms,
10 conditions, and requirements, including the price offered
11 to new systems, to ensure the long-term viability and
12 success of the program. The Commission shall review and
13 approve any modifications to the program through the plan
14 revision process described in Section 16-111.5 of the
15 Public Utilities Act.

16 (5) The Agency shall issue a request for
17 qualifications for a third-party program administrator or
18 administrators to administer all or a portion of the
19 Illinois Solar for All Program. The third-party program
20 administrator shall be chosen through a competitive bid
21 process based on selection criteria and requirements
22 developed by the Agency, including, but not limited to,
23 experience in administering low-income energy programs and
24 overseeing statewide clean energy or energy efficiency
25 services. If the Agency retains a program administrator or
26 administrators to implement all or a portion of the

1 Illinois Solar for All Program, each administrator shall
2 periodically submit reports to the Agency and Commission
3 for each program that it administers, at appropriate
4 intervals to be identified by the Agency in its long-term
5 renewable resources procurement plan, provided that the
6 reporting interval is at least quarterly. The third-party
7 program administrator may be, but need not be, the same
8 administrator as for the Adjustable Block program
9 described in subparagraphs (K) through (M) of paragraph
10 (1) of subsection (c) of Section 1-75. The Agency, through
11 its long-term renewable resources procurement plan
12 approval process, shall also determine if individual
13 subprograms of the Illinois Solar for All Program are
14 better served by a different or separate Program
15 Administrator.

16 The third-party administrator's responsibilities
17 shall also include facilitating placement for graduates of
18 Illinois-based renewable energy-specific job training
19 programs, including the Clean Jobs Workforce Network
20 Program and the Illinois Climate Works Preapprenticeship
21 Program administered by the Department of Commerce and
22 Economic Opportunity and programs administered under
23 Section 16-108.12 of the Public Utilities Act. To increase
24 the uptake of trainees by participating firms, the
25 administrator shall also develop a web-based clearinghouse
26 for information available to both job training program

1 graduates and firms participating, directly or indirectly,
2 in Illinois solar incentive programs. The program
3 administrator shall also coordinate its activities with
4 entities implementing electric and natural gas
5 income-qualified energy efficiency programs, including
6 customer referrals to and from such programs, and connect
7 prospective low-income solar customers with any existing
8 deferred maintenance programs where applicable.

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

1 obtainable by the Agency; the number of jobs or job
2 opportunities created; economic, social, and environmental
3 benefits created; and the total administrative costs
4 expended by the Agency and program administrator to
5 implement and evaluate the program. The report shall be
6 delivered to the Commission and posted on the Agency's
7 website, and shall be used, as needed, to revise the
8 Illinois Solar for All Program. The Commission shall also
9 consider the results of the evaluation as part of its
10 review of the long-term renewable resources procurement
11 plan under subsection (c) of Section 1-75 of this Act.

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

21 (8) As part of the development and update of the
22 long-term renewable resources procurement plan authorized
23 by subsection (c) of Section 1-75 of this Act, the Agency
24 shall plan for: (A) actions to refer customers from the
25 Illinois Solar for All Program to electric and natural gas
26 income-qualified energy efficiency programs, and vice

1 versa, with the goal of increasing participation in both
2 of these programs; (B) effective procedures for data
3 sharing, as needed, to effectuate referrals between the
4 Illinois Solar for All Program and both electric and
5 natural gas income-qualified energy efficiency programs,
6 including sharing customer information directly with the
7 utilities, as needed and appropriate; and (C) efforts to
8 identify any existing deferred maintenance programs for
9 which prospective Solar for All Program customers may be
10 eligible and connect prospective customers for whom
11 deferred maintenance is or may be a barrier to solar
12 installation to those programs.

13 As used in this subsection (b), "low-income households"
14 means persons and families whose income does not exceed 80% of
15 area median income, adjusted for family size and revised every
16 5 years.

17 For the purposes of this subsection (b), the Agency shall
18 define "environmental justice community" based on the
19 methodologies and findings established by the Agency and the
20 Administrator for the Illinois Solar for All Program in its
21 initial long-term renewable resources procurement plan and as
22 updated by the Agency and the Administrator for the Illinois
23 Solar for All Program as part of the long-term renewable
24 resources procurement plan update development, to ensure, to
25 ~~the extent practicable, compatibility with other agencies'~~
26 ~~definitions and may, for guidance, look to the definitions~~

1 ~~used by federal, state, or local governments.~~

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

7 (b-10) After the receipt of all payments required by
8 Section 16-115D of the Public Utilities Act and payment in
9 full of all contracts executed by the Agency under subsections
10 (b) and (i) of this Section, if the balance of the Illinois
11 Power Agency Renewable Energy Resources Fund is under \$5,000,
12 then the Fund shall be inoperative and any remaining funds and
13 any funds submitted to the Fund after that date, shall be
14 transferred to the Supplemental Low-Income Energy Assistance
15 Fund for use in the Low-Income Home Energy Assistance Program,
16 as authorized by the Energy Assistance Act.

17 (c) (Blank).

18 (d) (Blank).

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

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

1 (g) All disbursements from the Illinois Power Agency
2 Renewable Energy Resources Fund shall be made only upon
3 warrants of the Comptroller drawn upon the Treasurer as
4 custodian of the Fund upon vouchers signed by the Director or
5 by the person or persons designated by the Director for that
6 purpose. The Comptroller is authorized to draw the warrant
7 upon vouchers so signed. The Treasurer shall accept all
8 warrants so signed and shall be released from liability for
9 all payments made on those warrants.

10 (h) The Illinois Power Agency Renewable Energy Resources
11 Fund shall not be subject to sweeps, administrative charges,
12 or chargebacks, including, but not limited to, those
13 authorized under Section 8h of the State Finance Act, that
14 would in any way result in the transfer of any funds from this
15 Fund to any other fund of this State or in having any such
16 funds utilized for any purpose other than the express purposes
17 set forth in this Section.

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

22 (i) Supplemental procurement process.

23 (1) Within 90 days after the effective date of this
24 amendatory Act of the 98th General Assembly, the Agency
25 shall develop a one-time supplemental procurement plan
26 limited to the procurement of renewable energy credits, if

1 available, from new or existing photovoltaics, including,
2 but not limited to, distributed photovoltaic generation.
3 Nothing in this subsection (i) requires procurement of
4 wind generation through the supplemental procurement.

5 Renewable energy credits procured from new
6 photovoltaics, including, but not limited to, distributed
7 photovoltaic generation, under this subsection (i) must be
8 procured from devices installed by a qualified person. In
9 its supplemental procurement plan, the Agency shall
10 establish contractually enforceable mechanisms for
11 ensuring that the installation of new photovoltaics is
12 performed by a qualified person.

13 For the purposes of this paragraph (1), "qualified
14 person" means a person who performs installations of
15 photovoltaics, including, but not limited to, distributed
16 photovoltaic generation, and who: (A) has completed an
17 apprenticeship as a journeyman electrician from a United
18 States Department of Labor registered electrical
19 apprenticeship and training program and received a
20 certification of satisfactory completion; or (B) does not
21 currently meet the criteria under clause (A) of this
22 paragraph (1), but is enrolled in a United States
23 Department of Labor registered electrical apprenticeship
24 program, provided that the person is directly supervised
25 by a person who meets the criteria under clause (A) of this
26 paragraph (1); or (C) has obtained one of the following

1 credentials in addition to attesting to satisfactory
2 completion of at least 5 years or 8,000 hours of
3 documented hands-on electrical experience: (i) a North
4 American Board of Certified Energy Practitioners (NABCEP)
5 Installer Certificate for Solar PV; (ii) an Underwriters
6 Laboratories (UL) PV Systems Installer Certificate; (iii)
7 an Electronics Technicians Association, International
8 (ETAI) Level 3 PV Installer Certificate; or (iv) an
9 Associate in Applied Science degree from an Illinois
10 Community College Board approved community college program
11 in renewable energy or a distributed generation
12 technology.

13 For the purposes of this paragraph (1), "directly
14 supervised" means that there is a qualified person who
15 meets the qualifications under clause (A) of this
16 paragraph (1) and who is available for supervision and
17 consultation regarding the work performed by persons under
18 clause (B) of this paragraph (1), including a final
19 inspection of the installation work that has been directly
20 supervised to ensure safety and conformity with applicable
21 codes.

22 For the purposes of this paragraph (1), "install"
23 means the major activities and actions required to
24 connect, in accordance with applicable building and
25 electrical codes, the conductors, connectors, and all
26 associated fittings, devices, power outlets, or

1 apparatuses mounted at the premises that are directly
2 involved in delivering energy to the premises' electrical
3 wiring from the photovoltaics, including, but not limited
4 to, to distributed photovoltaic generation.

5 The renewable energy credits procured pursuant to the
6 supplemental procurement plan shall be procured using up
7 to \$30,000,000 from the Illinois Power Agency Renewable
8 Energy Resources Fund. The Agency shall not plan to use
9 funds from the Illinois Power Agency Renewable Energy
10 Resources Fund in excess of the monies on deposit in such
11 fund or projected to be deposited into such fund. The
12 supplemental procurement plan shall ensure adequate,
13 reliable, affordable, efficient, and environmentally
14 sustainable renewable energy resources (including credits)
15 at the lowest total cost over time, taking into account
16 any benefits of price stability.

17 To the extent available, 50% of the renewable energy
18 credits procured from distributed renewable energy
19 generation shall come from devices of less than 25
20 kilowatts in nameplate capacity. Procurement of renewable
21 energy credits from distributed renewable energy
22 generation devices shall be done through multi-year
23 contracts of no less than 5 years. The Agency shall create
24 credit requirements for counterparties. In order to
25 minimize the administrative burden on contracting
26 entities, the Agency shall solicit the use of third

1 parties to aggregate distributed renewable energy. These
2 third parties shall enter into and administer contracts
3 with individual distributed renewable energy generation
4 device owners. An individual distributed renewable energy
5 generation device owner shall have the ability to measure
6 the output of his or her distributed renewable energy
7 generation device.

8 In developing the supplemental procurement plan, the
9 Agency shall hold at least one workshop open to the public
10 within 90 days after the effective date of this amendatory
11 Act of the 98th General Assembly and shall consider any
12 comments made by stakeholders or the public. Upon
13 development of the supplemental procurement plan within
14 this 90-day period, copies of the supplemental procurement
15 plan shall be posted and made publicly available on the
16 Agency's and Commission's websites. All interested parties
17 shall have 14 days following the date of posting to
18 provide comment to the Agency on the supplemental
19 procurement plan. All comments submitted to the Agency
20 shall be specific, supported by data or other detailed
21 analyses, and, if objecting to all or a portion of the
22 supplemental procurement plan, accompanied by specific
23 alternative wording or proposals. All comments shall be
24 posted on the Agency's and Commission's websites. Within
25 14 days following the end of the 14-day review period, the
26 Agency shall revise the supplemental procurement plan as

1 necessary based on the comments received and file its
2 revised supplemental procurement plan with the Commission
3 for approval.

4 (2) Within 5 days after the filing of the supplemental
5 procurement plan at the Commission, any person objecting
6 to the supplemental procurement plan shall file an
7 objection with the Commission. Within 10 days after the
8 filing, the Commission shall determine whether a hearing
9 is necessary. The Commission shall enter its order
10 confirming or modifying the supplemental procurement plan
11 within 90 days after the filing of the supplemental
12 procurement plan by the Agency.

13 (3) The Commission shall approve the supplemental
14 procurement plan of renewable energy credits to be
15 procured from new or existing photovoltaics, including,
16 but not limited to, distributed photovoltaic generation,
17 if the Commission determines that it will ensure adequate,
18 reliable, affordable, efficient, and environmentally
19 sustainable electric service in the form of renewable
20 energy credits at the lowest total cost over time, taking
21 into account any benefits of price stability.

22 (4) The supplemental procurement process under this
23 subsection (i) shall include each of the following
24 components:

25 (A) Procurement administrator. The Agency may
26 retain a procurement administrator in the manner set

1 forth in item (2) of subsection (a) of Section 1-75 of
2 this Act to conduct the supplemental procurement or
3 may elect to use the same procurement administrator
4 administering the Agency's annual procurement under
5 Section 1-75.

6 (B) Procurement monitor. The procurement monitor
7 retained by the Commission pursuant to Section
8 16-111.5 of the Public Utilities Act shall:

9 (i) monitor interactions among the procurement
10 administrator and bidders and suppliers;

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

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

17 (iv) assess compliance with the procurement
18 plan approved by the Commission for the
19 supplemental procurement process;

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

24 (vi) provide expert advice to the Commission
25 and consult with the procurement administrator
26 regarding issues related to procurement process

1 design, rules, protocols, and policy-related
2 matters;

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

7 (viii) perform, with respect to the
8 supplemental procurement process, any other
9 procurement monitor duties specifically delineated
10 within subsection (i) of this Section.

11 (C) Solicitation, pre-qualification, and
12 registration of bidders. The procurement administrator
13 shall disseminate information to potential bidders to
14 promote a procurement event, notify potential bidders
15 that the procurement administrator may enter into a
16 post-bid price negotiation with bidders that meet the
17 applicable benchmarks, provide supply requirements,
18 and otherwise explain the competitive procurement
19 process. In addition to such other publication as the
20 procurement administrator determines is appropriate,
21 this information shall be posted on the Agency's and
22 the Commission's websites. The procurement
23 administrator shall also administer the
24 prequalification process, including evaluation of
25 credit worthiness, compliance with procurement rules,
26 and agreement to the standard form contract developed

1 pursuant to item (D) of this paragraph (4). The
2 procurement administrator shall then identify and
3 register bidders to participate in the procurement
4 event.

5 (D) Standard contract forms and credit terms and
6 instruments. The procurement administrator, in
7 consultation with the Agency, the Commission, and
8 other interested parties and subject to Commission
9 oversight, shall develop and provide standard contract
10 forms for the supplier contracts that meet generally
11 accepted industry practices as well as include any
12 applicable State of Illinois terms and conditions that
13 are required for contracts entered into by an agency
14 of the State of Illinois. Standard credit terms and
15 instruments that meet generally accepted industry
16 practices shall be similarly developed. Contracts for
17 new photovoltaics shall include a provision attesting
18 that the supplier will use a qualified person for the
19 installation of the device pursuant to paragraph (1)
20 of subsection (i) of this Section. The procurement
21 administrator shall make available to the Commission
22 all written comments it receives on the contract
23 forms, credit terms, or instruments. If the
24 procurement administrator cannot reach agreement with
25 the parties as to the contract terms and conditions,
26 the procurement administrator must notify the

1 Commission of any disputed terms and the Commission
2 shall resolve the dispute. The terms of the contracts
3 shall not be subject to negotiation by winning
4 bidders, and the bidders must agree to the terms of the
5 contract in advance so that winning bids are selected
6 solely on the basis of price.

7 (E) Requests for proposals; competitive
8 procurement process. The procurement administrator
9 shall design and issue requests for proposals to
10 supply renewable energy credits in accordance with the
11 supplemental procurement plan, as approved by the
12 Commission. The requests for proposals shall set forth
13 a procedure for sealed, binding commitment bidding
14 with pay-as-bid settlement, and provision for
15 selection of bids on the basis of price, provided,
16 however, that no bid shall be accepted if it exceeds
17 the benchmark developed pursuant to item (F) of this
18 paragraph (4).

19 (F) Benchmarks. Benchmarks for each product to be
20 procured shall be developed by the procurement
21 administrator in consultation with Commission staff,
22 the Agency, and the procurement monitor for use in
23 this supplemental procurement.

24 (G) A plan for implementing contingencies in the
25 event of supplier default, Commission rejection of
26 results, or any other cause.

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

20 (6) Within 3 business days after the Commission
21 decision approving the results of a procurement event, the
22 Agency shall enter into binding contractual arrangements
23 with the winning suppliers using the standard form
24 contracts.

25 (7) The names of the successful bidders and the
26 average of the winning bid prices for each contract type

1 and for each contract term shall be made available to the
2 public within 2 days after the supplemental procurement
3 event. The Commission, the procurement monitor, the
4 procurement administrator, the Agency, and all
5 participants in the procurement process shall maintain the
6 confidentiality of all other supplier and bidding
7 information in a manner consistent with all applicable
8 laws, rules, regulations, and tariffs. Confidential
9 information, including the confidential reports submitted
10 by the procurement administrator and procurement monitor
11 pursuant to this Section, shall not be made publicly
12 available and shall not be discoverable by any party in
13 any proceeding, absent a compelling demonstration of need,
14 nor shall those reports be admissible in any proceeding
15 other than one for law enforcement purposes.

16 (8) The supplemental procurement provided in this
17 subsection (i) shall not be subject to the requirements
18 and limitations of subsections (c) and (d) of this
19 Section.

20 (9) Expenses incurred in connection with the
21 procurement process held pursuant to this Section,
22 including, but not limited to, the cost of developing the
23 supplemental procurement plan, the procurement
24 administrator, procurement monitor, and the cost of the
25 retirement of renewable energy credits purchased pursuant
26 to the supplemental procurement shall be paid for from the

1 Illinois Power Agency Renewable Energy Resources Fund. The
2 Agency shall enter into an interagency agreement with the
3 Commission to reimburse the Commission for its costs
4 associated with the procurement monitor for the
5 supplemental procurement process.

6 (Source: P.A. 98-672, eff. 6-30-14; 99-906, eff. 6-1-17.)

7 (20 ILCS 3855/1-70)

8 Sec. 1-70. Agency officials.

9 (a) The Agency shall have a Director who meets the
10 qualifications specified in Section 5-222 of the Civil
11 Administrative Code of Illinois.

12 (b) Within the Illinois Power Agency, the Agency shall
13 establish a Planning and Procurement Bureau and may establish
14 a Resource Development Bureau. Each Bureau shall report to the
15 Director.

16 (c) The Chief of the Planning and Procurement Bureau shall
17 be appointed by the Director, at the Director's sole
18 discretion, and (i) shall have at least 5 years of direct
19 experience in electricity supply planning and procurement and
20 (ii) shall also hold an advanced degree in risk management,
21 law, business, or a related field.

22 (d) The Chief of the Resource Development Bureau may be
23 appointed by the Director and (i) shall have at least 5 years
24 of direct experience in electric generating project
25 development and (ii) shall also hold an advanced degree in

1 economics, engineering, law, business, or a related field.

2 (e) For terms ending before December 31, 2019, the
3 Director shall receive an annual salary of \$100,000 or as set
4 by the Executive Ethics Commission based on a review of
5 comparable State agency director salaries, whichever is
6 higher. No annual salary for the Director or a Bureau Chief
7 shall exceed the amount of salary set by law for the Governor
8 that is in effect on July 1 of that fiscal year. Compensation
9 ~~Review Board, whichever is higher. For terms ending before~~
10 ~~December 31, 2019, the Bureau Chiefs shall each receive an~~
11 ~~annual salary of \$85,000 or as set by the Compensation Review~~
12 ~~Board, whichever is higher. For terms beginning after the~~
13 ~~effective date of this amendatory Act of the 100th General~~
14 ~~Assembly, the annual salaries for the Director and the Bureau~~
15 ~~Chiefs shall be an amount equal to 15% more than the respective~~
16 ~~position's annual salary as of December 31, 2018. The~~
17 ~~calculation of the 2018 salary base for this adjustment shall~~
18 ~~not include any cost of living adjustments, as authorized by~~
19 ~~Senate Joint Resolution 192 of the 86th General Assembly, for~~
20 ~~the period beginning July 1, 2009 to June 30, 2019. Beginning~~
21 ~~July 1, 2019 and each July 1 thereafter, the Director and the~~
22 ~~Bureau Chiefs shall receive an increase in salary based on a~~
23 ~~cost of living adjustment as authorized by Senate Joint~~
24 ~~Resolution 192 of the 86th General Assembly.~~

25 (f) The Director and Bureau Chiefs shall not, for 2 years
26 prior to appointment or for 2 years after he or she leaves his

1 or her position, be employed by an electric utility,
2 independent power producer, power marketer, or alternative
3 retail electric supplier regulated by the Commission or the
4 Federal Energy Regulatory Commission.

5 (g) The Director and Bureau Chiefs are prohibited from:

6 (i) owning, directly or indirectly, 5% or more of the voting
7 capital stock of an electric utility, independent power
8 producer, power marketer, or alternative retail electric
9 supplier; (ii) being in any chain of successive ownership of
10 5% or more of the voting capital stock of any electric utility,
11 independent power producer, power marketer, or alternative
12 retail electric supplier; (iii) receiving any form of
13 compensation, fee, payment, or other consideration from an
14 electric utility, independent power producer, power marketer,
15 or alternative retail electric supplier, including legal fees,
16 consulting fees, bonuses, or other sums. These limitations do
17 not apply to any compensation received pursuant to a defined
18 benefit plan or other form of deferred compensation, provided
19 that the individual has otherwise severed all ties to the
20 utility, power producer, power marketer, or alternative retail
21 electric supplier. Through its long-term renewable resources
22 procurement plan, the Agency shall consider additional program
23 and contract requirements to ensure faithful compliance by
24 applicants benefiting from preferences for projects designated
25 to promote energy sovereignty.

26 (Source: P.A. 99-536, eff. 7-8-16; 100-1179, eff. 1-18-19.)

1 (20 ILCS 3855/1-75)

2 Sec. 1-75. Planning and Procurement Bureau. The Planning
3 and Procurement Bureau has the following duties and
4 responsibilities:

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

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

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

20 In accordance with subsection (c-5) of this Section, the
21 Planning and Procurement Bureau shall oversee the procurement
22 by electric utilities that served more than 300,000 retail
23 customers in this State as of January 1, 2019 of renewable
24 energy credits from new utility-scale solar projects to be
25 installed, along with energy storage facilities, at or
26 adjacent to the sites of electric generating facilities that,

1 as of January 1, 2016, burned coal as their primary fuel
2 source.

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

9 (A) direct previous experience assembling
10 large-scale power supply plans or portfolios for
11 end-use customers;

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

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

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

21 (E) expertise in credit protocols and familiarity
22 with contract protocols;

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

25 (G) the absence of a conflict of interest and
26 inappropriate bias for or against potential bidders or

1 the affected electric utilities.

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

8 (A) direct previous experience administering a
9 large-scale competitive procurement process;

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

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

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

18 (E) expertise in credit and contract protocols;

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

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

24 (3) The Agency shall provide affected utilities and
25 other interested parties with the lists of qualified
26 experts or expert consulting firms identified through the

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

13 (A) failure to satisfy qualification criteria;

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

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

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

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

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

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

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

1 100,000 customers in the State of Illinois, and for eligible
2 Illinois retail customers of small multi-jurisdictional
3 electric utilities that (i) on December 31, 2005 served less
4 than 100,000 customers in Illinois and (ii) request a
5 procurement plan for their Illinois jurisdictional load.

6 (c) Renewable portfolio standard.

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

1 published by the Agency but not yet approved by the
2 Illinois Commerce Commission shall be withdrawn. The
3 long-term renewable resources procurement plans shall be
4 subject to review and approval by the Commission under
5 Section 16-111.5 of the Public Utilities Act.

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

1 of this paragraph (1) over the annual percentage targets
2 described in this subparagraph (B). The Agency shall not
3 comply with the annual percentage targets described in
4 this subparagraph (B) by procuring renewable energy
5 credits that are unlikely to lead to the development of
6 new renewable resources.

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

17 For the delivery year beginning June 1, 2018, the
18 procurement plan shall attempt to include, subject to the
19 prioritization outlined in this subparagraph (B),
20 cost-effective renewable energy resources equal to at
21 least 14.5% of each utility's load for eligible retail
22 customers and 14.5% of the applicable portion of each
23 utility's load for retail customers who are not eligible
24 retail customers, which applicable portion shall equal 75%
25 of the utility's load for retail customers who are not
26 eligible retail customers on February 28, 2017.

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

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 renewable
8 energy credits delivered annually from new wind and
9 solar projects by the end of delivery year 2030 such
10 that the goals in subparagraph (B) of this paragraph
11 (1) are met entirely by procurements of renewable
12 energy credits from new wind and photovoltaic
13 projects. Of ~~By the end of the 2020 delivery year: At~~
14 least 2,000,000 renewable energy credits for each
15 delivery year shall come from new wind projects; and
16 At least 2,000,000 renewable energy credits for each
17 delivery year shall come from new photovoltaic
18 projects; of that amount, to the extent possible, the
19 Agency shall procure 45% from wind projects and 55%
20 from photovoltaic projects. Of the amount to be
21 procured from photovoltaic projects, the Agency shall
22 procure: at least 50% from solar photovoltaic projects
23 using the program outlined in subparagraph (K) of this
24 paragraph (1) from distributed renewable energy
25 generation devices or community renewable generation
26 projects; at least 47% ~~40%~~ from utility-scale solar

1 projects; at least 3% ~~2%~~ from brownfield site
2 photovoltaic projects that are not community renewable
3 generation projects; ~~and the remainder shall be~~
4 ~~determined through the long-term planning process~~
5 ~~described in subparagraph (A) of this 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) of this paragraph (1), the
21 Agency shall continue to procure new renewable energy
22 credits until that budget is exhausted in the manner
23 outlined in item (i) of this subparagraph (C). ~~By the~~
24 ~~end of the 2025 delivery year:~~

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

1 ~~projects; and~~

2 ~~At least 3,000,000 renewable energy credits~~
3 ~~for each delivery year shall come from new~~
4 ~~photovoltaic projects; of that amount, to the~~
5 ~~extent possible, the Agency shall procure: at~~
6 ~~least 50% from solar photovoltaic projects using~~
7 ~~the program outlined in subparagraph (K) of this~~
8 ~~paragraph (1) from distributed renewable energy~~
9 ~~devices or community renewable generation~~
10 ~~projects; at least 40% from utility-scale solar~~
11 ~~projects; at least 2% from brownfield site~~
12 ~~photovoltaic projects that are not community~~
13 ~~renewable generation projects; and the remainder~~
14 ~~shall be determined through the long term planning~~
15 ~~process described in subparagraph (A) of this~~
16 ~~paragraph (1).~~

17 ~~(iii) By the end of the 2030 delivery year:~~

18 ~~At least 4,000,000 renewable energy credits~~
19 ~~for each delivery year shall come from new wind~~
20 ~~projects; and~~

21 ~~At least 4,000,000 renewable energy credits~~
22 ~~for each delivery year shall come from new~~
23 ~~photovoltaic projects; of that amount, to the~~
24 ~~extent possible, the Agency shall procure: at~~
25 ~~least 50% from solar photovoltaic projects using~~
26 ~~the program outlined in subparagraph (K) of this~~

1 ~~paragraph (1) from distributed renewable energy~~
2 ~~devices or community renewable generation~~
3 ~~projects; at least 40% from utility-scale solar~~
4 ~~projects; at least 2% from brownfield site~~
5 ~~photovoltaic projects that are not community~~
6 ~~renewable generation projects; and the remainder~~
7 ~~shall be determined through the long term planning~~
8 ~~process described in subparagraph (A) of this~~
9 ~~paragraph (1).~~

10 (iii) For purposes of this Section:

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

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

22 For purposes of calculating whether the Agency has
23 procured enough new wind and solar renewable energy
24 credits required by this subparagraph (C), renewable
25 energy facilities that have a multi-year renewable
26 energy credit delivery contract with the utility

1 through at least delivery year 2030 shall be
2 considered new, however no renewable energy credits
3 from contracts entered into before June 1, 2021 shall
4 be used to calculate whether the Agency has procured
5 the correct proportion of new wind and new solar
6 contracts described in this subparagraph (C) for
7 delivery year 2021 and thereafter.

8 (D) Renewable energy credits shall be cost effective.
9 For purposes of this subsection (c), "cost effective"
10 means that the costs of procuring renewable energy
11 resources do not cause the limit stated in subparagraph
12 (E) of this paragraph (1) to be exceeded and, for
13 renewable energy credits procured through a competitive
14 procurement event, do not exceed benchmarks based on
15 market prices for like products in the region. For
16 purposes of this subsection (c), "like products" means
17 contracts for renewable energy credits from the same or
18 substantially similar technology, same or substantially
19 similar vintage (new or existing), the same or
20 substantially similar quantity, and the same or
21 substantially similar contract length and structure.
22 Benchmarks shall reflect development, financing, or
23 related costs resulting from requirements imposed through
24 other provisions of State law, including, but not limited
25 to, requirements in subparagraphs (P) and (Q) of this
26 paragraph (1) and the Renewable Energy Facilities

1 Agricultural Impact Mitigation Act. Confidential
2 benchmarks ~~Benchmarks~~ shall be developed by the
3 procurement administrator, in consultation with the
4 Commission staff, Agency staff, and the procurement
5 monitor and shall be subject to Commission review and
6 approval. If price benchmarks for like products in the
7 region are not available, the procurement administrator
8 shall establish price benchmarks based on publicly
9 available data on regional technology costs and expected
10 current and future regional energy prices. The benchmarks
11 in this Section shall not be used to curtail or otherwise
12 reduce contractual obligations entered into by or through
13 the Agency prior to June 1, 2017 (the effective date of
14 Public Act 99-906).

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

1 delivery year ending immediately prior to the procurement,
2 to all retail customers in its service territory. For
3 purposes of this subsection (c), the amount paid per
4 kilowatthour means the total amount paid for electric
5 service expressed on a per kilowatthour basis. For
6 purposes of this subsection (c), the total amount paid for
7 electric service includes without limitation amounts paid
8 for supply, transmission, capacity, distribution,
9 surcharges, and add-on taxes.

10 Notwithstanding the requirements of this subsection
11 (c), the total of renewable energy resources procured
12 under the procurement plan for any single year shall be
13 subject to the limitations of this subparagraph (E). Such
14 procurement shall be reduced for all retail customers
15 based on the amount necessary to limit the annual
16 estimated average net increase due to the costs of these
17 resources included in the amounts paid by eligible retail
18 customers in connection with electric service to no more
19 than 4.25% ~~the greater of 2.015%~~ of the amount paid per
20 kilowatthour by those customers during the year ending May
21 31, 2009 ~~2007~~ ~~or the incremental amount per kilowatthour~~
22 ~~paid for these resources in 2011~~. To arrive at a maximum
23 dollar amount of renewable energy resources to be procured
24 for the particular delivery year, the resulting per
25 kilowatthour amount shall be applied to the actual amount
26 of kilowatthours of electricity delivered, or applicable

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

17 (F) If the limitation on the amount of renewable
18 energy resources procured in subparagraph (E) of this
19 paragraph (1) prevents the Agency from meeting all of the
20 goals in this subsection (c), the Agency's long-term plan
21 shall prioritize compliance with the requirements of this
22 subsection (c) regarding renewable energy credits in the
23 following order:

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

26 (i-5) funding for the Illinois Solar for All

1 Program, as described in subparagraph (O) of this
2 paragraph (1);

3 (ii) renewable energy credits necessary to comply
4 with the new wind and new photovoltaic procurement
5 requirements described in items (i) through (iii) of
6 subparagraph (C) of this paragraph (1); and

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

9 (G) The following provisions shall apply to the
10 Agency's procurement of renewable energy credits under
11 this subsection (c):

12 (i) Notwithstanding whether a long-term renewable
13 resources procurement plan has been approved, the
14 Agency shall conduct an initial forward procurement
15 for renewable energy credits from new utility-scale
16 wind projects within 160 days after June 1, 2017 (the
17 effective date of Public Act 99-906). For the purposes
18 of this initial forward procurement, the Agency shall
19 solicit 15-year contracts for delivery of 1,000,000
20 renewable energy credits delivered annually from new
21 utility-scale wind projects to begin delivery on June
22 1, 2019, if available, but not later than June 1, 2021,
23 unless the project has delays in the establishment of
24 an operating interconnection with the applicable
25 transmission or distribution system as a result of the
26 actions or inactions of the transmission or

1 distribution provider, or other causes for force
2 majeure as outlined in the procurement contract, in
3 which case, not later than June 1, 2022. Payments to
4 suppliers of renewable energy credits shall commence
5 upon delivery. Renewable energy credits procured under
6 this initial procurement shall be included in the
7 Agency's long-term plan and shall apply to all
8 renewable energy goals in this subsection (c).

9 (ii) Notwithstanding whether a long-term renewable
10 resources procurement plan has been approved, the
11 Agency shall conduct an initial forward procurement
12 for renewable energy credits from new utility-scale
13 solar projects and brownfield site photovoltaic
14 projects within one year after June 1, 2017 (the
15 effective date of Public Act 99-906). For the purposes
16 of this initial forward procurement, the Agency shall
17 solicit 15-year contracts for delivery of 1,000,000
18 renewable energy credits delivered annually from new
19 utility-scale solar projects and brownfield site
20 photovoltaic projects to begin delivery on June 1,
21 2019, if available, but not later than June 1, 2021,
22 unless the project has delays in the establishment of
23 an operating interconnection with the applicable
24 transmission or distribution system as a result of the
25 actions or inactions of the transmission or
26 distribution provider, or other causes for force

1 majeure as outlined in the procurement contract, in
2 which case, not later than June 1, 2022. The Agency may
3 structure this initial procurement in one or more
4 discrete procurement events. Payments to suppliers of
5 renewable energy credits shall commence upon delivery.
6 Renewable energy credits procured under this initial
7 procurement shall be included in the Agency's
8 long-term plan and shall apply to all renewable energy
9 goals in this subsection (c).

10 (iii) Notwithstanding whether the Commission has
11 approved the periodic long-term renewable resources
12 procurement plan revision described in Section
13 16-111.5 of the Public Utilities Act, the Agency shall
14 conduct at least one subsequent forward procurement
15 for renewable energy credits from new utility-scale
16 wind projects, new utility-scale solar projects, and
17 new brownfield site photovoltaic projects within 240
18 days after the effective date of this amendatory Act
19 of the 102nd General Assembly in quantities necessary
20 to meet the requirements of subparagraph (C) of this
21 paragraph (1) through the delivery year beginning June
22 1, 2021. Subsequent forward procurements for
23 utility-scale wind projects shall solicit at least
24 1,000,000 renewable energy credits delivered annually
25 per procurement event and shall be planned, scheduled,
26 and designed such that the cumulative amount of

1 ~~renewable energy credits delivered from all new wind~~
2 ~~projects in each delivery year shall not exceed the~~
3 ~~Agency's projection of the cumulative amount of~~
4 ~~renewable energy credits that will be delivered from~~
5 ~~all new photovoltaic projects, including utility scale~~
6 ~~and distributed photovoltaic devices, in the same~~
7 ~~delivery year at the time scheduled for wind contract~~
8 ~~delivery.~~

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

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

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

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

25 (A) The price of the renewable energy
26 credit for any project on a waitlist for this

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

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

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

26 (3) For opening the first 2 blocks of annual

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

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

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

24 (B) Contract awards for waitlisted
25 projects shall be allocated proportionate to
26 the total nameplate capacity amount across

1 both ordinal waitlists associated with that
2 applicant firm or its affiliates, subject to
3 the following conditions.

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

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

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

22 (iv) Assuming all other program
23 requirements are met, applicant firms may
24 adjust the expected production associated
25 with applicant projects, subject to
26 verification by the Program Administrator.

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

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

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

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

19 (ii) A requirement that a minimum of
20 50% of subscribers to the project's
21 nameplate capacity be residential or small
22 commercial customers with subscriptions of
23 below 25 kilowatts in size;

24 (iii) Permission for the ability of a
25 contract holder to substitute projects
26 with other waitlisted projects without

1 penalty should a project receive a
2 non-binding estimate of costs to construct
3 the interconnection facilities and any
4 required distribution upgrades associated
5 with that project of greater than 30 cents
6 per watt AC of that project's nameplate
7 capacity. In developing the applicable
8 contract instrument, the Agency may
9 consider whether other circumstances
10 outside of the control of the applicant
11 firm should also warrant project
12 substitution rights.

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

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

26 (4) The Agency shall open the first block of

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

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

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

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

1 Renewable Resources Procurement Plan. Projects in
2 this category shall be subject to the applicable
3 contract terms outlined in items (ii) and (iii) of
4 subparagraph (L) of this paragraph (1). ~~If, at any~~
5 ~~time after the time set for delivery of renewable~~
6 ~~energy credits pursuant to the initial~~
7 ~~procurements in items (i) and (ii) of this~~
8 ~~subparagraph (G), the cumulative amount of~~
9 ~~renewable energy credits projected to be delivered~~
10 ~~from all new wind projects in a given delivery~~
11 ~~year exceeds the cumulative amount of renewable~~
12 ~~energy credits projected to be delivered from all~~
13 ~~new photovoltaic projects in that delivery year by~~
14 ~~200,000 or more renewable energy credits, then the~~
15 ~~Agency shall within 60 days adjust the procurement~~
16 ~~programs in the long term renewable resources~~
17 ~~procurement plan to ensure that the projected~~
18 ~~cumulative amount of renewable energy credits to~~
19 ~~be delivered from all new wind projects does not~~
20 ~~exceed the projected cumulative amount of~~
21 ~~renewable energy credits to be delivered from all~~
22 ~~new photovoltaic projects by 200,000 or more~~
23 ~~renewable energy credits, provided that nothing in~~
24 ~~this Section shall preclude the projected~~
25 ~~cumulative amount of renewable energy credits to~~
26 ~~be delivered from all new photovoltaic projects~~

1 ~~from exceeding the projected cumulative amount of~~
2 ~~renewable energy credits to be delivered from all~~
3 ~~new wind projects in each delivery year and~~
4 ~~provided further that nothing in this item (iv)~~
5 ~~shall require the curtailment of an executed~~
6 ~~contract. The Agency shall update, on a quarterly~~
7 ~~basis, its projection of the renewable energy~~
8 ~~credits to be delivered from all projects in each~~
9 ~~delivery year. Notwithstanding anything to the~~
10 ~~contrary, the Agency may adjust the timing of~~
11 ~~procurement events conducted under this~~
12 ~~subparagraph (G). The long term renewable~~
13 ~~resources procurement plan shall set forth the~~
14 ~~process by which the adjustments may be made.~~

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

22 (1) The purchase price of the indexed
23 renewable energy credit payment shall be
24 calculated for each settlement period. That
25 payment, for any settlement period, shall be equal
26 to the difference resulting from subtracting the

1 strike price from the index price for that
2 settlement period. If this difference results in a
3 negative number, the indexed REC counterparty
4 shall owe the seller the absolute value multiplied
5 by the quantity of energy produced in the relevant
6 settlement period. If this difference results in a
7 positive number, the seller shall owe the indexed
8 REC counterparty this amount multiplied by the
9 quantity of energy produced in the relevant
10 settlement period.

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

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

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

1 and procurement monitors, using then-currently
2 available price forecast data and additional
3 budget dollars shall be obligated or reobligated
4 as appropriate.

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

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

24 (H) The procurement of renewable energy resources for
25 a given delivery year shall be reduced as described in
26 this subparagraph (H) if an alternative retail electric

1 supplier meets the requirements described in this
2 subparagraph (H).

3 (i) Within 45 days after June 1, 2017 (the
4 effective date of Public Act 99-906), an alternative
5 retail electric supplier or its successor shall submit
6 an informational filing to the Illinois Commerce
7 Commission certifying that, as of December 31, 2015,
8 the alternative retail electric supplier owned one or
9 more electric generating facilities that generates
10 renewable energy resources as defined in Section 1-10
11 of this Act, provided that such facilities are not
12 powered by wind or photovoltaics, and the facilities
13 generate one renewable energy credit for each
14 megawatthour of energy produced from the facility.

15 The informational filing shall identify each
16 facility that was eligible to satisfy the alternative
17 retail electric supplier's obligations under Section
18 16-115D of the Public Utilities Act as described in
19 this item (i).

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

26 (iii) The alternative retail electric supplier

1 shall notify the Agency and the applicable utility, no
2 later than February 28 of the year preceding the
3 applicable delivery year or 15 days after June 1, 2017
4 (the effective date of Public Act 99-906), whichever
5 is later, of its election under item (ii) of this
6 subparagraph (H) to supply renewable energy credits to
7 retail customers of the utility. Such election shall
8 identify the amount of renewable energy credits to be
9 supplied by the alternative retail electric supplier
10 to the utility's retail customers and the source of
11 the renewable energy credits identified in the
12 informational filing as described in item (i) of this
13 subparagraph (H), subject to the following
14 limitations:

15 For the delivery year beginning June 1, 2018,
16 the maximum amount of renewable energy credits to
17 be supplied by an alternative retail electric
18 supplier under this subparagraph (H) shall be 68%
19 multiplied by 25% multiplied by 14.5% multiplied
20 by the amount of metered electricity
21 (megawatt-hours) delivered by the alternative
22 retail electric supplier to Illinois retail
23 customers during the delivery year ending May 31,
24 2016.

25 For delivery years beginning June 1, 2019 and
26 each year thereafter, the maximum amount of

1 renewable energy credits to be supplied by an
2 alternative retail electric supplier under this
3 subparagraph (H) shall be 68% multiplied by 50%
4 multiplied by 16% multiplied by the amount of
5 metered electricity (megawatt-hours) delivered by
6 the alternative retail electric supplier to
7 Illinois retail customers during the delivery year
8 ending May 31, 2016, provided that the 16% value
9 shall increase by 1.5% each delivery year
10 thereafter to 25% by the delivery year beginning
11 June 1, 2025, and thereafter the 25% value shall
12 apply to each delivery year.

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

26 If the requirements set forth in items (i) through

1 (iii) of this subparagraph (H) are met, the charges
2 that would otherwise be applicable to the retail
3 customers of the alternative retail electric supplier
4 under paragraph (6) of this subsection (c) for the
5 applicable delivery year shall be reduced by the ratio
6 of the quantity of renewable energy credits supplied
7 by the alternative retail electric supplier compared
8 to that supplier's target renewable energy credit
9 quantity. The supplier's target renewable energy
10 credit quantity for the delivery year beginning June
11 1, 2018 is 14.5% multiplied by the total amount of
12 metered electricity (megawatt-hours) delivered by the
13 alternative retail supplier in that delivery year,
14 provided that the 14.5% shall increase by 1.5% each
15 delivery year thereafter to 25% by the delivery year
16 beginning June 1, 2025, and thereafter the 25% value
17 shall apply to each delivery year.

18 On or before April 1 of each year, the Agency shall
19 annually publish a report on its website that
20 identifies the aggregate amount of renewable energy
21 credits supplied by alternative retail electric
22 suppliers under this subparagraph (H).

23 (I) The Agency shall design its long-term renewable
24 energy procurement plan to maximize the State's interest
25 in the health, safety, and welfare of its residents,
26 including but not limited to minimizing sulfur dioxide,

1 nitrogen oxide, particulate matter and other pollution
2 that adversely affects public health in this State,
3 increasing fuel and resource diversity in this State,
4 enhancing the reliability and resiliency of the
5 electricity distribution system in this State, meeting
6 goals to limit carbon dioxide emissions under federal or
7 State law, and contributing to a cleaner and healthier
8 environment for the citizens of this State. In order to
9 further these legislative purposes, renewable energy
10 credits shall be eligible to be counted toward the
11 renewable energy requirements of this subsection (c) if
12 they are generated from facilities located in this State.
13 The Agency may qualify renewable energy credits from
14 facilities located in states adjacent to Illinois or
15 renewable energy credits associated with the electricity
16 generated by a utility-scale wind energy facility or
17 utility-scale photovoltaic facility and transmitted by a
18 qualifying direct current project described in subsection
19 (b-5) of Section 8-406 of the Public Utilities Act to a
20 delivery point on the electric transmission grid located
21 in this State or a state adjacent to Illinois, if the
22 generator demonstrates and the Agency determines that the
23 operation of such facility or facilities will help promote
24 the State's interest in the health, safety, and welfare of
25 its residents based on the public interest criteria
26 described above. For the purposes of this Section,

1 renewable resources that are delivered via a high voltage
2 direct current converter station located in Illinois shall
3 be deemed generated in Illinois at the time and location
4 the energy is converted to alternating current by the high
5 voltage direct current converter station if the high
6 voltage direct current transmission line: (i) was
7 constructed with a project labor agreement; (ii) is
8 capable of transmitting electricity at 525kv; (iii) has an
9 Illinois converter station located and interconnected in
10 the region of the PJM Interconnection, LLC; (iv) does not
11 operate as a public utility; and (v) if the high voltage
12 direct current transmission line was energized after June
13 1, 2023. To ensure that the public interest criteria are
14 applied to the procurement and given full effect, the
15 Agency's long-term procurement plan shall describe in
16 detail how each public interest factor shall be considered
17 and weighted for facilities located in states adjacent to
18 Illinois.

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

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

17 Notwithstanding the limitations of this subparagraph
18 (J), renewable energy credits sourced from generating
19 units that are constructed, purchased, owned, or leased by
20 an electric utility as part of an approved project,
21 program, or pilot under Section 1-56 of this Act shall be
22 eligible to be counted toward the renewable energy
23 requirements of this subsection (c), regardless of how the
24 costs of these units are recovered. As long as a
25 generating unit or an identifiable portion of a generating
26 unit has not had and does not have its costs recovered

1 through rates regulated by this State or any other state,
2 HVDC renewable energy credits associated with that
3 generating unit or identifiable portion thereof shall be
4 eligible to be counted toward the renewable energy
5 requirements of this subsection (c).

6 (K) The long-term renewable resources procurement plan
7 developed by the Agency in accordance with subparagraph
8 (A) of this paragraph (1) shall include an Adjustable
9 Block program for the procurement of renewable energy
10 credits from new photovoltaic projects that are
11 distributed renewable energy generation devices or new
12 photovoltaic community renewable generation projects. The
13 Adjustable Block program shall be generally designed to
14 provide for the steady, predictable, and sustainable
15 growth of new solar photovoltaic development in Illinois.
16 To this end, the Adjustable Block program shall provide a
17 transparent annual schedule of prices and quantities to
18 enable the photovoltaic market to scale up and for
19 renewable energy credit prices to adjust at a predictable
20 rate over time. The prices set by the Adjustable Block
21 program can be reflected as a set value or as the product
22 of a formula.

23 The Adjustable Block program shall include for each
24 category of eligible projects for each delivery year: a
25 single block of nameplate capacity, a price for renewable
26 energy credits within that block, and the terms and

1 conditions for securing a spot on a waitlist once the
2 block is ~~: a schedule of standard block purchase prices to~~
3 ~~be offered; a series of steps, with associated nameplate~~
4 ~~capacity and purchase prices that adjust from step to~~
5 ~~step; and automatic opening of the next step as soon as the~~
6 ~~nameplate capacity and available purchase prices for an~~
7 ~~open step~~ are fully committed or reserved. Except as
8 outlined below, the waitlist of projects in a given year
9 will carry over to apply to the subsequent year when
10 another block is opened. Only projects energized on or
11 after June 1, 2017 shall be eligible for the Adjustable
12 Block program. For each category for each delivery year
13 ~~block group~~ the Agency shall determine ~~the number of~~
14 ~~blocks,~~ the amount of generation capacity in each block,
15 and the purchase price for each block, provided that the
16 purchase price provided and the total amount of generation
17 in all blocks for all categories ~~block groups~~ shall be
18 sufficient to meet the goals in this subsection (c). The
19 Agency shall strive to issue a single block sized to
20 provide for stability and market growth. The Agency shall
21 establish program eligibility requirements that ensure
22 that projects that enter the program are sufficiently
23 mature to indicate a demonstrable path to completion. The
24 Agency may periodically review its prior decisions
25 establishing ~~the number of blocks,~~ the amount of
26 generation capacity in each block, and the purchase price

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

12 The Adjustable Block program shall include ~~at least~~
13 the following categories ~~block groups~~ in at least the
14 following amounts, ~~which may be adjusted upon review by~~
15 ~~the Agency and approval by the Commission as described in~~
16 ~~this subparagraph (K):~~

17 (i) At least 20% ~~25%~~ from distributed renewable
18 energy generation devices with a nameplate capacity of
19 no more than 25 ~~40~~ kilowatts.

20 (ii) At least 20% ~~25%~~ from distributed renewable
21 energy generation devices with a nameplate capacity of
22 more than 25 ~~40~~ kilowatts and no more than 5,000 ~~2,000~~
23 kilowatts. The Agency may create sub-categories within
24 this category to account for the differences between
25 projects for small commercial customers, large
26 commercial customers, and public or non-profit

1 customers.

2 (iii) At least 30% ~~25%~~ from photovoltaic community
3 renewable generation projects. Capacity for this
4 category for the first 2 delivery years after the
5 effective date of this amendatory Act of the 102nd
6 General Assembly shall be allocated to waitlist
7 projects as provided in paragraph (3) of item (iv) of
8 subparagraph (G). Starting in the third delivery year
9 after the effective date of this amendatory Act of the
10 102nd General Assembly or earlier if the Agency
11 determines there is additional capacity needed for to
12 meet previous delivery year requirements, the
13 following shall apply:

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

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

22 (3) projects shall not be colocated with one
23 or more other community renewable generation
24 projects, as defined in the Agency's first revised
25 long-term renewable resources procurement plan
26 approved by the Commission on February 18, 2020,

1 such that the aggregate nameplate capacity exceeds
2 5,000 kilowatts; and

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

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

1 install photovoltaic distributed renewable energy
2 devices on their premises, including, but not limited
3 to, those public schools subject to the prioritization
4 provisions of this subparagraph. For the purposes of
5 this item (iv):

6 "Environmental Justice Community" shall have the
7 same meaning set forth in the Agency's long-term
8 renewable resources procurement plan;

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

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

14 (v) At least 5% from community-driven community
15 solar projects intended to provide more direct and
16 tangible connection and benefits to the communities
17 which they serve or in which they operate and,
18 additionally, to increase the variety of community
19 solar locations, models, and options in Illinois. As
20 part of its long-term renewable resources procurement
21 plan, the Agency shall develop selection criteria for
22 projects participating in this category. Nothing in
23 this Section shall preclude the Agency from creating a
24 selection process that maximizes community ownership
25 and community benefits in selecting projects to
26 receive renewable energy credits. Selection criteria

1 shall include:

2 (1) community ownership or community
3 wealth-building;

4 (2) additional direct and indirect community
5 benefit, beyond project participation as a
6 subscriber, including, but not limited to,
7 economic, environmental, social, cultural, and
8 physical benefits;

9 (3) meaningful involvement in project
10 organization and development by community members
11 or nonprofit organizations or public entities
12 located in or serving the community;

13 (4) engagement in project operations and
14 management by nonprofit organizations, public
15 entities, or community members; and

16 (5) whether a project is developed in response
17 to a site-specific RFP developed by community
18 members or a nonprofit organization or public
19 entity located in or serving the community.

20 Selection criteria may also prioritize projects

21 that:

22 (1) are developed in collaboration with or to
23 provide complementary opportunities for the Clean
24 Jobs Workforce Network Program, the Illinois
25 Climate Works Preapprenticeship Program, the
26 Returning Residents Clean Jobs Training Program,

1 the Clean Energy Contractor Incubator Program, or
2 the Clean Energy Primes Contractor Accelerator
3 Program;

4 (2) increase the diversity of locations of
5 community solar projects in Illinois, including by
6 locating in urban areas and population centers;

7 (3) are located in Equity Investment Eligible
8 Communities;

9 (4) are not greenfield projects;

10 (5) serve only local subscribers;

11 (6) have a nameplate capacity that does not
12 exceed 500 kW;

13 (7) are managed by an Energy Equity-Certified
14 Contractor, as defined in the Energy Equity
15 Eligible Contractor Registration Act, whose
16 initial certification is not more than 3 years old
17 - Energy Equity-Certified Contractors working
18 under a waiver or corrective action plan would not
19 be considered; or

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

26 For the purposes of this item (v):

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

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

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

26 Terms and guidance within these criteria that are

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

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

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

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

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

1 energization shall serve to reduce the ratable
2 payments made after energization under items (ii) and
3 (iii) of subparagraph (L) or payments made for each
4 renewable energy credit delivery under item (iv) of
5 subparagraph (L).

6 (vii) ~~(iv)~~ The remaining capacity 25% shall be
7 allocated as specified by the Agency in order to
8 respond to market demand ~~the long term renewable~~
9 ~~resources procurement plan.~~ The Agency shall allocate
10 any discretionary capacity prior to the beginning of
11 each delivery year.

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

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

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

3 The Adjustable Block program shall be designed to
4 ensure that renewable energy credits are procured from
5 ~~photovoltaic distributed renewable energy generation~~
6 ~~devices and new photovoltaic community renewable energy~~
7 ~~generation~~ projects in diverse locations and are not
8 concentrated in a few regional geographic areas.

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

15 (i) (Blank). ~~The Agency shall procure contracts of at~~
16 ~~least 15 years in length.~~

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

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

12 (iii) For those renewable energy credits that
13 qualify and are procured under item (ii) and (v) ~~(iii)~~
14 of subparagraph (K) of this paragraph (1) and any like
15 projects similar category that qualify and are
16 procured under item (vi), the contract length shall be
17 15 years. 15% ~~any additional categories of distributed~~
18 ~~generation included in the long term renewable~~
19 ~~resources procurement plan and approved by the~~
20 ~~Commission, 20 percent of the renewable energy credit~~
21 delivery contract value, based on the estimated
22 generation during the first 15 years of operation,
23 ~~purchase price~~ shall be paid by the contracting
24 utilities at the time that the facility producing the
25 renewable energy credits is interconnected at the
26 distribution system level of the utility and verified

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

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

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

1 support projects under 15-year delivery contracts,
2 taking into consideration any additional new
3 requirements placed on the projects, including, but
4 not limited to, labor standards.

5 (v) (iv) Each contract shall include provisions to
6 ensure the delivery of the estimated quantity of
7 renewable energy credits and ongoing collateral
8 requirements and other provisions deemed appropriate
9 by the Agency ~~for the full term of the contract.~~

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

16 (vii) (vi) If, at any time, approved applications
17 for the Adjustable Block program exceed funds
18 collected by the electric utility or would cause the
19 Agency to exceed the limitation described in
20 subparagraph (E) of this paragraph (1) on the amount
21 of renewable energy resources that may be procured,
22 then the Agency may ~~shall~~ consider future uncommitted
23 funds to be reserved for these contracts on a
24 first-come, first-served basis, ~~with the delivery of~~
25 ~~renewable energy credits required beginning at the~~
26 ~~time that the reserved funds become available.~~

1 (viii) ~~(vii)~~ Nothing in this Section shall require
2 the utility to advance any payment or pay any amounts
3 that exceed the actual amount of revenues anticipated
4 to be collected by the utility under paragraph (6) of
5 this subsection (c) and subsection (k) of Section
6 16-108 of the Public Utilities Act inclusive of
7 eligible funds collected in prior years and
8 alternative compliance payments for use by the
9 utility, and contracts executed under this Section
10 shall expressly incorporate this limitation.

11 (ix) Notwithstanding other requirements of this
12 subparagraph (L), no modification shall be required to
13 Adjustable Block program contracts if they were
14 already executed prior to the establishment, approval,
15 and implementation of new contract forms as a result
16 of this amendatory Act of the 102nd General Assembly.

17 (x) Contracts may be assignable, but only to
18 entities first deemed by the Agency to have met
19 program terms and requirements applicable to direct
20 program participation. In developing contracts for the
21 delivery of renewable energy credits, the Agency shall
22 be permitted to establish fees applicable to each
23 contract assignment.

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

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

13 The Program Administrator may charge application fees
14 to participating firms to cover the cost of program
15 administration. Any application fee amounts shall
16 initially be determined through the long-term renewable
17 resources procurement plan, and modifications to any
18 application fee that deviate more than 25% from the
19 Commission's approved value must be approved by the
20 Commission as a long-term plan revision under Section
21 16-111.5 of the Public Utilities Act. The Agency shall
22 consider stakeholder feedback when making adjustments to
23 application fees and shall notify stakeholders in advance
24 of any planned changes.

25 In addition to covering the costs of program
26 administration, the Agency, in conjunction with its

1 Program Administrator, may also use the proceeds of such
2 fees charged to participating firms to support public
3 education and ongoing regional and national coordination
4 with nonprofit organizations, public bodies, and others
5 engaged in the implementation of renewable energy
6 incentive programs or similar initiatives. This work may
7 include developing papers and reports, hosting regional
8 and national conferences, and other work deemed necessary
9 by the Agency to position the State of Illinois as a
10 national leader in renewable energy incentive program
11 development and administration.

12 The Agency and its consultant or consultants shall
13 monitor block activity, share program activity with
14 stakeholders and conduct quarterly ~~regularly scheduled~~
15 meetings to discuss program activity and market
16 conditions. If necessary, the Agency may make prospective
17 administrative adjustments to the Adjustable Block program
18 design, such as ~~redistributing available funds or~~ making
19 adjustments to purchase prices as necessary to achieve the
20 goals of this subsection (c). Program modifications to any
21 block price, capacity block, or other program element that
22 do not deviate from the Commission's approved value by
23 more than 10% ~~25%~~ shall take effect immediately and are
24 not subject to Commission review and approval. Program
25 modifications to any block price, capacity block, or other
26 ~~program element~~ that deviate more than 10% ~~25%~~ from the

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

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

21 (i) The Agency shall establish a registration
22 process for entities seeking to qualify for
23 program-administered incentive funding and establish
24 baseline qualifications for vendor approval. The
25 Agency must maintain a list of approved entities on
26 each program's website, and may revoke a vendor's

1 ability to receive program-administered incentive
2 funding status upon a determination that the vendor
3 failed to comply with contract terms, the law, or
4 other program requirements.

5 (ii) The Agency shall establish program
6 requirements and the contract terms process to ensure
7 projects are properly installed and produce their
8 expected amounts of energy. Program requirements may
9 include on-site inspections and photo documentation of
10 projects under construction. The Agency may require
11 repairs, alterations, or additions to remedy any
12 material deficiencies discovered. Vendors who have a
13 disproportionately high number of deficient systems
14 may lose their eligibility to continue to receive
15 State-administered incentive funding through Agency
16 programs and procurements.

17 (iii) To discourage deceptive marketing or other
18 bad faith business practices, the Agency may require
19 direct program participants, including agents
20 operating on their behalf, to provide standardized
21 disclosures to a customer prior to that customer's
22 execution of a contract for the development of a
23 distributed generation system or a subscription to a
24 community solar project.

25 (iv) The Agency shall establish one or multiple
26 Consumer Complaints Centers to accept complaints

1 regarding businesses that participate in, or otherwise
2 benefit from, State-administered incentive funding
3 through Agency-administered programs. The Agency shall
4 maintain a public database of complaints with any
5 confidential or particularly sensitive information
6 redacted from public entries.

7 (v) Through a filing in the proceeding for the
8 approval of its long-term renewable energy resources
9 procurement plan, the Agency shall provide an annual
10 written report to the Illinois Commerce Commission
11 documenting the frequency and nature of complaints and
12 any enforcement actions taken in response to those
13 complaints.

14 (vi) The Agency shall schedule regular meetings
15 with representatives of the Office of the Attorney
16 General, the Illinois Commerce Commission, consumer
17 protection groups, and other interested stakeholders
18 to share relevant information about consumer
19 protection, project compliance, and complaints
20 received.

21 (vii) To the extent that complaints received
22 implicate the jurisdiction of the Office of the
23 Attorney General, the Illinois Commerce Commission, or
24 local, State, or federal law enforcement, the Agency
25 shall also refer complaints to those entities as
26 appropriate.

1 (N) ~~The long-term renewable resources procurement plan~~
2 ~~required by this subsection (c) shall include a community~~
3 ~~renewable generation program.~~ The Agency shall establish
4 the terms, conditions, and program requirements for
5 photovoltaic community renewable generation projects with
6 a goal to expand ~~renewable energy generating facility~~
7 access to a broader group of energy consumers, to ensure
8 robust participation opportunities for residential and
9 small commercial customers and those who cannot install
10 renewable energy on their own properties. Subject to
11 reasonable limitations, any ~~Any~~ plan approved by the
12 Commission shall allow subscriptions to community
13 renewable generation projects to be portable and
14 transferable. For purposes of this subparagraph (N),
15 "portable" means that subscriptions may be retained by the
16 subscriber even if the subscriber relocates or changes its
17 address within the same utility service territory; and
18 "transferable" means that a subscriber may assign or sell
19 subscriptions to another person within the same utility
20 service territory.

21 Through the development of its long-term renewable
22 resources procurement plan, the Agency may consider
23 whether community renewable generation projects utilizing
24 technologies other than photovoltaics should be supported
25 through State-administered incentive funding, and may
26 issue requests for information to gauge market demand.

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

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

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

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

1 long-term renewable resources procurement plan required by
2 this subsection (c) shall provide for the Agency to
3 procure contracts to continue offering the Illinois Solar
4 for All Program described in subsection (b) of Section
5 1-56 of this Act, and the contracts approved by the
6 Commission shall be executed by the utilities that are
7 subject to this subsection (c). The long-term renewable
8 resources procurement plan shall allocate up to
9 \$50,000,000 ~~5% of the funds available under the plan for~~
10 ~~the applicable delivery year, or \$10,000,000 per delivery~~
11 ~~year, whichever is greater,~~ to fund the programs, and the
12 plan shall determine the amount of funding to be
13 apportioned to the programs identified in subsection (b)
14 of Section 1-56 of this Act; provided that for the
15 delivery years beginning June 1, 2021, June 1, 2022, and
16 June 1, 2023, the long-term renewable resources
17 procurement plan may average the annual budgets over a
18 3-year period to account for program ramp-up. For ~~for~~ the
19 delivery years beginning ~~June 1, 2017,~~ June 1, 2021, ~~and~~
20 June 1, 2024 2025, June 1, 2027, and June 1, 2030 and
21 additional ~~the long-term renewable resources procurement~~
22 ~~plan shall allocate 10% of the funds available under the~~
23 ~~plan for the applicable delivery year, or \$20,000,000 per~~
24 ~~delivery year, whichever is greater, and \$10,000,000 of~~
25 ~~such funds in such year shall be~~ provided to the
26 Department of Commerce and Economic Opportunity to

1 implement the workforce development programs and reporting
2 as outlined in used by an electric utility that serves
3 more than 3,000,000 retail customers in the State to
4 implement a Commission-approved plan under Section
5 16-108.12 of the Public Utilities Act. In making the
6 determinations required under this subparagraph (O), the
7 Commission shall consider the experience and performance
8 under the programs and any evaluation reports. The
9 Commission shall also provide for an independent
10 evaluation of those programs on a periodic basis that are
11 funded under this subparagraph (O).

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

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

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

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

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

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

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

8 (ii) all new utility-scale photovoltaic
9 projects;

10 (iii) all new brownfield photovoltaic
11 projects;

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

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

18 (vi) all new photovoltaic distributed
19 renewable energy generation devices on schools
20 that qualify for item (iv) of subparagraph (K) of
21 this paragraph (1);

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

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

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

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

1 names, addresses, and occupations of the owner of the
2 plant and the individuals representing the labor
3 organization employees participating in the project
4 labor agreement consistent with the Project Labor
5 Agreements Act. The agreement must also specify the
6 terms and conditions as defined by this Act.

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

25 (R) In its long-term renewable resources procurement
26 plan, the Agency shall establish a self-direct renewable

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

12 (1) For the purposes of this subparagraph:

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

22 "Retail customer" has the meaning set forth in
23 Section 16-102 of the Public Utilities Act and
24 multiple retail customer accounts under the same
25 corporate parent may aggregate their account demands
26 to meet the 10,000 kilowatt threshold. The criteria

1 for determining whether this subparagraph is
2 applicable to a retail customer shall be based on the
3 12 consecutive billing periods prior to the start of
4 the year in which the application is filed.

5 (2) For renewable energy credits to count toward
6 the self-direct renewable portfolio standard
7 compliance program, they must:

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

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

21 (iii) be procured through long-term contracts
22 with term lengths of at least 10 years either
23 directly with the renewable energy generating
24 facility or through a bundled power purchase
25 agreement, a virtual power purchase agreement, an
26 agreement between the renewable generating

1 facility, an alternative retail electric supplier,
2 and the customer, or such other structure as is
3 permissible under this subparagraph (R);

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

9 (v) be retired by or on behalf of the large
10 energy customer;

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

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

21 (3) The self-direct renewable portfolio standard
22 compliance program shall be designed to allow eligible
23 self-direct customers to procure new renewable energy
24 credits from new utility-scale wind projects or new
25 utility-scale photovoltaic projects. The Agency shall
26 annually determine the amount of utility-scale

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

1 Customers must provide the Agency with their most
2 recent electricity billing statements or other
3 information deemed necessary by the Agency to
4 demonstrate they are an eligible self-direct customer.

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

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

13 (5) Customers described in this subparagraph (R)
14 shall apply, on a form developed by the Agency, to the
15 Agency to be designated as a self-direct eligible
16 customer. Thereafter, application may be made not less
17 than 18 months before the filing date of the long-term
18 renewable resources procurement plan described in this
19 Act. At a minimum, such application shall contain the
20 following:

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

26 (ii) the customer's certification that the

1 customer has entered into or will enter into by
2 the beginning of the applicable procurement year,
3 one or more bilateral contracts for new wind
4 projects or new photovoltaic projects, including
5 supporting documentation;

6 (iii) certification that the contract or
7 contracts for new renewable energy resources are
8 long-term contracts with term lengths of at least
9 10 years, including supporting documentation;

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

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

19 (vi) certification that the customer intends
20 to maintain the contract for the duration of the
21 length of the contract.

22 (6) If a customer receives the self-direct credit
23 but fails to properly procure and retire renewable
24 energy credits as required under this subparagraph
25 (R), the Commission, on petition from the Agency and
26 after notice and hearing, may direct such customer's

1 utility to recover the cost of the wrongfully received
2 self-direct credits plus interest through an adder to
3 charges assessed pursuant to Section 16-108 of the
4 Public Utilities Act. Self-direct customers who
5 knowingly fail to properly procure and retire
6 renewable energy credits and do not notify the Agency
7 are ineligible for continued participation in the
8 self-direct renewable portfolio standard compliance
9 program.

10 (2) (Blank).

11 (3) (Blank).

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

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

1 utility shall include in the information provided under
2 item (1) of subsection (d) of Section 16-111.5 of the
3 Public Utilities Act the amounts collected under the
4 alternative compliance payment rate or rates for the prior
5 year ending May 31. Notwithstanding any limitation on the
6 procurement of renewable energy resources imposed by item
7 (2) of this subsection (c), the Agency shall increase its
8 spending on the purchase of renewable energy resources to
9 be procured by the electric utility for the next plan year
10 by an amount equal to the amounts collected by the utility
11 under the alternative compliance payment rate or rates in
12 the prior year ending May 31.

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

23 (7) Renewable energy credits procured from new
24 photovoltaic projects or new distributed renewable energy
25 generation devices under this Section after June 1, 2017
26 (the effective date of Public Act 99-906) must be procured

1 from devices installed by a qualified person in compliance
2 with the requirements of Section 16-128A of the Public
3 Utilities Act and any rules or regulations adopted
4 thereunder.

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

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

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

1 energy credits from new renewable energy facilities to be
2 installed at or adjacent to the sites of electric
3 generating facilities that, as of January 1, 2016, burned
4 coal as their primary fuel source and meet the other
5 criteria specified in this subsection (c-5). For purposes
6 of this subsection (c-5), "new renewable energy facility"
7 means a new utility-scale solar project as defined in this
8 Section 1-75. The renewable energy credits procured
9 pursuant to this subsection (c-5) may be included or
10 counted for purposes of compliance with the amounts of
11 renewable energy credits required to be procured pursuant
12 to subsection (c) of this Section to the extent that there
13 are otherwise shortfalls in compliance with such
14 requirements. The procurement of renewable energy credits
15 by electric utilities pursuant to this subsection (c-5)
16 shall be funded solely by revenues collected from the Coal
17 to Solar and Energy Storage Initiative Charge provided for
18 in this subsection (c-5) and subsection (i-5) of Section
19 16-108 of the Public Utilities Act, shall not be funded by
20 revenues collected through any of the other funding
21 mechanisms provided for in subsection (c) of this Section,
22 and shall not be subject to the limitation imposed by
23 subsection (c) on charges to retail customers for costs to
24 procure renewable energy resources pursuant to subsection
25 (c), and shall not be subject to any other requirements or
26 limitations of subsection (c).

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

1 (A) The applicant owns an electric generating
2 facility located in this State that: (i) is located
3 south of federal Interstate Highway 80; (ii) as of
4 January 1, 2016, burned coal as its primary fuel to
5 generate electricity; (iii) has, or had prior to
6 retirement, an electric generating capacity of at
7 least 150 megawatts; and (iv) if the electric
8 generating facility is physically interconnected to
9 the PJM Interconnection, LLC transmission grid, had a
10 generating capacity of less than 1,200 megawatts as of
11 January 1, 2021. The electric generating facility can
12 be either: (i) retired as of the date of the
13 procurement event; or (ii) still operating as of the
14 date of the procurement event.

15 (B) The applicant is not (i) an electric
16 cooperative as defined in Section 3-119 of the Public
17 Utilities Act, or (ii) an entity described in
18 subsection (b)(1) of Section 3-105 of the Public
19 Utilities Act, or an association or consortium of or
20 an entity owned by entities described in (i) or (ii);
21 and the coal-fueled electric generating facility was
22 at one time owned, in whole or in part, by a public
23 utility as defined in Section 3-105 of the Public
24 Utilities Act.

25 (C) If participating in the first procurement
26 event, the applicant proposes and commits to construct

1 and operate, at the site, and if necessary for
2 sufficient space on property adjacent to the existing
3 property, at which the electric generating facility
4 identified in paragraph (A) is located: (i) a new
5 renewable energy facility of at least 20 megawatts but
6 no more than 100 megawatts of electric generating
7 capacity, and (ii) an energy storage facility having a
8 storage capacity equal to at least 2 megawatts and at
9 most 10 megawatts. If participating in the second
10 procurement event, the applicant proposes and commits
11 to construct and operate, at the site, and if
12 necessary for sufficient space on property adjacent to
13 the existing property, at which the electric
14 generating facility identified in paragraph (A) is
15 located: (i) a new renewable energy facility of at
16 least 5 megawatts but no more than 20 megawatts of
17 electric generating capacity, and (ii) an energy
18 storage facility having a storage capacity equal to at
19 least 0.5 megawatts and at most one megawatt.

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

26 (E) The applicant agrees that personnel operating

1 the new renewable energy facility and the energy
2 storage facility will have the requisite skills,
3 knowledge, training, experience, and competence, which
4 may be demonstrated by completion or current
5 participation and ultimate completion by employees of
6 an accredited or otherwise recognized apprenticeship
7 program for the employee's particular craft, trade, or
8 skill, including through training and education
9 courses and opportunities offered by the owner to
10 employees of the coal-fueled electric generating
11 facility or by previous employment experience
12 performing the employee's particular work skill or
13 function.

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

1 (G) The applicant commits that if selected, it
2 will negotiate a project labor agreement for the
3 construction of the new renewable energy facility and
4 associated energy storage facility that includes
5 provisions requiring the parties to the agreement to
6 work together to establish diversity threshold
7 requirements and to ensure best efforts to meet
8 diversity targets, improve diversity at the applicable
9 job site, create diverse apprenticeship opportunities,
10 and create opportunities to employ former coal-fired
11 power plant workers.

12 (H) The applicant commits to enter into a contract
13 or contracts for the applicable duration to provide
14 specified numbers of renewable energy credits each
15 year from the new renewable energy facility to
16 electric utilities that served more than 300,000
17 retail customers in this State as of January 1, 2019,
18 at a price of \$30 per renewable energy credit. The
19 price per renewable energy credit shall be fixed at
20 \$30 for the applicable duration and the renewable
21 energy credits shall not be indexed renewable energy
22 credits as provided for in item (v) of subparagraph
23 (G) of paragraph (1) of subsection (c) of Section 1-75
24 of this Act. The applicable duration of each contract
25 shall be 20 years.

26 (I) The applicant's application is certified by an

1 officer of the applicant and by an officer of the
2 applicant's ultimate parent company, if any.

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

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

22 (5) The Agency shall select the applicants and the new
23 renewable energy facilities to contract with electric
24 utilities to supply renewable energy credits in accordance
25 with this subsection (c-5). In the first procurement
26 event, the Agency shall select applicants and new

1 renewable energy facilities to supply renewable energy
2 credits, at a price of \$30 per renewable energy credit,
3 aggregating to no less than 400,000 renewable energy
4 credits per year for the 20 years, assuming sufficient
5 qualifying applications to supply, in the aggregate, at
6 least that amount of renewable energy credits per year;
7 and not more than 600,000 renewable energy credits per
8 year for the 20 years. In the second procurement event,
9 the Agency shall select applicants and new renewable
10 energy facilities to supply renewable energy credits, at a
11 prices of \$30 per renewable energy credit, aggregating to
12 no more than 625,000 renewable energy credits per year
13 less the amount of renewable energy credits each year
14 contracted for as a result of the first procurement event,
15 for the applicable durations.

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

1 enter into a contract with each electric utility for the
2 sale and purchase of renewable energy credits from each
3 new renewable energy facility to be constructed and
4 operated by the applicant, with the sale and purchase
5 obligations under the contracts to aggregate to the total
6 number of renewable energy credits per year to be supplied
7 by the applicant from the new renewable energy facility.

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

22 (8) The Agency, in conjunction with its procurement
23 administrator if one is retained, the electric utilities,
24 and potential applicants for contracts to produce and
25 supply renewable energy credits pursuant to this
26 subsection (c-5), shall develop a standard form contract

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

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

13 (9) Coal to Solar and Energy Storage Initiative
14 Charge.

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

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

21 (B) Each electric utility shall remit on a monthly
22 basis to the State Treasurer, for deposit in the Coal
23 to Solar and Energy Storage Initiative Fund provided
24 for in this subsection (c-5), the electric utility's
25 collections of the Coal to Solar and Energy Storage
26 Initiative Charge in the amount estimated to be needed

1 by the Department for grant payments pursuant to grant
2 contracts entered into by the Department pursuant to
3 paragraph (10) of this subsection (c-5).

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

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

20 (B) The Coal to Solar and Energy Storage
21 Initiative Fund shall not be subject to sweeps,
22 administrative charges, or chargebacks, including, but
23 not limited to, those authorized under Section 8h of
24 the State Finance Act, that would in any way result in
25 the transfer of those funds from the Coal to Solar and
26 Energy Storage Initiative Fund to any other fund of

1 this State or in having any such funds utilized for any
2 purpose other than the express purposes set forth in
3 this paragraph (10).

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

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

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

21 (3) if the electric generating facility is
22 retired, it was retired subsequent to January 1,
23 2016;

24 (4) the owner of the electric generating
25 facility has not been selected by the Agency
26 pursuant to this subsection (c-5) of this Section

1 to enter into a contract to sell renewable energy
2 credits to one or more electric utilities from a
3 new renewable energy facility located or to be
4 located at or adjacent to the site at which the
5 electric generating facility is located;

6 (5) the electric generating facility located
7 at the site was at one time owned, in whole or in
8 part, by a public utility as defined in Section
9 3-105 of the Public Utilities Act;

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

18 (7) the proposed energy storage facility at
19 the site will have energy storage capacity of at
20 least 37 megawatts;

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

1 installing interconnection facilities, and in
2 obtaining necessary governmental permits and
3 approvals;

4 (9) the owner agrees that the new energy
5 storage facility will be constructed or installed
6 by a qualified entity or entities consistent with
7 the requirements of subsection (g) of Section
8 16-128A of the Public Utilities Act and any rules
9 adopted under that Section;

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

24 (11) the owner commits that not less than the
25 prevailing wage, as determined pursuant to the
26 Prevailing Wage Act, will be paid to the owner's

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

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

22 The Department shall accept applications for this
23 grant program until March 31, 2022 and shall announce
24 the award of grants no later than June 1, 2022. The
25 Department shall make the grant payments to a
26 recipient in equal annual amounts for 10 years

1 following the date the energy storage facility is
2 placed into commercial operation. The annual grant
3 payments to a qualifying energy storage facility shall
4 be \$110,000 per megawatt of energy storage capacity,
5 with total annual grant payments pursuant to this
6 subparagraph (C) for qualifying energy storage
7 facilities not to exceed \$28,050,000 in any year.

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

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

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

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

22 (B) For purposes of this paragraph (11), diversity
23 composition shall be based on the percentage, which
24 shall be a minimum of 25%, of eligible expenditures
25 for contract awards for materials and services (which
26 shall be defined in the plan) to business enterprises

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

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

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

25 (D) The applicant or owner may submit a revised or
26 updated plan to the Commission from time to time as

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

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

1 advancing equity across Illinois by providing access to the
2 clean energy economy for businesses and workers from
3 communities that have been historically excluded from economic
4 opportunities in the energy sector, have been subject to
5 disproportionate levels of pollution, and have
6 disproportionately experienced negative public health
7 outcomes.

8 (1) Minimum equity standards. All applications for
9 renewable energy credit procurements shall comply with
10 specific minimum equity commitments. Starting in the
11 delivery year immediately following the next long-term
12 renewable resources procurement plan, at least 10% of the
13 project workforce for each entity participating in a
14 procurement program outlined in this subsection (c-10)
15 must be done by equity eligible persons or equity eligible
16 contractors. The Agency shall increase the minimum
17 percentage each delivery year thereafter by increments
18 that ensure a statewide average of 30% of the project
19 workforce for each entity participating in a procurement
20 program is done by equity eligible persons or equity
21 eligible contractors by 2030. The Agency shall propose a
22 schedule of percentage increases to the minimum equity
23 standards in its draft revised renewable energy resources
24 procurement plan submitted to the Commission for approval
25 pursuant to paragraph (5) of subsection (b) of Section
26 16-111.5 of the Public Utilities Act. In determining these

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

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

22 (B) Halfway through each delivery year, the Agency
23 shall require each entity participating in a
24 procurement program to confirm that it will achieve
25 compliance in that delivery year, when applicable. The
26 Agency may offer corrective action plans to entities

1 that are not on track to achieve compliance.

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

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

23 (E) The Agency shall pursue efficiencies achieved
24 by combining with other approved vendor or designee
25 reporting.

26 (2) Equity accountability system within the Adjustable

1 Block program. The equity category described in item (vi)
2 of subparagraph (K) of subsection (c) is only available to
3 applicants that can demonstrate Equity Eligible Future
4 Certification or Equity Eligible Contractor Certification
5 for their project or portfolio of projects. The Agency
6 shall create a system for tracking and verifying Equitable
7 Energy Future Certifications. Equitable Energy Future
8 Certification can be earned by demonstrating that at least
9 50% of the project workforce, or other appropriate
10 workforce measure as determined by the Agency where
11 certification is on a non-project basis, is done by equity
12 eligible contractors or equity eligible persons.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 and contractors.

2 (c-15) Racial discrimination elimination powers and
3 process.

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

11 (2) Racial disparity and discrimination review
12 process.

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

24 (B) As soon as is practicable thereafter, the
25 Agency, in consultation with the Department of
26 Commerce and Economic Opportunity, Department of

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

25 (c-20) Program data collection.

26 (1) Purpose. Data collection, data analysis, and

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

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

16 (3) Required information to be collected. The Agency
17 shall collect the following information from applicants
18 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) Publication of collected information. The Agency
7 shall publish, at least annually, information on the
8 demographics of program participants on an aggregate
9 basis.

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

14 (c-25) Energy Workforce Equity Database.

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

25 (A) publicly accessible;

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

1 (C) organized by company specialty or field;

2 (D) region-specific; and

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

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

12 (A) a map of environmental justice and equity
13 investment eligible communities;

14 (B) job postings and recruiting opportunities;

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

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

22 (E) renewable energy company diversity reporting;

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

26 (G) reporting on outcomes of the programs

1 described in the workforce programs of the Energy
2 Transition Act, including information such as, but not
3 limited to, retention rate, graduation rate, and
4 placement rates of trainees; and

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

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

17 (c-30) Enforcement of equity accountability system.

18 (1) Enforcement of minimum equity standards. All
19 entities seeking renewable energy credits must submit an
20 annual report to demonstrate compliance with each of the
21 equity commitments required under subsection (c-10). If
22 the Agency concludes the entity has not met or maintained
23 its minimum equity standards required under the applicable
24 subparagraphs under subsection (c-10), the Agency shall
25 deny the entity's ability to participate in procurement
26 programs in subsection (c), including by withholding

1 approved vendor or designee status. The Agency may require
2 the entity to enter into a corrective action plan. An
3 entity that is not recertified for failing to meet
4 required equity actions in subparagraph (c-10) may reapply
5 once they have a corrective action plan and achieve
6 compliance with the minimum equity standards.

7 (2) Enforcement of Equitable Energy Future
8 Certification. All entities using Equitable Energy Future
9 Certification in applying for renewable energy credit
10 procurements must submit a report at project energization
11 demonstrating that they met the required Equitable Energy
12 Future Certification thresholds. The Agency shall
13 determine an appropriate reporting frequency for entities
14 that are granted Equitable Energy Future Certification for
15 a portfolio of projects. The Agency may impose penalties
16 on entities that fail to meet the Equitable Energy Future
17 Certification thresholds, which may include, but are not
18 limited to: reduction in final REC price, contributions to
19 the Clean Jobs Workforce Hubs, and suspension from using
20 Equitable Energy Future Certification for future projects
21 or a portfolio of projects.

22 (d) Clean coal portfolio standard.

23 (1) The procurement plans shall include electricity
24 generated using clean coal. Each utility shall enter into
25 one or more sourcing agreements with the initial clean
26 coal facility, as provided in paragraph (3) of this

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

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

25 Utilities shall maintain adequate records documenting
26 the purchases under the sourcing agreement to comply with

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

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

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

23 Notwithstanding the requirements of this subsection
24 (d), the total amount paid under sourcing agreements with
25 clean coal facilities pursuant to the procurement plan for
26 any given year shall be reduced by an amount necessary to

1 limit the annual estimated average net increase due to the
2 costs of these resources included in the amounts paid by
3 eligible retail customers in connection with electric
4 service to:

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

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

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

18 (D) in 2013, the greater of an additional 0.5% of
19 the amount paid per kilowatthour by those customers
20 during the year ending May 31, 2012 or 2% of the amount
21 paid per kilowatthour by those customers during the
22 year ending May 31, 2009; and

23 (E) thereafter, the total amount paid under
24 sourcing agreements with clean coal facilities
25 pursuant to the procurement plan for any single year
26 shall be reduced by an amount necessary to limit the

1 estimated average net increase due to the cost of
2 these resources included in the amounts paid by
3 eligible retail customers in connection with electric
4 service to no more than the greater of (i) 2.015% of
5 the amount paid per kilowatthour by those customers
6 during the year ending May 31, 2009 or (ii) the
7 incremental amount per kilowatthour paid for these
8 resources in 2013. These requirements may be altered
9 only as provided by statute.

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

18 (3) Initial clean coal facility. In order to promote
19 development of clean coal facilities in Illinois, each
20 electric utility subject to this Section shall execute a
21 sourcing agreement to source electricity from a proposed
22 clean coal facility in Illinois (the "initial clean coal
23 facility") that will have a nameplate capacity of at least
24 500 MW when commercial operation commences, that has a
25 final Clean Air Act permit on June 1, 2009 (the effective
26 date of Public Act 95-1027), and that will meet the

1 definition of clean coal facility in Section 1-10 of this
2 Act when commercial operation commences. The sourcing
3 agreements with this initial clean coal facility shall be
4 subject to both approval of the initial clean coal
5 facility by the General Assembly and satisfaction of the
6 requirements of paragraph (4) of this subsection (d) and
7 shall be executed within 90 days after any such approval
8 by the General Assembly. The Agency and the Commission
9 shall have authority to inspect all books and records
10 associated with the initial clean coal facility during the
11 term of such a sourcing agreement. A utility's sourcing
12 agreement for electricity produced by the initial clean
13 coal facility shall include:

14 (A) a formula contractual price (the "contract
15 price") approved pursuant to paragraph (4) of this
16 subsection (d), which shall:

17 (i) be determined using a cost of service
18 methodology employing either a level or deferred
19 capital recovery component, based on a capital
20 structure consisting of 45% equity and 55% debt,
21 and a return on equity as may be approved by the
22 Federal Energy Regulatory Commission, which in any
23 case may not exceed the lower of 11.5% or the rate
24 of return approved by the General Assembly
25 pursuant to paragraph (4) of this subsection (d);
26 and

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

17 (B) power purchase provisions, which shall:

18 (i) provide that the utility party to such
19 sourcing agreement shall pay the contract price
20 for electricity delivered under such sourcing
21 agreement;

22 (ii) require delivery of electricity to the
23 regional transmission organization market of the
24 utility that is party to such sourcing agreement;

25 (iii) require the utility party to such
26 sourcing agreement to buy from the initial clean

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

20 (iv) be considered pre-existing contracts in
21 such utility's procurement plans for eligible
22 retail customers;

23 (C) contract for differences provisions, which
24 shall:

25 (i) require the utility party to such sourcing
26 agreement to contract with the initial clean coal

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

21 (ii) provide that the utility's payment
22 obligation in respect of the quantity of
23 electricity determined pursuant to the preceding
24 clause (i) shall be limited to an amount equal to
25 (1) the difference between the contract price
26 determined pursuant to subparagraph (A) of

1 paragraph (3) of this subsection (d) and the
2 day-ahead price for electricity delivered to the
3 regional transmission organization market of the
4 utility that is party to such sourcing agreement
5 (or any successor delivery point at which such
6 utility's supply obligations are financially
7 settled on an hourly basis) (the "reference
8 price") on the day preceding the day on which the
9 electricity is delivered to the initial clean coal
10 facility busbar, multiplied by (2) the quantity of
11 electricity determined pursuant to the preceding
12 clause (i); and

13 (iii) not require the utility to take physical
14 delivery of the electricity produced by the
15 facility;

16 (D) general provisions, which shall:

17 (i) specify a term of no more than 30 years,
18 commencing on the commercial operation date of the
19 facility;

20 (ii) provide that utilities shall maintain
21 adequate records documenting purchases under the
22 sourcing agreements entered into to comply with
23 this subsection (d) and shall file an accounting
24 with the load forecast that must be filed with the
25 Agency by July 15 of each year, in accordance with
26 subsection (d) of Section 16-111.5 of the Public

1 Utilities Act;

2 (iii) provide that all costs associated with
3 the initial clean coal facility will be
4 periodically reported to the Federal Energy
5 Regulatory Commission and to purchasers in
6 accordance with applicable laws governing
7 cost-based wholesale power contracts;

8 (iv) permit the Illinois Power Agency to
9 assume ownership of the initial clean coal
10 facility, without monetary consideration and
11 otherwise on reasonable terms acceptable to the
12 Agency, if the Agency so requests no less than 3
13 years prior to the end of the stated contract
14 term;

15 (v) require the owner of the initial clean
16 coal facility to provide documentation to the
17 Commission each year, starting in the facility's
18 first year of commercial operation, accurately
19 reporting the quantity of carbon emissions from
20 the facility that have been captured and
21 sequestered and report any quantities of carbon
22 released from the site or sites at which carbon
23 emissions were sequestered in prior years, based
24 on continuous monitoring of such sites. If, in any
25 year after the first year of commercial operation,
26 the owner of the facility fails to demonstrate

1 that the initial clean coal facility captured and
2 sequestered at least 50% of the total carbon
3 emissions that the facility would otherwise emit
4 or that sequestration of emissions from prior
5 years has failed, resulting in the release of
6 carbon dioxide into the atmosphere, the owner of
7 the facility must offset excess emissions. Any
8 such carbon offsets must be permanent, additional,
9 verifiable, real, located within the State of
10 Illinois, and legally and practicably enforceable.
11 The cost of such offsets for the facility that are
12 not recoverable shall not exceed \$15 million in
13 any given year. No costs of any such purchases of
14 carbon offsets may be recovered from a utility or
15 its customers. All carbon offsets purchased for
16 this purpose and any carbon emission credits
17 associated with sequestration of carbon from the
18 facility must be permanently retired. The initial
19 clean coal facility shall not forfeit its
20 designation as a clean coal facility if the
21 facility fails to fully comply with the applicable
22 carbon sequestration requirements in any given
23 year, provided the requisite offsets are
24 purchased. However, the Attorney General, on
25 behalf of the People of the State of Illinois, may
26 specifically enforce the facility's sequestration

1 requirement and the other terms of this contract
2 provision. Compliance with the sequestration
3 requirements and offset purchase requirements
4 specified in paragraph (3) of this subsection (d)
5 shall be reviewed annually by an independent
6 expert retained by the owner of the initial clean
7 coal facility, with the advance written approval
8 of the Attorney General. The Commission may, in
9 the course of the review specified in item (vii),
10 reduce the allowable return on equity for the
11 facility if the facility willfully fails to comply
12 with the carbon capture and sequestration
13 requirements set forth in this item (v);

14 (vi) include limits on, and accordingly
15 provide for modification of, the amount the
16 utility is required to source under the sourcing
17 agreement consistent with paragraph (2) of this
18 subsection (d);

19 (vii) require Commission review: (1) to
20 determine the justness, reasonableness, and
21 prudence of the inputs to the formula referenced
22 in subparagraphs (A)(i) through (A)(iii) of
23 paragraph (3) of this subsection (d), prior to an
24 adjustment in those inputs including, without
25 limitation, the capital structure and return on
26 equity, fuel costs, and other operations and

1 maintenance costs and (2) to approve the costs to
2 be passed through to customers under the sourcing
3 agreement by which the utility satisfies its
4 statutory obligations. Commission review shall
5 occur no less than every 3 years, regardless of
6 whether any adjustments have been proposed, and
7 shall be completed within 9 months;

8 (viii) limit the utility's obligation to such
9 amount as the utility is allowed to recover
10 through tariffs filed with the Commission,
11 provided that neither the clean coal facility nor
12 the utility waives any right to assert federal
13 pre-emption or any other argument in response to a
14 purported disallowance of recovery costs;

15 (ix) limit the utility's or alternative retail
16 electric supplier's obligation to incur any
17 liability until such time as the facility is in
18 commercial operation and generating power and
19 energy and such power and energy is being
20 delivered to the facility busbar;

21 (x) provide that the owner or owners of the
22 initial clean coal facility, which is the
23 counterparty to such sourcing agreement, shall
24 have the right from time to time to elect whether
25 the obligations of the utility party thereto shall
26 be governed by the power purchase provisions or

1 the contract for differences provisions;

2 (xi) append documentation showing that the
3 formula rate and contract, insofar as they relate
4 to the power purchase provisions, have been
5 approved by the Federal Energy Regulatory
6 Commission pursuant to Section 205 of the Federal
7 Power Act;

8 (xii) provide that any changes to the terms of
9 the contract, insofar as such changes relate to
10 the power purchase provisions, are subject to
11 review under the public interest standard applied
12 by the Federal Energy Regulatory Commission
13 pursuant to Sections 205 and 206 of the Federal
14 Power Act; and

15 (xiii) conform with customary lender
16 requirements in power purchase agreements used as
17 the basis for financing non-utility generators.

18 (4) Effective date of sourcing agreements with the
19 initial clean coal facility. Any proposed sourcing
20 agreement with the initial clean coal facility shall not
21 become effective unless the following reports are prepared
22 and submitted and authorizations and approvals obtained:

23 (i) Facility cost report. The owner of the initial
24 clean coal facility shall submit to the Commission,
25 the Agency, and the General Assembly a front-end
26 engineering and design study, a facility cost report,

1 method of financing (including but not limited to
2 structure and associated costs), and an operating and
3 maintenance cost quote for the facility (collectively
4 "facility cost report"), which shall be prepared in
5 accordance with the requirements of this paragraph (4)
6 of subsection (d) of this Section, and shall provide
7 the Commission and the Agency access to the work
8 papers, relied upon documents, and any other backup
9 documentation related to the facility cost report.

10 (ii) Commission report. Within 6 months following
11 receipt of the facility cost report, the Commission,
12 in consultation with the Agency, shall submit a report
13 to the General Assembly setting forth its analysis of
14 the facility cost report. Such report shall include,
15 but not be limited to, a comparison of the costs
16 associated with electricity generated by the initial
17 clean coal facility to the costs associated with
18 electricity generated by other types of generation
19 facilities, an analysis of the rate impacts on
20 residential and small business customers over the life
21 of the sourcing agreements, and an analysis of the
22 likelihood that the initial clean coal facility will
23 commence commercial operation by and be delivering
24 power to the facility's busbar by 2016. To assist in
25 the preparation of its report, the Commission, in
26 consultation with the Agency, may hire one or more

1 experts or consultants, the costs of which shall be
2 paid for by the owner of the initial clean coal
3 facility. The Commission and Agency may begin the
4 process of selecting such experts or consultants prior
5 to receipt of the facility cost report.

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

17 (iv) Commission review. If the General Assembly
18 enacts authorizing legislation pursuant to
19 subparagraph (iii) approving a sourcing agreement, the
20 Commission shall, within 90 days of such enactment,
21 complete a review of such sourcing agreement. During
22 such time period, the Commission shall implement any
23 directive of the General Assembly, resolve any
24 disputes between the parties to the sourcing agreement
25 concerning the terms of such agreement, approve the
26 form of such agreement, and issue an order finding

1 that the sourcing agreement is prudent and reasonable.

2 The facility cost report shall be prepared as follows:

3 (A) The facility cost report shall be prepared by
4 duly licensed engineering and construction firms
5 detailing the estimated capital costs payable to one
6 or more contractors or suppliers for the engineering,
7 procurement and construction of the components
8 comprising the initial clean coal facility and the
9 estimated costs of operation and maintenance of the
10 facility. The facility cost report shall include:

11 (i) an estimate of the capital cost of the
12 core plant based on one or more front end
13 engineering and design studies for the
14 gasification island and related facilities. The
15 core plant shall include all civil, structural,
16 mechanical, electrical, control, and safety
17 systems.

18 (ii) an estimate of the capital cost of the
19 balance of the plant, including any capital costs
20 associated with sequestration of carbon dioxide
21 emissions and all interconnects and interfaces
22 required to operate the facility, such as
23 transmission of electricity, construction or
24 backfeed power supply, pipelines to transport
25 substitute natural gas or carbon dioxide, potable
26 water supply, natural gas supply, water supply,

1 water discharge, landfill, access roads, and coal
2 delivery.

3 The quoted construction costs shall be expressed
4 in nominal dollars as of the date that the quote is
5 prepared and shall include capitalized financing costs
6 during construction, taxes, insurance, and other
7 owner's costs, and an assumed escalation in materials
8 and labor beyond the date as of which the construction
9 cost quote is expressed.

10 (B) The front end engineering and design study for
11 the gasification island and the cost study for the
12 balance of plant shall include sufficient design work
13 to permit quantification of major categories of
14 materials, commodities and labor hours, and receipt of
15 quotes from vendors of major equipment required to
16 construct and operate the clean coal facility.

17 (C) The facility cost report shall also include an
18 operating and maintenance cost quote that will provide
19 the estimated cost of delivered fuel, personnel,
20 maintenance contracts, chemicals, catalysts,
21 consumables, spares, and other fixed and variable
22 operations and maintenance costs. The delivered fuel
23 cost estimate will be provided by a recognized third
24 party expert or experts in the fuel and transportation
25 industries. The balance of the operating and
26 maintenance cost quote, excluding delivered fuel

1 costs, will be developed based on the inputs provided
2 by duly licensed engineering and construction firms
3 performing the construction cost quote, potential
4 vendors under long-term service agreements and plant
5 operating agreements, or recognized third party plant
6 operator or operators.

7 The operating and maintenance cost quote
8 (including the cost of the front end engineering and
9 design study) shall be expressed in nominal dollars as
10 of the date that the quote is prepared and shall
11 include taxes, insurance, and other owner's costs, and
12 an assumed escalation in materials and labor beyond
13 the date as of which the operating and maintenance
14 cost quote is expressed.

15 (D) The facility cost report shall also include an
16 analysis of the initial clean coal facility's ability
17 to deliver power and energy into the applicable
18 regional transmission organization markets and an
19 analysis of the expected capacity factor for the
20 initial clean coal facility.

21 (E) Amounts paid to third parties unrelated to the
22 owner or owners of the initial clean coal facility to
23 prepare the core plant construction cost quote,
24 including the front end engineering and design study,
25 and the operating and maintenance cost quote will be
26 reimbursed through Coal Development Bonds.

1 (5) Re-powering and retrofitting coal-fired power
2 plants previously owned by Illinois utilities to qualify
3 as clean coal facilities. During the 2009 procurement
4 planning process and thereafter, the Agency and the
5 Commission shall consider sourcing agreements covering
6 electricity generated by power plants that were previously
7 owned by Illinois utilities and that have been or will be
8 converted into clean coal facilities, as defined by
9 Section 1-10 of this Act. Pursuant to such procurement
10 planning process, the owners of such facilities may
11 propose to the Agency sourcing agreements with utilities
12 and alternative retail electric suppliers required to
13 comply with subsection (d) of this Section and item (5) of
14 subsection (d) of Section 16-115 of the Public Utilities
15 Act, covering electricity generated by such facilities. In
16 the case of sourcing agreements that are power purchase
17 agreements, the contract price for electricity sales shall
18 be established on a cost of service basis. In the case of
19 sourcing agreements that are contracts for differences,
20 the contract price from which the reference price is
21 subtracted shall be established on a cost of service
22 basis. The Agency and the Commission may approve any such
23 utility sourcing agreements that do not exceed cost-based
24 benchmarks developed by the procurement administrator, in
25 consultation with the Commission staff, Agency staff and
26 the procurement monitor, subject to Commission review and

1 approval. The Commission shall have authority to inspect
2 all books and records associated with these clean coal
3 facilities during the term of any such contract.

4 (6) Costs incurred under this subsection (d) or
5 pursuant to a contract entered into under this subsection
6 (d) shall be deemed prudently incurred and reasonable in
7 amount and the electric utility shall be entitled to full
8 cost recovery pursuant to the tariffs filed with the
9 Commission.

10 (d-5) Zero emission standard.

11 (1) Beginning with the delivery year commencing on
12 June 1, 2017, the Agency shall, for electric utilities
13 that serve at least 100,000 retail customers in this
14 State, procure contracts with zero emission facilities
15 that are reasonably capable of generating cost-effective
16 zero emission credits in an amount approximately equal to
17 16% of the actual amount of electricity delivered by each
18 electric utility to retail customers in the State during
19 calendar year 2014. For an electric utility serving fewer
20 than 100,000 retail customers in this State that
21 requested, under Section 16-111.5 of the Public Utilities
22 Act, that the Agency procure power and energy for all or a
23 portion of the utility's Illinois load for the delivery
24 year commencing June 1, 2016, the Agency shall procure
25 contracts with zero emission facilities that are
26 reasonably capable of generating cost-effective zero

1 emission credits in an amount approximately equal to 16%
2 of the portion of power and energy to be procured by the
3 Agency for the utility. The duration of the contracts
4 procured under this subsection (d-5) shall be for a term
5 of 10 years ending May 31, 2027. The quantity of zero
6 emission credits to be procured under the contracts shall
7 be all of the zero emission credits generated by the zero
8 emission facility in each delivery year; however, if the
9 zero emission facility is owned by more than one entity,
10 then the quantity of zero emission credits to be procured
11 under the contracts shall be the amount of zero emission
12 credits that are generated from the portion of the zero
13 emission facility that is owned by the winning supplier.

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

18 The procurement process shall be subject to the
19 following provisions:

20 (A) Those zero emission facilities that intend to
21 participate in the procurement shall submit to the
22 Agency the following eligibility information for each
23 zero emission facility on or before the date
24 established by the Agency:

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

1 (ii) the amount of power generated annually
2 for each of the years 2005 through 2015, and the
3 projected zero emission credits to be generated
4 over the remaining useful life of the zero
5 emission facility, which shall be used to
6 determine the capability of each facility;

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

23 (iv) a commitment to continue operating, for
24 the duration of the contract or contracts executed
25 under the procurement held under this subsection
26 (d-5), the zero emission facility that produces

1 the zero emission credits to be procured in the
2 procurement.

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

14 (B) The price for each zero emission credit
15 procured under this subsection (d-5) for each delivery
16 year shall be in an amount that equals the Social Cost
17 of Carbon, expressed on a price per megawatthour
18 basis. However, to ensure that the procurement remains
19 affordable to retail customers in this State if
20 electricity prices increase, the price in an
21 applicable delivery year shall be reduced below the
22 Social Cost of Carbon by the amount ("Price
23 Adjustment") by which the market price index for the
24 applicable delivery year exceeds the baseline market
25 price index for the consecutive 12-month period ending
26 May 31, 2016. If the Price Adjustment is greater than

1 or equal to the Social Cost of Carbon in an applicable
2 delivery year, then no payments shall be due in that
3 delivery year. The components of this calculation are
4 defined as follows:

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

17 (ii) Baseline market price index: The baseline
18 market price index for the consecutive 12-month
19 period ending May 31, 2016 is \$31.40 per
20 megawatthour, which is based on the sum of (aa)
21 the average day-ahead energy price across all
22 hours of such 12-month period at the PJM
23 Interconnection LLC Northern Illinois Hub, (bb)
24 50% multiplied by the Base Residual Auction, or
25 its successor, capacity price for the rest of the
26 RTO zone group determined by PJM Interconnection

1 LLC, divided by 24 hours per day, and (cc) 50%
2 multiplied by the Planning Resource Auction, or
3 its successor, capacity price for Zone 4
4 determined by the Midcontinent Independent System
5 Operator, Inc., divided by 24 hours per day.

6 (iii) Market price index: The market price
7 index for a delivery year shall be the sum of
8 projected energy prices and projected capacity
9 prices determined as follows:

10 (aa) Projected energy prices: the
11 projected energy prices for the applicable
12 delivery year shall be calculated once for the
13 year using the forward market price for the
14 PJM Interconnection, LLC Northern Illinois
15 Hub. The forward market price shall be
16 calculated as follows: the energy forward
17 prices for each month of the applicable
18 delivery year averaged for each trade date
19 during the calendar year immediately preceding
20 that delivery year to produce a single energy
21 forward price for the delivery year. The
22 forward market price calculation shall use
23 data published by the Intercontinental
24 Exchange, or its successor.

25 (bb) Projected capacity prices:

26 (I) For the delivery years commencing

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

18 (II) For the delivery year commencing
19 June 1, 2020, and each year thereafter,
20 the projected capacity price shall be
21 equal to the sum of (1) 50% multiplied by
22 the Base Residual Auction, or its
23 successor, price for the ComEd zone as
24 determined by PJM Interconnection LLC,
25 divided by 24 hours per day, and (2) 50%
26 multiplied by the resource auction price

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

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

10 "Rest of the RTO" and "ComEd Zone" shall have
11 the meaning ascribed to them by PJM
12 Interconnection, LLC.

13 "RTO" means regional transmission
14 organization.

15 (C) No later than 45 days after June 1, 2017 (the
16 effective date of Public Act 99-906), the Agency shall
17 publish its proposed zero emission standard
18 procurement plan. The plan shall be consistent with
19 the provisions of this paragraph (1) and shall provide
20 that winning bids shall be selected based on public
21 interest criteria that include, but are not limited
22 to, minimizing carbon dioxide emissions that result
23 from electricity consumed in Illinois and minimizing
24 sulfur dioxide, nitrogen oxide, and particulate matter
25 emissions that adversely affect the citizens of this
26 State. In particular, the selection of winning bids

1 shall take into account the incremental environmental
2 benefits resulting from the procurement, such as any
3 existing environmental benefits that are preserved by
4 the procurements held under Public Act 99-906 and
5 would cease to exist if the procurements were not
6 held, including the preservation of zero emission
7 facilities. The plan shall also describe in detail how
8 each public interest factor shall be considered and
9 weighted in the bid selection process to ensure that
10 the public interest criteria are applied to the
11 procurement and given full effect.

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

20 Upon publishing of the zero emission standard
21 procurement plan, copies of the plan shall be posted
22 and made publicly available on the Agency's website.
23 All interested parties shall have 10 days following
24 the date of posting to provide comment to the Agency on
25 the plan. All comments shall be posted to the Agency's
26 website. Following the end of the comment period, but

1 no more than 60 days later than June 1, 2017 (the
2 effective date of Public Act 99-906), the Agency shall
3 revise the plan as necessary based on the comments
4 received and file its zero emission standard
5 procurement plan with the Commission.

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

16 (C-5) As part of the Commission's review and
17 acceptance or rejection of the procurement results,
18 the Commission shall, in its public notice of
19 successful bidders:

20 (i) identify how the winning bids satisfy the
21 public interest criteria described in subparagraph
22 (C) of this paragraph (1) of minimizing carbon
23 dioxide emissions that result from electricity
24 consumed in Illinois and minimizing sulfur
25 dioxide, nitrogen oxide, and particulate matter
26 emissions that adversely affect the citizens of

1 this State;

2 (ii) specifically address how the selection of
3 winning bids takes into account the incremental
4 environmental benefits resulting from the
5 procurement, including any existing environmental
6 benefits that are preserved by the procurements
7 held under Public Act 99-906 and would have ceased
8 to exist if the procurements had not been held,
9 such as the preservation of zero emission
10 facilities;

11 (iii) quantify the environmental benefit of
12 preserving the resources identified in item (ii)
13 of this subparagraph (C-5), including the
14 following:

15 (aa) the value of avoided greenhouse gas
16 emissions measured as the product of the zero
17 emission facilities' output over the contract
18 term multiplied by the U.S. Environmental
19 Protection Agency eGrid subregion carbon
20 dioxide emission rate and the U.S. Interagency
21 Working Group on Social Cost of Carbon's price
22 in the August 2016 Technical Update using a 3%
23 discount rate, adjusted for inflation for each
24 delivery year; and

25 (bb) the costs of replacement with other
26 zero carbon dioxide resources, including wind

1 and photovoltaic, based upon the simple
2 average of the following:

3 (I) the price, or if there is more
4 than one price, the average of the prices,
5 paid for renewable energy credits from new
6 utility-scale wind projects in the
7 procurement events specified in item (i)
8 of subparagraph (G) of paragraph (1) of
9 subsection (c) of this Section; and

10 (II) the price, or if there is more
11 than one price, the average of the prices,
12 paid for renewable energy credits from new
13 utility-scale solar projects and
14 brownfield site photovoltaic projects in
15 the procurement events specified in item
16 (ii) of subparagraph (G) of paragraph (1)
17 of subsection (c) of this Section and,
18 after January 1, 2015, renewable energy
19 credits from photovoltaic distributed
20 generation projects in procurement events
21 held under subsection (c) of this Section.

22 Each utility shall enter into binding contractual
23 arrangements with the winning suppliers.

24 The procurement described in this subsection
25 (d-5), including, but not limited to, the execution of
26 all contracts procured, shall be completed no later

1 than May 10, 2017. Based on the effective date of
2 Public Act 99-906, the Agency and Commission may, as
3 appropriate, modify the various dates and timelines
4 under this subparagraph and subparagraphs (C) and (D)
5 of this paragraph (1). The procurement and plan
6 approval processes required by this subsection (d-5)
7 shall be conducted in conjunction with the procurement
8 and plan approval processes required by subsection (c)
9 of this Section and Section 16-111.5 of the Public
10 Utilities Act, to the extent practicable.
11 Notwithstanding whether a procurement event is
12 conducted under Section 16-111.5 of the Public
13 Utilities Act, the Agency shall immediately initiate a
14 procurement process on June 1, 2017 (the effective
15 date of Public Act 99-906).

16 (D) Following the procurement event described in
17 this paragraph (1) and consistent with subparagraph
18 (B) of this paragraph (1), the Agency shall calculate
19 the payments to be made under each contract for the
20 next delivery year based on the market price index for
21 that delivery year. The Agency shall publish the
22 payment calculations no later than May 25, 2017 and
23 every May 25 thereafter.

24 (E) Notwithstanding the requirements of this
25 subsection (d-5), the contracts executed under this
26 subsection (d-5) shall provide that the zero emission

1 facility may, as applicable, suspend or terminate
2 performance under the contracts in the following
3 instances:

4 (i) A zero emission facility shall be excused
5 from its performance under the contract for any
6 cause beyond the control of the resource,
7 including, but not restricted to, acts of God,
8 flood, drought, earthquake, storm, fire,
9 lightning, epidemic, war, riot, civil disturbance
10 or disobedience, labor dispute, labor or material
11 shortage, sabotage, acts of public enemy,
12 explosions, orders, regulations or restrictions
13 imposed by governmental, military, or lawfully
14 established civilian authorities, which, in any of
15 the foregoing cases, by exercise of commercially
16 reasonable efforts the zero emission facility
17 could not reasonably have been expected to avoid,
18 and which, by the exercise of commercially
19 reasonable efforts, it has been unable to
20 overcome. In such event, the zero emission
21 facility shall be excused from performance for the
22 duration of the event, including, but not limited
23 to, delivery of zero emission credits, and no
24 payment shall be due to the zero emission facility
25 during the duration of the event.

26 (ii) A zero emission facility shall be

1 permitted to terminate the contract if legislation
2 is enacted into law by the General Assembly that
3 imposes or authorizes a new tax, special
4 assessment, or fee on the generation of
5 electricity, the ownership or leasehold of a
6 generating unit, or the privilege or occupation of
7 such generation, ownership, or leasehold of
8 generation units by a zero emission facility.
9 However, the provisions of this item (ii) do not
10 apply to any generally applicable tax, special
11 assessment or fee, or requirements imposed by
12 federal law.

13 (iii) A zero emission facility shall be
14 permitted to terminate the contract in the event
15 that the resource requires capital expenditures in
16 excess of \$40,000,000 that were neither known nor
17 reasonably foreseeable at the time it executed the
18 contract and that a prudent owner or operator of
19 such resource would not undertake.

20 (iv) A zero emission facility shall be
21 permitted to terminate the contract in the event
22 the Nuclear Regulatory Commission terminates the
23 resource's license.

24 (F) If the zero emission facility elects to
25 terminate a contract under subparagraph (E) of this
26 paragraph (1), then the Commission shall reopen the

1 docket in which the Commission approved the zero
2 emission standard procurement plan under subparagraph
3 (C) of this paragraph (1) and, after notice and
4 hearing, enter an order acknowledging the contract
5 termination election if such termination is consistent
6 with the provisions of this subsection (d-5).

7 (2) For purposes of this subsection (d-5), the amount
8 paid per kilowatthour means the total amount paid for
9 electric service expressed on a per kilowatthour basis.
10 For purposes of this subsection (d-5), the total amount
11 paid for electric service includes, without limitation,
12 amounts paid for supply, transmission, distribution,
13 surcharges, and add-on taxes.

14 Notwithstanding the requirements of this subsection
15 (d-5), the contracts executed under this subsection (d-5)
16 shall provide that the total of zero emission credits
17 procured under a procurement plan shall be subject to the
18 limitations of this paragraph (2). For each delivery year,
19 the contractual volume receiving payments in such year
20 shall be reduced for all retail customers based on the
21 amount necessary to limit the net increase that delivery
22 year to the costs of those credits included in the amounts
23 paid by eligible retail customers in connection with
24 electric service to no more than 1.65% of the amount paid
25 per kilowatthour by eligible retail customers during the
26 year ending May 31, 2009. The result of this computation

1 shall apply to and reduce the procurement for all retail
2 customers, and all those customers shall pay the same
3 single, uniform cents per kilowatthour charge under
4 subsection (k) of Section 16-108 of the Public Utilities
5 Act. To arrive at a maximum dollar amount of zero emission
6 credits to be paid for the particular delivery year, the
7 resulting per kilowatthour amount shall be applied to the
8 actual amount of kilowatthours of electricity delivered by
9 the electric utility in the delivery year immediately
10 prior to the procurement, to all retail customers in its
11 service territory. Unpaid contractual volume for any
12 delivery year shall be paid in any subsequent delivery
13 year in which such payments can be made without exceeding
14 the amount specified in this paragraph (2). The
15 calculations required by this paragraph (2) shall be made
16 only once for each procurement plan year. Once the
17 determination as to the amount of zero emission credits to
18 be paid is made based on the calculations set forth in this
19 paragraph (2), no subsequent rate impact determinations
20 shall be made and no adjustments to those contract amounts
21 shall be allowed. All costs incurred under those contracts
22 and in implementing this subsection (d-5) shall be
23 recovered by the electric utility as provided in this
24 Section.

25 No later than June 30, 2019, the Commission shall
26 review the limitation on the amount of zero emission

1 credits procured under this subsection (d-5) and report to
2 the General Assembly its findings as to whether that
3 limitation unduly constrains the procurement of
4 cost-effective zero emission credits.

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

1 exceed the total amount of payments received by the
2 facility under its contract.

3 For purposes of this Section, the Average ZEC Payment
4 shall be calculated by multiplying the quantity of zero
5 emission credits delivered under the contract times the
6 average contract price. The average contract price shall
7 be determined by subtracting the amount calculated under
8 subparagraph (B) of this paragraph (3) from the amount
9 calculated under subparagraph (A) of this paragraph (3),
10 as follows:

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

14 (B) The average of the market price indices, as
15 defined in subparagraph (B) of paragraph (1) of this
16 subsection (d-5), during the term of the contract,
17 minus the baseline market price index, as defined in
18 subparagraph (B) of paragraph (1) of this subsection
19 (d-5).

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

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

25 (5) The electric utility shall retire all zero
26 emission credits used to comply with the requirements of

1 this subsection (d-5).

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

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

14 (d-10) Nuclear Plant Assistance; carbon mitigation
15 credits.

16 (1) The General Assembly finds:

17 (A) The health, welfare, and prosperity of all
18 Illinois citizens require that the State of Illinois act
19 to avoid and not increase carbon emissions from electric
20 generation sources while continuing to ensure affordable,
21 stable, and reliable electricity to all citizens.

22 (B) Absent immediate action by the State to preserve
23 existing carbon-free energy resources, those resources may
24 retire, and the electric generation needs of Illinois'
25 retail customers may be met instead by facilities that
26 emit significant amounts of carbon pollution and other

1 harmful air pollutants at a high social and economic cost
2 until Illinois is able to develop other forms of clean
3 energy.

4 (C) The General Assembly finds that nuclear power
5 generation is necessary for the State's transition to 100%
6 clean energy, and ensuring continued operation of nuclear
7 plants advances environmental and public health interests
8 through providing carbon-free electricity while reducing
9 the air pollution profile of the Illinois energy
10 generation fleet.

11 (D) The clean energy attributes of nuclear generation
12 facilities support the State in its efforts to achieve
13 100% clean energy.

14 (E) The State currently invests in various forms of
15 clean energy, including, but not limited to, renewable
16 energy, energy efficiency, and low-emission vehicles,
17 among others.

18 (F) The Environmental Protection Agency commissioned
19 an independent audit which provided a detailed assessment
20 of the financial condition of the Illinois nuclear fleet
21 to evaluate its financial viability and whether the
22 environmental benefits of such resources were at risk. The
23 report identified the risk of losing the environmental
24 benefits of several specific nuclear units. The report
25 also identified that the LaSalle County Generating Station
26 will continue to operate through 2026 and therefore is not

1 eligible to participate in the carbon mitigation credit
2 program.

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

6 (H) The procurement of carbon mitigation credits
7 representing the environmental benefits of carbon-free
8 generation will further the State's efforts at achieving
9 100% clean energy and decarbonizing the electricity sector
10 in a safe, reliable, and affordable manner. Further, the
11 procurement of carbon emission credits will enhance the
12 health and welfare of Illinois residents through decreased
13 reliance on more highly polluting generation.

14 (I) The General Assembly therefore finds it necessary
15 to establish carbon mitigation credits to ensure decreased
16 reliance on more carbon-intensive energy resources, for
17 transitioning to a fully decarbonized electricity sector,
18 and to help ensure health and welfare of the State's
19 residents.

20 (2) As used in this subsection:

21 "Baseline costs" means costs used to establish a customer
22 protection cap that have been evaluated through an independent
23 audit of a carbon-free energy resource conducted by the
24 Environmental Protection Agency that evaluated projected
25 annual costs for operation and maintenance expenses; fully
26 allocated overhead costs, which shall be allocated using the

1 methodology developed by the Institute for Nuclear Power
2 Operations; fuel expenditures; nonfuel capital expenditures;
3 spent fuel expenditures; a return on working capital; the cost
4 of operational and market risks that could be avoided by
5 ceasing operation; and any other costs necessary for continued
6 operations, provided that "necessary" means, for purposes of
7 this definition, that the costs could reasonably be avoided
8 only by ceasing operations of the carbon-free energy resource.

9 "Carbon mitigation credit" means a tradable credit that
10 represents the carbon emission reduction attributes of one
11 megawatt-hour of energy produced from a carbon-free energy
12 resource.

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

16 (3) Procurement.

17 (A) Beginning with the delivery year commencing on
18 June 1, 2022, the Agency shall, for electric utilities
19 servicing at least 3,000,000 retail customers in the State,
20 seek to procure contracts for no more than approximately
21 54,500,000 cost-effective carbon mitigation credits from
22 carbon-free energy resources because such credits are
23 necessary to support current levels of carbon-free energy
24 generation and ensure the State meets its carbon dioxide
25 emissions reduction goals. The Agency shall not make a
26 partial award of a contract for carbon mitigation credits

1 covering a fractional amount of a carbon-free energy
2 resource's projected output.

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

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

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

12 (iii) a commitment to be reflected in any contract
13 entered into pursuant to this subsection (d-10) to
14 continue operating the carbon-free energy resource at
15 a capacity factor of at least 88% annually on average
16 for the duration of the contract or contracts executed
17 under the procurement held under this subsection
18 (d-10), except in an instance described in
19 subparagraph (E) of paragraph (1) of subsection (d-5)
20 of this Section or made impracticable as a result of
21 compliance with law or regulation;

22 (iv) financial need and the risk of loss of the
23 environmental benefits of such resource, which shall
24 include the following information:

25 (I) the carbon-free energy resource's cost
26 projections, expressed on a per megawatt-hour

1 basis, over the next 5 delivery years, which shall
2 include the following: operation and maintenance
3 expenses; fully allocated overhead costs, which
4 shall be allocated using the methodology developed
5 by the Institute for Nuclear Power Operations;
6 fuel expenditures; nonfuel capital expenditures;
7 spent fuel expenditures; a return on working
8 capital; the cost of operational and market risks
9 that could be avoided by ceasing operation; and
10 any other costs necessary for continued
11 operations, provided that "necessary" means, for
12 purposes of this subitem (I), that the costs could
13 reasonably be avoided only by ceasing operations
14 of the carbon-free energy resource; and

15 (II) the carbon-free energy resource's revenue
16 projections, including energy, capacity, ancillary
17 services, any other direct State support, known or
18 anticipated federal attribute credits, known or
19 anticipated tax credits, and any other direct
20 federal support.

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

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

5 (C) The Agency shall solicit bids for the contracts
6 described in this subsection (d-10) from carbon-free
7 energy resources that have satisfied the requirements of
8 subparagraph (B) of this paragraph (3). The contracts
9 procured pursuant to a procurement event shall reflect,
10 and be subject to, the following terms, requirements, and
11 limitations:

12 (i) Contracts are for delivery of carbon
13 mitigation credits, and are not energy or capacity
14 sales contracts requiring physical delivery. Pursuant
15 to item (iii), contract payments shall fully deduct
16 the value of any monetized federal production tax
17 credits, credits issued pursuant to a federal clean
18 energy standard, and other federal credits if
19 applicable.

20 (ii) Contracts for carbon mitigation credits shall
21 commence with the delivery year beginning on June 1,
22 2022 and shall be for a term of 5 delivery years
23 concluding on May 31, 2027.

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

1 (I) one of the following energy price indices,
2 selected by the bidder at the time of the bid for
3 the term of the contract:

4 (aa) the weighted-average hourly day-ahead
5 price for the applicable delivery year at the
6 busbar of all resources procured pursuant to
7 this subsection (d-10), weighted by actual
8 production from the resources; or

9 (bb) the projected energy price for the
10 PJM Interconnection, LLC Northern Illinois Hub
11 for the applicable delivery year determined
12 according to subitem (aa) of item (iii) of
13 subparagraph (B) of paragraph (1) of
14 subsection (d-5).

15 (II) the Base Residual Auction Capacity Price
16 for the ComEd zone as determined by PJM
17 Interconnection, LLC, divided by 24 hours per day,
18 for the applicable delivery year for the first 3
19 delivery years, and then any subsequent delivery
20 years unless the PJM Interconnection, LLC applies
21 the Minimum Offer Price Rule to participating
22 carbon-free energy resources because they supply
23 carbon mitigation credits pursuant to this Section
24 at which time, upon notice by the carbon-free
25 energy resource to the Commission and subject to
26 the Commission's confirmation, the value under

1 this subitem shall be zero, as further described
2 in the carbon mitigation credit procurement plan;
3 and

4 (III) any value of monetized federal tax
5 credits, direct payments, or similar subsidy
6 provided to the carbon-free energy resource from
7 any unit of government that is not already
8 reflected in energy prices.

9 If the price-per-megawatt-hour calculation
10 performed under item (iii) of this subparagraph (C)
11 for a given delivery year results in a net positive
12 value, then the electric utility counterparty to the
13 contract shall multiply such net value by the
14 applicable contract quantity and remit the amount to
15 the supplier.

16 To protect retail customers from retail rate
17 impacts that may arise upon the initiation of carbon
18 policy changes, if the price-per-megawatt-hour
19 calculation performed under item (iii) of this
20 subparagraph (C) for a given delivery year results in
21 a net negative value, then the supplier counterparty
22 to the contract shall multiply such net value by the
23 applicable contract quantity and remit such amount to
24 the electric utility counterparty. The electric
25 utility shall reflect such amounts remitted by
26 suppliers as a credit on its retail customer bills as

1 soon as practicable.

2 (iv) to ensure that retail customers in Northern
3 Illinois do not pay more for carbon mitigation credits
4 than the value such credits provide, and
5 notwithstanding the provisions of this subsection
6 (d-10), the Agency shall not accept bids for contracts
7 that exceed a customer protection cap equal to the
8 baseline costs of carbon-free energy resources.

9 The baseline costs for the applicable year shall
10 be the following:

11 (I) For the delivery year beginning June 1,
12 2022, the baseline costs shall be an amount equal
13 to \$30.30 per megawatt-hour.

14 (II) For the delivery year beginning June 1,
15 2023, the baseline costs shall be an amount equal
16 to \$32.50 per megawatt-hour.

17 (III) For the delivery year beginning June 1,
18 2024, the baseline costs shall be an amount equal
19 to \$33.43 per megawatt-hour.

20 (IV) For the delivery year beginning June 1,
21 2025, the baseline costs shall be an amount equal
22 to \$33.50 per megawatt-hour.

23 (V) For the delivery year beginning June 1,
24 2026, the baseline costs shall be an amount equal
25 to \$34.50 per megawatt-hour.

26 An Environmental Protection Agency consultant

1 forecast, included in a report issued April 14, 2021,
2 projects that a carbon-free energy resource has the
3 opportunity to earn on average approximately \$30.28
4 per megawatt-hour, for the sale of energy and capacity
5 during the time period between 2022 and 2027.
6 Therefore, the sale of carbon mitigation credits
7 provides the opportunity to receive an additional
8 amount per megawatt-hour in addition to the projected
9 prices for energy and capacity.

10 Although actual energy and capacity prices may
11 vary from year-to-year, the General Assembly finds
12 that this customer protection cap will help ensure
13 that the cost of carbon mitigation credits will be
14 less than its value, based upon the social cost of
15 carbon identified in the Technical Support Document
16 issued in February 2021 by the U.S. Interagency
17 Working Group on Social Cost of Greenhouse Gases and
18 the PJM Interconnection, LLC carbon dioxide marginal
19 emission rate for 2020, and that a carbon-free energy
20 resource receiving payment for carbon mitigation
21 credits receives no more than necessary to keep those
22 units in operation.

23 (D) No later than 7 days after the effective date of
24 this amendatory Act of the 102nd General Assembly, the
25 Agency shall publish its proposed carbon mitigation credit
26 procurement plan. The Plan shall provide that winning bids

1 shall be selected by taking into consideration which
2 resources best match public interest criteria that
3 include, but are not limited to, minimizing carbon dioxide
4 emissions that result from electricity consumed in
5 Illinois and minimizing sulfur dioxide, nitrogen oxide,
6 and particulate matter emissions that adversely affect the
7 citizens of this State. The selection of winning bids
8 shall also take into account the incremental environmental
9 benefits resulting from the procurement or procurements,
10 such as any existing environmental benefits that are
11 preserved by a procurement held under this subsection
12 (d-10) and would cease to exist if the procurement were
13 not held, including the preservation of carbon-free energy
14 resources. For those bidders having the same public
15 interest criteria score, the relative ranking of such
16 bidders shall be determined by price. The Plan shall
17 describe in detail how each public interest factor shall
18 be considered and weighted in the bid selection process to
19 ensure that the public interest criteria are applied to
20 the procurement. The Plan shall, to the extent practical
21 and permissible by federal law, ensure that successful
22 bidders make commercially reasonable efforts to apply for
23 federal tax credits, direct payments, or similar subsidy
24 programs that support carbon-free generation and for which
25 the successful bidder is eligible. Upon publishing of the
26 carbon mitigation credit procurement plan, copies of the

1 plan shall be posted and made publicly available on the
2 Agency's website. All interested parties shall have 7 days
3 following the date of posting to provide comment to the
4 Agency on the plan. All comments shall be posted to the
5 Agency's website. Following the end of the comment period,
6 but no more than 19 days later than the effective date of
7 this amendatory Act of the 102nd General Assembly, the
8 Agency shall revise the plan as necessary based on the
9 comments received and file its carbon mitigation credit
10 procurement plan with the Commission.

11 (E) If the Commission determines that the plan is
12 likely to result in the procurement of cost-effective
13 carbon mitigation credits, then the Commission shall,
14 after notice and hearing and opportunity for comment, but
15 no later than 42 days after the Agency filed the plan,
16 approve the plan or approve it with modification. For
17 purposes of this subsection (d-10), "cost-effective" means
18 carbon mitigation credits that are procured from
19 carbon-free energy resources at prices that are within the
20 limits specified in this paragraph (3). As part of the
21 Commission's review and acceptance or rejection of the
22 procurement results, the Commission shall, in its public
23 notice of successful bidders:

24 (i) identify how the selected carbon-free energy
25 resources satisfy the public interest criteria
26 described in this paragraph (3) of minimizing carbon

1 dioxide emissions that result from electricity
2 consumed in Illinois and minimizing sulfur dioxide,
3 nitrogen oxide, and particulate matter emissions that
4 adversely affect the citizens of this State;

5 (ii) specifically address how the selection of
6 carbon-free energy resources takes into account the
7 incremental environmental benefits resulting from the
8 procurement, including any existing environmental
9 benefits that are preserved by the procurements held
10 under this amendatory Act of the 102nd General
11 Assembly and would have ceased to exist if the
12 procurements had not been held, such as the
13 preservation of carbon-free energy resources;

14 (iii) quantify the environmental benefit of
15 preserving the carbon-free energy resources procured
16 pursuant to this subsection (d-10), including the
17 following:

18 (I) an assessment value of avoided greenhouse
19 gas emissions measured as the product of the
20 carbon-free energy resources' output over the
21 contract term, using generally accepted
22 methodologies for the valuation of avoided
23 emissions; and

24 (II) an assessment of costs of replacement
25 with other carbon-free energy resources and
26 renewable energy resources, including wind and

1 photovoltaic generation, based upon an assessment
2 of the prices paid for renewable energy credits
3 through programs and procurements conducted
4 pursuant to subsection (c) of Section 1-75 of this
5 Act, and the additional storage necessary to
6 produce the same or similar capability of matching
7 customer usage patterns.

8 (F) The procurements described in this paragraph (3),
9 including, but not limited to, the execution of all
10 contracts procured, shall be completed no later than
11 December 3, 2021. The procurement and plan approval
12 processes required by this paragraph (3) shall be
13 conducted in conjunction with the procurement and plan
14 approval processes required by Section 16-111.5 of the
15 Public Utilities Act, to the extent practicable. However,
16 the Agency and Commission may, as appropriate, modify the
17 various dates and timelines under this subparagraph and
18 subparagraphs (D) and (E) of this paragraph (3) to meet
19 the December 3, 2021 contract execution deadline.
20 Following the completion of such procurements, and
21 consistent with this paragraph (3), the Agency shall
22 calculate the payments to be made under each contract in a
23 timely fashion.

24 (F-1) Costs incurred by the electric utility pursuant
25 to a contract authorized by this subsection (d-10) shall
26 be deemed prudently incurred and reasonable in amount, and

1 the electric utility shall be entitled to full cost
2 recovery pursuant to a tariff or tariffs filed with the
3 Commission.

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

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

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

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

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

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

23 (h) The Agency shall assess fees to each bidder to recover
24 the costs incurred in connection with a competitive
25 procurement process.

26 (i) A renewable energy credit, carbon emission credit, ~~or~~

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

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

15 (20 ILCS 3855/1-92)

16 Sec. 1-92. Aggregation of electrical load by
17 municipalities, townships, and counties.

18 (a) The corporate authorities of a municipality, township
19 board, or county board of a county may adopt an ordinance under
20 which it may aggregate in accordance with this Section
21 residential and small commercial retail electrical loads
22 located, respectively, within the municipality, the township,
23 or the unincorporated areas of the county and, for that
24 purpose, may solicit bids and enter into service agreements to
25 facilitate for those loads the sale and purchase of

1 electricity and related services and equipment.

2 The corporate authorities, township board, or county board
3 may also exercise such authority jointly with any other
4 municipality, township, or county. Two or more municipalities,
5 townships, or counties, or a combination of both, may initiate
6 a process jointly to authorize aggregation by a majority vote
7 of each particular municipality, township, or county as
8 required by this Section.

9 If the corporate authorities, township board, or the
10 county board seek to operate the aggregation program as an
11 opt-out program for residential and small commercial retail
12 customers, then prior to the adoption of an ordinance with
13 respect to aggregation of residential and small commercial
14 retail electric loads, the corporate authorities of a
15 municipality, the township board, or the county board of a
16 county shall submit a referendum to its residents to determine
17 whether or not the aggregation program shall operate as an
18 opt-out program for residential and small commercial retail
19 customers. Any county board that seeks to submit such a
20 referendum to its residents shall do so only in unincorporated
21 areas of the county where no electric aggregation ordinance
22 has been adopted.

23 In addition to the notice and conduct requirements of the
24 general election law, notice of the referendum shall state
25 briefly the purpose of the referendum. The question of whether
26 the corporate authorities, the township board, or the county

1 board shall adopt an opt-out aggregation program for
2 residential and small commercial retail customers shall be
3 submitted to the electors of the municipality, township board,
4 or county board at a regular election and approved by a
5 majority of the electors voting on the question. The corporate
6 authorities, township board, or county board must certify to
7 the proper election authority, which must submit the question
8 at an election in accordance with the Election Code.

9 The election authority must submit the question in
10 substantially the following form:

11 Shall the (municipality, township, or county in which
12 the question is being voted upon) have the authority to
13 arrange for the supply of electricity for its residential
14 and small commercial retail customers who have not opted
15 out of such program?

16 The election authority must record the votes as "Yes" or "No".

17 If a majority of the electors voting on the question vote
18 in the affirmative, then the corporate authorities, township
19 board, or county board may implement an opt-out aggregation
20 program for residential and small commercial retail customers.

21 A referendum must pass in each particular municipality,
22 township, or county that is engaged in the aggregation
23 program. If the referendum fails, then the corporate
24 authorities, township board, or county board shall operate the
25 aggregation program as an opt-in program for residential and
26 small commercial retail customers.

1 An ordinance under this Section shall specify whether the
2 aggregation will occur only with the prior consent of each
3 person owning, occupying, controlling, or using an electric
4 load center proposed to be aggregated. Nothing in this
5 Section, however, authorizes the aggregation of electric loads
6 that are served or authorized to be served by an electric
7 cooperative as defined by and pursuant to the Electric
8 Supplier Act or loads served by a municipality that owns and
9 operates its own electric distribution system. No aggregation
10 shall take effect unless approved by a majority of the members
11 of the corporate authority, township board, or county board
12 voting upon the ordinance.

13 A governmental aggregator under this Section is not a
14 public utility or an alternative retail electric supplier.

15 For purposes of this Section, "township" means the portion
16 of a township that is an unincorporated portion of a county
17 that is not otherwise a part of a municipality. In addition to
18 such other limitations as are included in this Section, a
19 township board shall only have authority to aggregate
20 residential and small commercial customer loads in accordance
21 with this Section if the county board of the county in which
22 the township is located (i) is not also submitting a
23 referendum to its residents at the same general election that
24 the township board proposes to submit a referendum under this
25 subsection (a), (ii) has not received authorization through
26 passage of a referendum to operate an opt-out aggregation

1 program for residential and small commercial retail customers
2 under this subsection (a), and (iii) has not otherwise enacted
3 an ordinance under this subsection (a) authorizing the
4 operation of an opt-in aggregation program for residential and
5 small commercial retail customers as described in this
6 Section.

7 (b) Upon the applicable requisite authority under this
8 Section, the corporate authorities, the township board, or the
9 county board, with assistance from the Illinois Power Agency,
10 shall develop a plan of operation and governance for the
11 aggregation program so authorized. Before adopting a plan
12 under this Section, the corporate authorities, township board,
13 or county board shall hold at least 2 public hearings on the
14 plan. Before the first hearing, the corporate authorities,
15 township board, or county board shall publish notice of the
16 hearings once a week for 2 consecutive weeks in a newspaper of
17 general circulation in the jurisdiction. The notice shall
18 summarize the plan and state the date, time, and location of
19 each hearing. Any load aggregation plan established pursuant
20 to this Section shall:

21 (1) provide for universal access to all applicable
22 residential customers and equitable treatment of
23 applicable residential customers;

24 (2) describe demand management and energy efficiency
25 services to be provided to each class of customers; and

26 (3) meet any requirements established by law

1 concerning aggregated service offered pursuant to this
2 Section.

3 (c) The process for soliciting bids for electricity and
4 other related services and awarding proposed agreements for
5 the purchase of electricity and other related services shall
6 be conducted in the following order:

7 (1) The corporate authorities, township board, or
8 county board may solicit bids for electricity and other
9 related services. The bid specifications may include a
10 provision requiring the bidder to disclose the fuel type
11 of electricity to be procured or generated on behalf of
12 the aggregation program customers. The corporate
13 authorities, township board, or county board may consider
14 the proposed source of electricity to be procured or
15 generated to be put into the grid on behalf of aggregation
16 program customers in the competitive bidding process. The
17 Agency and Commission may collaborate to issue joint
18 guidance on voluntary uniform standards for bidder
19 disclosures of the source of electricity to be procured or
20 generated to be put into the grid on behalf of aggregation
21 program customers.

22 (1.5) A township board shall request from the electric
23 utility those residential and small commercial customers
24 within their aggregate area either by zip code or zip
25 codes or other means as determined by the electric
26 utility. The electric utility shall then provide to the

1 township board the residential and small commercial
2 customers, including the names and addresses of
3 residential and small commercial customers,
4 electronically. The township board shall be responsible
5 for authenticating the residential and small commercial
6 customers contained in this listing and providing edits of
7 the data to affirm, add, or delete the residential and
8 small commercial customers located within its
9 jurisdiction. The township board shall provide the edited
10 list to the electric utility in an electronic format or
11 other means selected by the electric utility and certify
12 that the information is accurate.

13 (2) Notwithstanding Section 16-122 of the Public
14 Utilities Act and Section 2HH of the Consumer Fraud and
15 Deceptive Business Practices Act, an electric utility that
16 provides residential and small commercial retail electric
17 service in the aggregate area must, upon request of the
18 corporate authorities, township board, or the county board
19 in the aggregate area, submit to the requesting party, in
20 an electronic format, those account numbers, names, and
21 addresses of residential and small commercial retail
22 customers in the aggregate area that are reflected in the
23 electric utility's records at the time of the request;
24 provided, however, that any township board has first
25 provided an accurate customer list to the electric utility
26 as provided for herein.

1 Any corporate authority, township board, or county board
2 receiving customer information from an electric utility shall
3 be subject to the limitations on the disclosure of the
4 information described in Section 16-122 of the Public
5 Utilities Act and Section 2HH of the Consumer Fraud and
6 Deceptive Business Practices Act, and an electric utility
7 shall not be held liable for any claims arising out of the
8 provision of information pursuant to this item (2).

9 (d) If the corporate authorities, township board, or
10 county board operate under an opt-in program for residential
11 and small commercial retail customers, then the corporate
12 authorities, township board, or county board shall comply with
13 all of the following:

14 (1) Within 60 days after receiving the bids, the
15 corporate authorities, township board, or county board
16 shall allow residential and small commercial retail
17 customers to commit to the terms and conditions of a bid
18 that has been selected by the corporate authorities,
19 township board, or county board.

20 (2) If (A) the corporate authorities, township board,
21 or county board award proposed agreements for the purchase
22 of electricity and other related services and (B) an
23 agreement is reached between the corporate authorities,
24 township board, or county board for those services, then
25 customers committed to the terms and conditions according
26 to item (1) of this subsection (d) shall be committed to

1 the agreement.

2 (e) If the corporate authorities, township board, or
3 county board operate as an opt-out program for residential and
4 small commercial retail customers, then it shall be the duty
5 of the aggregated entity to fully inform residential and small
6 commercial retail customers in advance that they have the
7 right to opt out of the aggregation program. The disclosure
8 shall prominently state all charges to be made and shall
9 include full disclosure of the cost to obtain service pursuant
10 to Section 16-103 of the Public Utilities Act, how to access
11 it, and the fact that it is available to them without penalty,
12 if they are currently receiving service under that Section.
13 The Illinois Power Agency shall furnish, without charge, to
14 any citizen a list of all supply options available to them in a
15 format that allows comparison of prices and products.

16 (f) Any person or entity retained by a municipality or
17 county, or jointly by more than one such unit of local
18 government, to provide input, guidance, or advice in the
19 selection of an electricity supplier for an aggregation
20 program shall disclose in writing to the involved units of
21 local government the nature of any relationship through which
22 the person or entity may receive, either directly or
23 indirectly, commissions or other remuneration as a result of
24 the selection of any particular electricity supplier. The
25 written disclosure must be made prior to formal approval by
26 the involved units of local government of any professional

1 services agreement with the person or entity, or no later than
2 October 1, 2012 with respect to any such professional services
3 agreement entered into prior to the effective date of this
4 amendatory Act of the 97th General Assembly. The disclosure
5 shall cover all direct and indirect relationships through
6 which commissions or remuneration may result, including the
7 pooling of commissions or remuneration among multiple persons
8 or entities, and shall identify all involved electricity
9 suppliers. The disclosure requirements in this subsection (f)
10 are to be liberally construed to ensure that the nature of
11 financial interests are fully revealed, and these disclosure
12 requirements shall apply regardless of whether the involved
13 person or entity is licensed under Section 16-115C of the
14 Public Utilities Act. Any person or entity that fails to make
15 the disclosure required under this subsection (f) is liable to
16 the involved units of local government in an amount equal to
17 all compensation paid to such person or entity by the units of
18 local government for the input, guidance, or advice in the
19 selection of an electricity supplier, plus reasonable
20 attorneys fees and court costs incurred by the units of local
21 government in connection with obtaining such amount.

22 (g) The Illinois Power Agency shall provide assistance to
23 municipalities, townships, counties, or associations working
24 with municipalities to help complete the plan and bidding
25 process.

26 (h) This Section does not prohibit municipalities or

1 counties from entering into an intergovernmental agreement to
2 aggregate residential and small commercial retail electric
3 loads.

4 (i) No later than December 31, 2022, the Illinois Power
5 Agency shall produce a report assessing how aggregation of
6 electrical load by municipalities, townships, and counties can
7 be used to help meet the renewable energy goals outlined in
8 this Act. This report shall contain, at a minimum, an
9 assessment of other states' utilization of load aggregation in
10 meeting renewable energy goals, any known or expected barriers
11 in utilizing load aggregation for meeting renewable energy
12 goals, and recommendations for possible changes in State law
13 necessary for electrical load aggregation to be a driver of
14 new renewable energy project development. This report shall be
15 published on the Agency's website and delivered to the
16 Governor and General Assembly. To assist with developing this
17 report, the Agency may retain the services of its expert
18 consulting firm used to develop its procurement plans as
19 provided in paragraph (1) of subsection (a) of Section 1-75.

20 (Source: P.A. 97-338, eff. 8-12-11; 97-823, eff. 7-18-12;
21 97-1067, eff. 8-24-12; 98-404, eff. 1-1-14; 98-434, eff.
22 1-1-14; 98-463, eff. 8-16-13; 98-756, eff. 7-16-14.)

23 (20 ILCS 3855/1-125)

24 Sec. 1-125. Agency annual reports.

25 (a) By February 15 of each year, the Agency shall report

1 annually to the Governor and the General Assembly on the
2 operations and transactions of the Agency. The annual report
3 shall include, but not be limited to, each of the following:

4 (1) The average quantity, price, and term of all
5 contracts for electricity procured under the procurement
6 plans for electric utilities.

7 (2) (Blank).

8 (3) The quantity, price, and rate impact of all energy
9 efficiency and demand response measures purchased for
10 electric utilities, and any measures included in the
11 procurement plan pursuant to Section 16-111.5B of the
12 Public Utilities Act.

13 (4) The amount of power and energy produced by each
14 Agency facility.

15 (5) The quantity of electricity supplied by each
16 Agency facility to municipal electric systems,
17 governmental aggregators, or rural electric cooperatives
18 in Illinois.

19 (6) The revenues as allocated by the Agency to each
20 facility.

21 (7) The costs as allocated by the Agency to each
22 facility.

23 (8) The accumulated depreciation for each facility.

24 (9) The status of any projects under development.

25 (10) Basic financial and operating information
26 specifically detailed for the reporting year and

1 including, but not limited to, income and expense
2 statements, balance sheets, and changes in financial
3 position, all in accordance with generally accepted
4 accounting principles, debt structure, and a summary of
5 funds on a cash basis.

6 (11) The average quantity, price, contract type and
7 term, and rate impact of all renewable resources procured
8 ~~purchased~~ under the long-term renewable resources
9 ~~electricity~~ procurement plans for electric utilities.

10 (12) A comparison of the costs associated with the
11 Agency's procurement of renewable energy resources to (A)
12 the Agency's costs associated with electricity generated
13 by other types of generation facilities and (B) the
14 benefits associated with the Agency's procurement of
15 renewable energy resources.

16 (13) An analysis of the rate impacts associated with
17 the Illinois Power Agency's procurement of renewable
18 resources, including, but not limited to, any long-term
19 contracts, on the eligible retail customers of electric
20 utilities. The analysis shall include the Agency's
21 estimate of the total dollar impact that the Agency's
22 procurement of renewable resources has had on the annual
23 electricity bills of the customer classes that comprise
24 each eligible retail customer class taking service from an
25 electric utility.

26 (14) (Blank). ~~An analysis of how the operation of the~~

1 ~~alternative compliance payment mechanism, any long-term~~
2 ~~contracts, or other aspects of the applicable renewable~~
3 ~~portfolio standards impacts the rates of customers of~~
4 ~~alternative retail electric suppliers.~~

5 (b) In addition to reporting on the transactions and
6 operations of the Agency, the Agency shall also endeavor to
7 report on the following items through its annual report,
8 recognizing that full and accurate information may not be
9 available for certain items:

10 (1) The overall nameplate capacity amount of installed
11 and scheduled renewable energy generation capacity
12 physically located in Illinois.

13 (2) The percentage of installed and scheduled
14 renewable energy generation capacity as a share of overall
15 electricity generation capacity physically located in
16 Illinois.

17 (3) The amount of megawatt hours produced by renewable
18 energy generation capacity physically located in Illinois
19 for the preceding delivery year.

20 (4) The percentage of megawatt hours produced by
21 renewable energy generation capacity physically located in
22 Illinois as a share of overall electricity generation from
23 facilities physically located in Illinois for the
24 preceding delivery year.

25 (5) The renewable portfolio standard expenditures made
26 pursuant to paragraph (1) of subsection (c) of Section

1 1-75 and the total scheduled and installed renewable
2 generation capacity expected to result from these
3 investments. This information shall include the total cost
4 of REC delivery contracts of the renewable portfolio
5 standard by project category, including, but not limited
6 to, renewable energy credits delivery contracts entered
7 into pursuant to subparagraphs (C), (G), (K), and (R) of
8 paragraph (1) of subsection (c) Section 1-75. The Agency
9 shall also report on the total amount of customer load
10 featuring renewable portfolio standard compliance
11 obligations scheduled to be met by self-direct customers
12 pursuant to subparagraph (R) of paragraph (1) of
13 subsection (c) of Section 1-75, as well as the minimum
14 annual quantities of renewable energy credits scheduled to
15 be retired by those customers and amount of installed
16 renewable energy generating capacity used to meet the
17 requirements of subparagraph (R) of paragraph (1) of
18 subsection (c) of Section 1-75.

19 The Agency may seek assistance from the Illinois Commerce
20 Commission in developing its annual report and may also retain
21 the services of its expert consulting firm used to develop its
22 procurement plans as outlined in paragraph (1) of subsection
23 (a) of Section 1-75. Confidential or commercially sensitive
24 business information provided by retail customers, alternative
25 retail electric suppliers, or other parties shall be kept
26 confidential by the Agency consistent with Section 1-120, but

1 may be publicly reported in aggregate form.

2 (Source: P.A. 99-536, eff. 7-8-16.)

3 (20 ILCS 3855/1-128 new)

4 Sec. 1-128. Nonprofit Electric Generation Task Force.

5 (a) By January 1, 2028, the Nonprofit Electric Generation
6 Task Force shall be established to assess the technological,
7 economic, and regulatory feasibility as well as legislative
8 support mechanisms necessary to achieve the carbon emission
9 reduction targets described in Section 9.15 of the
10 Environmental Protection Act through the use of carbon
11 capture, sequestration, and utilization technology.

12 (b) The Task Force shall consist of the following members:

13 (1) one representative of the Prairie Research
14 Institute at the University of Illinois, appointed by the
15 Governor with the advice and consent of the Senate;

16 (2) one representative of an association representing
17 municipal utilities, joint municipal electric power
18 agencies, or municipal electric generators with an
19 ownership interest in Prairie State Generating Company,
20 appointed by the Governor with the advice and consent of
21 the Senate;

22 (3) one representative of an association of electric
23 cooperatives with ownership interests in Prairie State
24 Generating Company, appointed by the Governor with the
25 advice and consent of the Senate;

1 (4) one representative of a labor union or building
2 trade with technical experience at a coal generation
3 facility, appointed by the Governor with the advice and
4 consent of the Senate;

5 (5) the Director of Natural Resources, or his or her
6 designee;

7 (6) the Governor, or his or her designee;

8 (7) one expert in power sector reliability, appointed
9 by the Governor with the advice and consent of the Senate;

10 (8) one expert in financing large scale power sector
11 carbon reduction projects, appointed by the Governor with
12 the advice and consent of the Senate;

13 (9) one designee of the President of the Senate;

14 (10) one designee of the Speaker of the House;

15 (11) one designee of the Senate Minority Leader; and

16 (12) one designee of the House Minority Leader.

17 (c) The Task Force shall have the following duties:

18 (1) investigating the technical and financial options
19 to install carbon capture, sequestration, utilization, and
20 direct air capture at the Prairie State Generation Campus;

21 (2) assessing the existing regulatory construct and
22 any legislative support mechanisms necessary to reduce
23 carbon at the Prairie State Generating Company in
24 accordance with Section 9.15 of the Environmental
25 Protection Act; and

26 (3) preparing and filing a report with the Governor

1 and the General Assembly that sets forth the Task Force's
2 findings.

3 (d) The Task Force may hire an independent third-party
4 auditor with relevant financial expertise to conduct a
5 financial audit of the Prairie State Generating Company,
6 including an examination of potential financial solutions to
7 alleviate the existing indirect debt obligations facing the
8 joint indirect Prairie State Generating Company owners in
9 Illinois. The audit shall include a review of the existing
10 debt structure for the Prairie State Generating Company and
11 the individual finances of each joint direct company owner in
12 Illinois in order to recommend an appropriate and equitable
13 method for allocating any funds, whether from the State or
14 federal government, or any other legal source, that may be
15 provided to support the joint indirect owners in Illinois. Any
16 commercially sensitive information reviewed pursuant to this
17 audit shall be reasonably redacted from the Task Force's final
18 report and shall not be subject to disclosure under the
19 Freedom of Information Act.

20 Section 90-35. The State Finance Act is amended by adding
21 Sections 5.935, 5.936, and 5.937 as follows:

22 (30 ILCS 105/5.935 new)

23 Sec. 5.935. The Coal to Solar and Energy Storage
24 Initiative Fund.

1 (30 ILCS 105/5.936 new)

2 Sec. 5.936. The Energy Transition Assistance Fund.

3 (30 ILCS 105/5.937 new)

4 Sec. 5.937. The Consumer Intervenor Compensation Fund.

5 Section 90-36. The Illinois Procurement Code is amended by
6 changing Section 1-10 as follows:

7 (30 ILCS 500/1-10)

8 Sec. 1-10. Application.

9 (a) This Code applies only to procurements for which
10 bidders, offerors, potential contractors, or contractors were
11 first solicited on or after July 1, 1998. This Code shall not
12 be construed to affect or impair any contract, or any
13 provision of a contract, entered into based on a solicitation
14 prior to the implementation date of this Code as described in
15 Article 99, including, but not limited to, any covenant
16 entered into with respect to any revenue bonds or similar
17 instruments. All procurements for which contracts are
18 solicited between the effective date of Articles 50 and 99 and
19 July 1, 1998 shall be substantially in accordance with this
20 Code and its intent.

21 (b) This Code shall apply regardless of the source of the
22 funds with which the contracts are paid, including federal

1 assistance moneys. This Code shall not apply to:

2 (1) Contracts between the State and its political
3 subdivisions or other governments, or between State
4 governmental bodies, except as specifically provided in
5 this Code.

6 (2) Grants, except for the filing requirements of
7 Section 20-80.

8 (3) Purchase of care, except as provided in Section
9 5-30.6 of the Illinois Public Aid Code and this Section.

10 (4) Hiring of an individual as employee and not as an
11 independent contractor, whether pursuant to an employment
12 code or policy or by contract directly with that
13 individual.

14 (5) Collective bargaining contracts.

15 (6) Purchase of real estate, except that notice of
16 this type of contract with a value of more than \$25,000
17 must be published in the Procurement Bulletin within 10
18 calendar days after the deed is recorded in the county of
19 jurisdiction. The notice shall identify the real estate
20 purchased, the names of all parties to the contract, the
21 value of the contract, and the effective date of the
22 contract.

23 (7) Contracts necessary to prepare for anticipated
24 litigation, enforcement actions, or investigations,
25 provided that the chief legal counsel to the Governor
26 shall give his or her prior approval when the procuring

1 agency is one subject to the jurisdiction of the Governor,
2 and provided that the chief legal counsel of any other
3 procuring entity subject to this Code shall give his or
4 her prior approval when the procuring entity is not one
5 subject to the jurisdiction of the Governor.

6 (8) (Blank).

7 (9) Procurement expenditures by the Illinois
8 Conservation Foundation when only private funds are used.

9 (10) (Blank).

10 (11) Public-private agreements entered into according
11 to the procurement requirements of Section 20 of the
12 Public-Private Partnerships for Transportation Act and
13 design-build agreements entered into according to the
14 procurement requirements of Section 25 of the
15 Public-Private Partnerships for Transportation Act.

16 (12) Contracts for legal, financial, and other
17 professional and artistic services entered into on or
18 before December 31, 2018 by the Illinois Finance Authority
19 in which the State of Illinois is not obligated. Such
20 contracts shall be awarded through a competitive process
21 authorized by the Board of the Illinois Finance Authority
22 and are subject to Sections 5-30, 20-160, 50-13, 50-20,
23 50-35, and 50-37 of this Code, as well as the final
24 approval by the Board of the Illinois Finance Authority of
25 the terms of the contract.

26 (13) Contracts for services, commodities, and

1 equipment to support the delivery of timely forensic
2 science services in consultation with and subject to the
3 approval of the Chief Procurement Officer as provided in
4 subsection (d) of Section 5-4-3a of the Unified Code of
5 Corrections, except for the requirements of Sections
6 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
7 Code; however, the Chief Procurement Officer may, in
8 writing with justification, waive any certification
9 required under Article 50 of this Code. For any contracts
10 for services which are currently provided by members of a
11 collective bargaining agreement, the applicable terms of
12 the collective bargaining agreement concerning
13 subcontracting shall be followed.

14 On and after January 1, 2019, this paragraph (13),
15 except for this sentence, is inoperative.

16 (14) Contracts for participation expenditures required
17 by a domestic or international trade show or exhibition of
18 an exhibitor, member, or sponsor.

19 (15) Contracts with a railroad or utility that
20 requires the State to reimburse the railroad or utilities
21 for the relocation of utilities for construction or other
22 public purpose. Contracts included within this paragraph
23 (15) shall include, but not be limited to, those
24 associated with: relocations, crossings, installations,
25 and maintenance. For the purposes of this paragraph (15),
26 "railroad" means any form of non-highway ground

1 transportation that runs on rails or electromagnetic
2 guideways and "utility" means: (1) public utilities as
3 defined in Section 3-105 of the Public Utilities Act, (2)
4 telecommunications carriers as defined in Section 13-202
5 of the Public Utilities Act, (3) electric cooperatives as
6 defined in Section 3.4 of the Electric Supplier Act, (4)
7 telephone or telecommunications cooperatives as defined in
8 Section 13-212 of the Public Utilities Act, (5) rural
9 water or waste water systems with 10,000 connections or
10 less, (6) a holder as defined in Section 21-201 of the
11 Public Utilities Act, and (7) municipalities owning or
12 operating utility systems consisting of public utilities
13 as that term is defined in Section 11-117-2 of the
14 Illinois Municipal Code.

15 (16) Procurement expenditures necessary for the
16 Department of Public Health to provide the delivery of
17 timely newborn screening services in accordance with the
18 Newborn Metabolic Screening Act.

19 (17) Procurement expenditures necessary for the
20 Department of Agriculture, the Department of Financial and
21 Professional Regulation, the Department of Human Services,
22 and the Department of Public Health to implement the
23 Compassionate Use of Medical Cannabis Program and Opioid
24 Alternative Pilot Program requirements and ensure access
25 to medical cannabis for patients with debilitating medical
26 conditions in accordance with the Compassionate Use of

1 Medical Cannabis Program Act.

2 (18) This Code does not apply to any procurements
3 necessary for the Department of Agriculture, the
4 Department of Financial and Professional Regulation, the
5 Department of Human Services, the Department of Commerce
6 and Economic Opportunity, and the Department of Public
7 Health to implement the Cannabis Regulation and Tax Act if
8 the applicable agency has made a good faith determination
9 that it is necessary and appropriate for the expenditure
10 to fall within this exemption and if the process is
11 conducted in a manner substantially in accordance with the
12 requirements of Sections 20-160, 25-60, 30-22, 50-5,
13 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
14 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
15 Section 50-35, compliance applies only to contracts or
16 subcontracts over \$100,000. Notice of each contract
17 entered into under this paragraph (18) that is related to
18 the procurement of goods and services identified in
19 paragraph (1) through (9) of this subsection shall be
20 published in the Procurement Bulletin within 14 calendar
21 days after contract execution. The Chief Procurement
22 Officer shall prescribe the form and content of the
23 notice. Each agency shall provide the Chief Procurement
24 Officer, on a monthly basis, in the form and content
25 prescribed by the Chief Procurement Officer, a report of
26 contracts that are related to the procurement of goods and

1 services identified in this subsection. At a minimum, this
2 report shall include the name of the contractor, a
3 description of the supply or service provided, the total
4 amount of the contract, the term of the contract, and the
5 exception to this Code utilized. A copy of any or all of
6 these contracts shall be made available to the Chief
7 Procurement Officer immediately upon request. The Chief
8 Procurement Officer shall submit a report to the Governor
9 and General Assembly no later than November 1 of each year
10 that includes, at a minimum, an annual summary of the
11 monthly information reported to the Chief Procurement
12 Officer. This exemption becomes inoperative 5 years after
13 June 25, 2019 (the effective date of Public Act 101-27)
14 ~~this amendatory Act of the 101st General Assembly.~~

15 (19) Procurement expenditures necessary for the
16 Illinois Commerce Commission to hire third-party
17 facilitators pursuant to Sections 16-105.17 and Section
18 16-108.18 of the Public Utilities Act.

19 Notwithstanding any other provision of law, for contracts
20 entered into on or after October 1, 2017 under an exemption
21 provided in any paragraph of this subsection (b), except
22 paragraph (1), (2), or (5), each State agency shall post to the
23 appropriate procurement bulletin the name of the contractor, a
24 description of the supply or service provided, the total
25 amount of the contract, the term of the contract, and the
26 exception to the Code utilized. The chief procurement officer

1 shall submit a report to the Governor and General Assembly no
2 later than November 1 of each year that shall include, at a
3 minimum, an annual summary of the monthly information reported
4 to the chief procurement officer.

5 (c) This Code does not apply to the electric power
6 procurement process provided for under Section 1-75 of the
7 Illinois Power Agency Act and Section 16-111.5 of the Public
8 Utilities Act.

9 (d) Except for Section 20-160 and Article 50 of this Code,
10 and as expressly required by Section 9.1 of the Illinois
11 Lottery Law, the provisions of this Code do not apply to the
12 procurement process provided for under Section 9.1 of the
13 Illinois Lottery Law.

14 (e) This Code does not apply to the process used by the
15 Capital Development Board to retain a person or entity to
16 assist the Capital Development Board with its duties related
17 to the determination of costs of a clean coal SNG brownfield
18 facility, as defined by Section 1-10 of the Illinois Power
19 Agency Act, as required in subsection (h-3) of Section 9-220
20 of the Public Utilities Act, including calculating the range
21 of capital costs, the range of operating and maintenance
22 costs, or the sequestration costs or monitoring the
23 construction of clean coal SNG brownfield facility for the
24 full duration of construction.

25 (f) (Blank).

26 (g) (Blank).

1 (h) This Code does not apply to the process to procure or
2 contracts entered into in accordance with Sections 11-5.2 and
3 11-5.3 of the Illinois Public Aid Code.

4 (i) Each chief procurement officer may access records
5 necessary to review whether a contract, purchase, or other
6 expenditure is or is not subject to the provisions of this
7 Code, unless such records would be subject to attorney-client
8 privilege.

9 (j) This Code does not apply to the process used by the
10 Capital Development Board to retain an artist or work or works
11 of art as required in Section 14 of the Capital Development
12 Board Act.

13 (k) This Code does not apply to the process to procure
14 contracts, or contracts entered into, by the State Board of
15 Elections or the State Electoral Board for hearing officers
16 appointed pursuant to the Election Code.

17 (l) This Code does not apply to the processes used by the
18 Illinois Student Assistance Commission to procure supplies and
19 services paid for from the private funds of the Illinois
20 Prepaid Tuition Fund. As used in this subsection (l), "private
21 funds" means funds derived from deposits paid into the
22 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

23 (Source: P.A. 100-43, eff. 8-9-17; 100-580, eff. 3-12-18;
24 100-757, eff. 8-10-18; 100-1114, eff. 8-28-18; 101-27, eff.
25 6-25-19; 101-81, eff. 7-12-19; 101-363, eff. 8-9-19; revised
26 9-17-19.)

1 Section 90-36a. The Business Enterprise for Minorities,
2 Women, and Persons with Disabilities Act is amended by
3 changing Sections 4f and 7 as follows:

4 (30 ILCS 575/4f)

5 (Text of Section before amendment by P.A. 101-657, Article
6 40, Section 40-130)

7 (Section scheduled to be repealed on June 30, 2024)

8 Sec. 4f. Award of State contracts.

9 (1) It is hereby declared to be the public policy of the
10 State of Illinois to promote and encourage each State agency
11 and public institution of higher education to use businesses
12 owned by minorities, women, and persons with disabilities in
13 the area of goods and services, including, but not limited to,
14 insurance services, investment management services,
15 information technology services, accounting services,
16 architectural and engineering services, and legal services.
17 Furthermore, each State agency and public institution of
18 higher education shall utilize such firms to the greatest
19 extent feasible within the bounds of financial and fiduciary
20 prudence, and take affirmative steps to remove any barriers to
21 the full participation of such firms in the procurement and
22 contracting opportunities afforded.

23 (a) When a State agency or public institution of
24 higher education, other than a community college, awards a

1 contract for insurance services, for each State agency or
2 public institution of higher education, it shall be the
3 aspirational goal to use insurance brokers owned by
4 minorities, women, and persons with disabilities as
5 defined by this Act, for not less than 20% of the total
6 annual premiums or fees; provided that, contracts
7 representing at least 11% of the total annual premiums or
8 fees shall be awarded to businesses owned by minorities;
9 contracts representing at least 7% of the total annual
10 premiums or fees shall be awarded to women-owned
11 businesses; and contracts representing at least 2% of the
12 total annual premiums or fees shall be awarded to
13 businesses owned by persons with disabilities.

14 (b) When a State agency or public institution of
15 higher education, other than a community college, awards a
16 contract for investment services, for each State agency or
17 public institution of higher education, it shall be the
18 aspirational goal to use emerging investment managers
19 owned by minorities, women, and persons with disabilities
20 as defined by this Act, for not less than 20% of the total
21 funds under management; provided that, contracts
22 representing at least 11% of the total funds under
23 management shall be awarded to businesses owned by
24 minorities; contracts representing at least 7% of the
25 total funds under management shall be awarded to
26 women-owned businesses; and contracts representing at

1 least 2% of the total funds under management shall be
2 awarded to businesses owned by persons with disabilities.
3 Furthermore, it is the aspirational goal that not less
4 than 20% of the direct asset managers of the State funds be
5 minorities, women, and persons with disabilities.

6 (c) When a State agency or public institution of
7 higher education, other than a community college, awards
8 contracts for information technology services, accounting
9 services, architectural and engineering services, and
10 legal services, for each State agency and public
11 institution of higher education, it shall be the
12 aspirational goal to use such firms owned by minorities,
13 women, and persons with disabilities as defined by this
14 Act and lawyers who are minorities, women, and persons
15 with disabilities as defined by this Act, for not less
16 than 20% of the total dollar amount of State contracts;
17 provided that, contracts representing at least 11% of the
18 total dollar amount of State contracts shall be awarded to
19 businesses owned by minorities or minority lawyers;
20 contracts representing at least 7% of the total dollar
21 amount of State contracts shall be awarded to women-owned
22 businesses or women who are lawyers; and contracts
23 representing at least 2% of the total dollar amount of
24 State contracts shall be awarded to businesses owned by
25 persons with disabilities or persons with disabilities who
26 are lawyers.

1 (d) When a community college awards a contract for
2 insurance services, investment services, information
3 technology services, accounting services, architectural
4 and engineering services, and legal services, it shall be
5 the aspirational goal of each community college to use
6 businesses owned by minorities, women, and persons with
7 disabilities as defined in this Act for not less than 20%
8 of the total amount spent on contracts for these services
9 collectively; provided that, contracts representing at
10 least 11% of the total amount spent on contracts for these
11 services shall be awarded to businesses owned by
12 minorities; contracts representing at least 7% of the
13 total amount spent on contracts for these services shall
14 be awarded to women-owned businesses; and contracts
15 representing at least 2% of the total amount spent on
16 contracts for these services shall be awarded to
17 businesses owned by persons with disabilities. When a
18 community college awards contracts for investment
19 services, contracts awarded to investment managers who are
20 not emerging investment managers as defined in this Act
21 shall not be considered businesses owned by minorities,
22 women, or persons with disabilities for the purposes of
23 this Section.

24 (e) When a State agency or public institution of
25 higher education issues competitive solicitations and the
26 award history for a service or supply category shows

1 awards to a class of business owners that are
2 underrepresented, the Council shall determine the reason
3 for the disparity and shall identify potential and
4 appropriate methods to minimize or eliminate the cause for
5 the disparity.

6 If any State agency or public institution of higher
7 education contract is eligible to be paid for or
8 reimbursed, in whole or in part, with federal-aid funds,
9 grants, or loans, and the provisions of this paragraph (e)
10 would result in the loss of those federal-aid funds,
11 grants, or loans, then the contract is exempt from the
12 provisions of this paragraph (e) in order to remain
13 eligible for those federal-aid funds, grants, or loans.

14 (2) As used in this Section:

15 "Accounting services" means the measurement,
16 processing and communication of financial information
17 about economic entities including, but is not limited to,
18 financial accounting, management accounting, auditing,
19 cost containment and auditing services, taxation and
20 accounting information systems.

21 "Architectural and engineering services" means
22 professional services of an architectural or engineering
23 nature, or incidental services, that members of the
24 architectural and engineering professions, and individuals
25 in their employ, may logically or justifiably perform,
26 including studies, investigations, surveying and mapping,

1 tests, evaluations, consultations, comprehensive
2 planning, program management, conceptual designs, plans
3 and specifications, value engineering, construction phase
4 services, soils engineering, drawing reviews, preparation
5 of operating and maintenance manuals, and other related
6 services.

7 "Emerging investment manager" means an investment
8 manager or claims consultant having assets under
9 management below \$10 billion or otherwise adjudicating
10 claims.

11 "Information technology services" means, but is not
12 limited to, specialized technology-oriented solutions by
13 combining the processes and functions of software,
14 hardware, networks, telecommunications, web designers,
15 cloud developing resellers, and electronics.

16 "Insurance broker" means an insurance brokerage firm,
17 claims administrator, or both, that procures, places all
18 lines of insurance, or administers claims with annual
19 premiums or fees of at least \$5,000,000 but not more than
20 \$10,000,000.

21 "Legal services" means work performed by a lawyer
22 including, but not limited to, contracts in anticipation
23 of litigation, enforcement actions, or investigations.

24 (3) Each State agency and public institution of higher
25 education shall adopt policies that identify its plan and
26 implementation procedures for increasing the use of service

1 firms owned by minorities, women, and persons with
2 disabilities.

3 (4) Except as provided in subsection (5), the Council
4 shall file no later than March 1 of each year an annual report
5 to the Governor, the Bureau on Apprenticeship Programs and
6 Clean Energy Jobs, and the General Assembly. The report filed
7 with the General Assembly shall be filed as required in
8 Section 3.1 of the General Assembly Organization Act. This
9 report shall: (i) identify the service firms used by each
10 State agency and public institution of higher education, (ii)
11 identify the actions it has undertaken to increase the use of
12 service firms owned by minorities, women, and persons with
13 disabilities, including encouraging non-minority-owned firms
14 to use other service firms owned by minorities, women, and
15 persons with disabilities as subcontractors when the
16 opportunities arise, (iii) state any recommendations made by
17 the Council to each State agency and public institution of
18 higher education to increase participation by the use of
19 service firms owned by minorities, women, and persons with
20 disabilities, and (iv) include the following:

21 (A) For insurance services: the names of the insurance
22 brokers or claims consultants used, the total of risk
23 managed by each State agency and public institution of
24 higher education by insurance brokers, the total
25 commissions, fees paid, or both, the lines or insurance
26 policies placed, and the amount of premiums placed; and

1 the percentage of the risk managed by insurance brokers,
2 the percentage of total commission, fees paid, or both,
3 the lines or insurance policies placed, and the amount of
4 premiums placed with each by the insurance brokers owned
5 by minorities, women, and persons with disabilities by
6 each State agency and public institution of higher
7 education.

8 (B) For investment management services: the names of
9 the investment managers used, the total funds under
10 management of investment managers; the total commissions,
11 fees paid, or both; the total and percentage of funds
12 under management of emerging investment managers owned by
13 minorities, women, and persons with disabilities,
14 including the total and percentage of total commissions,
15 fees paid, or both by each State agency and public
16 institution of higher education.

17 (C) The names of service firms, the percentage and
18 total dollar amount paid for professional services by
19 category by each State agency and public institution of
20 higher education.

21 (D) The names of service firms, the percentage and
22 total dollar amount paid for services by category to firms
23 owned by minorities, women, and persons with disabilities
24 by each State agency and public institution of higher
25 education.

26 (E) The total number of contracts awarded for services

1 by category and the total number of contracts awarded to
2 firms owned by minorities, women, and persons with
3 disabilities by each State agency and public institution
4 of higher education.

5 (5) For community college districts, the Business
6 Enterprise Council shall only report the following information
7 for each community college district: (i) the name of the
8 community colleges in the district, (ii) the name and contact
9 information of a person at each community college appointed to
10 be the single point of contact for vendors owned by
11 minorities, women, or persons with disabilities, (iii) the
12 policy of the community college district concerning certified
13 vendors, (iv) the certifications recognized by the community
14 college district for determining whether a business is owned
15 or controlled by a minority, woman, or person with a
16 disability, (v) outreach efforts conducted by the community
17 college district to increase the use of certified vendors,
18 (vi) the total expenditures by the community college district
19 in the prior fiscal year in the divisions of work specified in
20 paragraphs (a), (b), and (c) of subsection (1) of this Section
21 and the amount paid to certified vendors in those divisions of
22 work, and (vii) the total number of contracts entered into for
23 the divisions of work specified in paragraphs (a), (b), and
24 (c) of subsection (1) of this Section and the total number of
25 contracts awarded to certified vendors providing these
26 services to the community college district. The Business

1 Enterprise Council shall not make any utilization reports
2 under this Act for community college districts for Fiscal Year
3 2015 and Fiscal Year 2016, but shall make the report required
4 by this subsection for Fiscal Year 2017 and for each fiscal
5 year thereafter. The Business Enterprise Council shall report
6 the information in items (i), (ii), (iii), and (iv) of this
7 subsection beginning in September of 2016. The Business
8 Enterprise Council may collect the data needed to make its
9 report from the Illinois Community College Board.

10 (6) The status of the utilization of services shall be
11 discussed at each of the regularly scheduled Business
12 Enterprise Council meetings. Time shall be allotted for the
13 Council to receive, review, and discuss the progress of the
14 use of service firms owned by minorities, women, and persons
15 with disabilities by each State agency and public institution
16 of higher education; and any evidence regarding past or
17 present racial, ethnic, or gender-based discrimination which
18 directly impacts a State agency or public institution of
19 higher education contracting with such firms. If after
20 reviewing such evidence the Council finds that there is or has
21 been such discrimination against a specific group, race or
22 sex, the Council shall establish sheltered markets or adjust
23 existing sheltered markets tailored to address the Council's
24 specific findings for the divisions of work specified in
25 paragraphs (a), (b), and (c) of subsection (1) of this
26 Section.

1 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;
2 101-657, Article 5, Section 5-10, eff. 7-1-21 (See Section 25
3 of P.A. 102-29 for effective date of P.A. 101-657, Article 5,
4 Section 5-10); 102-29, eff. 6-25-21.)

5 (Text of Section after amendment by P.A. 101-657, Article
6 40, Section 40-130)

7 (Section scheduled to be repealed on June 30, 2024)

8 Sec. 4f. Award of State contracts.

9 (1) It is hereby declared to be the public policy of the
10 State of Illinois to promote and encourage each State agency
11 and public institution of higher education to use businesses
12 owned by minorities, women, and persons with disabilities in
13 the area of goods and services, including, but not limited to,
14 insurance services, investment management services,
15 information technology services, accounting services,
16 architectural and engineering services, and legal services.
17 Furthermore, each State agency and public institution of
18 higher education shall utilize such firms to the greatest
19 extent feasible within the bounds of financial and fiduciary
20 prudence, and take affirmative steps to remove any barriers to
21 the full participation of such firms in the procurement and
22 contracting opportunities afforded.

23 (a) When a State agency or public institution of
24 higher education, other than a community college, awards a
25 contract for insurance services, for each State agency or

1 public institution of higher education, it shall be the
2 aspirational goal to use insurance brokers owned by
3 minorities, women, and persons with disabilities as
4 defined by this Act, for not less than 20% of the total
5 annual premiums or fees; provided that, contracts
6 representing at least 11% of the total annual premiums or
7 fees shall be awarded to businesses owned by minorities;
8 contracts representing at least 7% of the total annual
9 premiums or fees shall be awarded to women-owned
10 businesses; and contracts representing at least 2% of the
11 total annual premiums or fees shall be awarded to
12 businesses owned by persons with disabilities.

13 (b) When a State agency or public institution of
14 higher education, other than a community college, awards a
15 contract for investment services, for each State agency or
16 public institution of higher education, it shall be the
17 aspirational goal to use emerging investment managers
18 owned by minorities, women, and persons with disabilities
19 as defined by this Act, for not less than 20% of the total
20 funds under management; provided that, contracts
21 representing at least 11% of the total funds under
22 management shall be awarded to businesses owned by
23 minorities; contracts representing at least 7% of the
24 total funds under management shall be awarded to
25 women-owned businesses; and contracts representing at
26 least 2% of the total funds under management shall be

1 awarded to businesses owned by persons with disabilities.
2 Furthermore, it is the aspirational goal that not less
3 than 20% of the direct asset managers of the State funds be
4 minorities, women, and persons with disabilities.

5 (c) When a State agency or public institution of
6 higher education, other than a community college, awards
7 contracts for information technology services, accounting
8 services, architectural and engineering services, and
9 legal services, for each State agency and public
10 institution of higher education, it shall be the
11 aspirational goal to use such firms owned by minorities,
12 women, and persons with disabilities as defined by this
13 Act and lawyers who are minorities, women, and persons
14 with disabilities as defined by this Act, for not less
15 than 20% of the total dollar amount of State contracts;
16 provided that, contracts representing at least 11% of the
17 total dollar amount of State contracts shall be awarded to
18 businesses owned by minorities or minority lawyers;
19 contracts representing at least 7% of the total dollar
20 amount of State contracts shall be awarded to women-owned
21 businesses or women who are lawyers; and contracts
22 representing at least 2% of the total dollar amount of
23 State contracts shall be awarded to businesses owned by
24 persons with disabilities or persons with disabilities who
25 are lawyers.

26 (d) When a community college awards a contract for

1 insurance services, investment services, information
2 technology services, accounting services, architectural
3 and engineering services, and legal services, it shall be
4 the aspirational goal of each community college to use
5 businesses owned by minorities, women, and persons with
6 disabilities as defined in this Act for not less than 20%
7 of the total amount spent on contracts for these services
8 collectively; provided that, contracts representing at
9 least 11% of the total amount spent on contracts for these
10 services shall be awarded to businesses owned by
11 minorities; contracts representing at least 7% of the
12 total amount spent on contracts for these services shall
13 be awarded to women-owned businesses; and contracts
14 representing at least 2% of the total amount spent on
15 contracts for these services shall be awarded to
16 businesses owned by persons with disabilities. When a
17 community college awards contracts for investment
18 services, contracts awarded to investment managers who are
19 not emerging investment managers as defined in this Act
20 shall not be considered businesses owned by minorities,
21 women, or persons with disabilities for the purposes of
22 this Section.

23 (2) As used in this Section:

24 "Accounting services" means the measurement,
25 processing and communication of financial information
26 about economic entities including, but is not limited to,

1 financial accounting, management accounting, auditing,
2 cost containment and auditing services, taxation and
3 accounting information systems.

4 "Architectural and engineering services" means
5 professional services of an architectural or engineering
6 nature, or incidental services, that members of the
7 architectural and engineering professions, and individuals
8 in their employ, may logically or justifiably perform,
9 including studies, investigations, surveying and mapping,
10 tests, evaluations, consultations, comprehensive
11 planning, program management, conceptual designs, plans
12 and specifications, value engineering, construction phase
13 services, soils engineering, drawing reviews, preparation
14 of operating and maintenance manuals, and other related
15 services.

16 "Emerging investment manager" means an investment
17 manager or claims consultant having assets under
18 management below \$10 billion or otherwise adjudicating
19 claims.

20 "Information technology services" means, but is not
21 limited to, specialized technology-oriented solutions by
22 combining the processes and functions of software,
23 hardware, networks, telecommunications, web designers,
24 cloud developing resellers, and electronics.

25 "Insurance broker" means an insurance brokerage firm,
26 claims administrator, or both, that procures, places all

1 lines of insurance, or administers claims with annual
2 premiums or fees of at least \$5,000,000 but not more than
3 \$10,000,000.

4 "Legal services" means work performed by a lawyer
5 including, but not limited to, contracts in anticipation
6 of litigation, enforcement actions, or investigations.

7 (3) Each State agency and public institution of higher
8 education shall adopt policies that identify its plan and
9 implementation procedures for increasing the use of service
10 firms owned by minorities, women, and persons with
11 disabilities. All plan and implementation procedures for
12 increasing the use of service firms owned by minorities,
13 women, and persons with disabilities must be submitted to and
14 approved by the Commission on Equity and Inclusion on an
15 annual basis.

16 (4) Except as provided in subsection (5), the Council
17 shall file no later than March 1 of each year an annual report
18 to the Governor, the Bureau on Apprenticeship Programs and
19 Clean Energy Jobs, and the General Assembly. The report filed
20 with the General Assembly shall be filed as required in
21 Section 3.1 of the General Assembly Organization Act. This
22 report shall: (i) identify the service firms used by each
23 State agency and public institution of higher education, (ii)
24 identify the actions it has undertaken to increase the use of
25 service firms owned by minorities, women, and persons with
26 disabilities, including encouraging non-minority-owned firms

1 to use other service firms owned by minorities, women, and
2 persons with disabilities as subcontractors when the
3 opportunities arise, (iii) state any recommendations made by
4 the Council to each State agency and public institution of
5 higher education to increase participation by the use of
6 service firms owned by minorities, women, and persons with
7 disabilities, and (iv) include the following:

8 (A) For insurance services: the names of the insurance
9 brokers or claims consultants used, the total of risk
10 managed by each State agency and public institution of
11 higher education by insurance brokers, the total
12 commissions, fees paid, or both, the lines or insurance
13 policies placed, and the amount of premiums placed; and
14 the percentage of the risk managed by insurance brokers,
15 the percentage of total commission, fees paid, or both,
16 the lines or insurance policies placed, and the amount of
17 premiums placed with each by the insurance brokers owned
18 by minorities, women, and persons with disabilities by
19 each State agency and public institution of higher
20 education.

21 (B) For investment management services: the names of
22 the investment managers used, the total funds under
23 management of investment managers; the total commissions,
24 fees paid, or both; the total and percentage of funds
25 under management of emerging investment managers owned by
26 minorities, women, and persons with disabilities,

1 including the total and percentage of total commissions,
2 fees paid, or both by each State agency and public
3 institution of higher education.

4 (C) The names of service firms, the percentage and
5 total dollar amount paid for professional services by
6 category by each State agency and public institution of
7 higher education.

8 (D) The names of service firms, the percentage and
9 total dollar amount paid for services by category to firms
10 owned by minorities, women, and persons with disabilities
11 by each State agency and public institution of higher
12 education.

13 (E) The total number of contracts awarded for services
14 by category and the total number of contracts awarded to
15 firms owned by minorities, women, and persons with
16 disabilities by each State agency and public institution
17 of higher education.

18 (5) For community college districts, the Business
19 Enterprise Council shall only report the following information
20 for each community college district: (i) the name of the
21 community colleges in the district, (ii) the name and contact
22 information of a person at each community college appointed to
23 be the single point of contact for vendors owned by
24 minorities, women, or persons with disabilities, (iii) the
25 policy of the community college district concerning certified
26 vendors, (iv) the certifications recognized by the community

1 college district for determining whether a business is owned
2 or controlled by a minority, woman, or person with a
3 disability, (v) outreach efforts conducted by the community
4 college district to increase the use of certified vendors,
5 (vi) the total expenditures by the community college district
6 in the prior fiscal year in the divisions of work specified in
7 paragraphs (a), (b), and (c) of subsection (1) of this Section
8 and the amount paid to certified vendors in those divisions of
9 work, and (vii) the total number of contracts entered into for
10 the divisions of work specified in paragraphs (a), (b), and
11 (c) of subsection (1) of this Section and the total number of
12 contracts awarded to certified vendors providing these
13 services to the community college district. The Business
14 Enterprise Council shall not make any utilization reports
15 under this Act for community college districts for Fiscal Year
16 2015 and Fiscal Year 2016, but shall make the report required
17 by this subsection for Fiscal Year 2017 and for each fiscal
18 year thereafter. The Business Enterprise Council shall report
19 the information in items (i), (ii), (iii), and (iv) of this
20 subsection beginning in September of 2016. The Business
21 Enterprise Council may collect the data needed to make its
22 report from the Illinois Community College Board.

23 (6) The status of the utilization of services shall be
24 discussed at each of the regularly scheduled Business
25 Enterprise Council meetings. Time shall be allotted for the
26 Council to receive, review, and discuss the progress of the

1 use of service firms owned by minorities, women, and persons
2 with disabilities by each State agency and public institution
3 of higher education; and any evidence regarding past or
4 present racial, ethnic, or gender-based discrimination which
5 directly impacts a State agency or public institution of
6 higher education contracting with such firms. If after
7 reviewing such evidence the Council finds that there is or has
8 been such discrimination against a specific group, race or
9 sex, the Council shall establish sheltered markets or adjust
10 existing sheltered markets tailored to address the Council's
11 specific findings for the divisions of work specified in
12 paragraphs (a), (b), and (c) of subsection (1) of this
13 Section.

14 (Source: P.A. 101-170, eff. 1-1-20; 101-657, Article 5,
15 Section 5-10, eff. 7-1-21 (See Section 25 of P.A. 102-29 for
16 effective date of P.A. 101-657, Article 5, Section 5-10);
17 101-657, Article 40, Section 40-130, eff. 1-1-22; 102-29, eff.
18 6-25-21.)

19 (30 ILCS 575/7) (from Ch. 127, par. 132.607)

20 (Text of Section before amendment by P.A. 101-657)

21 (Section scheduled to be repealed on June 30, 2024)

22 Sec. 7. Exemptions; waivers; publication of data.

23 (1) Individual contract exemptions. The Council, at the
24 written request of the affected agency, public institution of
25 higher education, or recipient of a grant or loan of State

1 funds of \$250,000 or more complying with Section 45 of the
2 State Finance Act, may permit an individual contract or
3 contract package, (related contracts being bid or awarded
4 simultaneously for the same project or improvements) be made
5 wholly or partially exempt from State contracting goals for
6 businesses owned by minorities, women, and persons with
7 disabilities prior to the advertisement for bids or
8 solicitation of proposals whenever there has been a
9 determination, reduced to writing and based on the best
10 information available at the time of the determination, that
11 there is an insufficient number of businesses owned by
12 minorities, women, and persons with disabilities to ensure
13 adequate competition and an expectation of reasonable prices
14 on bids or proposals solicited for the individual contract or
15 contract package in question. Any such exemptions shall be
16 given by the Council to the Bureau on Apprenticeship Programs
17 and Clean Energy Jobs.

18 (a) Written request for contract exemption. A written
19 request for an individual contract exemption must include,
20 but is not limited to, the following:

21 (i) a list of eligible businesses owned by
22 minorities, women, and persons with disabilities;

23 (ii) a clear demonstration that the number of
24 eligible businesses identified in subparagraph (i)
25 above is insufficient to ensure adequate competition;

26 (iii) the difference in cost between the contract

1 proposals being offered by businesses owned by
2 minorities, women, and persons with disabilities and
3 the agency or public institution of higher education's
4 expectations of reasonable prices on bids or proposals
5 within that class; and

6 (iv) a list of eligible businesses owned by
7 minorities, women, and persons with disabilities that
8 the contractor has used in the current and prior
9 fiscal years.

10 (b) Determination. The Council's determination
11 concerning an individual contract exemption must consider,
12 at a minimum, the following:

13 (i) the justification for the requested exemption,
14 including whether diligent efforts were undertaken to
15 identify and solicit eligible businesses owned by
16 minorities, women, and persons with disabilities;

17 (ii) the total number of exemptions granted to the
18 affected agency, public institution of higher
19 education, or recipient of a grant or loan of State
20 funds of \$250,000 or more complying with Section 45 of
21 the State Finance Act that have been granted by the
22 Council in the current and prior fiscal years; and

23 (iii) the percentage of contracts awarded by the
24 agency or public institution of higher education to
25 eligible businesses owned by minorities, women, and
26 persons with disabilities in the current and prior

1 fiscal years.

2 (2) Class exemptions.

3 (a) Creation. The Council, at the written request of
4 the affected agency or public institution of higher
5 education, may permit an entire class of contracts be made
6 exempt from State contracting goals for businesses owned
7 by minorities, women, and persons with disabilities
8 whenever there has been a determination, reduced to
9 writing and based on the best information available at the
10 time of the determination, that there is an insufficient
11 number of qualified businesses owned by minorities, women,
12 and persons with disabilities to ensure adequate
13 competition and an expectation of reasonable prices on
14 bids or proposals within that class. Any such exemption
15 shall be given by the Council to the Bureau on
16 Apprenticeship Programs and Clean Energy Jobs.

17 (a-1) Written request for class exemption. A written
18 request for a class exemption must include, but is not
19 limited to, the following:

20 (i) a list of eligible businesses owned by
21 minorities, women, and persons with disabilities;

22 (ii) a clear demonstration that the number of
23 eligible businesses identified in subparagraph (i)
24 above is insufficient to ensure adequate competition;

25 (iii) the difference in cost between the contract
26 proposals being offered by eligible businesses owned

1 by minorities, women, and persons with disabilities
2 and the agency or public institution of higher
3 education's expectations of reasonable prices on bids
4 or proposals within that class; and

5 (iv) the number of class exemptions the affected
6 agency or public institution of higher education
7 requested in the current and prior fiscal years.

8 (a-2) Determination. The Council's determination
9 concerning class exemptions must consider, at a minimum,
10 the following:

11 (i) the justification for the requested exemption,
12 including whether diligent efforts were undertaken to
13 identify and solicit eligible businesses owned by
14 minorities, women, and persons with disabilities;

15 (ii) the total number of class exemptions granted
16 to the requesting agency or public institution of
17 higher education that have been granted by the Council
18 in the current and prior fiscal years; and

19 (iii) the percentage of contracts awarded by the
20 agency or public institution of higher education to
21 eligible businesses owned by minorities, women, and
22 persons with disabilities the current and prior fiscal
23 years.

24 (b) Limitation. Any such class exemption shall not be
25 permitted for a period of more than one year at a time.

26 (3) Waivers. Where a particular contract requires a

1 contractor to meet a goal established pursuant to this Act,
2 the contractor shall have the right to request a waiver from
3 such requirements. The Council shall grant the waiver where
4 the contractor demonstrates that there has been made a good
5 faith effort to comply with the goals for participation by
6 businesses owned by minorities, women, and persons with
7 disabilities. Any such waiver shall also be transmitted in
8 writing to the Bureau on Apprenticeship Programs and Clean
9 Energy Jobs.

10 (a) Request for waiver. A contractor's request for a
11 waiver under this subsection (3) must include, but is not
12 limited to, the following, if available:

13 (i) a list of eligible businesses owned by
14 minorities, women, and persons with disabilities that
15 pertain to the class of contracts in the requested
16 waiver;

17 (ii) a clear demonstration that the number of
18 eligible businesses identified in subparagraph (i)
19 above is insufficient to ensure competition;

20 (iii) the difference in cost between the contract
21 proposals being offered by businesses owned by
22 minorities, women, and persons with disabilities and
23 the agency or the public institution of higher
24 education's expectations of reasonable prices on bids
25 or proposals within that class; and

26 (iv) a list of businesses owned by minorities,

1 women, and persons with disabilities that the
2 contractor has used in the current and prior fiscal
3 years.

4 (b) Determination. The Council's determination
5 concerning waivers must include following:

6 (i) the justification for the requested waiver,
7 including whether the requesting contractor made a
8 good faith effort to identify and solicit eligible
9 businesses owned by minorities, women, and persons
10 with disabilities;

11 (ii) the total number of waivers the contractor
12 has been granted by the Council in the current and
13 prior fiscal years;

14 (iii) the percentage of contracts awarded by the
15 agency or public institution of higher education to
16 eligible businesses owned by minorities, women, and
17 persons with disabilities in the current and prior
18 fiscal years; and

19 (iv) the contractor's use of businesses owned by
20 minorities, women, and persons with disabilities in
21 the current and prior fiscal years.

22 (3.5) (Blank).

23 (4) Conflict with other laws. In the event that any State
24 contract, which otherwise would be subject to the provisions
25 of this Act, is or becomes subject to federal laws or
26 regulations which conflict with the provisions of this Act or

1 actions of the State taken pursuant hereto, the provisions of
2 the federal laws or regulations shall apply and the contract
3 shall be interpreted and enforced accordingly.

4 (5) Each chief procurement officer, as defined in the
5 Illinois Procurement Code, shall maintain on his or her
6 official Internet website a database of the following: (i)
7 waivers granted under this Section with respect to contracts
8 under his or her jurisdiction; (ii) a State agency or public
9 institution of higher education's written request for an
10 exemption of an individual contract or an entire class of
11 contracts; and (iii) the Council's written determination
12 granting or denying a request for an exemption of an
13 individual contract or an entire class of contracts. The
14 database, which shall be updated periodically as necessary,
15 shall be searchable by contractor name and by contracting
16 State agency.

17 (6) Each chief procurement officer, as defined by the
18 Illinois Procurement Code, shall maintain on its website a
19 list of all firms that have been prohibited from bidding,
20 offering, or entering into a contract with the State of
21 Illinois as a result of violations of this Act.

22 Each public notice required by law of the award of a State
23 contract shall include for each bid or offer submitted for
24 that contract the following: (i) the bidder's or offeror's
25 name, (ii) the bid amount, (iii) the name or names of the
26 certified firms identified in the bidder's or offeror's

1 submitted utilization plan, and (iv) the bid's amount and
2 percentage of the contract awarded to businesses owned by
3 minorities, women, and persons with disabilities identified in
4 the utilization plan.

5 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;
6 101-601, eff. 1-1-20; 102-29, eff. 6-25-21.)

7 (Text of Section after amendment by P.A. 101-657)

8 (Section scheduled to be repealed on June 30, 2024)

9 Sec. 7. Exemptions; waivers; publication of data.

10 (1) Individual contract exemptions. The Council, at the
11 written request of the affected agency, public institution of
12 higher education, or recipient of a grant or loan of State
13 funds of \$250,000 or more complying with Section 45 of the
14 State Finance Act, may permit an individual contract or
15 contract package, (related contracts being bid or awarded
16 simultaneously for the same project or improvements) be made
17 wholly or partially exempt from State contracting goals for
18 businesses owned by minorities, women, and persons with
19 disabilities prior to the advertisement for bids or
20 solicitation of proposals whenever there has been a
21 determination, reduced to writing and based on the best
22 information available at the time of the determination, that
23 there is an insufficient number of businesses owned by
24 minorities, women, and persons with disabilities to ensure
25 adequate competition and an expectation of reasonable prices

1 on bids or proposals solicited for the individual contract or
2 contract package in question. Any such exemptions shall be
3 given by the Council to the Bureau on Apprenticeship Programs
4 and Clean Energy Jobs.

5 (a) Written request for contract exemption. A written
6 request for an individual contract exemption must include,
7 but is not limited to, the following:

8 (i) a list of eligible businesses owned by
9 minorities, women, and persons with disabilities;

10 (ii) a clear demonstration that the number of
11 eligible businesses identified in subparagraph (i)
12 above is insufficient to ensure adequate competition;

13 (iii) the difference in cost between the contract
14 proposals being offered by businesses owned by
15 minorities, women, and persons with disabilities and
16 the agency or public institution of higher education's
17 expectations of reasonable prices on bids or proposals
18 within that class; and

19 (iv) a list of eligible businesses owned by
20 minorities, women, and persons with disabilities that
21 the contractor has used in the current and prior
22 fiscal years.

23 (b) Determination. The Council's determination
24 concerning an individual contract exemption must consider,
25 at a minimum, the following:

26 (i) the justification for the requested exemption,

1 including whether diligent efforts were undertaken to
2 identify and solicit eligible businesses owned by
3 minorities, women, and persons with disabilities;

4 (ii) the total number of exemptions granted to the
5 affected agency, public institution of higher
6 education, or recipient of a grant or loan of State
7 funds of \$250,000 or more complying with Section 45 of
8 the State Finance Act that have been granted by the
9 Council in the current and prior fiscal years; and

10 (iii) the percentage of contracts awarded by the
11 agency or public institution of higher education to
12 eligible businesses owned by minorities, women, and
13 persons with disabilities in the current and prior
14 fiscal years.

15 (2) Class exemptions.

16 (a) Creation. The Council, at the written request of
17 the affected agency or public institution of higher
18 education, may permit an entire class of contracts be made
19 exempt from State contracting goals for businesses owned
20 by minorities, women, and persons with disabilities
21 whenever there has been a determination, reduced to
22 writing and based on the best information available at the
23 time of the determination, that there is an insufficient
24 number of qualified businesses owned by minorities, women,
25 and persons with disabilities to ensure adequate
26 competition and an expectation of reasonable prices on

1 bids or proposals within that class. Any such exemption
2 shall be given by the Council to the Bureau on
3 Apprenticeship Programs and Clean Energy Jobs.

4 (a-1) Written request for class exemption. A written
5 request for a class exemption must include, but is not
6 limited to, the following:

7 (i) a list of eligible businesses owned by
8 minorities, women, and persons with disabilities;

9 (ii) a clear demonstration that the number of
10 eligible businesses identified in subparagraph (i)
11 above is insufficient to ensure adequate competition;

12 (iii) the difference in cost between the contract
13 proposals being offered by eligible businesses owned
14 by minorities, women, and persons with disabilities
15 and the agency or public institution of higher
16 education's expectations of reasonable prices on bids
17 or proposals within that class; and

18 (iv) the number of class exemptions the affected
19 agency or public institution of higher education
20 requested in the current and prior fiscal years.

21 (a-2) Determination. The Council's determination
22 concerning class exemptions must consider, at a minimum,
23 the following:

24 (i) the justification for the requested exemption,
25 including whether diligent efforts were undertaken to
26 identify and solicit eligible businesses owned by

1 minorities, women, and persons with disabilities;

2 (ii) the total number of class exemptions granted
3 to the requesting agency or public institution of
4 higher education that have been granted by the Council
5 in the current and prior fiscal years; and

6 (iii) the percentage of contracts awarded by the
7 agency or public institution of higher education to
8 eligible businesses owned by minorities, women, and
9 persons with disabilities the current and prior fiscal
10 years.

11 (b) Limitation. Any such class exemption shall not be
12 permitted for a period of more than one year at a time.

13 (3) Waivers. Where a particular contract requires a
14 contractor to meet a goal established pursuant to this Act,
15 the contractor shall have the right to request a waiver from
16 such requirements prior to the contract award. The Council
17 shall grant the waiver when the contractor demonstrates that
18 there has been made a good faith effort to comply with the
19 goals for participation by businesses owned by minorities,
20 women, and persons with disabilities. Any such waiver shall
21 also be transmitted in writing to the Bureau on Apprenticeship
22 Programs and Clean Energy Jobs.

23 (a) Request for waiver. A contractor's request for a
24 waiver under this subsection (3) must include, but is not
25 limited to, the following, if available:

26 (i) a list of eligible businesses owned by

1 minorities, women, and persons with disabilities that
2 pertain to the scope of work of the contract. Eligible
3 businesses are only eligible if the business is
4 certified for the products or work advertised in the
5 solicitation;

6 (ii) (blank);

7 (iia) a clear demonstration that the contractor
8 selected portions of the work to be performed by
9 eligible businesses owned by minorities, women, and
10 persons with disabilities, solicited through all
11 reasonable and available means eligible businesses,
12 and negotiated in good faith with interested eligible
13 businesses;

14 (iib) documentation demonstrating that businesses
15 owned by minorities, women, and persons with
16 disabilities are not rejected as being unqualified
17 without sound reasons based on a thorough
18 investigation of their capabilities;

19 (iii) documentation demonstrating that the
20 contract proposals being offered by businesses owned
21 by minorities, women, and persons with disabilities
22 are excessive or unreasonable; and

23 (iv) a list of businesses owned by minorities,
24 women, and persons with disabilities that the
25 contractor has used in the current and prior fiscal
26 years.

1 (b) Determination. The Council's determination
2 concerning waivers must include following:

3 (i) the justification for the requested waiver,
4 including whether the requesting contractor made a
5 good faith effort to identify and solicit eligible
6 businesses owned by minorities, women, and persons
7 with disabilities;

8 (ii) the total number of waivers the contractor
9 has been granted by the Council in the current and
10 prior fiscal years;

11 (iii) (blank); and

12 (iv) the contractor's use of businesses owned by
13 minorities, women, and persons with disabilities in
14 the current and prior fiscal years.

15 (3.5) (Blank).

16 (4) Conflict with other laws. In the event that any State
17 contract, which otherwise would be subject to the provisions
18 of this Act, is or becomes subject to federal laws or
19 regulations which conflict with the provisions of this Act or
20 actions of the State taken pursuant hereto, the provisions of
21 the federal laws or regulations shall apply and the contract
22 shall be interpreted and enforced accordingly.

23 (5) Each chief procurement officer, as defined in the
24 Illinois Procurement Code, shall maintain on his or her
25 official Internet website a database of the following: (i)
26 waivers granted under this Section with respect to contracts

1 under his or her jurisdiction; (ii) a State agency or public
2 institution of higher education's written request for an
3 exemption of an individual contract or an entire class of
4 contracts; and (iii) the Council's written determination
5 granting or denying a request for an exemption of an
6 individual contract or an entire class of contracts. The
7 database, which shall be updated periodically as necessary,
8 shall be searchable by contractor name and by contracting
9 State agency.

10 (6) Each chief procurement officer, as defined by the
11 Illinois Procurement Code, shall maintain on its website a
12 list of all firms that have been prohibited from bidding,
13 offering, or entering into a contract with the State of
14 Illinois as a result of violations of this Act.

15 Each public notice required by law of the award of a State
16 contract shall include for each bid or offer submitted for
17 that contract the following: (i) the bidder's or offeror's
18 name, (ii) the bid amount, (iii) the name or names of the
19 certified firms identified in the bidder's or offeror's
20 submitted utilization plan, and (iv) the bid's amount and
21 percentage of the contract awarded to businesses owned by
22 minorities, women, and persons with disabilities identified in
23 the utilization plan.

24 (Source: P.A. 101-170, eff. 1-1-20; 101-601, eff. 1-1-20;
25 101-657, eff. 1-1-22; 102-29, eff. 6-25-21.)

1 (35 ILCS 5/206 rep.)

2 Section 90-37. The Illinois Income Tax Act is amended by
3 repealing Section 206.

4 Section 90-38. The Gas Use Tax Law is amended by changing
5 Section 5-10 as follows:

6 (35 ILCS 173/5-10)

7 Sec. 5-10. Imposition of tax.

8 (a) Beginning October 1, 2003, a tax is imposed upon the
9 privilege of using in this State gas obtained in a purchase of
10 out-of-state gas at the rate of 2.4 cents per therm or 5% of
11 the purchase price for the billing period, whichever is the
12 lower rate. Such tax rate shall be referred to as the
13 "self-assessing purchaser tax rate". Beginning with bills
14 issued by delivering suppliers on and after October 1, 2003,
15 purchasers may elect an alternative tax rate of 2.4 cents per
16 therm to be paid under the provisions of Section 5-15 of this
17 Law to a delivering supplier maintaining a place of business
18 in this State. Such tax rate shall be referred to as the
19 "alternate tax rate". The tax imposed under this Section shall
20 not apply to gas used by business enterprises certified under
21 Section 9-222.1 of the Public Utilities Act, as amended, to
22 the extent of such exemption and during the period of time
23 specified by the Department of Commerce and Economic
24 Opportunity.

1 (b) The General Assembly finds it is reasonable to reduce
2 the rate of tax on gas purchased for use in the manufacturing
3 process because such reduction has the potential to create and
4 preserve well-paid jobs in the State. The tax imposed under
5 subsection (a) of this Section applies to gas used by any
6 eligible business enterprise at a rate of 2.4 cents per therm
7 or 2.5% of the purchase price for the billing period,
8 whichever is the lower rate. For purposes of this Section,
9 "eligible business enterprise" means any business enterprise
10 with one of the following Standard Industrial Classifications,
11 as designated in the Standard Industrial Classification Manual
12 prepared by the federal Office of Management and Budget: 10;
13 12; 13; 14; 21; 22; 23; 24; 25; 26; 27; 28; 29; 30; 31; 32; 33;
14 34; 35; 36; 37; 38; or 39.

15 (Source: P.A. 93-31, eff. 10-1-03; 94-793, eff. 5-19-06.)

16 Section 90-39. The Property Tax Code is amended by
17 changing Sections 10-5 and 10-610 as follows:

18 (35 ILCS 200/10-5)

19 Sec. 10-5. Solar energy systems; definitions. It is the
20 policy of this State that the use of solar energy systems
21 should be encouraged because they conserve nonrenewable
22 resources, reduce pollution and promote the health and
23 well-being of the people of this State, and should be valued in
24 relation to these benefits.

1 (a) "Solar energy" means radiant energy received from the
2 sun at wave lengths suitable for heat transfer, photosynthetic
3 use, or photovoltaic use.

4 (b) "Solar collector" means

5 (1) An assembly, structure, or design, including
6 passive elements, used for gathering, concentrating, or
7 absorbing direct and indirect solar energy, specially
8 designed for holding a substantial amount of useful
9 thermal energy and to transfer that energy to a gas,
10 solid, or liquid or to use that energy directly; or

11 (2) A mechanism that absorbs solar energy and converts
12 it into electricity; or

13 (3) A mechanism or process used for gathering solar
14 energy through wind or thermal gradients; or

15 (4) A component used to transfer thermal energy to a
16 gas, solid, or liquid, or to convert it into electricity.

17 (c) "Solar storage mechanism" means equipment or elements
18 (such as piping and transfer mechanisms, containers, heat
19 exchangers, or controls thereof, and gases, solids, liquids,
20 or combinations thereof) that are utilized for storing solar
21 energy, gathered by a solar collector, for subsequent use.

22 (d) "Solar energy system" means

23 (1) (A) A complete assembly, structure, or design of
24 solar collector, or a solar storage mechanism, which uses
25 solar energy for generating electricity that is primarily
26 consumed on the property on which the solar energy system

1 resides, or for heating or cooling gases, solids, liquids,
2 or other materials for the primary benefit of the property
3 on which the solar energy system resides;

4 (B) The design, materials, or elements of a system and
5 its maintenance, operation, and labor components, and the
6 necessary components, if any, of supplemental conventional
7 energy systems designed or constructed to interface with a
8 solar energy system; ~~and~~

9 (C) Any legal, financial, or institutional orders,
10 certificates, or mechanisms, including easements, leases,
11 and agreements, required to ensure continued access to
12 solar energy, its source, or its use in a solar energy
13 system, and including monitoring and educational elements
14 of a demonstration project; ~~or-~~

15 (D) Photovoltaic electricity generation systems
16 subject to power purchase agreements or leases for solar
17 energy between a third-party owner, an operator, or both,
18 and an end user of electricity, where such systems are
19 located on the end user of electricity's side of the
20 electric meter and which primarily are used to offset the
21 electricity load of the end user behind whose electric
22 meter the system is connected. A system primarily is used
23 to offset the electricity load of the end user of
24 electricity if the system is estimated to produce 110% or
25 fewer kilowatt-hours of electricity than consumed by the
26 end user of electricity at such meter in the last 12 full

1 months prior to the system being placed in service.

2 (2) "Solar energy system" does not include:

3 (A) Distribution equipment that is equally usable
4 in a conventional energy system except for those
5 components of the equipment that are necessary for
6 meeting the requirements of efficient solar energy
7 utilization;

8 (B) Components of a solar energy system that serve
9 structural, insulating, protective, shading,
10 aesthetic, or other non-solar energy utilization
11 purposes, as defined in the regulations of the
12 Department of Commerce and Economic Opportunity; or
13 ~~and~~

14 (C) A commercial solar energy system, as defined
15 by this Code, in counties with fewer than 3,000,000
16 inhabitants.

17 (3) The solar energy system shall conform to the
18 standards for those systems established by regulation of
19 the Department of Commerce and Economic Opportunity.

20 (Source: P.A. 100-781, eff. 8-10-18.)

21 (35 ILCS 200/10-610)

22 Sec. 10-610. Applicability.

23 (a) The provisions of this Division apply for assessment
24 years 2007 through 2035 ~~2021~~.

25 (b) The provisions of this Division do not apply to wind

1 energy devices that are owned by any person or entity that is
2 otherwise exempt from taxation under the Property Tax Code.

3 (Source: P.A. 99-825, eff. 8-16-16.)

4 Section 90-40. The Gas Revenue Tax Act is amended by
5 changing Section 2 as follows:

6 (35 ILCS 615/2) (from Ch. 120, par. 467.17)

7 Sec. 2. (a) A tax is imposed upon persons engaged in the
8 business of distributing, supplying, furnishing or selling gas
9 to persons for use or consumption and not for resale at the
10 rate of 2.4 cents per therm of all gas which is so distributed,
11 supplied, furnished, sold or transported to or for each
12 customer in the course of such business, or 5% of the gross
13 receipts received from each customer from such business,
14 whichever is the lower rate as applied to each customer for
15 that customer's billing period, provided that any change in
16 rate imposed by this amendatory Act of 1985 shall become
17 effective only with bills having a meter reading date on or
18 after January 1, 1986. However, such taxes are not imposed
19 with respect to any business in interstate commerce, or
20 otherwise to the extent to which such business may not, under
21 the Constitution and statutes of the United States, be made
22 the subject of taxation by this State.

23 (b) The General Assembly finds it is reasonable to reduce
24 the rate of tax on gas purchased for use in the manufacturing

1 process because such reduction has the potential to create and
2 preserve well-paid jobs in the State. The tax imposed under
3 subsection (a) of this Section applies to gas used by any
4 eligible business enterprise at a rate of 2.4 cents per therm
5 or 2.5% of the purchase price for the billing period,
6 whichever is the lower rate. For purposes of this Section,
7 "eligible business enterprise" means any business enterprise
8 with one of the following Standard Industrial Classifications,
9 as designated in the Standard Industrial Classification Manual
10 prepared by the federal Office of Management and Budget: 10;
11 12; 13; 14; 21; 22; 23; 24; 25; 26; 27; 28; 29; 30; 31; 32; 33;
12 34; 35; 36; 37; 38; or 39.

13 (c) Nothing in this amendatory Act of 1985 shall impose a
14 tax with respect to any transaction with respect to which no
15 tax was imposed immediately preceding the effective date of
16 this amendatory Act of 1985.

17 (d) Beginning with bills issued to customers on and after
18 October 1, 2003, no tax shall be imposed under this Act on
19 transactions with customers who incur a tax liability under
20 the Gas Use Tax Law.

21 (Source: P.A. 93-31, eff. 10-1-03.)

22 Section 90-41. The Electricity Excise Tax Law is amended
23 by changing Sections 2-2 and 2-4 as follows:

24 (35 ILCS 640/2-2)

1 Sec. 2-2. Findings and intent.

2 (a) The General Assembly finds that the deregulation and
3 restructuring of the electric utility industry in this State
4 mandated and implemented by this amendatory Act of 1997,
5 including the unbundling of services and the authorization of
6 competition in the provision of those services such that
7 consumers may in the future transact with multiple providers
8 to obtain the services that were formerly provided by a single
9 franchised monopoly supplier of electricity, renders the
10 system of taxation embodied in the Public Utilities Revenue
11 Act impracticable and infeasible. The General Assembly further
12 finds that the deregulation and restructuring of the electric
13 utility industry necessitate changes to the existing system of
14 taxation in order to preserve revenue neutrality in tax
15 collections for the State of Illinois, to avoid placing any
16 supplier engaged in the business of distributing, supplying,
17 furnishing, selling, transmitting or delivering electricity at
18 a competitive disadvantage, to minimize additional
19 administrative costs and burdens of collection, and to avoid
20 the imposition of increased tax burdens on individual
21 consumers of electricity, particularly residential electric
22 users virtually all of whom, pursuant to Section 2 of the
23 Public Utilities Revenue Act, presently bear the economic
24 burden of the tax imposed thereunder at the rate of .32 cents
25 per kilowatt-hour distributed, supplied, furnished, sold,
26 transmitted or delivered to them. The General Assembly further

1 finds that to change the current rates at which
2 non-residential users bear the economic burden of the Public
3 Utilities Revenue Tax, thereby resulting in increases in the
4 amount of tax for which non-residential users bear the
5 economic burden, could impose additional cost burdens on
6 businesses in this State and adversely affect economic
7 development and business retention in Illinois unless such
8 users are provided options for paying an excise tax on the
9 basis of purchase price. The General Assembly therefore finds
10 that there is a compelling public need to modify the system of
11 taxation embodied in the Public Utilities Revenue Act by
12 repealing the tax imposed by Section 2 of that Act and imposing
13 this electricity excise tax so as to:

14 (1) Impose the electricity excise tax on the privilege
15 of electric use measured by the kilowatt-hours delivered
16 to the purchaser;

17 (2) As part of this amendatory Act of 1997, repeal the
18 tax imposed by Section 2-202 of the Public Utilities Act
19 as applicable to electric utilities and establish the
20 rates of tax imposed under the electricity excise tax in
21 order to collect substantially the same amount of revenue
22 as was collected under Section 2-202 of that Act; and

23 (3) Allow non-residential consumers of electricity to
24 elect to register with the Department of Revenue as
25 self-assessing purchasers and to pay the electricity
26 excise tax directly to the Department at a rate which is

1 established as a percentage of such consumer's purchase
2 price for electricity distributed, supplied, furnished,
3 sold, transmitted or delivered to the purchaser.

4 (b) The General Assembly further finds that it is
5 reasonable to reduce the rate of tax on electricity purchased
6 for use in the manufacturing process because such reduction
7 has the potential to create and preserve well-paid jobs in the
8 State.

9 (Source: P.A. 90-561, eff. 8-1-98.)

10 (35 ILCS 640/2-4)

11 Sec. 2-4. Tax imposed.

12 (a) Except as provided in subsection (b), a tax is imposed
13 on the privilege of using in this State electricity purchased
14 for use or consumption and not for resale, other than by
15 municipal corporations owning and operating a local
16 transportation system for public service, at the following
17 rates per kilowatt-hour delivered to the purchaser:

18 (i) For the first 2000 kilowatt-hours used or consumed
19 in a month: 0.330 cents per kilowatt-hour;

20 (ii) For the next 48,000 kilowatt-hours used or
21 consumed in a month: 0.319 cents per kilowatt-hour;

22 (iii) For the next 50,000 kilowatt-hours used or
23 consumed in a month: 0.303 cents per kilowatt-hour;

24 (iv) For the next 400,000 kilowatt-hours used or
25 consumed in a month: 0.297 cents per kilowatt-hour;

1 (v) For the next 500,000 kilowatt-hours used or
2 consumed in a month: 0.286 cents per kilowatt-hour;

3 (vi) For the next 2,000,000 kilowatt-hours used or
4 consumed in a month: 0.270 cents per kilowatt-hour;

5 (vii) For the next 2,000,000 kilowatt-hours used or
6 consumed in a month: 0.254 cents per kilowatt-hour;

7 (viii) For the next 5,000,000 kilowatt-hours used or
8 consumed in a month: 0.233 cents per kilowatt-hour;

9 (ix) For the next 10,000,000 kilowatt-hours used or
10 consumed in a month: 0.207 cents per kilowatt-hour;

11 (x) For all electricity in excess of 20,000,000
12 kilowatt-hours used or consumed in a month: 0.202 cents
13 per kilowatt-hour.

14 Provided, that in lieu of the foregoing rates, the tax is
15 imposed on a self-assessing purchaser that is not an eligible
16 business enterprise at the rate of 5.1% of the self-assessing
17 purchaser's purchase price for all electricity distributed,
18 supplied, furnished, sold, transmitted and delivered to the
19 self-assessing purchaser in a month. The tax is imposed on a
20 self-assessing purchaser that is an eligible business
21 enterprise at the rate of 2.55% of the self-assessing
22 purchaser's price for all electricity distributed, supplied,
23 furnished, sold, transmitted, and delivered to the
24 self-assessing purchaser in a month. For purposes of this
25 Section, "eligible business enterprise" means any business
26 enterprise with one of the following Standard Industrial

1 Classifications, as designated in the Standard Industrial
2 Classification Manual prepared by the federal Office of
3 Management and Budget: 10; 12; 13; 14; 21; 22; 23; 24; 25; 26;
4 27; 28; 29; 30; 31; 32; 33; 34; 35; 36; 37; 38; or 39.

5 (b) A tax is imposed on the privilege of using in this
6 State electricity purchased from a municipal system or
7 electric cooperative, as defined in Article XVII of the Public
8 Utilities Act, which has not made an election as permitted by
9 either Section 17-200 or Section 17-300 of such Act, at the
10 lesser of 0.32 cents per kilowatt hour of all electricity
11 distributed, supplied, furnished, sold, transmitted, and
12 delivered by such municipal system or electric cooperative to
13 the purchaser or 5% of each such purchaser's purchase price
14 for all electricity distributed, supplied, furnished, sold,
15 transmitted, and delivered by such municipal system or
16 electric cooperative to the purchaser, whichever is the lower
17 rate as applied to each purchaser in each billing period.

18 (c) The tax imposed by this Section 2-4 is not imposed with
19 respect to any use of electricity by business enterprises
20 certified under Section 9-222.1 or 9-222.1A of the Public
21 Utilities Act, as amended, to the extent of such exemption and
22 during the time specified by the Department of Commerce and
23 Economic Opportunity; or with respect to any transaction in
24 interstate commerce, or otherwise, to the extent to which such
25 transaction may not, under the Constitution and statutes of
26 the United States, be made the subject of taxation by this

1 State.

2 (Source: P.A. 94-793, eff. 5-19-06.)

3 Section 90-43. The School Code is amended by changing
4 Section 10-22.11 as follows:

5 (105 ILCS 5/10-22.11) (from Ch. 122, par. 10-22.11)

6 Sec. 10-22.11. Lease of school property.

7 (a) To lease school property to another school district,
8 municipality or body politic and corporate for a term of not to
9 exceed 25 years, except as otherwise provided in this Section,
10 and upon such terms and conditions as may be agreed if in the
11 opinion of the school board use of such property will not be
12 needed by the district during the term of such lease;
13 provided, the school board shall not make or renew any lease
14 for a term longer than 10 years, nor alter the terms of any
15 lease whose unexpired term may exceed 10 years without the
16 vote of 2/3 of the full membership of the board.

17 (b) Whenever the school board considers such action
18 advisable and in the best interests of the school district, to
19 lease vacant school property for a period not exceeding 51
20 years to a private not for profit school organization for use
21 in the care of persons with a mental disability who are
22 trainable and educable in the district or in the education of
23 the gifted children in the district. Before leasing such
24 property to a private not for profit school organization, the

1 school board must adopt a resolution for the leasing of such
 2 property, fixing the period and price therefor, and order
 3 submitted to referendum at an election to be held in the
 4 district as provided in the general election law, the question
 5 of whether the lease should be entered into. Thereupon, the
 6 secretary shall certify to the proper election authorities the
 7 proposition for submission in accordance with the general
 8 election law. If the majority of the voters voting upon the
 9 proposition vote in favor of the leasing, the school board may
 10 proceed with the leasing. The proposition shall be in
 11 substantially the following form:

12 -----
 13 Shall School District No. of
 14 County, Illinois lease to YES
 15 (here name and identify the
 16 lessee) the following described vacant -----
 17 school property (here describe the
 18 property) for a term of years NO
 19 for the sum of Dollars?
 20 -----

21 This paragraph (b) shall not be construed in such a manner
 22 as to relieve the responsibility of the Board of Education as
 23 set out in Article 14 of the School Code.

24 (c) To lease school buildings and land to suitable lessees
 25 for educational purposes or for any other purpose which serves
 26 the interests of the community, for a term not to exceed 25

1 years and upon such terms and conditions as may be agreed upon
2 by the parties, when such buildings and land are declared by
3 the board to be unnecessary or unsuitable or inconvenient for
4 a school or the uses of the district during the term of the
5 lease and when, in the opinion of the board, the best interests
6 of the residents of the school district will be enhanced by
7 entering into such a lease. Such leases shall include
8 provisions for adequate insurance for both liability and
9 property damage or loss, and reasonable charges for
10 maintenance and depreciation of such buildings and land.

11 (d) Notwithstanding any other provision to the contrary, a
12 lease for vacant school property may exceed 25 years for
13 renewable energy resources, as defined in Section 1-10 of the
14 Illinois Power Agency Act.

15 (Source: P.A. 99-143, eff. 7-27-15.)

16 Section 90-45. The University of Illinois Act is amended
17 by adding Section 120 as follows:

18 (110 ILCS 305/120 new)

19 Sec. 120. Carbon capture, utilization, and storage report.

20 (a) Subject to appropriation, the Prairie Research
21 Institute at the University of Illinois at Urbana-Champaign,
22 in consultation with an intergovernmental advisory committee,
23 must file a report on the potential for carbon capture,
24 utilization, and storage as a climate mitigation technology

1 throughout Illinois with the Governor and the General Assembly
2 no later than December 31, 2022. The report shall provide an
3 assessment of Illinois subsurface storage resources, a
4 description of existing and selected subsurface storage
5 projects, and best practices for carbon storage. Additionally,
6 the report shall provide recommendations for policy and
7 regulatory needs at the State level based on its findings, and
8 shall, at a minimum, address all the following areas:

9 (1) carbon capture, utilization, and storage current
10 status and future storage resource potential in the State.
11 Enhanced Oil Recovery shall remain outside the scope of
12 this study;

13 (2) procedures, standards, and safeguards for the
14 storage of carbon dioxide;

15 (3) permitting processes and the coordination with
16 applicable federal law or regulatory commissions,
17 including the Class VI injection well permitting process;

18 (4) economic impact, job creation, and job retention
19 from carbon capture, utilization, and storage that both
20 protects the environment and supports short-term and
21 long-term economic growth;

22 (5) development of knowledge capacity of appropriate
23 State agencies and stakeholders;

24 (6) environmental justice and stakeholder issues
25 related to carbon capture, utilization, and storage
26 throughout the State;

1 (7) leveraging federal policies and public-private
2 partnerships for research, design, and development to
3 benefit the State;

4 (8) liability for the storage and monitoring
5 maintenance of the carbon dioxide after the completion of
6 a carbon capture, utilization, and storage project;

7 (9) acquisition, ownership, and amalgamation of pore
8 space for carbon capture, utilization, and storage;

9 (10) methodologies to establish any necessary fees,
10 costs, or offsets; and

11 (11) any risks to health, safety, the environment, and
12 property uses or values.

13 (b) In developing the report under this Section, the
14 Prairie Research Institute shall form an advisory committee,
15 which shall be composed of all the following members:

16 (1) the Director of the Environmental Protection
17 Agency, or his or her designee;

18 (2) the Director of Natural Resources, or his or her
19 designee;

20 (3) the Director of Commerce and Economic Opportunity,
21 or his or her designee;

22 (4) the Director of the Illinois Emergency Management
23 Agency, or his or her designee;

24 (5) the Director of Agriculture, or his or her
25 designee;

26 (6) the Attorney General, or his or her designee;

1 (7) one member of the Senate, appointed by the
2 President of the Senate;

3 (8) one member of the House of Representatives,
4 appointed by the Speaker of the House of Representatives;

5 (9) one member of the Senate, appointed by the
6 Minority Leader of the Senate; and

7 (10) one member of the House of Representatives,
8 appointed by the Minority Leader of the House of
9 Representatives.

10 (c) No later than 60 days after the effective date of this
11 amendatory Act of the 102nd General Assembly, the advisory
12 committee shall hold its first meeting at the call of the
13 Executive Director of the Prairie Research Institute, at which
14 meeting the members shall select a chairperson from among
15 themselves. After its first meeting, the committee shall meet
16 at the call of the chairperson. Members of the committee shall
17 serve without compensation. The Prairie Research Committee
18 shall provide administrative support to the committee.

19 (d) The Prairie Research Institute shall also engage with
20 interested stakeholders throughout the State to gain insights
21 into socio-economic perspectives from environmental justice
22 organizations, environmental non-governmental organizations,
23 industry, landowners, farm bureaus, manufacturing, labor
24 unions, and others.

25 (e) This Section is repealed on January 1, 2023.

1 Section 90-50. The Public Utilities Act is amended by
2 changing Sections 5-117, 8-103B, 8-406, 9-241, 16-107.5,
3 16-107.6, 16-108, 16-111.5, and 16-127 and by adding Sections
4 4-604, 4-604.5, 4-605, 8-201.8, 8-201.10, 8-218, 8-402.2,
5 8-512, 9-228, 9-229, 16-105.5, 16-105.6, 16-105.7, 16-105.10,
6 16-105.17, 16-108.18, 16-108.19, 16-108.20, 16-108.21,
7 16-108.25, 16-108.30, 16-111.10, 16-135, and 17-900 as
8 follows:

9 (220 ILCS 5/4-604 new)

10 Sec. 4-604. Electric and gas public utilities ethical
11 conduct and transparency.

12 (a) It is the policy of this State that, as regulated,
13 monopoly entities providing essential services, public
14 utilities must adhere to the highest standards of ethical
15 conduct. It is in the public interest to ensure ethical public
16 utility conduct of the highest standards. It is therefore
17 necessary for the public interest, safety, and welfare of the
18 State and of public utility customers to develop rigorous
19 ethical standards and scrutinize and limit public utility
20 actions, expenditures, and contracting. It is also necessary
21 to provide increased transparency to ensure ethical public
22 utility conduct.

23 (b) The standards set forth in this Section and the
24 Illinois Administrative Code rules implementing this Section
25 shall apply, to the extent practicable, to electric and gas

1 public utilities and their holding or parent companies,
2 affiliates, and service companies.

3 (c) Public Utility Ethics and Compliance Monitor. To
4 ensure that public utilities meet the highest level of ethical
5 standards, including, but not limited to, those standards
6 established in this Section, the Commission shall, within 60
7 days after the effective date of this amendatory Act of the
8 102nd General Assembly, establish an Ethics and Accountability
9 Division at the Commission and shall create a new position of
10 Public Utility Ethics and Compliance Monitor who reports to
11 the Executive Director of the Commission. The role of the
12 Public Utility Ethics and Compliance Monitor shall be to
13 oversee electric and gas public utilities' compliance with the
14 standards established in this Section, the Illinois
15 Administrative Code, and any other regulatory or statutory
16 obligation regarding standards of ethical conduct. The
17 responsibilities of the Public Utility Ethics and Compliance
18 Monitor shall include:

19 (1) Hiring additional staff for the Ethics and
20 Accountability Division, as deemed necessary to fulfill
21 the duties imposed under this Section.

22 (2) Overseeing each public utility's Chief Compliance
23 and Ethics Officer's monitoring, auditing, investigation,
24 enforcement, reporting, disciplinary activities, and any
25 other actions required of the Chief Compliance and Ethics
26 Officer pursuant to subsection (d) of this Section. If the

1 Public Utility Ethics and Compliance Monitor finds a
2 public utility has not complied with the standards set
3 forth in this Section, or with administrative rules
4 implementing this Section, the Public Utility Ethics and
5 Compliance Monitor shall detail such deficiencies in a
6 report to the Commission and shall include a
7 recommendation for Commission action.

8 (3) Documenting violations of the standards in this
9 Section or in related Sections of the Illinois
10 Administrative Code and, in coordination with the
11 utility's Chief Compliance and Ethics Officer, ensuring
12 each public utility administers appropriate internal
13 disciplinary actions and provides transparent reporting to
14 the Commission. If there are violations of the standards
15 in this Section or in related Sections of the Illinois
16 Administrative Code where the public utility does not take
17 disciplinary action or where that action is not aligned
18 with the recommendation of the Public Utility Ethics and
19 Compliance Monitor, the Public Utility Ethics and
20 Compliance Monitor shall, within 30 days, report the
21 violation, the recommended disciplinary action, and the
22 public utility's actual disciplinary action, to the
23 Executive Director of the Commission. Such reports shall
24 be included in the annual ethics report required by
25 paragraph (5) of this subsection (c) and must describe the
26 violation and related recommendations.

1 (4) Reviewing and keeping informed regarding internal
2 controls, code of ethical conduct, practices, procedures,
3 and conduct of each public utility. The Public Utilities
4 Ethics and Compliance Monitor may recommend any new
5 internal controls, policies, practices or procedures the
6 public utility should undertake in order to ensure
7 compliance with this Section and with relevant Sections of
8 the Illinois Administrative Code.

9 (5) Publishing an annual ethics audit for each
10 electric and gas public utility describing the public
11 utility's internal controls, policies, practices, and
12 procedures to comply with statutes, rules, court orders,
13 or other applicable authority. The report shall include a
14 record of any disciplinary actions taken related to
15 unethical conduct as well as any recommendations made by
16 the Public Utility Ethics and Compliance Monitor and the
17 public utility's response to each recommendation. This
18 report must be made public and the Commission may make
19 necessary redactions.

20 (6) Monitoring, auditing, and subpoenaing all records
21 necessary for the Public Utility Ethics and Compliance
22 Monitor to meet the responsibilities imposed under this
23 Section and related rules, including, but not limited to,
24 contracts with third party entities, accounting records,
25 communication with public officials or their staff,
26 lobbying activities, expenses on lobbyists and

1 consultants, legal expenses, and internal compliance
2 policies.

3 (d) (1) No later than 60 days after the effective date of
4 this amendatory Act of the 102nd General Assembly, each public
5 utility shall establish a position of Chief Ethics and
6 Compliance Officer if such position does not already exist
7 within the utility or at an affiliated company, provided that
8 if the position exists at an affiliated company such
9 individual may be designated to serve in this role for the
10 utility. The Chief Ethics and Compliance Officer shall be
11 responsible for ensuring that the public utility complies with
12 the highest standards of ethical conduct, including, but not
13 limited to, complying with the standards imposed under this
14 Section, those adopted pursuant to a rulemaking authorized by
15 this Section, and other applicable requirements of Illinois
16 law and rules.

17 (2) Each public utility's Chief Ethics and Compliance
18 Officer shall:

19 (A) oversee creation and implementation of a code of
20 ethical conduct for the public utility, applicable to all
21 directors, officers, employees, and lobbyists of the
22 public utility, as well as to all contractors,
23 consultants, agents, vendors, and business partners of the
24 public utility in connection with their activities with or
25 on behalf of the public utility;

26 (B) oversee training for public utility directors,

1 officers, and employees, as well as contractors,
2 consultants, lobbyists and political consultants, on the
3 public utility's code of ethical conduct, practices, and
4 procedures to advise agents, vendors, and business
5 partners of the public utility of the applicability of the
6 code of ethical conduct to their activities with or on
7 behalf of the public utility;

8 (C) oversee the ongoing monitoring of all contractors,
9 consultants, and vendors who are contracted for the
10 purpose of carrying out lobbying activities to ensure
11 their continued compliance with applicable ethical
12 standards;

13 (D) at least annually, oversee a review of the public
14 utility's internal controls, code of ethical conduct,
15 practices, and procedures to assess their continued
16 effectiveness to ensure the highest standards of ethical
17 conduct among the public utility's directors, officers,
18 employees, contractors, consultants, lobbyists, vendors,
19 agents and business partners; and

20 (E) maintain records of all conduct determined to be
21 in violation of Illinois law, rules, and regulations, and
22 the utility's response to that conduct, and make such
23 records available for inspection by the Public Utility
24 Ethics and Compliance Monitor.

25 (e) In addition to those standards established under this
26 Section, those adopted pursuant to a rulemaking authorized by

1 this Section, and other applicable requirements of Illinois
2 law and rules, each public utility Chief Ethics and Compliance
3 Officer shall oversee and ensure the development and
4 implementation of internal controls, policies, and procedures
5 to achieve the objectives set forth in paragraphs (1) through
6 (3) of this subsection. Such implementation shall begin no
7 later than 90 days after the effective date of this amendatory
8 Act of the 102nd General Assembly.

9 (1) The hiring of contractors, consultants and vendors
10 for the purpose of carrying out lobbying pursuant to the
11 Lobbyist Registration Act shall be reviewed and approved
12 by the Chief Ethics and Compliance Officer.

13 (2) No agreement between a public utility and a
14 contractor, consultant, or vendor engaged for the purpose
15 of carrying out lobbying pursuant to the Lobbyist
16 Registration Act shall permit that contractor, consultant,
17 or vendor to subcontract any portion of that work.

18 (3) Public utilities shall require contractors,
19 consultants, and vendors who are contracted for the
20 purpose of carrying out lobbying pursuant to the Lobbyist
21 Registration Act to provide detailed invoices and reports
22 describing activities taken and amounts billed for such
23 activities, including all persons involved and anything of
24 value requested or solicited or provided to public
25 officials or their staff, including hiring requests. No
26 such contractor, consultant, or vendor shall be paid

1 without having first submitted a detailed invoice or
2 report.

3 For purposes of this Section, "anything of value"
4 includes, but is not limited to, money, gifts,
5 entertainment, hiring referrals and recommendations to the
6 public utility, campaign contributions, vendor referrals,
7 and contributions to charitable organizations solicited by
8 or on behalf of the public official.

9 (f) Each public utility shall be required to submit an
10 annual ethics and compliance report to the Commission no later
11 than May 1 of each year, beginning May 1, 2022. The utility's
12 Chief Ethics and Compliance Officer shall oversee the
13 preparation and submission of the report and shall certify it.
14 Each report shall describe in detail the public utility's
15 internal controls, codes of ethical conduct, practices, and
16 procedures. The reporting implemented during the reporting
17 period to comply with the standards set forth in this Section,
18 rules adopted by the Commission, and other applicable
19 requirements of Illinois law and rules. Each report shall also
20 identify any material changes implemented to such internal
21 controls, code of ethical conduct, practices, and procedures
22 during the reporting period, as well as any material changes
23 implemented, or anticipated to be implemented, in the calendar
24 year in which the report is filed. Each report shall, for the
25 applicable reporting period include at least the following
26 information:

1 (1) a summary and description of the public utility's
2 system of financial and accounting procedures, internal
3 controls, and practices, including an explanation of how
4 this system is reasonably designed to ensure the
5 maintenance of fair and accurate books, records, and
6 accounts and to provide reasonable assurances that
7 transactions are recorded as necessary to permit
8 preparation of financial statements in conformity with
9 generally accepted accounting principles and Commission
10 requirements and to maintain accountability for assets;

11 (2) a summary and description of the public utility's
12 process for conducting an assessment of ethics and
13 compliance risks and a representation that an assessment
14 was conducted in accordance with those risks and shared
15 with the public utility's senior management and board of
16 directors;

17 (3) a summary of the public utility's implementation
18 of mechanisms, including, but not limited to, training
19 programs designed to ensure that its internal controls,
20 code of ethical conduct, practices, and procedures are
21 effectively communicated to all directors, officers,
22 employees, contractors, consultants, lobbyists, vendors,
23 agents, and business partners;

24 (4) a summary of the public utility's efforts to
25 ensure that its directors and senior management provide
26 strong, explicit, and visible support and commitment to

1 its corporate policy against violations of federal and
2 State law;

3 (5) a summary of the public utility's implementation
4 of mechanisms designed to effectively enforce its internal
5 controls, code of ethical conduct, practices, and
6 procedures, including appropriately providing incentives
7 for compliance, disciplining violators, and applying such
8 code, controls, policies, practices, and procedures
9 consistently and fairly regardless of the position held
10 by, or the importance of, the director, officer, or
11 employee; and

12 (6) a summary of the public utility's implementation
13 of procedures to ensure that, where misconduct is
14 discovered, reasonable steps are taken to remedy the harm
15 resulting from such misconduct, including disciplinary
16 action, logging the conduct and the utility's response as
17 required by item (E) of paragraph (2) of subsection (d) of
18 this Section and assessing and modifying as appropriate
19 the internal controls, code, policies, practices and
20 procedures necessary to ensure that the compliance program
21 is effective.

22 For purposes of this Section, "reporting period" means
23 the most recent 12-month calendar year period preceding
24 the applicable May 1 annual report filing date.

25 (g) Notwithstanding the provisions of this Section, the
26 Commission shall initiate a management audit pursuant to

1 Section 8-102 of this Act by the later of 18 months after the
2 effective date of this amendatory Act of the 102nd General
3 Assembly or 18 months after a conviction or a plea or agreement
4 of each public utility that, on or after January 1, 2020, has
5 been found guilty or entered a guilty plea regarding any
6 felony offense or has entered into a Deferred Prosecution
7 Agreement for a felony offense. Such audit shall address, at a
8 minimum, the topics identified in paragraphs (1) through (6)
9 of subsection (f).

10 (h) Each public utility that files a report pursuant to
11 subsection (f) must submit the specified filing fee at the
12 time the Chief Clerk of the Commission accepts the filing. The
13 filing fees applicable to each annual report are as follows:
14 \$15,000 for public utilities that serve fewer than 100,000
15 customers in the State; \$75,000 for public utilities that
16 serve at least 100,000 customers but not more than 500,000
17 customers in the State; \$200,000 for public utilities that
18 serve at least 500,000 customers in the State but not more than
19 3,000,000; and \$500,000 for public utilities that serve at
20 least 3,000,000 customers in the State.

21 (i) In the event the Public Utility Ethics and Compliance
22 Monitor finds a public utility does not comply with any
23 portion of this Section, or with the rules adopted under this
24 Section, the Public Utility Ethics and Compliance Monitor
25 shall issue a Report to the Commission detailing the public
26 utility's deficiencies. The Commission shall have authority to

1 open an investigation and shall order remediation and
2 penalties, including fines, as appropriate.

3 (j) Each year, each public utility in the State shall
4 remit amounts necessary for the Commission to pay the wages,
5 overhead, travel expenses, and other costs of the Public
6 Utility Ethics and Compliance Monitor. The public utility
7 shall remit payment to the Commission in an amount determined
8 by the Commission based on that public utility's proportional
9 share, by number of customers.

10 (k) A public utility's cost of compliance with this
11 Section is not a cost of service and shall not be recoverable
12 in rates.

13 (l) The costs of a public utility that arise from a
14 criminal investigation or result from an investigation
15 initiated by the Commission as the result of an ethics
16 violation are not costs of service and shall not be
17 recoverable in rates.

18 (m) The Commission shall have the authority to adopt rules
19 and emergency rules where applicable to implement this
20 Section.

21 (220 ILCS 5/4-604.5 new)

22 Sec. 4-604.5. Restitution for misconduct.

23 (a) It is the policy of this State that public utility
24 ethical and criminal misconduct shall not be tolerated. The
25 General Assembly finds it necessary to collect restitution, to

1 be distributed as described in subsection (e), from a public
2 utility that has been found guilty of violations of criminal
3 law or that has entered into a Deferred Prosecution Agreement
4 that details violations of criminal law that result in harm to
5 ratepayers.

6 (b) In light of such violations, the Illinois Commerce
7 Commission shall, within 150 days after the effective date of
8 this amendatory Act of the 102nd General Assembly, initiate an
9 investigation as to whether Commonwealth Edison collected,
10 spent, allocated, transferred, remitted, or caused in any
11 other way to be expended ratepayer funds in connection with
12 the conduct detailed in the Deferred Prosecution Agreement of
13 July 16, 2020 between the United States Attorney for the
14 Northern District of Illinois and Commonwealth Edison. The
15 investigation shall also determine whether any ratepayer funds
16 were used to pay the criminal penalty agreed to in the Deferred
17 Prosecution Agreement. The investigation shall determine
18 whether the public utility collected, spent, allocated,
19 transferred, remitted, or caused in any other way to be
20 expended ratepayer funds that were not lawfully recoverable
21 through rates, and which should accordingly be refunded to
22 ratepayers and calculate such benefits to initiate a refund to
23 ratepayers as a result of such conduct. The investigation
24 shall conclude no later than 330 days following initiation and
25 shall be conducted as a contested case, as defined in Section
26 1-30 of the Illinois Administrative Procedure Act.

1 (c) If regulated entities are found guilty of criminal
2 conduct, the Commission may initiate an investigation, impose
3 penalties, order restitution and such other remedies it deems
4 necessary, and initiate refunds to ratepayers as described in
5 subsection (b). Such investigation and proceeding may commence
6 within 150 days of a finding of guilt. Any funds collected
7 pursuant to this subsection shall be distributed as described
8 in subsection (e). The Commission may order any other remedies
9 it deems necessary.

10 (d) Pursuant to subsection (e), the investigation shall
11 calculate a schedule for remittance to State funds and to
12 ratepayers, over a period of no more than 4 years, to be paid
13 by the public utility from profits, returns, or shareholder
14 dollars. No costs related to the investigation or contested
15 proceeding authorized by this Section, restitution, or refunds
16 may be recoverable through rates.

17 (e) Funds collected pursuant to this Section, for the
18 purposes of restitution, shall be repaid by the public utility
19 as a per therm or per-kilowatt-hour credit to the public
20 utility's ratepayers as a separate line item on the utility
21 bill.

22 (f) No public utility may use ratepayer funds to pay a
23 criminal penalty imposed by any local, State, or federal law
24 enforcement entity or court.

25 (g) Any penalties, restitution, refunds, or remedies
26 provided for in this Section are in addition to and not a

1 substitution for other remedies that may be provided for by
2 law.

3 (220 ILCS 5/4-605 new)

4 Sec. 4-605. Reliability mitigation plan findings. The
5 General Assembly finds that reducing carbon dioxide and
6 copollutant emissions in a manner that does not threaten
7 electric reliability and resource adequacy is essential to the
8 health and safety of all Illinois citizens. Therefore, the
9 Commission shall review reliability mitigation plans filed
10 pursuant to Section 9.15 of the Environmental Protection Act
11 to ensure adequate, reliable, affordable, efficient, and
12 environmentally sustainable electric service is available to
13 ratepayers by approving reliability mitigation plans that
14 permit the Illinois Pollution Control Board to enforce
15 emission reductions in a manner that preserves reliability and
16 resource adequacy in wholesale and retail electricity markets.

17 (220 ILCS 5/5-117)

18 Sec. 5-117. Supplier diversity goals.

19 (a) The public policy of this State is to collaboratively
20 work with companies that serve Illinois residents to improve
21 their supplier diversity in a non-antagonistic manner.

22 (b) The Commission shall require all gas, electric, and
23 water companies with at least 100,000 customers under its
24 authority, as well as suppliers of wind energy, solar energy,

1 hydroelectricity, nuclear energy, and any other supplier of
2 energy within this State other than wind energy and solar
3 energy required to comply with the reporting requirements
4 under Section 1505-215 of the Department of Labor Law of the
5 Civil Administrative Code of Illinois, to submit an annual
6 report by April 15, 2015 and every April 15 thereafter, in a
7 searchable Adobe PDF format, on all procurement goals and
8 actual spending for female-owned, minority-owned,
9 veteran-owned, and small business enterprises in the previous
10 calendar year. These goals shall be expressed as a percentage
11 of the total work performed by the entity submitting the
12 report, and the actual spending for all female-owned,
13 minority-owned, veteran-owned, and small business enterprises
14 shall also be expressed as a percentage of the total work
15 performed by the entity submitting the report.

16 (c) Each participating company in its annual report shall
17 include the following information:

18 (1) an explanation of the plan for the next year to
19 increase participation;

20 (2) an explanation of the plan to increase the goals;

21 (3) the areas of procurement each company shall be
22 actively seeking more participation in ~~in~~ the next year;

23 (4) an outline of the plan to alert and encourage
24 potential vendors in that area to seek business from the
25 company;

26 (5) an explanation of the challenges faced in finding

1 quality vendors and offer any suggestions for what the
2 Commission could do to be helpful to identify those
3 vendors;

4 (6) a list of the certifications the company
5 recognizes;

6 (7) the point of contact for any potential vendor who
7 wishes to do business with the company and explain the
8 process for a vendor to enroll with the company as a
9 minority-owned, women-owned, or veteran-owned company; and

10 (8) any particular success stories to encourage other
11 companies to emulate best practices.

12 (d) Each annual report shall include as much
13 State-specific data as possible. If the submitting entity does
14 not submit State-specific data, then the company shall include
15 any national data it does have and explain why it could not
16 submit State-specific data and how it intends to do so in
17 future reports, if possible.

18 (e) Each annual report shall include the rules,
19 regulations, and definitions used for the procurement goals in
20 the company's annual report.

21 (f) The Commission and all participating entities shall
22 hold an annual workshop open to the public in 2015 and every
23 year thereafter on the state of supplier diversity to
24 collaboratively seek solutions to structural impediments to
25 achieving stated goals, including testimony from each
26 participating entity as well as subject matter experts and

1 advocates. The Commission shall publish a database on its
2 website of the point of contact for each participating entity
3 for supplier diversity, along with a list of certifications
4 each company recognizes from the information submitted in each
5 annual report. The Commission shall publish each annual report
6 on its website and shall maintain each annual report for at
7 least 5 years.

8 (Source: P.A. 98-1056, eff. 8-26-14; 99-906, eff. 6-1-17;
9 revised 7-22-19.)

10 (220 ILCS 5/8-103B)

11 Sec. 8-103B. Energy efficiency and demand-response
12 measures.

13 (a) It is the policy of the State that electric utilities
14 are required to use cost-effective energy efficiency and
15 demand-response measures to reduce delivery load. Requiring
16 investment in cost-effective energy efficiency and
17 demand-response measures will reduce direct and indirect costs
18 to consumers by decreasing environmental impacts and by
19 avoiding or delaying the need for new generation,
20 transmission, and distribution infrastructure. It serves the
21 public interest to allow electric utilities to recover costs
22 for reasonably and prudently incurred expenditures for energy
23 efficiency and demand-response measures. As used in this
24 Section, "cost-effective" means that the measures satisfy the
25 total resource cost test. The low-income measures described in

1 subsection (c) of this Section shall not be required to meet
2 the total resource cost test. For purposes of this Section,
3 the terms "energy-efficiency", "demand-response", "electric
4 utility", and "total resource cost test" have the meanings set
5 forth in the Illinois Power Agency Act. "Black, indigenous,
6 and people of color" and "BIPOC" means people who are members
7 of the groups described in subparagraphs (a) through (e) of
8 paragraph (A) of subsection (1) of Section 2 of the Business
9 Enterprise for Minorities, Women, and Persons with
10 Disabilities Act.

11 (a-5) This Section applies to electric utilities serving
12 more than 500,000 retail customers in the State for those
13 multi-year plans commencing after December 31, 2017.

14 (b) For purposes of this Section, electric utilities
15 subject to this Section that serve more than 3,000,000 retail
16 customers in the State shall be deemed to have achieved a
17 cumulative persisting annual savings of 6.6% from energy
18 efficiency measures and programs implemented during the period
19 beginning January 1, 2012 and ending December 31, 2017, which
20 percent is based on the deemed average weather normalized
21 sales of electric power and energy during calendar years 2014,
22 2015, and 2016 of 88,000,000 MWhs. For the purposes of this
23 subsection (b) and subsection (b-5), the 88,000,000 MWhs of
24 deemed electric power and energy sales shall be reduced by the
25 number of MWhs equal to the sum of the annual consumption of
26 customers that have opted out of ~~are exempt from~~ subsections

1 (a) through (j) of this Section under paragraph (1) of
2 subsection (1) of this Section, as averaged across the
3 calendar years 2014, 2015, and 2016. After 2017, the deemed
4 value of cumulative persisting annual savings from energy
5 efficiency measures and programs implemented during the period
6 beginning January 1, 2012 and ending December 31, 2017, shall
7 be reduced each year, as follows, and the applicable value
8 shall be applied to and count toward the utility's achievement
9 of the cumulative persisting annual savings goals set forth in
10 subsection (b-5):

11 (1) 5.8% deemed cumulative persisting annual savings
12 for the year ending December 31, 2018;

13 (2) 5.2% deemed cumulative persisting annual savings
14 for the year ending December 31, 2019;

15 (3) 4.5% deemed cumulative persisting annual savings
16 for the year ending December 31, 2020;

17 (4) 4.0% deemed cumulative persisting annual savings
18 for the year ending December 31, 2021;

19 (5) 3.5% deemed cumulative persisting annual savings
20 for the year ending December 31, 2022;

21 (6) 3.1% deemed cumulative persisting annual savings
22 for the year ending December 31, 2023;

23 (7) 2.8% deemed cumulative persisting annual savings
24 for the year ending December 31, 2024;

25 (8) 2.5% deemed cumulative persisting annual savings
26 for the year ending December 31, 2025;

1 (9) 2.3% deemed cumulative persisting annual savings
2 for the year ending December 31, 2026;

3 (10) 2.1% deemed cumulative persisting annual savings
4 for the year ending December 31, 2027;

5 (11) 1.8% deemed cumulative persisting annual savings
6 for the year ending December 31, 2028;

7 (12) 1.7% deemed cumulative persisting annual savings
8 for the year ending December 31, 2029; ~~and~~

9 (13) 1.5% deemed cumulative persisting annual savings
10 for the year ending December 31, 2030;~~;~~

11 (14) 1.3% deemed cumulative persisting annual savings
12 for the year ending December 31, 2031;

13 (15) 1.1% deemed cumulative persisting annual savings
14 for the year ending December 31, 2032;

15 (16) 0.9% deemed cumulative persisting annual savings
16 for the year ending December 31, 2033;

17 (17) 0.7% deemed cumulative persisting annual savings
18 for the year ending December 31, 2034;

19 (18) 0.5% deemed cumulative persisting annual savings
20 for the year ending December 31, 2035;

21 (19) 0.4% deemed cumulative persisting annual savings
22 for the year ending December 31, 2036;

23 (20) 0.3% deemed cumulative persisting annual savings
24 for the year ending December 31, 2037;

25 (21) 0.2% deemed cumulative persisting annual savings
26 for the year ending December 31, 2038;

1 (22) 0.1% deemed cumulative persisting annual savings
2 for the year ending December 31, 2039; and

3 (23) 0.0% deemed cumulative persisting annual savings
4 for the year ending December 31, 2040 and all subsequent
5 years.

6 For purposes of this Section, "cumulative persisting
7 annual savings" means the total electric energy savings in a
8 given year from measures installed in that year or in previous
9 years, but no earlier than January 1, 2012, that are still
10 operational and providing savings in that year because the
11 measures have not yet reached the end of their useful lives.

12 (b-5) Beginning in 2018, electric utilities subject to
13 this Section that serve more than 3,000,000 retail customers
14 in the State shall achieve the following cumulative persisting
15 annual savings goals, as modified by subsection (f) of this
16 Section and as compared to the deemed baseline of 88,000,000
17 MWhs of electric power and energy sales set forth in
18 subsection (b), as reduced by the number of MWhs equal to the
19 sum of the annual consumption of customers that have opted out
20 of ~~are exempt from~~ subsections (a) through (j) of this Section
21 under paragraph (1) of subsection (l) of this Section as
22 averaged across the calendar years 2014, 2015, and 2016,
23 through the implementation of energy efficiency measures
24 during the applicable year and in prior years, but no earlier
25 than January 1, 2012:

26 (1) 7.8% cumulative persisting annual savings for the

1 year ending December 31, 2018;

2 (2) 9.1% cumulative persisting annual savings for the
3 year ending December 31, 2019;

4 (3) 10.4% cumulative persisting annual savings for the
5 year ending December 31, 2020;

6 (4) 11.8% cumulative persisting annual savings for the
7 year ending December 31, 2021;

8 (5) 13.1% cumulative persisting annual savings for the
9 year ending December 31, 2022;

10 (6) 14.4% cumulative persisting annual savings for the
11 year ending December 31, 2023;

12 (7) 15.7% cumulative persisting annual savings for the
13 year ending December 31, 2024;

14 (8) 17% cumulative persisting annual savings for the
15 year ending December 31, 2025;

16 (9) 17.9% cumulative persisting annual savings for the
17 year ending December 31, 2026;

18 (10) 18.8% cumulative persisting annual savings for
19 the year ending December 31, 2027;

20 (11) 19.7% cumulative persisting annual savings for
21 the year ending December 31, 2028;

22 (12) 20.6% cumulative persisting annual savings for
23 the year ending December 31, 2029; and

24 (13) 21.5% cumulative persisting annual savings for
25 the year ending December 31, 2030.

26 No later than December 31, 2021, the Illinois Commerce

1 Commission shall establish additional cumulative persisting
2 annual savings goals for the years 2031 through 2035. No later
3 than December 31, 2024, the Illinois Commerce Commission shall
4 establish additional cumulative persisting annual savings
5 goals for the years 2036 through 2040. The Commission shall
6 also establish additional cumulative persisting annual savings
7 goals every 5 years thereafter to ensure that utilities always
8 have goals that extend at least 11 years into the future. The
9 cumulative persisting annual savings goals beyond the year
10 2030 shall increase by 0.9 percentage points per year, absent
11 a Commission decision to initiate a proceeding to consider
12 establishing goals that increase by more or less than that
13 amount. Such a proceeding must be conducted in accordance with
14 the procedures described in subsection (f) of this Section. If
15 such a proceeding is initiated, the cumulative persisting
16 annual savings goals established by the Commission through
17 that proceeding shall reflect the Commission's best estimate
18 of the maximum amount of additional savings that are forecast
19 to be cost-effectively achievable unless such best estimates
20 would result in goals that represent less than 0.5 percentage
21 point annual increases in total cumulative persisting annual
22 savings. The Commission may only establish goals that
23 represent less than 0.5 percentage point annual increases in
24 cumulative persisting annual savings if it can demonstrate,
25 based on clear and convincing evidence and through independent
26 analysis, that 0.5 percentage point increases are not

1 cost-effectively achievable. The Commission shall inform its
2 decision based on an energy efficiency potential study that
3 conforms to the requirements of this Section.

4 (b-10) For purposes of this Section, electric utilities
5 subject to this Section that serve less than 3,000,000 retail
6 customers but more than 500,000 retail customers in the State
7 shall be deemed to have achieved a cumulative persisting
8 annual savings of 6.6% from energy efficiency measures and
9 programs implemented during the period beginning January 1,
10 2012 and ending December 31, 2017, which is based on the deemed
11 average weather normalized sales of electric power and energy
12 during calendar years 2014, 2015, and 2016 of 36,900,000 MWhs.
13 For the purposes of this subsection (b-10) and subsection
14 (b-15), the 36,900,000 MWhs of deemed electric power and
15 energy sales shall be reduced by the number of MWhs equal to
16 the sum of the annual consumption of customers that have opted
17 out of ~~are exempt from~~ subsections (a) through (j) of this
18 Section under paragraph (1) of subsection (l) of this Section,
19 as averaged across the calendar years 2014, 2015, and 2016.
20 After 2017, the deemed value of cumulative persisting annual
21 savings from energy efficiency measures and programs
22 implemented during the period beginning January 1, 2012 and
23 ending December 31, 2017, shall be reduced each year, as
24 follows, and the applicable value shall be applied to and
25 count toward the utility's achievement of the cumulative
26 persisting annual savings goals set forth in subsection

1 (b-15) :

2 (1) 5.8% deemed cumulative persisting annual savings
3 for the year ending December 31, 2018;

4 (2) 5.2% deemed cumulative persisting annual savings
5 for the year ending December 31, 2019;

6 (3) 4.5% deemed cumulative persisting annual savings
7 for the year ending December 31, 2020;

8 (4) 4.0% deemed cumulative persisting annual savings
9 for the year ending December 31, 2021;

10 (5) 3.5% deemed cumulative persisting annual savings
11 for the year ending December 31, 2022;

12 (6) 3.1% deemed cumulative persisting annual savings
13 for the year ending December 31, 2023;

14 (7) 2.8% deemed cumulative persisting annual savings
15 for the year ending December 31, 2024;

16 (8) 2.5% deemed cumulative persisting annual savings
17 for the year ending December 31, 2025;

18 (9) 2.3% deemed cumulative persisting annual savings
19 for the year ending December 31, 2026;

20 (10) 2.1% deemed cumulative persisting annual savings
21 for the year ending December 31, 2027;

22 (11) 1.8% deemed cumulative persisting annual savings
23 for the year ending December 31, 2028;

24 (12) 1.7% deemed cumulative persisting annual savings
25 for the year ending December 31, 2029; ~~and~~

26 (13) 1.5% deemed cumulative persisting annual savings

1 for the year ending December 31, 2030;~~;~~

2 (14) 1.3% deemed cumulative persisting annual savings
3 for the year ending December 31, 2031;

4 (15) 1.1% deemed cumulative persisting annual savings
5 for the year ending December 31, 2032;

6 (16) 0.9% deemed cumulative persisting annual savings
7 for the year ending December 31, 2033;

8 (17) 0.7% deemed cumulative persisting annual savings
9 for the year ending December 31, 2034;

10 (18) 0.5% deemed cumulative persisting annual savings
11 for the year ending December 31, 2035;

12 (19) 0.4% deemed cumulative persisting annual savings
13 for the year ending December 31, 2036;

14 (20) 0.3% deemed cumulative persisting annual savings
15 for the year ending December 31, 2037;

16 (21) 0.2% deemed cumulative persisting annual savings
17 for the year ending December 31, 2038;

18 (22) 0.1% deemed cumulative persisting annual savings
19 for the year ending December 31, 2039; and

20 (23) 0.0% deemed cumulative persisting annual savings
21 for the year ending December 31, 2040 and all subsequent
22 years.

23 (b-15) Beginning in 2018, electric utilities subject to
24 this Section that serve less than 3,000,000 retail customers
25 but more than 500,000 retail customers in the State shall
26 achieve the following cumulative persisting annual savings

1 goals, as modified by subsection (b-20) and subsection (f) of
2 this Section and as compared to the deemed baseline as reduced
3 by the number of MWhs equal to the sum of the annual
4 consumption of customers that have opted out of ~~are exempt~~
5 ~~from~~ subsections (a) through (j) of this Section under
6 paragraph (1) of subsection (1) of this Section as averaged
7 across the calendar years 2014, 2015, and 2016, through the
8 implementation of energy efficiency measures during the
9 applicable year and in prior years, but no earlier than
10 January 1, 2012:

11 (1) 7.4% cumulative persisting annual savings for the
12 year ending December 31, 2018;

13 (2) 8.2% cumulative persisting annual savings for the
14 year ending December 31, 2019;

15 (3) 9.0% cumulative persisting annual savings for the
16 year ending December 31, 2020;

17 (4) 9.8% cumulative persisting annual savings for the
18 year ending December 31, 2021;

19 (5) 10.6% cumulative persisting annual savings for the
20 year ending December 31, 2022;

21 (6) 11.4% cumulative persisting annual savings for the
22 year ending December 31, 2023;

23 (7) 12.2% cumulative persisting annual savings for the
24 year ending December 31, 2024;

25 (8) 13% cumulative persisting annual savings for the
26 year ending December 31, 2025;

1 (9) 13.6% cumulative persisting annual savings for the
2 year ending December 31, 2026;

3 (10) 14.2% cumulative persisting annual savings for
4 the year ending December 31, 2027;

5 (11) 14.8% cumulative persisting annual savings for
6 the year ending December 31, 2028;

7 (12) 15.4% cumulative persisting annual savings for
8 the year ending December 31, 2029; and

9 (13) 16% cumulative persisting annual savings for the
10 year ending December 31, 2030.

11 No later than December 31, 2021, the Illinois Commerce
12 Commission shall establish additional cumulative persisting
13 annual savings goals for the years 2031 through 2035. No later
14 than December 31, 2024, the Illinois Commerce Commission shall
15 establish additional cumulative persisting annual savings
16 goals for the years 2036 through 2040. The Commission shall
17 also establish additional cumulative persisting annual savings
18 goals every 5 years thereafter to ensure that utilities always
19 have goals that extend at least 11 years into the future. The
20 cumulative persisting annual savings goals beyond the year
21 2030 shall increase by 0.6 percentage points per year, absent
22 a Commission decision to initiate a proceeding to consider
23 establishing goals that increase by more or less than that
24 amount. Such a proceeding must be conducted in accordance with
25 the procedures described in subsection (f) of this Section. If
26 such a proceeding is initiated, the cumulative persisting

1 annual savings goals established by the Commission through
2 that proceeding shall reflect the Commission's best estimate
3 of the maximum amount of additional savings that are forecast
4 to be cost-effectively achievable unless such best estimates
5 would result in goals that represent less than 0.4 percentage
6 point annual increases in total cumulative persisting annual
7 savings. The Commission may only establish goals that
8 represent less than 0.4 percentage point annual increases in
9 cumulative persisting annual savings if it can demonstrate,
10 based on clear and convincing evidence and through independent
11 analysis, that 0.4 percentage point increases are not
12 cost-effectively achievable. The Commission shall inform its
13 decision based on an energy efficiency potential study that
14 conforms to the requirements of this Section.

15 ~~The difference between the cumulative persisting annual~~
16 ~~savings goal for the applicable calendar year and the~~
17 ~~cumulative persisting annual savings goal for the immediately~~
18 ~~preceding calendar year is 0.8% for the period of January 1,~~
19 ~~2018 through December 31, 2025 and 0.6% for the period of~~
20 ~~January 1, 2026 through December 31, 2030.~~

21 (b-20) Each electric utility subject to this Section may
22 include cost-effective voltage optimization measures in its
23 plans submitted under subsections (f) and (g) of this Section,
24 and the costs incurred by a utility to implement the measures
25 under a Commission-approved plan shall be recovered under the
26 provisions of Article IX or Section 16-108.5 of this Act. For

1 purposes of this Section, the measure life of voltage
2 optimization measures shall be 15 years. The measure life
3 period is independent of the depreciation rate of the voltage
4 optimization assets deployed. Utilities may claim savings from
5 voltage optimization on circuits for more than 15 years if
6 they can demonstrate that they have made additional
7 investments necessary to enable voltage optimization savings
8 to continue beyond 15 years. Such demonstrations must be
9 subject to the review of independent evaluation.

10 Within 270 days after June 1, 2017 (the effective date of
11 Public Act 99-906), an electric utility that serves less than
12 3,000,000 retail customers but more than 500,000 retail
13 customers in the State shall file a plan with the Commission
14 that identifies the cost-effective voltage optimization
15 investment the electric utility plans to undertake through
16 December 31, 2024. The Commission, after notice and hearing,
17 shall approve or approve with modification the plan within 120
18 days after the plan's filing and, in the order approving or
19 approving with modification the plan, the Commission shall
20 adjust the applicable cumulative persisting annual savings
21 goals set forth in subsection (b-15) to reflect any amount of
22 cost-effective energy savings approved by the Commission that
23 is greater than or less than the following cumulative
24 persisting annual savings values attributable to voltage
25 optimization for the applicable year:

26 (1) 0.0% of cumulative persisting annual savings for

1 the year ending December 31, 2018;

2 (2) 0.17% of cumulative persisting annual savings for
3 the year ending December 31, 2019;

4 (3) 0.17% of cumulative persisting annual savings for
5 the year ending December 31, 2020;

6 (4) 0.33% of cumulative persisting annual savings for
7 the year ending December 31, 2021;

8 (5) 0.5% of cumulative persisting annual savings for
9 the year ending December 31, 2022;

10 (6) 0.67% of cumulative persisting annual savings for
11 the year ending December 31, 2023;

12 (7) 0.83% of cumulative persisting annual savings for
13 the year ending December 31, 2024; and

14 (8) 1.0% of cumulative persisting annual savings for
15 the year ending December 31, 2025 and all subsequent
16 years.

17 (b-25) In the event an electric utility jointly offers an
18 energy efficiency measure or program with a gas utility under
19 plans approved under this Section and Section 8-104 of this
20 Act, the electric utility may continue offering the program,
21 including the gas energy efficiency measures, in the event the
22 gas utility discontinues funding the program. In that event,
23 the energy savings value associated with such other fuels
24 shall be converted to electric energy savings on an equivalent
25 Btu basis for the premises. However, the electric utility
26 shall prioritize programs for low-income residential customers

1 to the extent practicable. An electric utility may recover the
2 costs of offering the gas energy efficiency measures under
3 this subsection (b-25).

4 For those energy efficiency measures or programs that save
5 both electricity and other fuels but are not jointly offered
6 with a gas utility under plans approved under this Section and
7 Section 8-104 or not offered with an affiliated gas utility
8 under paragraph (6) of subsection (f) of Section 8-104 of this
9 Act, the electric utility may count savings of fuels other
10 than electricity toward the achievement of its annual savings
11 goal, and the energy savings value associated with such other
12 fuels shall be converted to electric energy savings on an
13 equivalent Btu basis at the premises.

14 In no event shall more than 10% of each year's applicable
15 annual total savings requirement ~~incremental goal~~ as defined
16 in paragraph (7.5) ~~(7)~~ of subsection (g) of this Section be met
17 through savings of fuels other than electricity.

18 (b-27) Beginning in 2022, an electric utility may offer
19 and promote measures that electrify space heating, water
20 heating, cooling, drying, cooking, industrial processes, and
21 other building and industrial end uses that would otherwise be
22 served by combustion of fossil fuel at the premises, provided
23 that the electrification measures reduce total energy
24 consumption at the premises. The electric utility may count
25 the reduction in energy consumption at the premises toward
26 achievement of its annual savings goals. The reduction in

1 energy consumption at the premises shall be calculated as the
2 difference between: (A) the reduction in Btu consumption of
3 fossil fuels as a result of electrification, converted to
4 kilowatt-hour equivalents by dividing by 3,412 Btu's per
5 kilowatt hour; and (B) the increase in kilowatt hours of
6 electricity consumption resulting from the displacement of
7 fossil fuel consumption as a result of electrification. An
8 electric utility may recover the costs of offering and
9 promoting electrification measures under this subsection
10 (b-27).

11 In no event shall electrification savings counted toward
12 each year's applicable annual total savings requirement, as
13 defined in paragraph (7.5) of subsection (g) of this Section,
14 be greater than:

15 (1) 5% per year for each year from 2022 through 2025;

16 (2) 10% per year for each year from 2026 through 2029;

17 and

18 (3) 15% per year for 2030 and all subsequent years.

19 In addition, a minimum of 25% of all electrification savings
20 counted toward a utility's applicable annual total savings
21 requirement must be from electrification of end uses in
22 low-income housing. The limitations on electrification savings
23 that may be counted toward a utility's annual savings goals
24 are separate from and in addition to the subsection (b-25)
25 limitations governing the counting of the other fuel savings
26 resulting from efficiency measures and programs.

1 As part of the annual informational filing to the
2 Commission that is required under paragraph (9) of subsection
3 (g) of this Section, each utility shall identify the specific
4 electrification measures offered under this subsection (b-27);
5 the quantity of each electrification measure that was
6 installed by its customers; the average total cost, average
7 utility cost, average reduction in fossil fuel consumption,
8 and average increase in electricity consumption associated
9 with each electrification measure; the portion of
10 installations of each electrification measure that were in
11 low-income single-family housing, low-income multifamily
12 housing, non-low-income single-family housing, non-low-income
13 multifamily housing, commercial buildings, and industrial
14 facilities; and the quantity of savings associated with each
15 measure category in each customer category that are being
16 counted toward the utility's applicable annual total savings
17 requirement. Prior to installing an electrification measure,
18 the utility shall provide a customer with an estimate of the
19 impact of the new measure on the customer's average monthly
20 electric bill and total annual energy expenses.

21 (c) Electric utilities shall be responsible for overseeing
22 the design, development, and filing of energy efficiency plans
23 with the Commission and may, as part of that implementation,
24 outsource various aspects of program development and
25 implementation. A minimum of 10%, for electric utilities that
26 serve more than 3,000,000 retail customers in the State, and a

1 minimum of 7%, for electric utilities that serve less than
2 3,000,000 retail customers but more than 500,000 retail
3 customers in the State, of the utility's entire portfolio
4 funding level for a given year shall be used to procure
5 cost-effective energy efficiency measures from units of local
6 government, municipal corporations, school districts, public
7 housing, and community college districts, provided that a
8 minimum percentage of available funds shall be used to procure
9 energy efficiency from public housing, which percentage shall
10 be equal to public housing's share of public building energy
11 consumption.

12 The utilities shall also implement energy efficiency
13 measures targeted at low-income households, which, for
14 purposes of this Section, shall be defined as households at or
15 below 80% of area median income, and expenditures to implement
16 the measures shall be no less than \$40,000,000 ~~\$25,000,000~~ per
17 year for electric utilities that serve more than 3,000,000
18 retail customers in the State and no less than \$13,000,000
19 ~~\$8,350,000~~ per year for electric utilities that serve less
20 than 3,000,000 retail customers but more than 500,000 retail
21 customers in the State. The ratio of spending on efficiency
22 programs targeted at low-income multifamily buildings to
23 spending on efficiency programs targeted at low-income
24 single-family buildings shall be designed to achieve levels of
25 savings from each building type that are approximately
26 proportional to the magnitude of cost-effective lifetime

1 savings potential in each building type. Investment in
2 low-income whole-building weatherization programs shall
3 constitute a minimum of 80% of a utility's total budget
4 specifically dedicated to serving low-income customers.

5 The utilities shall work to bundle low-income energy
6 efficiency offerings with other programs that serve low-income
7 households to maximize the benefits going to these households.
8 The utilities shall market and implement low-income energy
9 efficiency programs in coordination with low-income assistance
10 programs, the Illinois Solar for All Program, and
11 weatherization whenever practicable. The program implementer
12 shall walk the customer through the enrollment process for any
13 programs for which the customer is eligible. The utilities
14 shall also pilot targeting customers with high arrearages,
15 high energy intensity (ratio of energy usage divided by home
16 or unit square footage), or energy assistance programs with
17 energy efficiency offerings, and then track reduction in
18 arrearages as a result of the targeting. This targeting and
19 bundling of low-income energy programs shall be offered to
20 both low-income single-family and multifamily customers
21 (owners and residents).

22 The utilities shall invest in health and safety measures
23 appropriate and necessary for comprehensively weatherizing a
24 home or multifamily building, and shall implement a health and
25 safety fund of at least 15% of the total income-qualified
26 weatherization budget that shall be used for the purpose of

1 making grants for technical assistance, construction,
2 reconstruction, improvement, or repair of buildings to
3 facilitate their participation in the energy efficiency
4 programs targeted at low-income single-family and multifamily
5 households. These funds may also be used for the purpose of
6 making grants for technical assistance, construction,
7 reconstruction, improvement, or repair of the following
8 buildings to facilitate their participation in the energy
9 efficiency programs created by this Section: (1) buildings
10 that are owned or operated by registered 501(c)(3) public
11 charities; and (2) day care centers, day care homes, or group
12 day care homes, as defined under 89 Ill. Adm. Code Part 406,
13 407, or 408, respectively.

14 Each electric utility shall assess opportunities to
15 implement cost-effective energy efficiency measures and
16 programs through a public housing authority or authorities
17 located in its service territory. If such opportunities are
18 identified, the utility shall propose such measures and
19 programs to address the opportunities. Expenditures to address
20 such opportunities shall be credited toward the minimum
21 procurement and expenditure requirements set forth in this
22 subsection (c).

23 Implementation of energy efficiency measures and programs
24 targeted at low-income households should be contracted, when
25 it is practicable, to independent third parties that have
26 demonstrated capabilities to serve such households, with a

1 preference for not-for-profit entities and government agencies
2 that have existing relationships with or experience serving
3 low-income communities in the State.

4 Each electric utility shall develop and implement
5 reporting procedures that address and assist in determining
6 the amount of energy savings that can be applied to the
7 low-income procurement and expenditure requirements set forth
8 in this subsection (c). Each electric utility shall also track
9 the types and quantities or volumes of insulation and air
10 sealing materials, and their associated energy saving
11 benefits, installed in energy efficiency programs targeted at
12 low-income single-family and multifamily households.

13 The electric utilities shall participate in ~~also convene~~ a
14 low-income energy efficiency accountability ~~advisory~~ committee
15 ("the committee"), which will directly inform ~~to assist in~~ the
16 design, implementation, and evaluation of the low-income and
17 public-housing energy efficiency programs. The committee shall
18 be comprised of the electric utilities subject to the
19 requirements of this Section, the gas utilities subject to the
20 requirements of Section 8-104.1 ~~8-104~~ of this Act, the
21 utilities' low-income energy efficiency implementation
22 contractors, nonprofit organizations, community action
23 agencies, advocacy groups, State and local governmental
24 agencies, public-housing organizations, and representatives of
25 community-based organizations, especially those living in or
26 working with environmental justice communities and BIPOC

1 communities. The committee shall be composed of 2
2 geographically differentiated subcommittees: one for
3 stakeholders in northern Illinois and one for stakeholders in
4 central and southern Illinois. The subcommittees shall meet
5 together at least twice per year.

6 There shall be one statewide leadership committee led by
7 and composed of community-based organizations that are
8 representative of BIPOC and environmental justice communities
9 and that includes equitable representation from BIPOC
10 communities. The leadership committee shall be composed of an
11 equal number of representatives from the 2 subcommittees. The
12 subcommittees shall address specific programs and issues, with
13 the leadership committee convening targeted workgroups as
14 needed. The leadership committee may elect to work with an
15 independent facilitator to solicit and organize feedback,
16 recommendations and meeting participation from a wide variety
17 of community-based stakeholders. If a facilitator is used,
18 they shall be fair and responsive to the needs of all
19 stakeholders involved in the committee.

20 All committee meetings must be accessible, with rotating
21 locations if meetings are held in-person, virtual
22 participation options, and materials and agendas circulated in
23 advance.

24 There shall also be opportunities for direct input by
25 committee members outside of committee meetings, such as via
26 individual meetings, surveys, emails and calls, to ensure

1 robust participation by stakeholders with limited capacity and
2 ability to attend committee meetings. Committee meetings shall
3 emphasize opportunities to bundle and coordinate delivery of
4 low-income energy efficiency with other programs that serve
5 low-income communities, such as the Illinois Solar for All
6 Program and bill payment assistance programs. Meetings shall
7 include educational opportunities for stakeholders to learn
8 more about these additional offerings, and the committee shall
9 assist in figuring out the best methods for coordinated
10 delivery and implementation of offerings when serving
11 low-income communities. The committee shall directly and
12 equitably influence and inform utility low-income and
13 public-housing energy efficiency programs and priorities.
14 Participating utilities shall implement recommendations from
15 the committee whenever possible.

16 Participating utilities shall track and report how input
17 from the committee has led to new approaches and changes in
18 their energy efficiency portfolios. This reporting shall occur
19 at committee meetings and in quarterly energy efficiency
20 reports to the Stakeholder Advisory Group and Illinois
21 Commerce Commission, and other relevant reporting mechanisms.
22 Participating utilities shall also report on relevant equity
23 data and metrics requested by the committee, such as energy
24 burden data, geographic, racial, and other relevant
25 demographic data on where programs are being delivered and
26 what populations programs are serving.

1 The Illinois Commerce Commission shall oversee and have
2 relevant staff participate in the committee. The committee
3 shall have a budget of 0.25% of each utility's entire
4 efficiency portfolio funding for a given year. The budget
5 shall be overseen by the Commission. The budget shall be used
6 to provide grants for community-based organizations serving on
7 the leadership committee, stipends for community-based
8 organizations participating in the committee, grants for
9 community-based organizations to do energy efficiency outreach
10 and education, and relevant meeting needs as determined by the
11 leadership committee. The education and outreach shall
12 include, but is not limited to, basic energy efficiency
13 education, information about low-income energy efficiency
14 programs, and information on the committee's purpose,
15 structure, and activities.

16 (d) Notwithstanding any other provision of law to the
17 contrary, a utility providing approved energy efficiency
18 measures and, if applicable, demand-response measures in the
19 State shall be permitted to recover all reasonable and
20 prudently incurred costs of those measures from all retail
21 customers, except as provided in subsection (1) of this
22 Section, as follows, provided that nothing in this subsection
23 (d) permits the double recovery of such costs from customers:

24 (1) The utility may recover its costs through an
25 automatic adjustment clause tariff filed with and approved
26 by the Commission. The tariff shall be established outside

1 the context of a general rate case. Each year the
2 Commission shall initiate a review to reconcile any
3 amounts collected with the actual costs and to determine
4 the required adjustment to the annual tariff factor to
5 match annual expenditures. To enable the financing of the
6 incremental capital expenditures, including regulatory
7 assets, for electric utilities that serve less than
8 3,000,000 retail customers but more than 500,000 retail
9 customers in the State, the utility's actual year-end
10 capital structure that includes a common equity ratio,
11 excluding goodwill, of up to and including 50% of the
12 total capital structure shall be deemed reasonable and
13 used to set rates.

14 (2) A utility may recover its costs through an energy
15 efficiency formula rate approved by the Commission under a
16 filing under subsections (f) and (g) of this Section,
17 which shall specify the cost components that form the
18 basis of the rate charged to customers with sufficient
19 specificity to operate in a standardized manner and be
20 updated annually with transparent information that
21 reflects the utility's actual costs to be recovered during
22 the applicable rate year, which is the period beginning
23 with the first billing day of January and extending
24 through the last billing day of the following December.
25 The energy efficiency formula rate shall be implemented
26 through a tariff filed with the Commission under

1 subsections (f) and (g) of this Section that is consistent
2 with the provisions of this paragraph (2) and that shall
3 be applicable to all delivery services customers. The
4 Commission shall conduct an investigation of the tariff in
5 a manner consistent with the provisions of this paragraph
6 (2), subsections (f) and (g) of this Section, and the
7 provisions of Article IX of this Act to the extent they do
8 not conflict with this paragraph (2). The energy
9 efficiency formula rate approved by the Commission shall
10 remain in effect at the discretion of the utility and
11 shall do the following:

12 (A) Provide for the recovery of the utility's
13 actual costs incurred under this Section that are
14 prudently incurred and reasonable in amount consistent
15 with Commission practice and law. The sole fact that a
16 cost differs from that incurred in a prior calendar
17 year or that an investment is different from that made
18 in a prior calendar year shall not imply the
19 imprudence or unreasonableness of that cost or
20 investment.

21 (B) Reflect the utility's actual year-end capital
22 structure for the applicable calendar year, excluding
23 goodwill, subject to a determination of prudence and
24 reasonableness consistent with Commission practice and
25 law. To enable the financing of the incremental
26 capital expenditures, including regulatory assets, for

1 electric utilities that serve less than 3,000,000
2 retail customers but more than 500,000 retail
3 customers in the State, a participating electric
4 utility's actual year-end capital structure that
5 includes a common equity ratio, excluding goodwill, of
6 up to and including 50% of the total capital structure
7 shall be deemed reasonable and used to set rates.

8 (C) Include a cost of equity, which shall be
9 calculated as the sum of the following:

10 (i) the average for the applicable calendar
11 year of the monthly average yields of 30-year U.S.
12 Treasury bonds published by the Board of Governors
13 of the Federal Reserve System in its weekly H.15
14 Statistical Release or successor publication; and

15 (ii) 580 basis points.

16 At such time as the Board of Governors of the
17 Federal Reserve System ceases to include the monthly
18 average yields of 30-year U.S. Treasury bonds in its
19 weekly H.15 Statistical Release or successor
20 publication, the monthly average yields of the U.S.
21 Treasury bonds then having the longest duration
22 published by the Board of Governors in its weekly H.15
23 Statistical Release or successor publication shall
24 instead be used for purposes of this paragraph (2).

25 (D) Permit and set forth protocols, subject to a
26 determination of prudence and reasonableness

1 consistent with Commission practice and law, for the
2 following:

3 (i) recovery of incentive compensation expense
4 that is based on the achievement of operational
5 metrics, including metrics related to budget
6 controls, outage duration and frequency, safety,
7 customer service, efficiency and productivity, and
8 environmental compliance; however, this protocol
9 shall not apply if such expense related to costs
10 incurred under this Section is recovered under
11 Article IX or Section 16-108.5 of this Act;
12 incentive compensation expense that is based on
13 net income or an affiliate's earnings per share
14 shall not be recoverable under the energy
15 efficiency formula rate;

16 (ii) recovery of pension and other
17 post-employment benefits expense, provided that
18 such costs are supported by an actuarial study;
19 however, this protocol shall not apply if such
20 expense related to costs incurred under this
21 Section is recovered under Article IX or Section
22 16-108.5 of this Act;

23 (iii) recovery of existing regulatory assets
24 over the periods previously authorized by the
25 Commission;

26 (iv) as described in subsection (e),

1 amortization of costs incurred under this Section;
2 and

3 (v) projected, weather normalized billing
4 determinants for the applicable rate year.

5 (E) Provide for an annual reconciliation, as
6 described in paragraph (3) of this subsection (d),
7 less any deferred taxes related to the reconciliation,
8 with interest at an annual rate of return equal to the
9 utility's weighted average cost of capital, including
10 a revenue conversion factor calculated to recover or
11 refund all additional income taxes that may be payable
12 or receivable as a result of that return, of the energy
13 efficiency revenue requirement reflected in rates for
14 each calendar year, beginning with the calendar year
15 in which the utility files its energy efficiency
16 formula rate tariff under this paragraph (2), with
17 what the revenue requirement would have been had the
18 actual cost information for the applicable calendar
19 year been available at the filing date.

20 The utility shall file, together with its tariff, the
21 projected costs to be incurred by the utility during the
22 rate year under the utility's multi-year plan approved
23 under subsections (f) and (g) of this Section, including,
24 but not limited to, the projected capital investment costs
25 and projected regulatory asset balances with
26 correspondingly updated depreciation and amortization

1 reserves and expense, that shall populate the energy
2 efficiency formula rate and set the initial rates under
3 the formula.

4 The Commission shall review the proposed tariff in
5 conjunction with its review of a proposed multi-year plan,
6 as specified in paragraph (5) of subsection (g) of this
7 Section. The review shall be based on the same evidentiary
8 standards, including, but not limited to, those concerning
9 the prudence and reasonableness of the costs incurred by
10 the utility, the Commission applies in a hearing to review
11 a filing for a general increase in rates under Article IX
12 of this Act. The initial rates shall take effect beginning
13 with the January monthly billing period following the
14 Commission's approval.

15 The tariff's rate design and cost allocation across
16 customer classes shall be consistent with the utility's
17 automatic adjustment clause tariff in effect on June 1,
18 2017 (the effective date of Public Act 99-906); however,
19 the Commission may revise the tariff's rate design and
20 cost allocation in subsequent proceedings under paragraph
21 (3) of this subsection (d).

22 If the energy efficiency formula rate is terminated,
23 the then current rates shall remain in effect until such
24 time as the energy efficiency costs are incorporated into
25 new rates that are set under this subsection (d) or
26 Article IX of this Act, subject to retroactive rate

1 adjustment, with interest, to reconcile rates charged with
2 actual costs.

3 (3) The provisions of this paragraph (3) shall only
4 apply to an electric utility that has elected to file an
5 energy efficiency formula rate under paragraph (2) of this
6 subsection (d). Subsequent to the Commission's issuance of
7 an order approving the utility's energy efficiency formula
8 rate structure and protocols, and initial rates under
9 paragraph (2) of this subsection (d), the utility shall
10 file, on or before June 1 of each year, with the Chief
11 Clerk of the Commission its updated cost inputs to the
12 energy efficiency formula rate for the applicable rate
13 year and the corresponding new charges, as well as the
14 information described in paragraph (9) of subsection (g)
15 of this Section. Each such filing shall conform to the
16 following requirements and include the following
17 information:

18 (A) The inputs to the energy efficiency formula
19 rate for the applicable rate year shall be based on the
20 projected costs to be incurred by the utility during
21 the rate year under the utility's multi-year plan
22 approved under subsections (f) and (g) of this
23 Section, including, but not limited to, projected
24 capital investment costs and projected regulatory
25 asset balances with correspondingly updated
26 depreciation and amortization reserves and expense.

1 The filing shall also include a reconciliation of the
2 energy efficiency revenue requirement that was in
3 effect for the prior rate year (as set by the cost
4 inputs for the prior rate year) with the actual
5 revenue requirement for the prior rate year
6 (determined using a year-end rate base) that uses
7 amounts reflected in the applicable FERC Form 1 that
8 reports the actual costs for the prior rate year. Any
9 over-collection or under-collection indicated by such
10 reconciliation shall be reflected as a credit against,
11 or recovered as an additional charge to, respectively,
12 with interest calculated at a rate equal to the
13 utility's weighted average cost of capital approved by
14 the Commission for the prior rate year, the charges
15 for the applicable rate year. Such over-collection or
16 under-collection shall be adjusted to remove any
17 deferred taxes related to the reconciliation, for
18 purposes of calculating interest at an annual rate of
19 return equal to the utility's weighted average cost of
20 capital approved by the Commission for the prior rate
21 year, including a revenue conversion factor calculated
22 to recover or refund all additional income taxes that
23 may be payable or receivable as a result of that
24 return. Each reconciliation shall be certified by the
25 participating utility in the same manner that FERC
26 Form 1 is certified. The filing shall also include the

1 charge or credit, if any, resulting from the
2 calculation required by subparagraph (E) of paragraph
3 (2) of this subsection (d).

4 Notwithstanding any other provision of law to the
5 contrary, the intent of the reconciliation is to
6 ultimately reconcile both the revenue requirement
7 reflected in rates for each calendar year, beginning
8 with the calendar year in which the utility files its
9 energy efficiency formula rate tariff under paragraph
10 (2) of this subsection (d), with what the revenue
11 requirement determined using a year-end rate base for
12 the applicable calendar year would have been had the
13 actual cost information for the applicable calendar
14 year been available at the filing date.

15 For purposes of this Section, "FERC Form 1" means
16 the Annual Report of Major Electric Utilities,
17 Licensees and Others that electric utilities are
18 required to file with the Federal Energy Regulatory
19 Commission under the Federal Power Act, Sections 3,
20 4(a), 304 and 209, modified as necessary to be
21 consistent with 83 Ill. Admin. Code Part 415 as of May
22 1, 2011. Nothing in this Section is intended to allow
23 costs that are not otherwise recoverable to be
24 recoverable by virtue of inclusion in FERC Form 1.

25 (B) The new charges shall take effect beginning on
26 the first billing day of the following January billing

1 period and remain in effect through the last billing
2 day of the next December billing period regardless of
3 whether the Commission enters upon a hearing under
4 this paragraph (3).

5 (C) The filing shall include relevant and
6 necessary data and documentation for the applicable
7 rate year. Normalization adjustments shall not be
8 required.

9 Within 45 days after the utility files its annual
10 update of cost inputs to the energy efficiency formula
11 rate, the Commission shall with reasonable notice,
12 initiate a proceeding concerning whether the projected
13 costs to be incurred by the utility and recovered during
14 the applicable rate year, and that are reflected in the
15 inputs to the energy efficiency formula rate, are
16 consistent with the utility's approved multi-year plan
17 under subsections (f) and (g) of this Section and whether
18 the costs incurred by the utility during the prior rate
19 year were prudent and reasonable. The Commission shall
20 also have the authority to investigate the information and
21 data described in paragraph (9) of subsection (g) of this
22 Section, including the proposed adjustment to the
23 utility's return on equity component of its weighted
24 average cost of capital. During the course of the
25 proceeding, each objection shall be stated with
26 particularity and evidence provided in support thereof,

1 after which the utility shall have the opportunity to
2 rebut the evidence. Discovery shall be allowed consistent
3 with the Commission's Rules of Practice, which Rules of
4 Practice shall be enforced by the Commission or the
5 assigned administrative law judge. The Commission shall
6 apply the same evidentiary standards, including, but not
7 limited to, those concerning the prudence and
8 reasonableness of the costs incurred by the utility,
9 during the proceeding as it would apply in a proceeding to
10 review a filing for a general increase in rates under
11 Article IX of this Act. The Commission shall not, however,
12 have the authority in a proceeding under this paragraph
13 (3) to consider or order any changes to the structure or
14 protocols of the energy efficiency formula rate approved
15 under paragraph (2) of this subsection (d). In a
16 proceeding under this paragraph (3), the Commission shall
17 enter its order no later than the earlier of 195 days after
18 the utility's filing of its annual update of cost inputs
19 to the energy efficiency formula rate or December 15. The
20 utility's proposed return on equity calculation, as
21 described in paragraphs (7) through (9) of subsection (g)
22 of this Section, shall be deemed the final, approved
23 calculation on December 15 of the year in which it is filed
24 unless the Commission enters an order on or before
25 December 15, after notice and hearing, that modifies such
26 calculation consistent with this Section. The Commission's

1 determinations of the prudence and reasonableness of the
2 costs incurred, and determination of such return on equity
3 calculation, for the applicable calendar year shall be
4 final upon entry of the Commission's order and shall not
5 be subject to reopening, reexamination, or collateral
6 attack in any other Commission proceeding, case, docket,
7 order, rule, or regulation; however, nothing in this
8 paragraph (3) shall prohibit a party from petitioning the
9 Commission to rehear or appeal to the courts the order
10 under the provisions of this Act.

11 (e) Beginning on June 1, 2017 (the effective date of
12 Public Act 99-906), a utility subject to the requirements of
13 this Section may elect to defer, as a regulatory asset, up to
14 the full amount of its expenditures incurred under this
15 Section for each annual period, including, but not limited to,
16 any expenditures incurred above the funding level set by
17 subsection (f) of this Section for a given year. The total
18 expenditures deferred as a regulatory asset in a given year
19 shall be amortized and recovered over a period that is equal to
20 the weighted average of the energy efficiency measure lives
21 implemented for that year that are reflected in the regulatory
22 asset. The unamortized balance shall be recognized as of
23 December 31 for a given year. The utility shall also earn a
24 return on the total of the unamortized balances of all of the
25 energy efficiency regulatory assets, less any deferred taxes
26 related to those unamortized balances, at an annual rate equal

1 to the utility's weighted average cost of capital that
2 includes, based on a year-end capital structure, the utility's
3 actual cost of debt for the applicable calendar year and a cost
4 of equity, which shall be calculated as the sum of the (i) the
5 average for the applicable calendar year of the monthly
6 average yields of 30-year U.S. Treasury bonds published by the
7 Board of Governors of the Federal Reserve System in its weekly
8 H.15 Statistical Release or successor publication; and (ii)
9 580 basis points, including a revenue conversion factor
10 calculated to recover or refund all additional income taxes
11 that may be payable or receivable as a result of that return.
12 Capital investment costs shall be depreciated and recovered
13 over their useful lives consistent with generally accepted
14 accounting principles. The weighted average cost of capital
15 shall be applied to the capital investment cost balance, less
16 any accumulated depreciation and accumulated deferred income
17 taxes, as of December 31 for a given year.

18 When an electric utility creates a regulatory asset under
19 the provisions of this Section, the costs are recovered over a
20 period during which customers also receive a benefit which is
21 in the public interest. Accordingly, it is the intent of the
22 General Assembly that an electric utility that elects to
23 create a regulatory asset under the provisions of this Section
24 shall recover all of the associated costs as set forth in this
25 Section. After the Commission has approved the prudence and
26 reasonableness of the costs that comprise the regulatory

1 asset, the electric utility shall be permitted to recover all
2 such costs, and the value and recoverability through rates of
3 the associated regulatory asset shall not be limited, altered,
4 impaired, or reduced.

5 (f) Beginning in 2017, each electric utility shall file an
6 energy efficiency plan with the Commission to meet the energy
7 efficiency standards for the next applicable multi-year period
8 beginning January 1 of the year following the filing,
9 according to the schedule set forth in paragraphs (1) through
10 (3) of this subsection (f). If a utility does not file such a
11 plan on or before the applicable filing deadline for the plan,
12 it shall face a penalty of \$100,000 per day until the plan is
13 filed.

14 (1) No later than 30 days after June 1, 2017 (the
15 effective date of Public Act 99-906), each electric
16 utility shall file a 4-year energy efficiency plan
17 commencing on January 1, 2018 that is designed to achieve
18 the cumulative persisting annual savings goals specified
19 in paragraphs (1) through (4) of subsection (b-5) of this
20 Section or in paragraphs (1) through (4) of subsection
21 (b-15) of this Section, as applicable, through
22 implementation of energy efficiency measures; however, the
23 goals may be reduced if the utility's expenditures are
24 limited pursuant to subsection (m) of this Section or, for
25 a utility that serves less than 3,000,000 retail
26 customers, if each of the following conditions are met:

1 (A) the plan's analysis and forecasts of the utility's
2 ability to acquire energy savings demonstrate that
3 achievement of such goals is not cost effective; and (B)
4 the amount of energy savings achieved by the utility as
5 determined by the independent evaluator for the most
6 recent year for which savings have been evaluated
7 preceding the plan filing was less than the average annual
8 amount of savings required to achieve the goals for the
9 applicable 4-year plan period. Except as provided in
10 subsection (m) of this Section, annual increases in
11 cumulative persisting annual savings goals during the
12 applicable 4-year plan period shall not be reduced to
13 amounts that are less than the maximum amount of
14 cumulative persisting annual savings that is forecast to
15 be cost-effectively achievable during the 4-year plan
16 period. The Commission shall review any proposed goal
17 reduction as part of its review and approval of the
18 utility's proposed plan.

19 (2) No later than March 1, 2021, each electric utility
20 shall file a 4-year energy efficiency plan commencing on
21 January 1, 2022 that is designed to achieve the cumulative
22 persisting annual savings goals specified in paragraphs
23 (5) through (8) of subsection (b-5) of this Section or in
24 paragraphs (5) through (8) of subsection (b-15) of this
25 Section, as applicable, through implementation of energy
26 efficiency measures; however, the goals may be reduced if

1 either (1) clear and convincing evidence demonstrates,
2 through independent analysis, that the expenditure limits
3 in subsection (m) of this Section 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 plan period. If there is not clear and convincing evidence
17 that achieving the savings goals specified in paragraph
18 (b-5) or (b-15) of this Section 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 plan period shall not
24 be reduced to amounts that are less than the maximum
25 amount of cumulative persisting annual savings that is
26 forecast to be cost-effectively achievable during the

1 4-year plan period. The Commission shall review any
2 proposed goal reduction as part of its review and approval
3 of the utility's proposed plan, taking into account the
4 results of the potential study required under this
5 Section.

6 (3) No later than March 1, 2025, each electric utility
7 shall file a 4-year ~~5-year~~ energy efficiency plan
8 commencing on January 1, 2026 that is designed to achieve
9 the cumulative persisting annual savings goals specified
10 in paragraphs (9) through (12) ~~(13)~~ of subsection (b-5) of
11 this Section or in paragraphs (9) through (12) ~~(13)~~ of
12 subsection (b-15) of this Section, as applicable, through
13 implementation of energy efficiency measures; however, the
14 goals may be reduced if either (1) clear and convincing
15 evidence demonstrates, through independent analysis, that
16 the expenditure limits in subsection (m) of this Section
17 preclude full achievement of the goals or (2) the
18 ~~utility's expenditures are limited pursuant to subsection~~
19 ~~(m) of this Section or,~~ each of the following conditions
20 are met: (A) the plan's analysis and forecasts of the
21 utility's ability to acquire energy savings demonstrate by
22 clear and convincing evidence and through independent
23 analysis that achievement of such goals is not cost
24 effective; and (B) the amount of energy savings achieved
25 by the utility as determined by the independent evaluator
26 for 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 the
3 goals for the applicable 4-year ~~5-year~~ plan period. If
4 there is not clear and convincing evidence that achieving
5 the savings goals specified in paragraphs (b-5) or (b-15)
6 of this Section is possible both cost-effectively and
7 within the expenditure limits in subsection (m), such
8 savings goals shall not be reduced. Except as provided in
9 subsection (m) of this Section, annual increases in
10 cumulative persisting annual savings goals during the
11 applicable 4-year ~~5-year~~ plan period shall not be reduced
12 to 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 ~~5-year~~
15 plan period. The Commission shall review any proposed goal
16 reduction as part of its review and approval of the
17 utility's proposed plan, taking into account the results
18 of the potential study required by this Section.

19 (4) No later than March 1, 2029, and every 4 years
20 thereafter, each electric utility shall file a 4-year
21 energy efficiency plan commencing on January 1, 2030, and
22 every 4 years thereafter, respectively, that is designed
23 to achieve the cumulative persisting annual savings goals
24 established by the Illinois Commerce Commission pursuant
25 to direction of subsections (b-5) and (b-15) of this
26 Section, as applicable, through implementation of energy

1 efficiency measures; however, the goals may be reduced if
2 either (1) clear and convincing evidence and independent
3 analysis demonstrates that the expenditure limits in
4 subsection (m) of this Section preclude full achievement
5 of the goals or (2) each of the following conditions are
6 met: (A) the plan's analysis and forecasts of the
7 utility's ability to acquire energy savings demonstrate by
8 clear and convincing evidence and through independent
9 analysis that achievement of such goals is not
10 cost-effective; and (B) the amount of energy savings
11 achieved by the utility as determined by the independent
12 evaluator for the most recent year for which savings have
13 been evaluated preceding the plan filing was less than the
14 average annual amount of savings required to achieve the
15 goals for the applicable 4-year plan period. If there is
16 not clear and convincing evidence that achieving the
17 savings goals specified in paragraphs (b-5) or (b-15) of
18 this Section is possible both cost-effectively and within
19 the expenditure limits in subsection (m), such savings
20 goals shall not be reduced. Except as provided in
21 subsection (m) of this Section, annual increases in
22 cumulative persisting annual savings goals during the
23 applicable 4-year plan period shall not be reduced to
24 amounts that are less than the maximum amount of
25 cumulative persisting annual savings that is forecast to
26 be cost-effectively achievable during the 4-year plan

1 period. The Commission shall review any proposed goal
2 reduction as part of its review and approval of the
3 utility's proposed plan.

4 Each utility's plan shall set forth the utility's
5 proposals to meet the energy efficiency standards identified
6 in subsection (b-5) or (b-15), as applicable and as such
7 standards may have been modified under this subsection (f),
8 taking into account the unique circumstances of the utility's
9 service territory and results of an energy efficiency
10 potential study as described in subsection (f-5) of this
11 Section. For those plans commencing on January 1, 2018, the
12 Commission shall seek public comment on the utility's plan and
13 shall issue an order approving or disapproving each plan no
14 later than 105 days after June 1, 2017 (the effective date of
15 Public Act 99-906). For those plans commencing after December
16 31, 2021, the Commission shall seek public comment on the
17 utility's plan and shall issue an order approving or
18 disapproving each plan within 6 months after its submission.
19 If the Commission disapproves a plan, the Commission shall,
20 within 30 days, describe in detail the reasons for the
21 disapproval and describe a path by which the utility may file a
22 revised draft of the plan to address the Commission's concerns
23 satisfactorily. If the utility does not refile with the
24 Commission within 60 days, the utility shall be subject to
25 penalties at a rate of \$100,000 per day until the plan is
26 filed. This process shall continue, and penalties shall

1 accrue, until the utility has successfully filed a portfolio
2 of energy efficiency and demand-response measures. Penalties
3 shall be deposited into the Energy Efficiency Trust Fund.

4 (g) In submitting proposed plans and funding levels under
5 subsection (f) of this Section to meet the savings goals
6 identified in subsection (b-5) or (b-15) of this Section, as
7 applicable, the utility shall:

8 (1) Demonstrate that its proposed energy efficiency
9 measures will achieve the applicable requirements that are
10 identified in subsection (b-5) or (b-15) of this Section,
11 as modified by subsection (f) of this Section.

12 (2) (Blank). ~~Present specific proposals to implement~~
13 ~~new building and appliance standards that have been placed~~
14 ~~into effect.~~

15 (2.5) Demonstrate consideration of program options for
16 (A) advancing new building codes, appliance standards, and
17 municipal regulations governing existing and new building
18 efficiency improvements and (B) supporting efforts to
19 improve compliance with new building codes, appliance
20 standards and municipal regulations, as potentially
21 cost-effective means of acquiring energy savings to count
22 toward savings goals.

23 (3) Demonstrate that its overall portfolio of
24 measures, not including low-income programs described in
25 subsection (c) of this Section, is cost-effective using
26 the total resource cost test or complies with paragraphs

1 (1) through (3) of subsection (f) of this Section and
2 represents a diverse cross-section of opportunities for
3 customers of all rate classes, other than those customers
4 described in subsection (1) of this Section, to
5 participate in the programs. Individual measures need not
6 be cost effective.

7 (3.5) Demonstrate that the utility's plan integrates
8 the delivery of energy efficiency programs with natural
9 gas efficiency programs, programs promoting distributed
10 solar, programs promoting demand response and other
11 efforts to address bill payment issues, including, but not
12 limited to, LIHEAP and the Percentage of Income Payment
13 Plan, to the extent such integration is practical and has
14 the potential to enhance customer engagement, minimize
15 market confusion, or reduce administrative costs.

16 (4) Present a third-party energy efficiency
17 implementation program subject to the following
18 requirements:

19 (A) beginning with the year commencing January 1,
20 2019, electric utilities that serve more than
21 3,000,000 retail customers in the State shall fund
22 third-party energy efficiency programs in an amount
23 that is no less than \$25,000,000 per year, and
24 electric utilities that serve less than 3,000,000
25 retail customers but more than 500,000 retail
26 customers in the State shall fund third-party energy

1 efficiency programs in an amount that is no less than
2 \$8,350,000 per year;

3 (B) during 2018, the utility shall conduct a
4 solicitation process for purposes of requesting
5 proposals from third-party vendors for those
6 third-party energy efficiency programs to be offered
7 during one or more of the years commencing January 1,
8 2019, January 1, 2020, and January 1, 2021; for those
9 multi-year plans commencing on January 1, 2022 and
10 January 1, 2026, the utility shall conduct a
11 solicitation process during 2021 and 2025,
12 respectively, for purposes of requesting proposals
13 from third-party vendors for those third-party energy
14 efficiency programs to be offered during one or more
15 years of the respective multi-year plan period; for
16 each solicitation process, the utility shall identify
17 the sector, technology, or geographical area for which
18 it is seeking requests for proposals; the solicitation
19 process must be either for programs that fill gaps in
20 the utility's program portfolio and for programs that
21 target low-income customers, business sectors,
22 building types, geographies, or other specific parts
23 of its customer base with initiatives that would be
24 more effective at reaching these customer segments
25 than the utilities' programs filed in its energy
26 efficiency plans;

1 (C) the utility shall propose the bidder
2 qualifications, performance measurement process, and
3 contract structure, which must include a performance
4 payment mechanism and general terms and conditions;
5 the proposed qualifications, process, and structure
6 shall be subject to Commission approval; and

7 (D) the utility shall retain an independent third
8 party to score the proposals received through the
9 solicitation process described in this paragraph (4),
10 rank them according to their cost per lifetime
11 kilowatt-hours saved, and assemble the portfolio of
12 third-party programs.

13 The electric utility shall recover all costs
14 associated with Commission-approved, third-party
15 administered programs regardless of the success of those
16 programs.

17 (4.5) Implement cost-effective demand-response
18 measures to reduce peak demand by 0.1% over the prior year
19 for eligible retail customers, as defined in Section
20 16-111.5 of this Act, and for customers that elect hourly
21 service from the utility pursuant to Section 16-107 of
22 this Act, provided those customers have not been declared
23 competitive. This requirement continues until December 31,
24 2026.

25 (5) Include a proposed or revised cost-recovery tariff
26 mechanism, as provided for under subsection (d) of this

1 Section, to fund the proposed energy efficiency and
2 demand-response measures and to ensure the recovery of the
3 prudently and reasonably incurred costs of
4 Commission-approved programs.

5 (6) Provide for an annual independent evaluation of
6 the performance of the cost-effectiveness of the utility's
7 portfolio of measures, as well as a full review of the
8 multi-year plan results of the broader net program impacts
9 and, to the extent practical, for adjustment of the
10 measures on a going-forward basis as a result of the
11 evaluations. The resources dedicated to evaluation shall
12 not exceed 3% of portfolio resources in any given year.

13 (7) For electric utilities that serve more than
14 3,000,000 retail customers in the State:

15 (A) Through December 31, 2025, provide for an
16 adjustment to the return on equity component of the
17 utility's weighted average cost of capital calculated
18 under subsection (d) of this Section:

19 (i) If the independent evaluator determines
20 that the utility achieved a cumulative persisting
21 annual savings that is less than the applicable
22 annual incremental goal, then the return on equity
23 component shall be reduced by a maximum of 200
24 basis points in the event that the utility
25 achieved no more than 75% of such goal. If the
26 utility achieved more than 75% of the applicable

1 annual incremental goal but less than 100% of such
2 goal, then the return on equity component shall be
3 reduced by 8 basis points for each percent by
4 which the utility failed to achieve the goal.

5 (ii) If the independent evaluator determines
6 that the utility achieved a cumulative persisting
7 annual savings that is more than the applicable
8 annual incremental goal, then the return on equity
9 component shall be increased by a maximum of 200
10 basis points in the event that the utility
11 achieved at least 125% of such goal. If the
12 utility achieved more than 100% of the applicable
13 annual incremental goal but less than 125% of such
14 goal, then the return on equity component shall be
15 increased by 8 basis points for each percent by
16 which the utility achieved above the goal. If the
17 applicable annual incremental goal was reduced
18 under paragraphs (1) or (2) of subsection (f) of
19 this Section, then the following adjustments shall
20 be made to the calculations described in this item
21 (ii):

22 (aa) the calculation for determining
23 achievement that is at least 125% of the
24 applicable annual incremental goal shall use
25 the unreduced applicable annual incremental
26 goal to set the value; and

1 (bb) the calculation for determining
2 achievement that is less than 125% but more
3 than 100% of the applicable annual incremental
4 goal shall use the reduced applicable annual
5 incremental goal to set the value for 100%
6 achievement of the goal and shall use the
7 unreduced goal to set the value for 125%
8 achievement. The 8 basis point value shall
9 also be modified, as necessary, so that the
10 200 basis points are evenly apportioned among
11 each percentage point value between 100% and
12 125% achievement.

13 (B) For the period January 1, 2026 through
14 December 31, 2029 and in all subsequent 4-year periods
15 ~~2030~~, provide for an adjustment to the return on
16 equity component of the utility's weighted average
17 cost of capital calculated under subsection (d) of
18 this Section:

19 (i) If the independent evaluator determines
20 that the utility achieved a cumulative persisting
21 annual savings that is less than the applicable
22 annual incremental goal, then the return on equity
23 component shall be reduced by a maximum of 200
24 basis points in the event that the utility
25 achieved no more than 66% of such goal. If the
26 utility achieved more than 66% of the applicable

1 annual incremental goal but less than 100% of such
2 goal, then the return on equity component shall be
3 reduced by 6 basis points for each percent by
4 which the utility failed to achieve the goal.

5 (ii) If the independent evaluator determines
6 that the utility achieved a cumulative persisting
7 annual savings that is more than the applicable
8 annual incremental goal, then the return on equity
9 component shall be increased by a maximum of 200
10 basis points in the event that the utility
11 achieved at least 134% of such goal. If the
12 utility achieved more than 100% of the applicable
13 annual incremental goal but less than 134% of such
14 goal, then the return on equity component shall be
15 increased by 6 basis points for each percent by
16 which the utility achieved above the goal. If the
17 applicable annual incremental goal was reduced
18 under paragraph (3) of subsection (f) of this
19 Section, then the following adjustments shall be
20 made to the calculations described in this item
21 (ii):

22 (aa) the calculation for determining
23 achievement that is at least 134% of the
24 applicable annual incremental goal shall use
25 the unreduced applicable annual incremental
26 goal to set the value; and

1 (bb) the calculation for determining
2 achievement that is less than 134% but more
3 than 100% of the applicable annual incremental
4 goal shall use the reduced applicable annual
5 incremental goal to set the value for 100%
6 achievement of the goal and shall use the
7 unreduced goal to set the value for 134%
8 achievement. The 6 basis point value shall
9 also be modified, as necessary, so that the
10 200 basis points are evenly apportioned among
11 each percentage point value between 100% and
12 134% achievement.

13 (C) Notwithstanding the provisions of
14 subparagraphs (A) and (B) of this paragraph (7), if
15 the applicable annual incremental goal for an electric
16 utility is ever less than 0.6% of deemed average
17 weather normalized sales of electric power and energy
18 during calendar years 2014, 2015, and 2016, an
19 adjustment to the return on equity component of the
20 utility's weighted average cost of capital calculated
21 under subsection (d) of this Section shall be made as
22 follows:

23 (i) If the independent evaluator determines
24 that the utility achieved a cumulative persisting
25 annual savings that is less than would have been
26 achieved had the applicable annual incremental

1 goal been achieved, then the return on equity
2 component shall be reduced by a maximum of 200
3 basis points if the utility achieved no more than
4 75% of its applicable annual total savings
5 requirement as defined in paragraph (7.5) of this
6 subsection. If the utility achieved more than 75%
7 of the applicable annual total savings requirement
8 but less than 100% of such goal, then the return on
9 equity component shall be reduced by 8 basis
10 points for each percent by which the utility
11 failed to achieve the goal.

12 (ii) If the independent evaluator determines
13 that the utility achieved a cumulative persisting
14 annual savings that is more than would have been
15 achieved had the applicable annual incremental
16 goal been achieved, then the return on equity
17 component shall be increased by a maximum of 200
18 basis points if the utility achieved at least 125%
19 of its applicable annual total savings
20 requirement. If the utility achieved more than
21 100% of the applicable annual total savings
22 requirement but less than 125% of such goal, then
23 the return on equity component shall be increased
24 by 8 basis points for each percent by which the
25 utility achieved above the applicable annual total
26 savings requirement. If the applicable annual

1 incremental goal was reduced under paragraph (1)
2 or (2) of subsection (f) of this Section, then the
3 following adjustments shall be made to the
4 calculations described in this item (ii):

5 (aa) the calculation for determining
6 achievement that is at least 125% of the
7 applicable annual total savings requirement
8 shall use the unreduced applicable annual
9 incremental goal to set the value; and

10 (bb) the calculation for determining
11 achievement that is less than 125% but more
12 than 100% of the applicable annual total
13 savings requirement shall use the reduced
14 applicable annual incremental goal to set the
15 value for 100% achievement of the goal and
16 shall use the unreduced goal to set the value
17 for 125% achievement. The 8 basis point value
18 shall also be modified, as necessary, so that
19 the 200 basis points are evenly apportioned
20 among each percentage point value between 100%
21 and 125% achievement.

22 (7.5) For purposes of this Section, the term
23 "applicable annual incremental goal" means the difference
24 between the cumulative persisting annual savings goal for
25 the calendar year that is the subject of the independent
26 evaluator's determination and the cumulative persisting

1 annual savings goal for the immediately preceding calendar
2 year, as such goals are defined in subsections (b-5) and
3 (b-15) of this Section and as these goals may have been
4 modified as provided for under subsection (b-20) and
5 paragraphs (1) through (3) of subsection (f) of this
6 Section. Under subsections (b), (b-5), (b-10), and (b-15)
7 of this Section, a utility must first replace energy
8 savings from measures that have expired ~~reached the end of~~
9 ~~their measure lives and would otherwise have to be~~
10 ~~replaced to meet the applicable savings goals identified~~
11 ~~in subsection (b-5) or (b-15) of this Section~~ before any
12 progress towards achievement of its applicable annual
13 incremental goal may be counted. Savings may expire
14 because measures installed in previous years have reached
15 the end of their lives, because measures installed in
16 previous years are producing lower savings in the current
17 year than in the previous year, or for other reasons
18 identified by independent evaluators. Notwithstanding
19 anything else set forth in this Section, the difference
20 between the actual annual incremental savings achieved in
21 any given year, including the replacement of energy
22 savings ~~from measures~~ that have expired, and the
23 applicable annual incremental goal shall not affect
24 adjustments to the return on equity for subsequent
25 calendar years under this subsection (g).

26 In this Section, "applicable annual total savings

1 requirement" means the total amount of new annual savings
2 that the utility must achieve in any given year to achieve
3 the applicable annual incremental goal. This is equal to
4 the applicable annual incremental goal plus the total new
5 annual savings that are required to replace savings that
6 expired in or at the end of the previous year.

7 (8) For electric utilities that serve less than
8 3,000,000 retail customers but more than 500,000 retail
9 customers in the State:

10 (A) Through December 31, 2025, the applicable
11 annual incremental goal shall be compared to the
12 annual incremental savings as determined by the
13 independent evaluator.

14 (i) The return on equity component shall be
15 reduced by 8 basis points for each percent by
16 which the utility did not achieve 84.4% of the
17 applicable annual incremental goal.

18 (ii) The return on equity component shall be
19 increased by 8 basis points for each percent by
20 which the utility exceeded 100% of the applicable
21 annual incremental goal.

22 (iii) The return on equity component shall not
23 be increased or decreased if the annual
24 incremental savings as determined by the
25 independent evaluator is greater than 84.4% of the
26 applicable annual incremental goal and less than

1 100% of the applicable annual incremental goal.

2 (iv) The return on equity component shall not
3 be increased or decreased by an amount greater
4 than 200 basis points pursuant to this
5 subparagraph (A).

6 (B) For the period of January 1, 2026 through
7 December 31, 2029 and in all subsequent 4-year periods
8 ~~2030~~, the applicable annual incremental goal shall be
9 compared to the annual incremental savings as
10 determined by the independent evaluator.

11 (i) The return on equity component shall be
12 reduced by 6 basis points for each percent by
13 which the utility did not achieve 100% of the
14 applicable annual incremental goal.

15 (ii) The return on equity component shall be
16 increased by 6 basis points for each percent by
17 which the utility exceeded 100% of the applicable
18 annual incremental goal.

19 (iii) The return on equity component shall not
20 be increased or decreased by an amount greater
21 than 200 basis points pursuant to this
22 subparagraph (B).

23 (C) Notwithstanding provisions in subparagraphs
24 (A) and (B) of paragraph (7) of this subsection, if the
25 applicable annual incremental goal for an electric
26 utility is ever less than 0.6% of deemed average

1 weather normalized sales of electric power and energy
2 during calendar years 2014, 2015 and 2016, an
3 adjustment to the return on equity component of the
4 utility's weighted average cost of capital calculated
5 under subsection (d) of this Section shall be made as
6 follows:

7 (i) The return on equity component shall be
8 reduced by 8 basis points for each percent by
9 which the utility did not achieve 100% of the
10 applicable annual total savings requirement.

11 (ii) The return on equity component shall be
12 increased by 8 basis points for each percent by
13 which the utility exceeded 100% of the applicable
14 annual total savings requirement.

15 (iii) 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 (C).

19 (D) ~~(C)~~ If the applicable annual incremental goal
20 was reduced under ~~paragraph~~ paragraphs (1), (2), ~~or~~
21 (3), ~~or~~ (4) of subsection (f) of this Section, then the
22 following adjustments shall be made to the
23 calculations described in subparagraphs (A), ~~and~~ (B),
24 and (C) of this paragraph (8):

25 (i) The calculation for determining
26 achievement that is at least 125% or 134%, as

1 applicable, of the applicable annual incremental
2 goal or the applicable annual total savings
3 requirement, as applicable, shall use the
4 unreduced applicable annual incremental goal to
5 set the value.

6 (ii) For the period through December 31, 2025,
7 the calculation for determining achievement that
8 is less than 125% but more than 100% of the
9 applicable annual incremental goal or the
10 applicable annual total savings requirement, as
11 applicable, shall use the reduced applicable
12 annual incremental goal to set the value for 100%
13 achievement of the goal and shall use the
14 unreduced goal to set the value for 125%
15 achievement. The 8 basis point value shall also be
16 modified, as necessary, so that the 200 basis
17 points are evenly apportioned among each
18 percentage point value between 100% and 125%
19 achievement.

20 (iii) For the period of January 1, 2026
21 through December 31, 2029 and all subsequent
22 4-year periods, the calculation for determining
23 achievement that is less than 125% or 134%, as
24 applicable, but more than 100% of the applicable
25 annual incremental goal or the applicable annual
26 total savings requirement, as applicable, shall

1 use the reduced applicable annual incremental goal
2 to set the value for 100% achievement of the goal
3 and shall use the unreduced goal to set the value
4 for 125% achievement. The 6 basis-point value or 8
5 basis-point value, as applicable, shall also be
6 modified, as necessary, so that the 200 basis
7 points are evenly apportioned among each
8 percentage point value between 100% and 125% or
9 between 100% and 134% achievement, as applicable
10 ~~2030, the calculation for determining achievement~~
11 ~~that is less than 134% but more than 100% of the~~
12 ~~applicable annual incremental goal shall use the~~
13 ~~reduced applicable annual incremental goal to set~~
14 ~~the value for 100% achievement of the goal and~~
15 ~~shall use the unreduced goal to set the value for~~
16 ~~125% achievement. The 6 basis point value shall~~
17 ~~also be modified, as necessary, so that the 200~~
18 ~~basis points are evenly apportioned among each~~
19 ~~percentage point value between 100% and 134%~~
20 ~~achievement.~~

21 (9) The utility shall submit the energy savings data
22 to the independent evaluator no later than 30 days after
23 the close of the plan year. The independent evaluator
24 shall determine the cumulative persisting annual savings
25 for a given plan year, as well as an estimate of job
26 impacts and other macroeconomic impacts of the efficiency

1 programs for that year, no later than 120 days after the
2 close of the plan year. The utility shall submit an
3 informational filing to the Commission no later than 160
4 days after the close of the plan year that attaches the
5 independent evaluator's final report identifying the
6 cumulative persisting annual savings for the year and
7 calculates, under paragraph (7) or (8) of this subsection
8 (g), as applicable, any resulting change to the utility's
9 return on equity component of the weighted average cost of
10 capital applicable to the next plan year beginning with
11 the January monthly billing period and extending through
12 the December monthly billing period. However, if the
13 utility recovers the costs incurred under this Section
14 under paragraphs (2) and (3) of subsection (d) of this
15 Section, then the utility shall not be required to submit
16 such informational filing, and shall instead submit the
17 information that would otherwise be included in the
18 informational filing as part of its filing under paragraph
19 (3) of such subsection (d) that is due on or before June 1
20 of each year.

21 For those utilities that must submit the informational
22 filing, the Commission may, on its own motion or by
23 petition, initiate an investigation of such filing,
24 provided, however, that the utility's proposed return on
25 equity calculation shall be deemed the final, approved
26 calculation on December 15 of the year in which it is filed

1 unless the Commission enters an order on or before
2 December 15, after notice and hearing, that modifies such
3 calculation consistent with this Section.

4 The adjustments to the return on equity component
5 described in paragraphs (7) and (8) of this subsection (g)
6 shall be applied as described in such paragraphs through a
7 separate tariff mechanism, which shall be filed by the
8 utility under subsections (f) and (g) of this Section.

9 (9.5) The utility must demonstrate how it will ensure
10 that program implementation contractors and energy
11 efficiency installation vendors will promote workforce
12 equity and quality jobs.

13 (9.6) Utilities shall collect data necessary to ensure
14 compliance with paragraph (9.5) no less than quarterly and
15 shall communicate progress toward compliance with
16 paragraph (9.5) to program implementation contractors and
17 energy efficiency installation vendors no less than
18 quarterly. Utilities shall work with relevant vendors,
19 providing education, training, and other resources needed
20 to ensure compliance and, where necessary, adjusting or
21 terminating work with vendors that cannot assist with
22 compliance.

23 (10) Utilities required to implement efficiency
24 programs under subsections (b-5) and (b-10) shall report
25 annually to the Illinois Commerce Commission and the
26 General Assembly on how hiring, contracting, job training,

1 and other practices related to its energy efficiency
2 programs enhance the diversity of vendors working on such
3 programs. These reports must include data on vendor and
4 employee diversity, including data on the implementation
5 of paragraphs (9.5) and (9.6). If the utility is not
6 meeting the requirements of paragraphs (9.5) and (9.6),
7 the utility shall submit a plan to adjust their activities
8 so that they meet the requirements of paragraphs (9.5) and
9 (9.6) within the following year.

10 (h) No more than 4% ~~6%~~ of energy efficiency and
11 demand-response program revenue may be allocated for research,
12 development, or pilot deployment of new equipment or measures.
13 Electric utilities shall work with interested stakeholders to
14 formulate a plan for how these funds should be spent,
15 incorporate statewide approaches for these allocations, and
16 file a 4-year plan that demonstrates that collaboration. If a
17 utility files a request for modified annual energy savings
18 goals with the Commission, then a utility shall forgo spending
19 portfolio dollars on research and development proposals.

20 (i) When practicable, electric utilities shall incorporate
21 advanced metering infrastructure data into the planning,
22 implementation, and evaluation of energy efficiency measures
23 and programs, subject to the data privacy and confidentiality
24 protections of applicable law.

25 (j) The independent evaluator shall follow the guidelines
26 and use the savings set forth in Commission-approved energy

1 efficiency policy manuals and technical reference manuals, as
2 each may be updated from time to time. Until such time as
3 measure life values for energy efficiency measures implemented
4 for low-income households under subsection (c) of this Section
5 are incorporated into such Commission-approved manuals, the
6 low-income measures shall have the same measure life values
7 that are established for same measures implemented in
8 households that are not low-income households.

9 (k) Notwithstanding any provision of law to the contrary,
10 an electric utility subject to the requirements of this
11 Section may file a tariff cancelling an automatic adjustment
12 clause tariff in effect under this Section or Section 8-103,
13 which shall take effect no later than one business day after
14 the date such tariff is filed. Thereafter, the utility shall
15 be authorized to defer and recover its expenditures incurred
16 under this Section through a new tariff authorized under
17 subsection (d) of this Section or in the utility's next rate
18 case under Article IX or Section 16-108.5 of this Act, with
19 interest at an annual rate equal to the utility's weighted
20 average cost of capital as approved by the Commission in such
21 case. If the utility elects to file a new tariff under
22 subsection (d) of this Section, the utility may file the
23 tariff within 10 days after June 1, 2017 (the effective date of
24 Public Act 99-906), and the cost inputs to such tariff shall be
25 based on the projected costs to be incurred by the utility
26 during the calendar year in which the new tariff is filed and

1 that were not recovered under the tariff that was cancelled as
2 provided for in this subsection. Such costs shall include
3 those incurred or to be incurred by the utility under its
4 multi-year plan approved under subsections (f) and (g) of this
5 Section, including, but not limited to, projected capital
6 investment costs and projected regulatory asset balances with
7 correspondingly updated depreciation and amortization reserves
8 and expense. The Commission shall, after notice and hearing,
9 approve, or approve with modification, such tariff and cost
10 inputs no later than 75 days after the utility filed the
11 tariff, provided that such approval, or approval with
12 modification, shall be consistent with the provisions of this
13 Section to the extent they do not conflict with this
14 subsection (k). The tariff approved by the Commission shall
15 take effect no later than 5 days after the Commission enters
16 its order approving the tariff.

17 No later than 60 days after the effective date of the
18 tariff cancelling the utility's automatic adjustment clause
19 tariff, the utility shall file a reconciliation that
20 reconciles the moneys collected under its automatic adjustment
21 clause tariff with the costs incurred during the period
22 beginning June 1, 2016 and ending on the date that the electric
23 utility's automatic adjustment clause tariff was cancelled. In
24 the event the reconciliation reflects an under-collection, the
25 utility shall recover the costs as specified in this
26 subsection (k). If the reconciliation reflects an

1 over-collection, the utility shall apply the amount of such
2 over-collection as a one-time credit to retail customers'
3 bills.

4 (1) For the calendar years covered by a multi-year plan
5 commencing after December 31, 2017, subsections (a) through
6 (j) of this Section do not apply to eligible large private
7 energy customers that have chosen to opt out of multi-year
8 plans consistent with this subsection (1).

9 (1) For purposes of this subsection (1), "eligible
10 large private energy customer" means any retail customers,
11 except for federal, State, municipal, and other public
12 customers, of an electric utility that serves more than
13 3,000,000 retail customers, except for federal, State,
14 municipal and other public customers, in the State and
15 whose total highest 30 minute demand was more than 10,000
16 kilowatts, or any retail customers of an electric utility
17 that serves less than 3,000,000 retail customers but more
18 than 500,000 retail customers in the State and whose total
19 highest 15 minute demand was more than 10,000 kilowatts.
20 For purposes of this subsection (1), "retail customer" has
21 the meaning set forth in Section 16-102 of this Act.
22 However, for a business entity with multiple sites located
23 in the State, where at least one of those sites qualifies
24 as an eligible large private energy customer, then any of
25 that business entity's sites, properly identified on a
26 form for notice, shall be considered eligible large

1 private energy customers for the purposes of this
2 subsection (1). A determination of whether this subsection
3 is applicable to a customer shall be made for each
4 multi-year plan beginning after December 31, 2017. The
5 criteria for determining whether this subsection (1) is
6 applicable to a retail customer shall be based on the 12
7 consecutive billing periods prior to the start of the
8 first year of each such multi-year plan.

9 (2) Within 45 days after the effective date of this
10 amendatory Act of the 102nd General Assembly, the
11 Commission shall prescribe the form for notice required
12 for opting out of energy efficiency programs. The notice
13 must be submitted to the retail electric utility 12 months
14 before the next energy efficiency planning cycle. However,
15 within 120 days after the Commission's initial issuance of
16 the form for notice, eligible large private energy
17 customers may submit a form for notice to an electric
18 utility. The form for notice for opting out of energy
19 efficiency programs shall include all of the following:

20 (A) a statement indicating that the customer has
21 elected to opt out;

22 (B) the account numbers for the customer accounts
23 to which the opt out shall apply;

24 (C) the mailing address associated with the
25 customer accounts identified under subparagraph (B);

26 (D) an American Society of Heating, Refrigerating,

1 and Air-Conditioning Engineers (ASHRAE) level 2 or
2 higher audit report conducted by an independent
3 third-party expert identifying cost-effective energy
4 efficiency project opportunities that could be
5 invested in over the next 10 years. A retail customer
6 with specialized processes may utilize a self-audit
7 process in lieu of the ASHRAE audit;

8 (E) a description of the customer's plans to
9 reallocate the funds toward internal energy efficiency
10 efforts identified in the subparagraph (D) report,
11 including, but not limited to: (i) strategic energy
12 management or other programs, including descriptions
13 of targeted buildings, equipment and operations; (ii)
14 eligible energy efficiency measures; and (iii)
15 expected energy savings, itemized by technology. If
16 the subparagraph (D) audit report identifies that the
17 customer currently utilizes the best available energy
18 efficient technology, equipment, programs, and
19 operations, the customer may provide a statement that
20 more efficient technology, equipment, programs, and
21 operations are not reasonably available as a means of
22 satisfying this subparagraph (E); and

23 (F) the effective date of the opt out, which will
24 be the next January 1 following notice of the opt out.

25 (3) Upon receipt of a properly and timely noticed
26 request for opt out submitted by an eligible large private

1 energy customer, the retail electric utility shall grant
2 the request, file the request with the Commission and,
3 beginning January 1 of the following year, the opted out
4 customer shall no longer be assessed the costs of the plan
5 and shall be prohibited from participating in that 4-year
6 plan cycle to give the retail utility the certainty to
7 design program plan proposals.

8 (4) Upon a customer's election to opt out under
9 paragraphs (1) and (2) of this subsection (1) and
10 commencing on the effective date of said opt out, the
11 account properly identified in the customer's notice under
12 paragraph (2) shall not be subject to any cost recovery
13 and shall not be eligible to participate in, or directly
14 benefit from, compliance with energy efficiency cumulative
15 persisting savings requirements under subsections (a)
16 through (j).

17 (5) A utility's cumulative persisting annual savings
18 targets will exclude any opted out load.

19 (6) The request to opt out is only valid for the
20 requested plan cycle. An eligible large private energy
21 customer must also request to opt out for future energy
22 plan cycles, otherwise the customer will be included in
23 the future energy plan cycle. ~~For the calendar years~~
24 ~~covered by a multi-year plan commencing after December 31,~~
25 ~~2017, subsections (a) through (j) of this Section do not~~
26 ~~apply to any retail customers of an electric utility that~~

1 ~~serves more than 3,000,000 retail customers in the State~~
2 ~~and whose total highest 30 minute demand was more than~~
3 ~~10,000 kilowatts, or any retail customers of an electric~~
4 ~~utility that serves less than 3,000,000 retail customers~~
5 ~~but more than 500,000 retail customers in the State and~~
6 ~~whose total highest 15 minute demand was more than 10,000~~
7 ~~kilowatts. For purposes of this subsection (1), "retail~~
8 ~~customer" has the meaning set forth in Section 16 102 of~~
9 ~~this Act. A determination of whether this subsection is~~
10 ~~applicable to a customer shall be made for each multi-year~~
11 ~~plan beginning after December 31, 2017. The criteria for~~
12 ~~determining whether this subsection (1) is applicable to a~~
13 ~~retail customer shall be based on the 12 consecutive~~
14 ~~billing periods prior to the start of the first year of~~
15 ~~each such multi-year plan.~~

16 (m) Notwithstanding the requirements of this Section, as
17 part of a proceeding to approve a multi-year plan under
18 subsections (f) and (g) of this Section if the multi-year plan
19 has been designed to maximize savings, but does not meet the
20 cost cap limitations of this Section, the Commission shall
21 reduce the amount of energy efficiency measures implemented
22 for any single year, and whose costs are recovered under
23 subsection (d) of this Section, by an amount necessary to
24 limit the estimated average net increase due to the cost of the
25 measures to no more than

26 (1) 3.5% for each of the 4 years beginning January 1,

1 2018,

2 (2) (blank), ~~3.75% for each of the 4 years beginning~~
3 ~~January 1, 2022, and~~

4 (3) 4% for each of the 4 ~~5~~ years beginning January 1,
5 2022 ~~2026~~,

6 (4) 4.25% for the 4 years beginning January 1, 2026,
7 and

8 (5) 4.25% plus an increase sufficient to account for
9 the rate of inflation between January 1, 2026 and January
10 1 of the first year of each subsequent 4-year plan cycle,

11 of the average amount paid per kilowatthour by residential
12 eligible retail customers during calendar year 2015. An
13 electric utility may plan to spend up to 10% more in any year
14 during an applicable multi-year plan period to
15 cost-effectively achieve additional savings so long as the
16 average over the applicable multi-year plan period does not
17 exceed the percentages defined in items (1) through (5). To
18 determine the total amount that may be spent by an electric
19 utility in any single year, the applicable percentage of the
20 average amount paid per kilowatthour shall be multiplied by
21 the total amount of energy delivered by such electric utility
22 in the calendar year 2015, adjusted to reflect the proportion
23 of the utility's load attributable to customers that have
24 opted out of ~~who are exempt from~~ subsections (a) through (j) of
25 this Section under subsection (l) of this Section. For
26 purposes of this subsection (m), the amount paid per

1 kilowatthour includes, without limitation, estimated amounts
2 paid for supply, transmission, distribution, surcharges, and
3 add-on taxes. For purposes of this Section, "eligible retail
4 customers" shall have the meaning set forth in Section
5 16-111.5 of this Act. Once the Commission has approved a plan
6 under subsections (f) and (g) of this Section, no subsequent
7 rate impact determinations shall be made.

8 (n) A utility shall take advantage of the efficiencies
9 available through existing Illinois Home Weatherization
10 Assistance Program infrastructure and services, such as
11 enrollment, marketing, quality assurance and implementation,
12 which can reduce the need for similar services at a lower cost
13 than utility-only programs, subject to capacity constraints at
14 community action agencies, for both single-family and
15 multifamily weatherization services, to the extent Illinois
16 Home Weatherization Assistance Program CAAs provide
17 multifamily services. A utility's plan shall demonstrate that
18 in formulating annual weatherization budgets, it has sought
19 input and coordination with community action agencies
20 regarding agencies' capacity to expand and maximize Illinois
21 Home Weatherization Assistance Program delivery using the
22 ratepayer dollars collected under this Section.

23 (Source: P.A. 100-840, eff. 8-13-18; 101-81, eff. 7-12-19.)

24 (220 ILCS 5/8-201.8 new)

25 Sec. 8-201.8. Prohibition on late payment fees for

1 low-income residential customers or applicants.

2 (a) Notwithstanding any other provision of this Act, as of
3 the effective date of this amendatory Act of the 102nd General
4 Assembly, an electric utility shall not charge a low-income
5 residential customer or applicant a fee, charge, or penalty
6 for late payment of any utility bill or invoice.
7 Notwithstanding any other provision of this Act, as of January
8 1, 2023, a natural gas utility shall not charge a low-income
9 residential customer or applicant a fee, charge, or penalty
10 for late payment of any utility bill or invoice.

11 (b) As used in this Section, "low-income residential
12 customer or applicant" means: (i) a member of a household at or
13 below 80% of the latest median household income as reported by
14 the United States Census Bureau for the most applicable
15 community or county; (ii) a member of a household at or below
16 150% of the federal poverty level; (iii) a person who is
17 eligible for the Illinois Low Income Home Energy Assistance
18 Program (LIHEAP) as defined in the Energy Assistance Act; (iv)
19 a person who is eligible to participate in the Percentage of
20 Income Payment Plan (PIPP or PIP Plan) as defined in the Energy
21 Assistance Act; or (v) a person who is eligible to receive
22 Lifeline service as defined in the Universal Service Telephone
23 Service Protection Law of 1985.

24 (220 ILCS 5/8-201.10 new)

25 Sec. 8-201.10. Disconnection and credit and collections

1 reporting.

2 (a) The Commission shall require all gas, electric, water
3 and sewer public utilities under its authority to submit an
4 annual report by May 1, 2022 and every May 1 thereafter,
5 reporting and making publicly available in executable,
6 electronic spreadsheet format, by zip code, on the number of
7 disconnections for nonpayment and reconnections that occurred
8 in the immediately preceding calendar year.

9 (b) Each such public utility in its annual report shall
10 report to the Commission and make publicly available in
11 executable, electronic spreadsheet format the following
12 information, by zip code, for the immediately preceding
13 calendar year:

14 (1) the number of customers, by customer class and
15 type of utility service provided, during each month;

16 (2) the number of customers, by customer class and
17 type of utility service, receiving disconnection notices
18 during each month;

19 (3) the number of customers, by customer class and
20 type of utility service, disconnected for nonpayment
21 during each month;

22 (4) the number of customers, by customer class and
23 type of utility service, reconnected because they have
24 paid in full or set up payment arrangements during each
25 month;

26 (5) the number of new deferred payment agreements, by

1 customer class and type of utility service, each month;

2 (6) the number of customers, by customer class and
3 type of utility service, taking service at the beginning
4 of the month under existing deferred payment arrangements;

5 (7) the number of customers, by customer class and
6 type of utility service, completing deferred payment
7 arrangements during the month;

8 (8) the number of payment agreements, by customer
9 class and type of utility service, that failed during each
10 month;

11 (9) the number of customers, by customer class and
12 type of utility service, renegotiating deferred payment
13 arrangements during the month;

14 (10) the number of customers, by customer class and
15 type of utility service, assessed late payment fees or
16 charges during the month;

17 (11) the number of customers, by customer class and
18 type of utility service, taking service at the beginning
19 of the month under existing medical payment arrangements;

20 (12) the number of customers, by utility service,
21 completing medical payment arrangements during the month;

22 (13) the number of customers, by utility service,
23 enrolling in new medical payment arrangements during the
24 month;

25 (14) the number of customers, by utility service,
26 renegotiating medical payment arrangements plans during

1 the month;

2 (15) the number of customers, by customer class and
3 utility service, with required deposits with the company
4 at the beginning of the month;

5 (16) the number of customers, by customer class and
6 utility service, required to submit new deposits or
7 increased deposits during the month;

8 (17) the number of customers, by customer class and
9 utility service, whose required deposits were reduced in
10 part or forgone during the month;

11 (18) the number of customers, by customer class and
12 utility service, whose deposits were returned in full
13 during the month;

14 (19) the number of customers, by customer class and
15 utility service, with past due amounts greater than 30
16 days past due at the beginning of the month and taking
17 service at the beginning of the month under existing
18 deferred payment arrangements;

19 (20) the dollar volume of past due accounts, by
20 customer class and utility service, for customers with
21 past due amounts greater than 30 days past due at the
22 beginning of the month and taking service at the beginning
23 of the month under existing deferred payment arrangements;

24 (21) the number of customers, by customer class and
25 utility service, with past due amounts greater than 30
26 days past due at the beginning of the month and not taking

1 service at the beginning of the month under existing
2 deferred payment arrangements; and

3 (22) the dollar volume of past due accounts, by
4 customer class and utility service, for customers with
5 past due amounts greater than 30 days past due at the
6 beginning of the month and not taking service at the
7 beginning of the month under existing deferred payment
8 arrangements.

9 (c) The Commission may specify the executable, electronic
10 spreadsheet format that utilities must adhere to when
11 submitting the information required by this Section.
12 Notwithstanding the requirements of this Section, the
13 Commission may establish an online reporting system and
14 require each public utility to report using the online
15 reporting system instead of filing information in executable,
16 electronic spreadsheet format. The Commission shall make each
17 annual report submitted by each public utility publicly
18 available on its website within 30 days of receipt.

19 (d) 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 detailing the number of disconnections for nonpayment and
23 reconnections that occurred in the immediately preceding
24 calendar year.

25 (e) Each such public utility in its annual report shall
26 include the following information for the immediately

1 preceding calendar year:

2 (1) the number of customers, by customer class, during
3 each month;

4 (2) the number of customers, by customer class,
5 disconnected for nonpayment during each month;

6 (3) the number of customers, by customer class,
7 reconnected because they have paid in full or set up
8 payment arrangements during each month; and

9 (4) the number of customers, by customer class, who
10 have set up payment arrangements each month.

11 (f) The Commission shall make each annual report submitted
12 by each public utility publicly available on its website
13 within 30 days of receipt.

14 (220 ILCS 5/8-218 new)

15 Sec. 8-218. Utility-scale pilot projects.

16 (a) Electric utilities serving greater than 500,000
17 customers but less than 3,000,000 customers may propose, plan
18 for, construct, install, control, own, manage, or operate up
19 to 2 pilot projects consisting of utility-scale photovoltaic
20 energy generation facilities. Energy storage facilities that
21 are planned for, constructed, installed, controlled, owned,
22 managed, or operated may be constructed in connection with the
23 photovoltaic electricity generation pilot projects.

24 (b) Pilot projects shall be sited in equity investment
25 eligible communities in or near the towns of Peoria and East

1 St. Louis and must result in economic benefits for the members
2 of the communities in which the project will be located. The
3 amount paid per pilot project with or without energy storage
4 facilities cannot exceed \$20,000,000. The electric utility's
5 costs of planning for, constructing, installing, controlling,
6 owning, managing, or operating the photovoltaic electricity
7 generation facilities and energy storage facilities may be
8 recovered, on a kilowatt hour basis, in the electric utility's
9 rates for delivery service established pursuant to Article XVI
10 or Article IX of this Act, and for purposes of cost recovery
11 the photovoltaic electricity production facilities, may be
12 treated as distribution assets, provided: (1) the Commission
13 shall have the authority to determine the reasonableness of
14 the costs of the facilities, and (2) any monetary value of
15 power and energy from the facilities shall be credited against
16 the delivery services revenue requirement.

17 (c) Any electric utility seeking to propose, plan for,
18 construct, install, control, own, manage, or operate a pilot
19 project pursuant to this Section must commit to using a
20 diverse and equitable workforce and a diverse set of
21 contractors, including minority-owned businesses,
22 disadvantaged businesses, trade unions, graduates of any
23 workforce training programs established by this amendatory Act
24 of the 102nd General Assembly, and small businesses. An
25 electric utility must comply with the equity commitment
26 requirements in subsection (c-10) of Section 1-75 of the

1 Illinois Power Agency Act. The electric utility must certify
2 that not less than the prevailing wage will be paid to
3 employees engaged in construction activities associated with
4 the pilot project. The electric utility must file a project
5 labor agreement, as defined in the Illinois Power Agency Act,
6 with the Commission prior to constructing, installing,
7 controlling, or owning a pilot project authorized by this
8 Section.

9 (220 ILCS 5/8-402.2 new)

10 Sec. 8-402.2. Public Schools Carbon-Free Assessment
11 programs.

12 (a) Within one year after the effective date of this
13 amendatory Act of the 102nd General Assembly, each electric
14 utility serving over 500,000 retail customers in this State
15 shall implement a Public Schools Carbon-Free Assessment
16 program.

17 (b) Each utility's Public Schools Carbon-Free Assessment
18 program shall include the following requirements:

19 (1) Each plan shall be designed to offer within the
20 utility's service territory to assist public schools, as
21 defined by Section 1-3 of the School Code, to increase the
22 efficiency of their energy usage, to reduce the carbon
23 emissions associated with their energy usage, and to move
24 toward a goal of public schools being carbon-free in their
25 energy usage by 2030. The program shall include a target

1 of completing Public Schools Carbon-Free Assessment for
2 all public schools in the utility's service territory by
3 December 31, 2029.

4 (2) The Public Schools Carbon-Free Assessment shall be
5 a generally standardized assessment, but may incorporate
6 flexibility to reflect the circumstances of individual
7 public schools and public school districts.

8 (3) The Public Schools Carbon-Free Assessment shall
9 include, but not be limited to, comprehensive analyses of
10 the following subjects:

11 (A) The top energy efficiency savings
12 opportunities for the public school, by energy saved;

13 (B) The total achievable solar energy potential on
14 or nearby a public school's premises and able to
15 provide power to a school;

16 (C) The infrastructure required to support
17 electrification of the facility's space heating and
18 water heating needs;

19 (D) The infrastructure requirements to support
20 electrification of a school's transportation needs;
21 and

22 (E) The investments required to achieve a WELL
23 Certification or similar certification as determined
24 through methods developed and updated by the
25 International WELL Building Institute or similar or
26 successor organizations.

1 (4) The Public Schools Carbon-Free Assessment also
2 shall include, but not be limited to, mechanical
3 insulation evaluation inspection and inspection of the
4 building envelope(s).

5 (5) With respect to those public school construction
6 projects for public schools within the service territory
7 of a utility serving over 500,000 retail customers in this
8 State and for which a public school district applies for a
9 grant under Section 5-40 of the School Construction Law on
10 or after June 1, 2023, the district must submit a copy of
11 the applicable Public Schools Carbon-Free Assessment
12 report, or, if no such Public Schools Carbon-Free
13 Assessment has been performed, request the applicable
14 utility to perform such a Public Schools Carbon-Free
15 Assessment and submit a copy of the Public Schools
16 Carbon-Free Assessment report promptly when it becomes
17 available. The Public Schools Carbon-Free Assessment
18 report shall include, but not limited to, an energy audit
19 of both the building envelope and the building's
20 mechanical insulation system. It shall also include an
21 inspection of both the building envelope and the
22 mechanical insulation system. The district must
23 demonstrate how the construction project is designed and
24 managed to achieve the goals that all public elementary
25 and secondary school facilities in the State are able to
26 be powered by clean energy by 2030, and for such

1 facilities to achieve carbon-free energy sources for space
2 heat, water heat, and transportation by 2050.

3 (6) The results of each Public Schools Carbon-Free
4 Assessment shall be memorialized by the utility or by a
5 third party acting on behalf of the utility in a usable
6 report form and shall be provided to the applicable public
7 school. Each utility shall be required to retain a copy of
8 each Public Schools Carbon-Free Assessment report and to
9 provide confidential copies of each report to the Illinois
10 Power Agency and the Illinois Capital Development Board
11 within 3 months of its completion.

12 (7) The Public Schools Carbon-Free Assessment shall be
13 conducted in coordination with each utility's energy
14 efficiency and demand-response plans under Sections 8-103,
15 8-103A, and 8-103B of this Act, to the extent applicable.
16 Nothing in this Section is intended to modify or require
17 modification of those plans. However, the utility may
18 request a modification of a plan approved by the
19 Commission, and the Commission may approve the requested
20 modification, if the modification is consistent with the
21 provisions of this Section and Section 8-103B of this Act.

22 (8) If there are no other providers of assessments
23 that are substantively the same as those being performed
24 by utilities pursuant to this Section by 2024, a utility
25 that has a Public Schools Carbon-Free Assessment program
26 may offer assessments to public schools that are not

1 served by a utility subject to this Section at the
2 utility's cost.

3 (9) The Public Schools Carbon-Free Assessment shall be
4 offered to and performed for public schools in the
5 utility's service territory on a complimentary basis by
6 each utility, with no Assessment fee charged to the public
7 schools for the Assessments. Nothing in this Section is
8 intended to prohibit the utility from recovering through
9 rates approved by the Commission the utility's prudent and
10 reasonable costs of complying with this Section.

11 (10) Utilities shall make efforts to prioritize the
12 completion of Public Schools Carbon-Free Assessments for
13 the following school districts by December 31, 2022: East
14 St. Louis School District 189, Harvey School District 152,
15 Thornton Township High School District 205.

16 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

17 Sec. 8-406. Certificate of public convenience and
18 necessity.

19 (a) No public utility not owning any city or village
20 franchise nor engaged in performing any public service or in
21 furnishing any product or commodity within this State as of
22 July 1, 1921 and not possessing a certificate of public
23 convenience and necessity from the Illinois Commerce
24 Commission, the State Public Utilities Commission or the
25 Public Utilities Commission, at the time this amendatory Act

1 of 1985 goes into effect, shall transact any business in this
2 State until it shall have obtained a certificate from the
3 Commission that public convenience and necessity require the
4 transaction of such business.

5 (b) No public utility shall begin the construction of any
6 new plant, equipment, property or facility which is not in
7 substitution of any existing plant, equipment, property or
8 facility or any extension or alteration thereof or in addition
9 thereto, unless and until it shall have obtained from the
10 Commission a certificate that public convenience and necessity
11 require such construction. Whenever after a hearing the
12 Commission determines that any new construction or the
13 transaction of any business by a public utility will promote
14 the public convenience and is necessary thereto, it shall have
15 the power to issue certificates of public convenience and
16 necessity. The Commission shall determine that proposed
17 construction will promote the public convenience and necessity
18 only if the utility demonstrates: (1) that the proposed
19 construction is necessary to provide adequate, reliable, and
20 efficient service to its customers and is the least-cost means
21 of satisfying the service needs of its customers or that the
22 proposed construction will promote the development of an
23 effectively competitive electricity market that operates
24 efficiently, is equitable to all customers, and is the least
25 cost means of satisfying those objectives; (2) that the
26 utility is capable of efficiently managing and supervising the

1 construction process and has taken sufficient action to ensure
2 adequate and efficient construction and supervision thereof;
3 and (3) that the utility is capable of financing the proposed
4 construction without significant adverse financial
5 consequences for the utility or its customers.

6 (b-5) As used in this subsection (b-5):

7 "Qualifying direct current applicant" means an entity that
8 seeks to provide direct current bulk transmission service for
9 the purpose of transporting electric energy in interstate
10 commerce.

11 "Qualifying direct current project" means a high voltage
12 direct current electric service line that crosses at least one
13 Illinois border, the Illinois portion of which is physically
14 located within the region of the Midcontinent Independent
15 System Operator, Inc., or its successor organization, and runs
16 through the counties of Pike, Scott, Greene, Macoupin,
17 Montgomery, Christian, Shelby, Cumberland, and Clark, is
18 capable of transmitting electricity at voltages of 345kv or
19 above, and may also include associated interconnected
20 alternating current interconnection facilities in this State
21 that are part of the proposed project and reasonably necessary
22 to connect the project with other portions of the grid.

23 Notwithstanding any other provision of this Act, a
24 qualifying direct current applicant that does not own,
25 control, operate, or manage, within this State, any plant,
26 equipment, or property used or to be used for the transmission

1 of electricity at the time of its application or of the
2 Commission's order may file an application on or before
3 December 31, 2023 with the Commission pursuant to this Section
4 or Section 8-406.1 for, and the Commission may grant, a
5 certificate of public convenience and necessity to construct,
6 operate, and maintain a qualifying direct current project. The
7 qualifying direct current applicant may also include in the
8 application requests for authority under Section 8-503. The
9 Commission shall grant the application for a certificate of
10 public convenience and necessity and requests for authority
11 under Section 8-503 if it finds that the qualifying direct
12 current applicant and the proposed qualifying direct current
13 project satisfy the requirements of this subsection and
14 otherwise satisfy the criteria of this Section or Section
15 8-406.1 and the criteria of Section 8-503, as applicable to
16 the application and to the extent such criteria are not
17 superseded by the provisions of this subsection. The
18 Commission's order on the application for the certificate of
19 public convenience and necessity shall also include the
20 Commission's findings and determinations on the request or
21 requests for authority pursuant to Section 8-503. Prior to
22 filing its application under either this Section or Section
23 8-406.1, the qualifying direct current applicant shall conduct
24 3 public meetings in accordance with subsection (h) of this
25 Section. If the qualifying direct current applicant
26 demonstrates in its application that the proposed qualifying

1 direct current project is designed to deliver electricity to a
2 point or points on the electric transmission grid in either or
3 both the PJM Interconnection, LLC or the Midcontinent
4 Independent System Operator, Inc., or their respective
5 successor organizations, the proposed qualifying direct
6 current project shall be deemed to be, and the Commission
7 shall find it to be, for public use. If the qualifying direct
8 current applicant further demonstrates in its application that
9 the proposed transmission project has a capacity of 1,000
10 megawatts or larger and a voltage level of 345 kilovolts or
11 greater, the proposed transmission project shall be deemed to
12 satisfy, and the Commission shall find that it satisfies, the
13 criteria stated in item (1) of subsection (b) of this Section
14 or in paragraph (1) of subsection (f) of Section 8-406.1, as
15 applicable to the application, without the taking of
16 additional evidence on these criteria. Prior to the transfer
17 of functional control of any transmission assets to a regional
18 transmission organization, a qualifying direct current
19 applicant shall request Commission approval to join a regional
20 transmission organization in an application filed pursuant to
21 this subsection (b-5) or separately pursuant to Section 7-102
22 of this Act. The Commission may grant permission to a
23 qualifying direct current applicant to join a regional
24 transmission organization if it finds that the membership, and
25 associated transfer of functional control of transmission
26 assets, benefits Illinois customers in light of the attendant

1 costs and is otherwise in the public interest. Nothing in this
2 subsection (b-5) requires a qualifying direct current
3 applicant to join a regional transmission organization.
4 Nothing in this subsection (b-5) requires the owner or
5 operator of a high voltage direct current transmission line
6 that is not a qualifying direct current project to obtain a
7 certificate of public convenience and necessity to the extent
8 it is not otherwise required by this Section 8-406 or any other
9 provision of this Act.

10 (c) After the effective date of this amendatory Act of
11 1987, no construction shall commence on any new nuclear power
12 plant to be located within this State, and no certificate of
13 public convenience and necessity or other authorization shall
14 be issued therefor by the Commission, until the Director of
15 the Illinois Environmental Protection Agency finds that the
16 United States Government, through its authorized agency, has
17 identified and approved a demonstrable technology or means for
18 the disposal of high level nuclear waste, or until such
19 construction has been specifically approved by a statute
20 enacted by the General Assembly.

21 As used in this Section, "high level nuclear waste" means
22 those aqueous wastes resulting from the operation of the first
23 cycle of the solvent extraction system or equivalent and the
24 concentrated wastes of the subsequent extraction cycles or
25 equivalent in a facility for reprocessing irradiated reactor
26 fuel and shall include spent fuel assemblies prior to fuel

1 reprocessing.

2 (d) In making its determination, the Commission shall
3 attach primary weight to the cost or cost savings to the
4 customers of the utility. The Commission may consider any or
5 all factors which will or may affect such cost or cost savings,
6 including the public utility's engineering judgment regarding
7 the materials used for construction.

8 (e) The Commission may issue a temporary certificate which
9 shall remain in force not to exceed one year in cases of
10 emergency, to assure maintenance of adequate service or to
11 serve particular customers, without notice or hearing, pending
12 the determination of an application for a certificate, and may
13 by regulation exempt from the requirements of this Section
14 temporary acts or operations for which the issuance of a
15 certificate will not be required in the public interest.

16 A public utility shall not be required to obtain but may
17 apply for and obtain a certificate of public convenience and
18 necessity pursuant to this Section with respect to any matter
19 as to which it has received the authorization or order of the
20 Commission under the Electric Supplier Act, and any such
21 authorization or order granted a public utility by the
22 Commission under that Act shall as between public utilities be
23 deemed to be, and shall have except as provided in that Act the
24 same force and effect as, a certificate of public convenience
25 and necessity issued pursuant to this Section.

26 No electric cooperative shall be made or shall become a

1 party to or shall be entitled to be heard or to otherwise
2 appear or participate in any proceeding initiated under this
3 Section for authorization of power plant construction and as
4 to matters as to which a remedy is available under The Electric
5 Supplier Act.

6 (f) Such certificates may be altered or modified by the
7 Commission, upon its own motion or upon application by the
8 person or corporation affected. Unless exercised within a
9 period of 2 years from the grant thereof authority conferred
10 by a certificate of convenience and necessity issued by the
11 Commission shall be null and void.

12 No certificate of public convenience and necessity shall
13 be construed as granting a monopoly or an exclusive privilege,
14 immunity or franchise.

15 (g) A public utility that undertakes any of the actions
16 described in items (1) through (3) of this subsection (g) or
17 that has obtained approval pursuant to Section 8-406.1 of this
18 Act shall not be required to comply with the requirements of
19 this Section to the extent such requirements otherwise would
20 apply. For purposes of this Section and Section 8-406.1 of
21 this Act, "high voltage electric service line" means an
22 electric line having a design voltage of 100,000 or more. For
23 purposes of this subsection (g), a public utility may do any of
24 the following:

25 (1) replace or upgrade any existing high voltage
26 electric service line and related facilities,

1 notwithstanding its length;

2 (2) relocate any existing high voltage electric
3 service line and related facilities, notwithstanding its
4 length, to accommodate construction or expansion of a
5 roadway or other transportation infrastructure; or

6 (3) construct a high voltage electric service line and
7 related facilities that is constructed solely to serve a
8 single customer's premises or to provide a generator
9 interconnection to the public utility's transmission
10 system and that will pass under or over the premises owned
11 by the customer or generator to be served or under or over
12 premises for which the customer or generator has secured
13 the necessary right of way.

14 (h) A public utility seeking to construct a high-voltage
15 electric service line and related facilities (Project) must
16 show that the utility has held a minimum of 2 pre-filing public
17 meetings to receive public comment concerning the Project in
18 each county where the Project is to be located, no earlier than
19 6 months prior to filing an application for a certificate of
20 public convenience and necessity from the Commission. Notice
21 of the public meeting shall be published in a newspaper of
22 general circulation within the affected county once a week for
23 3 consecutive weeks, beginning no earlier than one month prior
24 to the first public meeting. If the Project traverses 2
25 contiguous counties and where in one county the transmission
26 line mileage and number of landowners over whose property the

1 proposed route traverses is one-fifth or less of the
2 transmission line mileage and number of such landowners of the
3 other county, then the utility may combine the 2 pre-filing
4 meetings in the county with the greater transmission line
5 mileage and affected landowners. All other requirements
6 regarding pre-filing meetings shall apply in both counties.
7 Notice of the public meeting, including a description of the
8 Project, must be provided in writing to the clerk of each
9 county where the Project is to be located. A representative of
10 the Commission shall be invited to each pre-filing public
11 meeting.

12 (i) For applications filed after the effective date of
13 this amendatory Act of the 99th General Assembly, the
14 Commission shall by registered mail notify each owner of
15 record of land, as identified in the records of the relevant
16 county tax assessor, included in the right-of-way over which
17 the utility seeks in its application to construct a
18 high-voltage electric line of the time and place scheduled for
19 the initial hearing on the public utility's application. The
20 utility shall reimburse the Commission for the cost of the
21 postage and supplies incurred for mailing the notice.

22 (Source: P.A. 99-399, eff. 8-18-15.)

23 (220 ILCS 5/8-512 new)

24 Sec. 8-512. Renewable energy access plan.

25 (a) It is the policy of this State to promote

1 cost-effective transmission system development that ensures
2 reliability of the electric transmission system, lowers carbon
3 emissions, minimizes long-term costs for consumers, and
4 supports the electric policy goals of this State. The General
5 Assembly finds that:

6 (1) Transmission planning, primarily for reliability
7 purposes, but also for economic and public policy reasons
8 is conducted by regional transmission organizations in
9 which transmission-owning Illinois utilities and other
10 stakeholders are members.

11 (2) Order No. 1000 of the Federal Energy Regulatory
12 Commission requires regional transmission organizations to
13 plan for transmission system needs in light of State
14 public policies and to accept input from states during the
15 transmission system planning processes.

16 (3) The State of Illinois does not currently have a
17 comprehensive power and environmental policy planning
18 process to identify transmission infrastructure needs that
19 can serve as a vital input into the regional and
20 interregional transmission organization planning
21 processes conducted under Order No. 1000 and other laws
22 and regulations.

23 (4) This State is an electricity generation and power
24 transmission hub, and can leverage that position to invest
25 in infrastructure that enables new and existing Illinois
26 generators to meet the public policy goals of the State of

1 Illinois and of interconnected states while
2 cost-effectively supporting tens of thousands of jobs in
3 the renewable energy sector in this State.

4 (5) The nation has a need to readily access this
5 State's low-cost, clean electric power, and this State
6 also desires access to clean energy resources in other
7 states to develop and support its low-carbon economy and
8 keep electricity prices low in Illinois and interconnected
9 States.

10 (6) Existing transmission infrastructure may constrain
11 the State's achievement of 100% renewable energy by 2050,
12 the accelerated adoption of electric vehicles in a just
13 and equitable way, and electrification of additional
14 sectors of the Illinois economy.

15 (7) Transmission system congestion within this State
16 and the regional transmission organizations serving this
17 State limits the ability of this State's existing and new
18 electric generation facilities that do not emit carbon
19 dioxide, including renewable energy resources and zero
20 emission facilities, to serve the public policy goals of
21 this State and other states, which constrains investment
22 in this State.

23 (8) Investment in infrastructure to support existing
24 and new electric generation facilities that do not emit
25 carbon dioxide, including renewable energy resources and
26 zero emission facilities, stimulates significant economic

1 development and job growth in this State, as well as
2 creates environmental and public health benefits in this
3 State.

4 (9) Creating a forward-looking plan for this State's
5 electric transmission infrastructure, as opposed to
6 relying on case-by-case development and repeated marginal
7 upgrades, will achieve a lower-cost system for Illinois'
8 electricity customers. A forward-looking plan can also
9 help integrate and achieve a comprehensive set of
10 objectives and multiple state, regional, and national
11 policy goals.

12 (10) Alternatives to overhead electric transmission
13 lines can achieve cost-effective resolution of system
14 impacts and warrant investigation of the circumstances
15 under which those alternatives should be considered and
16 approved. The alternatives are likely to be beneficial as
17 investment in electric transmission infrastructure moves
18 forward.

19 (11) Because transmission planning is conducted
20 primarily by the regional transmission organizations, the
21 Commission should be advocating for the State's interests
22 at the regional transmission organizations to ensure that
23 such planning facilitates the State's policies and goals,
24 including overall consumer savings, power system
25 reliability, economic development, environmental
26 improvement, and carbon reduction.

1 (b) Consistent with the findings identified in subsection
2 (a), the Commission shall open an investigation to develop and
3 adopt a renewable energy access plan no later than December
4 31, 2022. To assist and support the Commission in the
5 development of the plan, the Commission shall retain the
6 services of technical and policy experts with relevant fields
7 of expertise, solicit technical and policy analysis from the
8 public, and provide for a 120-day open public comment period
9 after publication of a draft report, which shall be published
10 no later than 90 days after the comment period ends. The plan
11 shall, at a minimum, do the following:

12 (1) designate renewable energy access plan zones
13 throughout this State in areas in which renewable energy
14 resources and suitable land areas are sufficient for
15 developing generating capacity from renewable energy
16 technologies;

17 (2) develop a plan to achieve transmission capacity
18 necessary to deliver the electric output from renewable
19 energy technologies in the renewable energy access plan
20 zones to customers in Illinois and other states in a
21 manner that is most beneficial and cost-effective to
22 customers;

23 (3) use this State's position as an electricity
24 generation and power transmission hub to create new
25 investment in this State's renewable energy resources;

26 (4) consider programs, policies, and electric

1 transmission projects that can be adopted within this
2 State that promote the cost-effective delivery of power
3 from renewable energy resources interconnected to the bulk
4 electric system to meet the renewable portfolio standard
5 targets under subsection (c) of Section 1-75 of the
6 Illinois Power Agency Act;

7 (5) consider proposals to improve regional
8 transmission organizations' regional and interregional
9 system planning processes, especially proposals that
10 reduce costs and emissions, create jobs, and increase
11 State and regional power system reliability to prevent
12 high-cost outages that can endanger lives, and analyze of
13 how those proposals would improve reliability and
14 cost-effective delivery of electricity in Illinois and the
15 region;

16 (6) make findings and policy recommendations based on
17 technical and policy analysis regarding locations of
18 renewable energy access plan zones and the transmission
19 system developments needed to cost-effectively achieve the
20 public policy goals identified herein; and

21 (7) present the Commission's conclusions and proposed
22 recommendations based on its analysis and use the findings
23 and policy recommendations to determine actions that the
24 Commission should take.

25 (c) No later than December 31, 2025, and every other year
26 thereafter, the Commission shall open an investigation to

1 develop and adopt an updated renewable energy access plan
2 that, at a minimum, evaluates the implementation and
3 effectiveness of the renewable energy access plan, recommends
4 improvements to the renewable energy access plan, and provides
5 changes to transmission capacity necessary to deliver electric
6 output from the renewable energy access plan zones.

7 (220 ILCS 5/9-228 new)

8 Sec. 9-228. Limits on public utility expenses. The
9 Commission shall not consider any of the following as an
10 expense of any public utility company, including any
11 allocation of those costs to the public utility from an
12 affiliate or corporate parent, for the purpose of determining
13 any rate or charge, any amount expended for:

14 (1) the pension or other post-employment benefits for
15 an employee convicted of committing a criminal act in the
16 course of his or her work with the utility;

17 (2) any severance or post-employment costs for an
18 employee convicted of committing a criminal act in the
19 course of his or her work with the utility; or

20 (3) criminal penalties, fines, fees, and costs related
21 to criminal charges, criminal investigations, or deferred
22 prosecution agreements.

23 (220 ILCS 5/9-229)

24 Sec. 9-229. Consideration of attorney and expert

1 compensation as an expense and intervenor compensation fund.

2 (a) The Commission shall specifically assess the justness
3 and reasonableness of any amount expended by a public utility
4 to compensate attorneys or technical experts to prepare and
5 litigate a general rate case filing. This issue shall be
6 expressly addressed in the Commission's final order.

7 (b) The State of Illinois shall create a Consumer
8 Intervenor Compensation Fund subject to the following:

9 (1) Provision of compensation for Consumer Interest
10 Representatives that intervene in Illinois Commerce
11 Commission proceedings will increase public engagement,
12 encourage additional transparency, expand the information
13 available to the Commission, and improve decision-making.

14 (2) As used in this Section, "Consumer interest
15 representative" means:

16 (A) a residential utility customer or group of
17 residential utility customers represented by a
18 not-for-profit group or organization registered with
19 the Illinois Attorney General under the Solicitation
20 of Charity Act;

21 (B) representatives of not-for-profit groups or
22 organizations whose membership is limited to
23 residential utility customers; or

24 (C) representatives of not-for-profit groups or
25 organizations whose membership includes Illinois
26 residents and that address the community, economic,

1 environmental, or social welfare of Illinois
2 residents, except government agencies or intervenors
3 specifically authorized by Illinois law to participate
4 in Commission proceedings on behalf of Illinois
5 consumers.

6 (3) A consumer interest representative is eligible to
7 receive compensation from the consumer intervenor
8 compensation fund if its participation included lay or
9 expert testimony or legal briefing and argument concerning
10 the expenses, investments, rate design, rate impact, or
11 other matters affecting the pricing, rates, costs or other
12 charges associated with utility service, the Commission
13 adopts a material recommendation related to a significant
14 issue in the docket, and participation caused a
15 significant financial hardship to the participant;
16 however, no consumer interest representative shall be
17 eligible to receive an award pursuant to this Section if
18 the consumer interest representative receives any
19 compensation, funding, or donations, directly or
20 indirectly, from parties that have a financial interest in
21 the outcome of the proceeding.

22 (4) Within 30 days after the effective date of this
23 amendatory Act of the 102nd General Assembly, each utility
24 that files a request for an increase in rates under
25 Article IX or Article XVI shall deposit an amount equal to
26 one half of the rate case attorney and expert expense

1 allowed by the Commission, but not to exceed \$500,000,
2 into the fund within 35 days of the date of the
3 Commission's final Order in the rate case or 20 days after
4 the denial of rehearing under Section 10-113 of this Act,
5 whichever is later. The Consumer Intervenor Compensation
6 Fund shall be used to provide payment to consumer interest
7 representatives as described in this Section.

8 (5) An electric public utility with 3,000,000 or more
9 retail customers shall contribute \$450,000 to the Consumer
10 Intervenor Compensation Fund within 60 days after the
11 effective date of this amendatory Act of the 102nd General
12 Assembly. A combined electric and gas public utility
13 servicing fewer than 3,000,000 but more than 500,000 retail
14 customers shall contribute \$225,000 to the Consumer
15 Intervenor Compensation Fund within 60 days after the
16 effective date of this amendatory Act of the 102nd General
17 Assembly. A gas public utility with 1,500,000 or more
18 retail customers that is not a combined electric and gas
19 public utility shall contribute \$225,000 to the Consumer
20 Intervenor Compensation Fund within 60 days after the
21 effective date of this amendatory Act of the 102nd General
22 Assembly. A gas public utility with fewer than 1,500,000
23 retail customers but more than 300,000 retail customers
24 that is not a combined electric and gas public utility
25 shall contribute \$80,000 to the Consumer Intervenor
26 Compensation Fund within 60 days after the effective date

1 of this amendatory Act of the 102nd General Assembly. A
2 gas public utility with fewer than 300,000 retail
3 customers that is not a combined electric and gas public
4 utility shall contribute \$20,000 to the Consumer
5 Intervenor Compensation Fund within 60 days after the
6 effective date of this amendatory Act of the 102nd General
7 Assembly. A combined electric and gas public utility
8 serving fewer than 500,000 retail customers shall
9 contribute \$20,000 to the Consumer Intervenor Compensation
10 Fund within 60 days after the effective date of this
11 amendatory Act of the 102nd General Assembly. A water or
12 sewer public utility serving more than 100,000 retail
13 customers shall contribute \$80,000, and a water or sewer
14 public utility serving fewer than 100,000 but more than
15 10,000 retail customers shall contribute \$20,000.

16 (6) (A) Prior to the entry of a Final Order in a
17 docketed case, the Commission Administrator shall provide
18 a payment to a consumer interest representative that
19 demonstrates through a verified application for funding
20 that the consumer interest representative's participation
21 or intervention without an award of fees or costs imposes
22 a significant financial hardship based on a schedule to be
23 developed by the Commission. The Administrator may require
24 verification of costs incurred, including statements of
25 hours spent, as a condition to paying the consumer
26 interest representative prior to the entry of a Final

1 Order in a docketed case.

2 (B) If the Commission adopts a material recommendation
3 related to a significant issue in the docket and
4 participation caused a financial hardship to the
5 participant, then the consumer interest representative
6 shall be allowed payment for some or all of the consumer
7 interest representative's reasonable attorney's or
8 advocate's fees, reasonable expert witness fees, and other
9 reasonable costs of preparation for and participation in a
10 hearing or proceeding. Expenses related to travel or meals
11 shall not be compensable.

12 (C) The consumer interest representative shall submit
13 an itemized request for compensation to the Consumer
14 Intervenor Compensation Fund, including the advocate's or
15 attorney's reasonable fee rate, the number of hours
16 expended, reasonable expert and expert witness fees, and
17 other reasonable costs for the preparation for and
18 participation in the hearing and briefing within 30 days
19 of the Commission's final order after denial or decision
20 on rehearing, if any.

21 (7) Administration of the Fund.

22 (A) The Consumer Intervenor Compensation Fund is
23 created as a special fund in the State treasury. All
24 disbursements from the Consumer Intervenor Compensation
25 Fund shall be made only upon warrants of the Comptroller
26 drawn upon the Treasurer as custodian of the Fund upon

1 vouchers signed by the Executive Director of the
2 Commission or by the person or persons designated by the
3 Director for that purpose. The Comptroller is authorized
4 to draw the warrant upon vouchers so signed. The Treasurer
5 shall accept all warrants so signed and shall be released
6 from liability for all payments made on those warrants.
7 The Consumer Intervenor Compensation Fund shall be
8 administered by an Administrator that is a person or
9 entity that is independent of the Commission. The
10 administrator will be responsible for the prudent
11 management of the Consumer Intervenor Compensation Fund
12 and for recommendations for the award of consumer
13 intervenor compensation from the Consumer Intervenor
14 Compensation Fund. The Commission shall issue a request
15 for qualifications for a third-party program administrator
16 to administer the Consumer Intervenor Compensation Fund.
17 The third-party administrator shall be chosen through a
18 competitive bid process based on selection criteria and
19 requirements developed by the Commission. The Illinois
20 Procurement Code does not apply to the hiring or payment
21 of the Administrator. All Administrator costs may be paid
22 for using monies from the Consumer Intervenor Compensation
23 Fund, but the Program Administrator shall strive to
24 minimize costs in the implementation of the program.

25 (B) The computation of compensation awarded from the
26 fund shall take into consideration the market rates paid

1 to persons of comparable training and experience who offer
2 similar services, but may not exceed the comparable market
3 rate for services paid by the public utility as part of its
4 rate case expense.

5 (C) (1) Recommendations on the award of compensation by
6 the administrator shall include consideration of whether
7 the Commission adopted a material recommendation related
8 to a significant issue in the docket and whether
9 participation caused a financial hardship to the
10 participant and the payment of compensation is fair, just
11 and reasonable.

12 (2) Recommendations on the award of compensation by
13 the administrator shall be submitted to the Commission for
14 approval. Unless the Commission initiates an investigation
15 within 45 days after the notice to the Commission, the
16 award of compensation shall be allowed 45 days after
17 notice to the Commission. Such notice shall be given by
18 filing with the Commission on the Commission's e-docket
19 system, and keeping open for public inspection the award
20 for compensation proposed by the Administrator. The
21 Commission shall have power, and it is hereby given
22 authority, either upon complaint or upon its own
23 initiative without complaint, at once, and if it so
24 orders, without answer or other formal pleadings, but upon
25 reasonable notice, to enter upon a hearing concerning the
26 propriety of the award.

1 (c) The Commission may adopt rules to implement this
2 Section.

3 (Source: P.A. 96-33, eff. 7-10-09.)

4 (220 ILCS 5/9-241) (from Ch. 111 2/3, par. 9-241)

5 Sec. 9-241. No public utility shall, as to rates or other
6 charges, services, facilities or in other respect, make or
7 grant any preference or advantage to any corporation or person
8 or subject any corporation or person to any prejudice or
9 disadvantage. No public utility shall establish or maintain
10 any unreasonable difference as to rates or other charges,
11 services, facilities, or in any other respect, either as
12 between localities or as between classes of service.

13 However, nothing in this Section shall be construed as
14 limiting the authority of the Commission to permit the
15 establishment of economic development rates as incentives to
16 economic development either in enterprise zones as designated
17 by the State of Illinois or in other areas of a utility's
18 service area. Such rates should be available to existing
19 businesses which demonstrate an increase to existing load as
20 well as new businesses which create new load for a utility so
21 as to create a more balanced utilization of generating
22 capacity. The Commission shall ensure that such rates are
23 established at a level which provides a net benefit to
24 customers within a public utility's service area.

25 On or before January 1, 2023, the Commission shall conduct

1 a comprehensive study to assess whether low-income discount
2 rates for electric and natural gas residential customers are
3 appropriate and the potential design and implementation of any
4 such rates. The Commission shall include its findings,
5 together with the appropriate recommendations, in a report to
6 be provided to the General Assembly. Upon completion of the
7 study, the Commission shall have the authority to permit or
8 require electric and natural gas utilities to file a tariff
9 establishing low-income discount rates.

10 Such study shall assess, at a minimum, the following:

11 (1) customer eligibility requirements, including
12 income-based eligibility and eligibility based on
13 participation in or eligibility for certain public
14 assistance programs;

15 (2) appropriate rate structures, including
16 consideration of tiered discounts for different income
17 levels;

18 (3) appropriate recovery mechanisms, including the
19 consideration of volumetric charges and customer charges;

20 (4) appropriate verification mechanisms;

21 (5) measures to ensure customer confidentiality and
22 data safeguards;

23 (6) outreach and consumer education procedures; and

24 (7) the impact that a low-income discount rate would
25 have on the affordability of delivery service to
26 low-income customers and customers overall.

1 The Commission shall adopt rules requiring utility
2 companies to produce information, in the form of a mailing,
3 and other approved methods of distribution, to its consumers,
4 to inform the consumers of available rebates, discounts,
5 credits, and other cost-saving mechanisms that can help them
6 lower their monthly utility bills, and send out such
7 information semi-annually, unless otherwise provided by this
8 Article.

9 Prior to October 1, 1989, no public utility providing
10 electrical or gas service shall consider the use of solar or
11 other nonconventional renewable sources of energy by a
12 customer as a basis for establishing higher rates or charges
13 for any service or commodity sold to such customer; nor shall a
14 public utility subject any customer utilizing such energy
15 source or sources to any other prejudice or disadvantage on
16 account of such use. No public utility shall without the
17 consent of the Commission, charge or receive any greater
18 compensation in the aggregate for a lesser commodity, product,
19 or service than for a greater commodity, product or service of
20 like character.

21 The Commission, in order to expedite the determination of
22 rate questions, or to avoid unnecessary and unreasonable
23 expense, or to avoid unjust or unreasonable discrimination
24 between classes of customers, or, whenever in the judgment of
25 the Commission public interest so requires, may, for rate
26 making and accounting purposes, or either of them, consider

1 one or more municipalities either with or without the adjacent
2 or intervening rural territory as a regional unit where the
3 same public utility serves such region under substantially
4 similar conditions, and may within such region prescribe
5 uniform rates for consumers or patrons of the same class.

6 Any public utility, with the consent and approval of the
7 Commission, may as a basis for the determination of the
8 charges made by it classify its service according to the
9 amount used, the time when used, the purpose for which used,
10 and other relevant factors.

11 (Source: P.A. 91-357, eff. 7-29-99.)

12 (220 ILCS 5/16-105.5 new)

13 Sec. 16-105.5. Rate case filing and revenue-neutral rate
14 design.

15 (a) An electric utility that files a general rate case
16 pursuant to Section 9-201 of this Act or a Multi-Year Rate Plan
17 pursuant to Section 16-108.18 of this Act may omit the rate
18 design component of such filing and subsequently separately
19 file this component with the Commission, subject to the
20 requirements of subsections (b) and (c) of this Section.

21 (b) If the electric utility makes the election described
22 in this Section, then the filing shall be consistent with the
23 rate design and cost allocation across customer classes
24 approved in the Commission's most recent order regarding the
25 electric utility's request for a general adjustment to its

1 rates entered under Section 9-201, subsection (e) of Section
2 16-108.5, or Section 16-108.18 of this Act, as applicable.

3 (c) If the electric utility makes the election described
4 in this Section, then the following provisions apply to the
5 separate filing of the revenue-neutral rate design component:

6 (1) No later than one year after the tariffs
7 implementing the general rate case filing or Multi-year
8 Rate Plan filing, as described in subsection (b) of this
9 Section, are placed into effect, the electric utility
10 shall make a filing with the Commission that proposes
11 changes to the tariffs to incorporate the findings of any
12 final rate design orders of the Commission applicable to
13 the electric utility and entered subsequent to the
14 Commission's approval of the tariffs. If no such orders
15 have been entered, then the electric utility must submit
16 its separate revenue-neutral rate design filing no later
17 than 3 years after the date on which the Commission's most
18 recent final rate design order was entered for the
19 electric utility. The electric utility's separate
20 revenue-neutral rate design filing may either propose
21 revenue-neutral tariff changes or refile the existing
22 tariffs without change, which shall present the Commission
23 with an opportunity to suspend the tariffs and consider
24 revenue-neutral tariff changes related to rate design. The
25 Commission shall, after notice and hearing, enter its
26 order approving, or approving with modification, the

1 proposed changes to the tariffs within 240 days after the
2 electric utility's filing. Any changes ordered by the
3 Commission shall become effective at the commencement of
4 the first January monthly billing period that begins no
5 earlier than 30 days after the Commission issues its order
6 adopting such changes.

7 (2) Following Commission approval under paragraph (1)
8 of this subsection (c), the electric utility shall make a
9 filing with the Commission during each subsequent 3-year
10 period that either proposes revenue-neutral tariff changes
11 or refiles the existing tariffs without change, which
12 shall present the Commission with an opportunity to
13 suspend the tariffs and consider revenue-neutral tariff
14 changes related to rate design. The requirements of this
15 paragraph (2) shall terminate at the time that the
16 electric utility files a general rate case or Multi-Year
17 Rate Plan that includes the rate design component.

18 (220 ILCS 5/16-105.6 new)

19 Sec. 16-105.6. Amortization of charges or credits.

20 (a) It is in the public interest to mitigate the customer
21 bill impacts of large expenses incurred by electric utilities
22 by directing that expenses exceeding the applicable threshold
23 specified in this Section be amortized over the prescribed
24 period. Such amortization will levelize customer bill impacts
25 and, in many instances, better align the period of cost

1 recovery with the period over which customers receive the
2 benefit of the expenditure. Accordingly, an electric utility
3 that files a general rate increase under Section 9-201 of this
4 Act or a Multi-Year Rate Plan under Section 16-108.18 of this
5 Act shall amortize, over a 5-year period, each charge or
6 credit that exceeds the applicable amount identified in
7 subsection (b) of this Section and that relates to (1) a
8 workforce reduction program's severance costs; (2) changes in
9 accounting rules; (3) changes in law; (4) compliance with any
10 Commission-initiated audit; and (5) a single storm or weather
11 system, or other similar expense.

12 Any unamortized balance shall be reflected in rate base.

13 In this Section, "changes in law" includes any enactment,
14 repeal, or amendment in a law, ordinance, rule, regulation,
15 interpretation, permit, license, consent, or order, including
16 those relating to taxes, accounting, or environmental matters,
17 or in the interpretation or application thereof by any
18 governmental authority occurring after the effective date of
19 this amendatory Act of the 102nd General Assembly.

20 Nothing in this Section is intended to prohibit the
21 Commission from reviewing the prudence and reasonableness of
22 the costs amortized pursuant to this Section.

23 (b) An electric utility that serves more than 3,000,000
24 customers in the State shall amortize the full amount of each
25 charge or credit described in subsection (a) of this Section
26 that exceeds \$10,000,000 in the applicable calendar year, and

1 an electric utility that serves less than 3,000,000 customers
2 in the State shall amortize the full amount of each such charge
3 or credit that exceeds \$3,700,000 in the applicable calendar
4 year.

5 (220 ILCS 5/16-105.7 new)

6 Sec. 16-105.7. Revenue balancing adjustments.

7 (a) It is in the public interest to decouple electric
8 utility sales and revenues, to mitigate the impact on
9 utilities of energy savings goals, to mitigate a utility's
10 disincentive to promote energy efficiency, and to recognize
11 changes in sales attributable to weather, electric vehicles
12 and other electrification, adoption of distributed energy
13 resources, and other volatile or uncontrollable factors
14 without adversely affecting utility customers.

15 (b) For the purposes of this Section, "reconciliation
16 period" means a period beginning with the January monthly
17 billing period and extending through the December monthly
18 billing period of the same calendar year.

19 (c) As set forth in subsection (d) of this Section, the
20 Commission shall approve a tariff by which distribution
21 revenues shall be compared annually to the revenue requirement
22 or requirements approved by the Commission on which the rates
23 giving rise to those revenues were based to prevent
24 undercollections or overcollections. An electric utility shall
25 submit an annual revenue balancing reconciliation report to

1 the Commission reflecting the difference between the actual
2 delivery service revenue and multi-year rate case revenue
3 requirement for the applicable reconciliation and identifying
4 the charges or credits to be applied thereafter. Such
5 reconciliation and calculation of associated charges or
6 credits shall be conducted on a customer class basis. The
7 annual revenue balancing reconciliation report shall be filed
8 with the Commission no later than March 20 of the year
9 following a reconciliation period. The Commission may initiate
10 a review of the revenue balancing reconciliation report each
11 year to determine if any subsequent adjustment is necessary to
12 align actual delivery service revenue and rate case revenue
13 requirement. If the Commission elects to initiate such review,
14 the Commission shall, after notice and hearing, enter an order
15 approving, or approving as modified, such revenue balancing
16 reconciliation report no later than 120 days after the utility
17 files its report with the Commission. If the Commission does
18 not initiate such a review, the revenue balancing
19 reconciliation report and the identified charges or credits
20 shall be deemed accepted and approved 120 days after the
21 utility files the report and shall not be subject to review in
22 any other proceeding. Any balancing adjustment shall take
23 effect during the following January monthly billing period.

24 (d) Each electric utility shall file a tariff in
25 compliance with the provisions of this Section within 120 days
26 after the effective date of this amendatory Act of the 102nd

1 General Assembly. The Commission shall approve the tariff if
2 it finds that it is consistent with the provisions of the
3 Section. If the Commission does not so find, it shall approve
4 the tariff with modification to conform it to the requirements
5 of this Section or otherwise reject the tariff and explain how
6 the utility can modify the tariff and refile to comply with the
7 requirements of this Section.

8 (220 ILCS 5/16-105.10 new)

9 Sec. 16-105.10. Independent baseline assessment.

10 (a) Prior to the filing of the initial Multi-Year
11 Integrated Grid Plan described in Section 16-105.17 of this
12 Act, the General Assembly finds that an independent audit of
13 the current state of the grid, and of the expenditures made
14 since 2012, will need to be made.

15 Specifically, the General Assembly finds:

16 (1) Pursuant to the Energy Infrastructure
17 Modernization Act and subsequent clarifying legislation,
18 electric utilities in this State that serve over 300,000
19 retail customers have made substantial investments in the
20 grid and advanced metering infrastructure.

21 (2) Before a Multi-Year Integrated Grid Plan is filed
22 under Section 16-105.17, it is necessary to understand the
23 benefits of these investments to the grid and to customers
24 and to evaluate the current condition of the distribution
25 grid.

1 (3) It is also necessary for electric utilities, the
2 Commission, and stakeholders to have an independently
3 verified set of data to establish the baseline for future
4 distribution grid spending.

5 (4) The Commission has authority to order and
6 implement the requirements of this Section under Section
7 8-102 of this Act.

8 (b) Terms used in this Section have the meanings given to
9 those terms in Sections 16-102, 16-107.6, and 16-108 of this
10 Act.

11 (c) Within 30 days after the effective date of this
12 amendatory Act of the 102nd General Assembly, the Commission
13 shall issue an order initiating an audit of each electric
14 utility serving over 300,000 retail customers in the State,
15 which shall examine the following:

16 (1) An assessment of the distribution grid, as
17 described in paragraph (2) of subsection (a) of this
18 Section. The Commission shall have the authority to
19 require additional items which it deems necessary.

20 (2) An analysis of the utility's capital projects
21 placed into service in the preceding 9 years, including,
22 but not limited to, assessing the value of deploying
23 advanced metering infrastructure to modernize and optimize
24 the grid and deliver value to customers.

25 (3) An analysis of the utility's initiatives to
26 optimize the reliability and resiliency of the grid, other

1 than through capital spending.

2 (4) Creation of a data baseline to inform the
3 beginning of the multi-year integrated grid planning
4 process described in Section 16-105.17 of this Act.

5 (5) Identification of any deficiencies in data which
6 may impact the planning process.

7 (d) It is contemplated that the auditor will utilize
8 materials filed with the Commission by the utilities with
9 respect to their expenditures in the preceding 9 years;
10 however, the auditor may also, with Commission approval,
11 assess other information deemed necessary to make its report.

12 (e) The results of the audit described in this Section
13 shall be reflected in a report delivered to the Commission,
14 describing the information specified in this Section. Such
15 report is to be delivered no later than 180 days after the
16 Commission enters its order pursuant to subsection (c) of this
17 Section. It is understood that any public report may not
18 contain items that are confidential or proprietary.

19 (f) The costs of an electric utility's audit described in
20 this Section shall not exceed \$500,000 and shall be paid for by
21 the electric utility that is the subject of the audit. Such
22 costs shall be a recoverable expense.

23 (g) The Commission shall have the authority to retain the
24 services of an auditor to assist with the distribution
25 planning process, as well as in docketed proceedings. Such
26 expenses for these activities shall also be borne by the

1 Commission.

2 (220 ILCS 5/16-105.17 new)

3 Sec. 16-105.17. Multi-Year Integrated Grid Plan.

4 (a) The General Assembly finds that ensuring alignment of
5 regulated utility operations, expenditures, and investments
6 with public benefit goals, including safety, reliability,
7 resiliency, affordability, equity, emissions reductions, and
8 expansion of clean distributed energy resources, is critical
9 to maximizing the benefits of the interconnected utility grid
10 and cost-effective utility expenditures on the grid. It is the
11 policy of the State to promote inclusive, comprehensive,
12 transparent, cost-effective distribution system planning and
13 disclosures processes that minimize long-term costs for
14 Illinois customers and support the achievement of State
15 renewable energy development and other clean energy, public
16 health, and environmental policy goals. Utility distribution
17 system expenditures, programs, investments, and policies must
18 be evaluated in coordination with these goals. In particular,
19 the General Assembly finds that:

20 (1) Investment in infrastructure to support and enable
21 existing and new distributed energy resources creates
22 significant economic development, environmental, and
23 public health benefits in the State.

24 (2) Illinois' electricity distribution system must
25 cost-effectively integrate renewable energy resources,

1 including utility-scale renewable energy resources,
2 community renewable generation, and distributed renewable
3 energy resources, support beneficial electrification,
4 including electric vehicle use and adoption, promote
5 opportunities for third-party investment in
6 nontraditional, grid-related technologies and resources
7 such as batteries, solar photovoltaic panels, and smart
8 thermostats, reduce energy usage generally and especially
9 during times of greatest reliance on fossil fuels, and
10 enhance customer engagement opportunities.

11 (3) Inclusive distribution system planning is an
12 essential tool for the Commission, public utilities, and
13 stakeholders to effectively coordinate environmental,
14 consumer, reliability, and equity goals at fair and
15 reasonable costs, and for ensuring transparent utility
16 accountability for meeting those goals.

17 (4) Any planning process should advance Illinois
18 energy policy goals while ensuring utility investments are
19 cost-effective. Such a process should maximize the sharing
20 of information, minimize overlap with existing filing
21 requirements to ensure robust stakeholder participation,
22 and recognize the responsibility of the utility to manage
23 the grid in a safe, reliable manner.

24 (5) The General Assembly is concerned that, in the
25 absence of a transparent, meaningful distribution system
26 planning process, utility investments may not always serve

1 customers' best interests, appropriately promote the
2 expansion of clean distributed energy resources, and
3 advance equity and environmental justice.

4 (6) The General Assembly is also encouraged by the
5 opportunities presented by nontraditional solutions to
6 utility, customer, and grid needs that may be more
7 efficient and cost-effective, and less environmentally
8 harmful than traditional solutions. Nontraditional
9 solutions include distributed energy resources owned or
10 implemented by customers and independent third parties,
11 controllable load, beneficial electrification, or rate
12 design that encourages efficient energy use.

13 (7) The General Assembly finds that Illinois
14 utilities' current processes for planning their
15 distribution system should be made more accessible and
16 transparent to individuals and communities, and that more
17 inclusive and accessible distribution system planning
18 processes would be in the interests of all Illinois
19 residents.

20 (8) The General Assembly finds it would be beneficial
21 to require utilities to demonstrate how their spending
22 promotes identified State clean energy goals, such as
23 integrating renewable energy, empowering customers to make
24 informed choices, supporting electric vehicles, beneficial
25 electrification, and energy storage, achieving equity
26 goals, enhancing resilience, and maintaining reliability.

1 The General Assembly therefore directs the utilities to
2 implement distribution system planning as described in this
3 Section in order to accelerate progress on Illinois clean
4 energy and environmental goals and hold electric utilities
5 publicly accountable for their performance.

6 (b) Unless otherwise specified, the terms used in this
7 Section shall have the same meanings as defined in Sections
8 16-102 and 16-107.6. As used in this Section:

9 "Demand response" means measures that decrease peak
10 electricity demand or shift demand from peak to off-peak
11 periods.

12 "Distributed energy resources" or "DER" means a wide range
13 of technologies that are connected to the grid, including
14 those that are located on the customer side of the customer's
15 electric meter and can provide value to the distribution
16 system, including, but not limited to, distributed generation,
17 energy storage, electric vehicles, and demand response
18 technologies.

19 "Environmental justice communities" means the definition
20 of that term based on existing methodologies and findings,
21 used and as may be updated by the Illinois Power Agency and its
22 Program Administrator in the Illinois Solar for All Program.

23 (c) This Section applies to electric utilities serving
24 more than 500,000 retail customers in the State.

25 (d) The Multi-Year Integrated Grid Plan ("the Plan") shall
26 be designed to:

1 (1) ensure coordination of the State's renewable
2 energy goals, climate and environmental goals with the
3 utility's distribution system investments, and programs
4 and policies over a 5-year planning horizon to maximize
5 the benefits of each while ensuring utility expenditures
6 are cost-effective;

7 (2) optimize utilization of electricity grid assets
8 and resources to minimize total system costs;

9 (3) support efforts to bring the benefits of grid
10 modernization and clean energy, including, but not limited
11 to, deployment of distributed energy resources, to all
12 retail customers, and support efforts to bring at least
13 40% of the benefits of those benefits to Equity Investment
14 Eligible Communities. Nothing in this paragraph is meant
15 to require a specific amount of spending in a particular
16 geographic area;

17 (4) enable greater customer engagement, empowerment,
18 and options for energy services;

19 (5) reduce grid congestion, minimize the time and
20 expense associated with interconnection, and increase the
21 capacity of the distribution grid to host increasing
22 levels of distributed energy resources, to facilitate
23 availability and development of distributed energy
24 resources, particularly in locations that enhance consumer
25 and environmental benefits;

26 (6) ensure opportunities for robust public

1 participation through open, transparent planning
2 processes.

3 (7) provide for the analysis of the cost-effectiveness
4 of proposed system investments, which takes into account
5 environmental costs and benefits;

6 (8) to the maximum extent practicable, achieve or
7 support the achievement of Illinois environmental goals,
8 including those described in Section 9.10 of the
9 Environmental Protection Act and Section 1-75 of the
10 Illinois Power Agency Act, and emissions reductions
11 required to improve the health, safety, and prosperity of
12 all Illinois residents;

13 (9) support existing Illinois policy goals promoting
14 the long-term growth of energy efficiency, demand
15 response, and investments in renewable energy resources;

16 (10) provide sufficient public information to the
17 Commission, stakeholders, and market participants in order
18 to enable nonemitting customer-owned or third-party
19 distributed energy resources, acting individually or in
20 aggregate, to seamlessly and easily connect to the grid,
21 provide grid benefits, support grid services, and achieve
22 environmental outcomes, without necessarily requiring
23 utility ownership or controlling interest over those
24 resources, and enable those resources to act as
25 alternatives to utility capital investments; and

26 (11) provide delivery services at rates that are

1 affordable to all customers, including low-income
2 customers.

3 (e) Plan Development Stakeholder Process.

4 (1) To promote the transparency of utility
5 distributions system planned investments and the planning
6 process for those investments, the Commission shall
7 convene a workshop process, over a period of no less than 5
8 months, for each such utility for the purpose of
9 establishing an open, inclusive, and cooperative forum
10 regarding such investments. The workshops shall be
11 facilitated by an independent, third-party facilitator
12 selected by the Commission. Data and projections provided
13 through the workshop process shall be designed to provide
14 participants with information about the electric utility's

15 (i) historic distribution system investments for at least
16 the 5 years prior to the year in which the workshop is held
17 and (ii) planned investments for the 5-year period
18 following the year in which the workshop is held. The
19 workshop process shall recognize that estimates for later
20 years will be less reliable and indicative of future
21 conduct than estimates for earlier years and that the
22 electric utility is subject to financial and system
23 planning processes. No later than January 1, 2022, the
24 facilitator shall initiate a series of workshops for each
25 electric utility subject to this Section. The series of
26 workshops shall include no fewer than 6 workshops and

1 shall conclude no later than June 1, 2022.

2 (2) The workshops shall be designed to achieve the
3 following objectives:

4 (A) review utilities' planned capital investments
5 and supporting data;

6 (B) review how utilities plan to invest in their
7 distribution system in order to meet the system's
8 projected needs;

9 (C) review system and locational data on
10 reliability, resiliency, DER, and service quality
11 provided by the utilities;

12 (D) solicit and consider input from diverse
13 stakeholders, including representatives from
14 environmental justice communities, geographically
15 diverse communities, low-income representatives,
16 consumer representatives, environmental
17 representatives, organized labor representatives,
18 third-party technology providers, and utilities;

19 (E) consider proposals from utilities and
20 stakeholders on programs and policies necessary to
21 achieve the objectives in subsection (d) of this
22 Section;

23 (F) consider proposals applicable to each
24 component of the utilities' Multi-Year Integrated Grid
25 Plan filings under paragraph (2) of subsection (f) of
26 this Section;

1 (G) educate and equip interested stakeholders so
2 that they can effectively and efficiently provide
3 feedback and input to the electric utility; and

4 (H) review planned capital investment to ensure
5 that delivery services are provided at rates that are
6 affordable to all customers, including low-income
7 customers.

8 (3) To the extent any of the information in
9 subparagraphs (A) through (H) of paragraph (2) of this
10 subsection is designated as confidential and proprietary
11 under the Commission's rules, the proponent of the
12 designation shall have the burden of making the requisite
13 showing under the Commission's rules. For data that is
14 determined to be confidential or that includes personally
15 identifiable information, the Commission may develop
16 procedures and processes to enable data sharing with
17 parties and stakeholders while ensuring the
18 confidentiality of the information.

19 (4) Workshops should be organized and facilitated in a
20 manner that encourages representation from diverse
21 stakeholders, ensuring equitable opportunities for
22 participation, without requiring formal intervention or
23 representation by an attorney. Workshops should be held
24 during both day and evening hours, in a variety of
25 locations within each electric utility's service
26 territory, and should allow remote participation.

1 (5) It is a goal of the State that this workshop
2 process will provide a forum for interested stakeholders
3 to effectively and efficiently provide feedback and input
4 to the electric utility. It is also a goal of the State
5 that stakeholder participation in this process will
6 prepare stakeholders to more capably participate in
7 Multi-Year Rate Plan proceedings conducted pursuant to
8 Section 16-108.18 of this Act, if they so elect. As part of
9 the workshop process, the electric utility shall submit to
10 the Commission the electric utility's capital investments
11 proposal, and supporting data described in subparagraphs
12 (A) through (C) of paragraph (2) of this subsection (e)
13 before the start of workshops to allow interested
14 stakeholders to reasonably review data before attending
15 workshops. The Commission shall make public the utility
16 capital investments proposal by posting it on the
17 Commission's website and set the location and time of any
18 workshop to be held as part of the workshop process, and
19 establish a data request process, consistent with the
20 Commission's rules, that affords workshop participants
21 opportunities to submit data requests to the utility, and
22 receive responses in accordance with the utility's
23 obligations under the law, prior to the workshop,
24 regarding the information described in this paragraph (5).
25 Upon the written request of a workshop participant, the
26 utility shall also present at a given workshop at least

1 one appropriate company representative who can address the
2 specific written questions or written categories of
3 questions identified in advance by the workshop
4 participant regarding issues related to the utility's
5 Multi-Year Integrated Grid Plan. To facilitate public
6 feedback, the administrator facilitating the workshops
7 shall, throughout the workshop process, develop questions
8 for stakeholder input on topics being considered. This may
9 include, but is not limited to: design of the workshop
10 process, locational data and information provided by
11 utilities, alignment of plans, programs, investments and
12 objectives, and other topics as deemed appropriate by the
13 Commission facilitation staff. Stakeholder feedback shall
14 not be limited to these questions. The information
15 provided as part of the workshop process pursuant to this
16 subsection (e) is intended to be informational and to
17 provide a preliminary view of costs and investments, which
18 may change. Accordingly, the information provided pursuant
19 to this subsection (e) shall not be binding on the utility
20 and shall not be the sole basis for a finding in any
21 Commission proceeding of imprudence, unreasonableness, or
22 lack of use or usefulness of any individual or aggregate
23 level of utility plant or other investment or expenditure
24 addressed; however, information contained in the plan may
25 be used in a proceeding before the Commission, with weight
26 of such evidence to be determined by the Commission.

1 (6) Workshops shall not be considered settlement
2 negotiations, compromise negotiations, or offers to
3 compromise for the purposes of Illinois Rule of Evidence
4 408. All materials shared as a part of the workshop
5 process, and that are not determined to be confidential as
6 described in paragraph (3) of this subsection (e), shall
7 be made publicly available on a website made available by
8 the Commission.

9 (7) On conclusion of the workshops, the Commission
10 shall open a comment period that allows interested and
11 diverse stakeholders to submit comments and
12 recommendations regarding the utility's Multi-Year
13 Integrated Grid Plan filing. Based on the workshop process
14 and stakeholder comments and recommendations offered
15 verbally or in writing during the workshops and in writing
16 during the comment period following the workshops, the
17 independent third-party facilitator shall prepare a
18 report, to be submitted to the Commission no later than
19 July 1, 2022, describing the stakeholders, discussions,
20 proposals, and areas of consensus and disagreement from
21 the workshop process, and making recommendations to the
22 Commission regarding the utility's Multi-Year Integrated
23 Grid Plan. Interested stakeholders shall have an
24 opportunity to provide comment on the independent
25 third-party facilitator report.

26 (8) Based on discussions in the workshops, the

1 independent third-party facilitator report, and
2 stakeholder comments and recommendations made during and
3 following the workshop process, the Commission shall issue
4 initiating orders no later than August 1, 2022, requiring
5 the electric utilities subject to this Section to file the
6 first Multi-Year Integrated Grid Plan no later than
7 January 20, 2023. The initiating orders shall specify the
8 requirements applicable to the utilities' Multi-Year
9 Integrated Grid Plans, which shall supplement and not
10 replace those requirements described in subsection (f) of
11 this Section.

12 (f) Multi-Year Integrated Grid Plan.

13 (1) Pursuant to this subsection (f) and the initiating
14 orders of the Commission, each electric utility subject to
15 this Section shall, no later than January 20, 2023, submit
16 its first Multi-Year Integrated Grid Plan. No later than
17 January 20, 2026, and every 4 years thereafter, the
18 utility shall submit its subsequent Plan. Each Plan shall:

19 (A) incorporate requirements established by the
20 Commission in its initiating order; and

21 (B) propose distribution system investment
22 programs, policies, and plans designed to optimize
23 achievement of the objectives set forth in subsection
24 (d) of this Section and achieve the metrics approved
25 by the Commission pursuant to Section 16-108.18 of
26 this Act.

1 To the extent practicable and reasonable, all
2 programs, policies, and initiatives proposed by the
3 utility in its plan should be informed by stakeholder
4 input received during the workshop process pursuant to
5 subsection (e) of this Section. Where specific stakeholder
6 input has not been incorporated in proposed programs,
7 policies, and plans, the electric utility shall provide an
8 explanation as to why that input was not incorporated.

9 (2) In order to ensure electric utilities' ability to
10 meet the goals and objectives set forth in this Section,
11 the Multi-Year Integrated Grid Plans must include, at
12 minimum, the following information:

13 (A) A description of the utility's distribution
14 system planning process, including:

15 (i) the overview of the process, including
16 frequency and duration of the process, roles, and
17 responsibilities of utility personnel and
18 departments involved;

19 (ii) a summary of the meetings with
20 stakeholders conducted prior to filing of the plan
21 with the Commission.

22 (iii) the description of any coordination of
23 the processes with any other planning process
24 internal or external to the utility, including
25 those required by a regional transmission
26 operator.

1 (B) A detailed description of the current
2 operating conditions for the distribution system
3 separately presented for each of the utility's
4 operating areas, where possible, including a detailed
5 description, with supporting data, of system
6 conditions, including baseline data regarding the
7 utility's distribution system from the utility's
8 annual report to the Commission, total distribution
9 system substation capacity in kVa, total miles of
10 primary overhead distribution wire, and total miles of
11 primary underground distribution cable, distributed
12 energy resource deployment by type, size, customer
13 class, and geographic dispersion as to those DERs that
14 have completed the interconnection process, the most
15 current distribution line loss study, current and
16 expected System Average Interruption Frequency Index
17 and Customer Average Interruption Duration Index data
18 for the system, identification of the system model
19 software currently used and planned software
20 deployments, and other data needs as requested by the
21 Commission or as determined through Commission rules.
22 The description shall also include the utility's most
23 recent system load and peak demand forecast for at
24 least the next 5 years, and up to 10 years if
25 available, a discussion of how the forecast was
26 prepared and how distributed energy resources and

1 energy efficiency were factored into the forecast, and
2 identification of the forecasting software currently
3 used and planned software deployments.

4 (C) Financial Data.

5 (i) For each of the preceding 5 years, the
6 utility's distribution system investments by the
7 investment categories tracked by the utility,
8 including, but not limited to, new business,
9 facility relocation, capacity expansion, system
10 performance, preventive maintenance, corrective
11 maintenance, the total amount of investments
12 associated with the integration of DERs, the total
13 amount of charges to DER developers and retail
14 customers for interconnection of DERs to the
15 distribution system, and a list of each major
16 investment category the utility used to maintain
17 its routine standing operational activities and
18 the associated plant in service amount for each
19 category in which the plant in service amount is
20 at least \$2,000,000;

21 (ii) For each of the preceding 5 years, data
22 on and a discussion of the utility's distribution
23 system operation and maintenance expenses;

24 (iii) A 5-year long-range forecast of
25 distribution system capital investments and
26 operational and maintenance expenses, including a

1 discussion of any projections for expenses for the
2 categories listed in subparagraph (i) of this item
3 (C).

4 (D) System data on DERs on the utility's
5 distribution system, including the total number and
6 nameplate capacity of DERs that completed
7 interconnection in the prior year, current DER
8 deployment by type, size, and geographic dispersion,
9 to the extent that granular geographic information
10 does not disclose personally identifiable information,
11 and other data as requested by the Commission or
12 determined by Commission rules.

13 (E) Hosting Capacity and Interconnection
14 Requirements.

15 (i) The utility shall make available on its
16 website the hosting capacity analysis results that
17 shall include mapping and GIS capability, as well
18 as any other requirements requested by the
19 Commission or determined through Commission rules.
20 The plan shall identify where the hosting capacity
21 analysis results shall be made publicly available.
22 This shall also include an assessment of the
23 impact of utility investments over the next 5
24 years on hosting capacity and a narrative
25 discussion of how the hosting capacity analysis
26 advances customer-sited distributed energy

1 resources, including electric vehicles, energy
2 storage systems, and photovoltaic resources, and
3 how the identification of interconnection points
4 on the distribution system will support the
5 continued development of distributed energy
6 resources.

7 (ii) Discussion of the utility's
8 interconnection requirements and how they comply
9 with the Commission's applicable regulations.

10 (F) Identification and discussion of the scenarios
11 considered in the development of the utility's
12 Multi-Year Integrated Grid Plan, including DER
13 scenarios, and discussion of base-case and alternative
14 scenarios, how the scenarios were developed and
15 selected, and how the scenarios include a reasonable
16 mix of DERs scenarios, types, and geographic
17 dispersion. Scenarios shall at least consider the
18 5-year forecast horizon of the Multi-Year Integrated
19 Grid Plan, but may also consider longer-term scenarios
20 where data is available. The plan shall also include
21 requirements requested by the Commission or determined
22 through Commission rules.

23 (G) An evaluation of the short-term and long-run
24 benefits and costs of distributed energy resources
25 located on the distribution system, including, but not
26 limited to, the locational, temporal, and

1 performance-based benefits and costs of distributed
2 energy resources. The utility shall use the results of
3 this evaluation to inform its analysis of Solution
4 Sourcing Opportunities, including nonwires
5 alternatives, under subparagraph (K) of paragraph (2)
6 subsection (f) of this Section. The Commission may use
7 the data produced through this evaluation to, among
8 other use-cases, inform the Commission's investigation
9 and establishment of tariffs and compensation for
10 distributed energy resources interconnecting to the
11 utility's distribution system, including rebates
12 provided by the electric utility pursuant to Section
13 16-107.6 of this Act.

14 (H) Long-term Distribution System Investment Plan.

15 (i) The utility's planned distribution capital
16 investments for the period covered by the planning
17 process required by this Section, by the
18 investment categories used by the utility, and
19 with discussion of any individual planned projects
20 with a planned total investment gross amount of
21 \$3,000,000 or more and of the alternatives
22 considered by the utility to such individual
23 projects including any non-traditional
24 alternatives and DER alternatives, and supporting
25 data. This shall provide sufficiently detailed
26 explanations of how the planned investments shall

1 support the goals in subsection (d) of this
2 Section.

3 (ii) Discussion of how the utility's capital
4 investments plan is consistent with Commission
5 orders regarding the procurement of renewable
6 resources as discussed in Section 16-111.5 of this
7 Act, energy efficiency plans as discussed in
8 Section 8-103B, distributed generation rebates as
9 discussed in Section 16-107.6, and any other
10 Commission order affecting the goals described in
11 subsection (d) of this Section.

12 (iii) A plan for achieving the applicable
13 metrics that were approved by the Commission for
14 the utility pursuant to subsection (e) of Section
15 16-108.18 of this Act.

16 (iv) A narrative discussion of the utility's
17 vision for the distribution system over the next 5
18 years.

19 (v) Any additional information requested by
20 the Commission or determined through Commission
21 rules.

22 (I) A detailed description of historic
23 distribution system operations and maintenance
24 expenditures for the preceding 5 years and of planned
25 or projected operations and maintenance expenditures
26 for the period covered by the planning process

1 required by this Section, as well as the data,
2 reasoning and explanation supporting planned or
3 projected expenditures. Any additional information
4 requested by the Commission or determined through
5 Commission rules.

6 (J) A detailed plan for achieving the applicable
7 metrics that were approved by the Commission for the
8 utility pursuant to subsection (e) of Section
9 16-108.18 of this Act, including, but not limited to,
10 the following:

11 (i) A description of, exclusive of low-income
12 rate relief programs and other income-qualified
13 programs, how the utility is supporting efforts to
14 bring 40% of benefits from programs, policies, and
15 initiatives proposed in their Multi-Year
16 Integrated Grid Plan to ratepayers in low-income
17 and environmental justice communities. This shall
18 also include any information requested by the
19 Commission or determined through Commission rules.
20 Nothing in this subparagraph is meant to require a
21 specific amount of spending in a particular
22 geographic area.

23 (ii) A detailed analysis of current and
24 projected flexible resources, including resource
25 type, size (in MW and MWh), location and
26 environmental impact, as well as anticipated needs

1 that can be met using flexible resources, to meet
2 the goals described in subsection (d) of this
3 Section, to meet the applicable metrics that were
4 approved by the Commission for the utility
5 pursuant to subsection (e) of Section 16-108.18 of
6 this Act, and any other Commission order affecting
7 the goals described in subsection (d) of this
8 Section.

9 (iii) Any additional information requested by
10 the Commission or determined through Commission
11 rules.

12 (K) Identification of potential cost-effective
13 solutions from nontraditional and third-party owned
14 investments that could meet anticipated grid needs,
15 including, but not limited to, distributed energy
16 resources procurements, tariffs or contracts,
17 programmatic solutions, rate design options,
18 technologies or programs that facilitate load
19 flexibility, nonwires alternatives, and other
20 solutions that are intended to meet the objectives
21 described at subsection (d). It is the policy of this
22 State that cost-effective third-party or
23 customer-owned distributed energy resources create
24 robust competition and customer choice and shall be
25 considered as appropriate. The Commission shall
26 establish rules determining data or methods for

1 Solution Sourcing Opportunities.

2 (L) A detailed description of the utility's
3 interoperability plan, which must describe the manner
4 in which the electric utility's current and planned
5 distribution system investments will work together and
6 exchange information and data, the extent to which the
7 utility is implementing open standards and interfaces
8 with third-party distributed energy resource owners
9 and aggregators, and the utility's plan for
10 interoperability testing and certification.

11 (3) To the extent any information in utilities'
12 Multi-Year Integrated Grid Plans is designated as
13 confidential and proprietary under the Commission's rules,
14 the proponent of the designation shall have the burden of
15 making the requisite showing under the Commission's rules.
16 For data that is determined to be confidential or that
17 includes personally identifiable information, the
18 Commission may develop procedures and processes to enable
19 data sharing with parties and stakeholders while ensuring
20 the confidentiality of the information. All confidential
21 information exchanged, submitted, or shared by a utility
22 pursuant to this Section shall be protected from
23 intentional and accidental dissemination. The Commission
24 shall have authority to supervise, protect, and restrict
25 access to all confidential, commercially sensitive, or
26 system security related information and data, and shall be

1 authorized to take all necessary steps to protect that
2 information from unauthorized disclosure. This paragraph
3 shall not be interpreted to require a utility to make
4 publicly available any information or data that could
5 compromise the physical or cyber security of a utility's
6 distribution system. Any party that accidentally
7 disseminates confidential information obtained pursuant to
8 a proceeding initiated in accordance with this Section, or
9 is the victim of a cyber-security breach, must notify the
10 affected utility, the Illinois Attorney General, and the
11 Commission staff with 24 hours of knowledge of such
12 dissemination or breach. Any party that fails to provide
13 required notification of such a breach shall be subject to
14 remedies available to the Commission and the Illinois
15 Attorney General.

16 (4) It is the policy of this State that holistic
17 consideration of all related investments, planning
18 processes, tariffs, rate design options, programs, and
19 other utility policies and plans shall be required. To
20 that end, the Commission shall consider, comprehensively,
21 the impact of all related plans, tariffs, programs, and
22 policies on the Plan and on each other, including:

23 (A) time-of-use pricing program pursuant to
24 Section 16-107.7 of this Act, hourly pricing program
25 pursuant to Section 16-107 of this Act, and any other
26 time-variant or dynamic pricing program;

1 (B) distributed generation rebate pursuant to
2 Section 16-107.6 of this Act;

3 (C) net electricity metering, pursuant to Section
4 16-107.5 of this Act;

5 (D) energy efficiency programs pursuant to Section
6 8-103B of this Act;

7 (E) beneficial electrification programs pursuant
8 to Section 16-107.8 of this Act;

9 (F) Equitable Energy Upgrade Program pursuant to
10 Section 16-111.10 of this Act;

11 (G) renewable energy programs and procurements set
12 forth in the Illinois Power Agency Act, including, but
13 not limited to, those set forth in the long-term
14 renewable resources procurement plan developed
15 pursuant to Section 1-20 of that Act; and

16 (H) other plans, programs, and policies that are
17 relevant to distribution grid investments, costs,
18 planning, and other categories as requested by the
19 Commission.

20 The Plan shall comprehensively detail the relationship
21 between these plans, tariffs, and programs and to the
22 electric utility's achievement of the objectives in
23 subsection (d). The Plan shall be designed to coordinate
24 each of these plans, programs, and tariffs with the
25 electric utility's long-term distribution system
26 investment planning in order to maximize the benefits of

1 each.

2 (5) The initiating order for the initial Multi-Year
3 Integrated Grid Plan, as well as each electric utility's
4 subsequent Integrated Grid Plans under subsection (g),
5 shall begin a contested proceeding as described in
6 subsection (d) of Section 10-101.1 of this Act.

7 (A) In evaluating a utility's Plan, the Commission
8 shall consider, at minimum, whether the Plan:

9 (1) meets the objectives of this Section;

10 (2) includes the components in paragraph (2)
11 of subsection (f) of this Section;

12 (3) considers and incorporates, where
13 practicable, input from interested stakeholders,
14 including parties and people who offer public
15 comment without legal representation;

16 (4) considers nontraditional, including
17 third-party owned, investment alternatives that
18 can meet grid needs and provide additional
19 benefits (including consumer, economic, and
20 environmental benefits) beyond comparable,
21 traditional utility-planned capital investments;

22 (5) equitably benefits environmental justice
23 communities; and

24 (6) maximizes consumer, environmental,
25 economic, and community benefits over a 10-year
26 horizon.

1 (B) The Commission, after notice and hearing,
2 shall modify each electric utility's Plan as necessary
3 to comply with the objectives of this Section. The
4 Commission may approve, or modify and approve, a Plan
5 only if it finds that the Plan is reasonable, complies
6 with the objectives and requirements of this Section,
7 and reasonably incorporates input from parties. The
8 Commission may reject each electric utility's Plan if
9 it finds that the Plan does not comply with the
10 objectives and requirements of this Section. If the
11 Commission enters an order rejecting a Plan, the
12 utility must refile a Plan within 3 months after that
13 order, and until the Commission approves a Plan, the
14 utility's existing Plan will remain in effect.

15 (C) For the initial Integrated Grid Plan filings,
16 the Commission shall enter an order approving,
17 modifying, or rejecting the Plan no later than
18 December 15, 2023. For subsequent Integrated Grid Plan
19 filings, the Commission shall enter an order
20 approving, modifying, or rejecting the Plan no later
21 than December 15 of the year in which it was filed.

22 (D) Each electric utility shall file its proposed
23 Initial Multi-Year Integrated Grid Plan no later than
24 January 20, 2023. Prior to that date and following the
25 initiating order, the Commission shall initiate a case
26 management conference and shall take any appropriate

1 steps to begin meaningful consideration of issues,
2 including enabling interested parties to begin
3 conducting discovery.

4 (6) As part of its order approving a utility's
5 Multi-Year Integrated Grid Plan, including any
6 modifications required, the Commission may create a
7 subsequent implementation plan docket, or multiple
8 implementation plan dockets, if the Commission determines
9 that multiple dockets would be preferable, to consider a
10 utility's detailed plan or plans, as directed in the
11 Commission's order.

12 (g) No later than January 20, 2026 and every 4 years
13 thereafter, each electric utility subject to this Section
14 shall file a new Multi-Year Integrated Grid Plan for the
15 subsequent 4 delivery years after the completion of the
16 then-effective Plan. Each Plan shall meet the requirements
17 described in subsection (f) of this Section, and shall be
18 preceded by a workshop process which meets the same
19 requirements described in subsection (e). If appropriate, the
20 Commission may require additional implementation dockets to
21 follow Subsequent Multi-Year Integrated Grid Plan filings.

22 (h) During the period leading to approval of the first
23 Multi-Year Integrated Grid Plan, each electric utility will
24 necessarily continue to invest in its distribution grid. Those
25 investments will be subject to a determination of prudence and
26 reasonableness consistent with Commission practice and law.

1 Any failure of such investments to conform to the Multi-Year
2 Integrated Grid Plan ultimately approved shall not imply
3 imprudence or unreasonableness.

4 (i) The Commission shall adopt rules to carry out the
5 provisions of this Section under the emergency rulemaking
6 provisions set forth in Section 5-45 of the Illinois
7 Administrative Procedure Act, and such emergency rules shall
8 be effective no later than 90 days after the effective date of
9 this amendatory Act of the 102nd General Assembly.

10 (220 ILCS 5/16-107.5)

11 Sec. 16-107.5. Net electricity metering.

12 (a) The General Assembly ~~Legislature~~ finds and declares
13 that a program to provide net electricity metering, as defined
14 in this Section, for eligible customers can encourage private
15 investment in renewable energy resources, stimulate economic
16 growth, enhance the continued diversification of Illinois'
17 energy resource mix, and protect the Illinois environment.
18 Further, to achieve the goals of this Act that robust options
19 for customer-site distributed generation continue to thrive in
20 Illinois, the General Assembly finds that a predictable
21 transition must be ensured for customers between full net
22 metering at the retail electricity rate to the distribution
23 generation rebate described in Section 16-107.6.

24 (b) As used in this Section, (i) "community renewable
25 generation project" shall have the meaning set forth in

1 Section 1-10 of the Illinois Power Agency Act; (ii) "eligible
2 customer" means a retail customer that owns, hosts, or
3 operates, including any third-party owned systems, a solar,
4 wind, or other eligible renewable electrical generating
5 facility ~~with a rated capacity of not more than 2,000~~
6 ~~kilowatts~~ that is located on the customer's premises or
7 customer's side of the billing meter and is intended primarily
8 to offset the customer's own current or future electrical
9 requirements; (iii) "electricity provider" means an electric
10 utility or alternative retail electric supplier; (iv)
11 "eligible renewable electrical generating facility" means a
12 generator, which may include the co-location of an energy
13 storage system, that is interconnected under rules adopted by
14 the Commission and is powered by solar electric energy, wind,
15 dedicated crops grown for electricity generation, agricultural
16 residues, untreated and unadulterated wood waste, ~~landscape~~
17 ~~trimmings,~~ livestock manure, anaerobic digestion of livestock
18 or food processing waste, fuel cells or microturbines powered
19 by renewable fuels, or hydroelectric energy; (v) "net
20 electricity metering" (or "net metering") means the
21 measurement, during the billing period applicable to an
22 eligible customer, of the net amount of electricity supplied
23 by an electricity provider to the customer ~~customer's premises~~
24 or provided to the electricity provider by the customer or
25 subscriber; (vi) "subscriber" shall have the meaning as set
26 forth in Section 1-10 of the Illinois Power Agency Act; ~~and~~

1 (vii) "subscription" shall have the meaning set forth in
2 Section 1-10 of the Illinois Power Agency Act; (viii) "energy
3 storage system" means commercially available technology that
4 is capable of absorbing energy and storing it for a period of
5 time for use at a later time, including, but not limited to,
6 electrochemical, thermal, and electromechanical technologies,
7 and may be interconnected behind the customer's meter or
8 interconnected behind its own meter; and (ix) "future
9 electrical requirements" means modeled electrical requirements
10 upon occupation of a new or vacant property, and other
11 reasonable expectations of future electrical use, as well as,
12 for occupied properties, a reasonable approximation of the
13 annual load of 2 electric vehicles and, for non-electric
14 heating customers, a reasonable approximation of the
15 incremental electric load associated with fuel switching. The
16 approximations shall be applied to the appropriate net
17 metering tariff and do not need to be unique to each individual
18 eligible customer. The utility shall submit these
19 approximations to the Commission for review, modification, and
20 approval.

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

24 (1) For eligible customers whose electric service has
25 not been declared competitive pursuant to Section 16-113
26 of this Act as of July 1, 2011 and whose electric delivery

1 service is provided and measured on a kilowatt-hour basis
2 and electric supply service is not provided based on
3 hourly pricing, this shall typically be accomplished
4 through use of a single, bi-directional meter. If the
5 eligible customer's existing electric revenue meter does
6 not meet this requirement, the electricity provider shall
7 arrange for the local electric utility or a meter service
8 provider to install and maintain a new revenue meter at
9 the electricity provider's expense, which may be the smart
10 meter described by subsection (b) of Section 16-108.5 of
11 this Act.

12 (2) For eligible customers whose electric service has
13 not been declared competitive pursuant to Section 16-113
14 of this Act as of July 1, 2011 and whose electric delivery
15 service is provided and measured on a kilowatt demand
16 basis and electric supply service is not provided based on
17 hourly pricing, this shall typically be accomplished
18 through use of a dual channel meter capable of measuring
19 the flow of electricity both into and out of the
20 customer's facility at the same rate and ratio. If such
21 customer's existing electric revenue meter does not meet
22 this requirement, then the electricity provider shall
23 arrange for the local electric utility or a meter service
24 provider to install and maintain a new revenue meter at
25 the electricity provider's expense, which may be the smart
26 meter described by subsection (b) of Section 16-108.5 of

1 this Act.

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

14 (d) An electricity provider shall measure and charge or
15 credit for the net electricity supplied to eligible customers
16 or provided by eligible customers whose electric service has
17 not been declared competitive pursuant to Section 16-113 of
18 this Act as of July 1, 2011 and whose electric delivery service
19 is provided and measured on a kilowatt-hour basis and electric
20 supply service is not provided based on hourly pricing in the
21 following manner:

22 (1) If the amount of electricity used by the customer
23 during the billing period exceeds the amount of
24 electricity produced by the customer, the electricity
25 provider shall charge the customer for the net electricity
26 supplied to and used by the customer as provided in

1 subsection (e-5) of this Section.

2 (2) If the amount of electricity produced by a
3 customer during the billing period exceeds the amount of
4 electricity used by the customer during that billing
5 period, the electricity provider supplying that customer
6 shall apply a 1:1 kilowatt-hour credit to a subsequent
7 bill for service to the customer for the net electricity
8 supplied to the electricity provider. The electricity
9 provider shall continue to carry over any excess
10 kilowatt-hour credits earned and apply those credits to
11 subsequent billing periods to offset any
12 customer-generator consumption in those billing periods
13 until all credits are used or until the end of the
14 annualized period.

15 (3) At the end of the year or annualized over the
16 period that service is supplied by means of net metering,
17 or in the event that the retail customer terminates
18 service with the electricity provider prior to the end of
19 the year or the annualized period, any remaining credits
20 in the customer's account shall expire.

21 (d-5) An electricity provider shall measure and charge or
22 credit for the net electricity supplied to eligible customers
23 or provided by eligible customers whose electric service has
24 not been declared competitive pursuant to Section 16-113 of
25 this Act as of July 1, 2011 and whose electric delivery service
26 is provided and measured on a kilowatt-hour basis and electric

1 supply service is provided based on hourly pricing or
2 time-of-use rates in the following manner:

3 (1) If the amount of electricity used by the customer
4 during any hourly period or time-of-use period exceeds the
5 amount of electricity produced by the customer, the
6 electricity provider shall charge the customer for the net
7 electricity supplied to and used by the customer according
8 to the terms of the contract or tariff to which the same
9 customer would be assigned to or be eligible for if the
10 customer was not a net metering customer.

11 (2) If the amount of electricity produced by a
12 customer during any hourly period or time-of-use period
13 exceeds the amount of electricity used by the customer
14 during that hourly period or time-of-use period, the
15 energy provider shall apply a credit for the net
16 kilowatt-hours produced in such period. The credit shall
17 consist of an energy credit and a delivery service credit.
18 The energy credit shall be valued at the same price per
19 kilowatt-hour as the electric service provider would
20 charge for kilowatt-hour energy sales during that same
21 hourly period or time-of-use period. The delivery credit
22 shall be equal to the net kilowatt-hours produced in such
23 hourly period or time-of-use period times a credit that
24 reflects all kilowatt-hour based charges in the customer's
25 electric service rate, excluding energy charges.

26 (e) An electricity provider shall measure and charge or

1 credit for the net electricity supplied to eligible customers
2 whose electric service has not been declared competitive
3 pursuant to Section 16-113 of this Act as of July 1, 2011 and
4 whose electric delivery service is provided and measured on a
5 kilowatt demand basis and electric supply service is not
6 provided based on hourly pricing in the following manner:

7 (1) If the amount of electricity used by the customer
8 during the billing period exceeds the amount of
9 electricity produced by the customer, then the electricity
10 provider shall charge the customer for the net electricity
11 supplied to and used by the customer as provided in
12 subsection (e-5) of this Section. The customer shall
13 remain responsible for all taxes, fees, and utility
14 delivery charges that would otherwise be applicable to the
15 net amount of electricity used by the customer.

16 (2) If the amount of electricity produced by a
17 customer during the billing period exceeds the amount of
18 electricity used by the customer during that billing
19 period, then the electricity provider supplying that
20 customer shall apply a 1:1 kilowatt-hour credit that
21 reflects the kilowatt-hour based charges in the customer's
22 electric service rate to a subsequent bill for service to
23 the customer for the net electricity supplied to the
24 electricity provider. The electricity provider shall
25 continue to carry over any excess kilowatt-hour credits
26 earned and apply those credits to subsequent billing

1 periods to offset any customer-generator consumption in
2 those billing periods until all credits are used or until
3 the end of the annualized period.

4 (3) At the end of the year or annualized over the
5 period that service is supplied by means of net metering,
6 or in the event that the retail customer terminates
7 service with the electricity provider prior to the end of
8 the year or the annualized period, any remaining credits
9 in the customer's account shall expire.

10 (e-5) An electricity provider shall provide electric
11 service to eligible customers who utilize net metering at
12 non-discriminatory rates that are identical, with respect to
13 rate structure, retail rate components, and any monthly
14 charges, to the rates that the customer would be charged if not
15 a net metering customer. An electricity provider shall not
16 charge net metering customers any fee or charge or require
17 additional equipment, insurance, or any other requirements not
18 specifically authorized by interconnection standards
19 authorized by the Commission, unless the fee, charge, or other
20 requirement would apply to other similarly situated customers
21 who are not net metering customers. The customer will remain
22 responsible for all taxes, fees, and utility delivery charges
23 that would otherwise be applicable to the net amount of
24 electricity used by the customer. Subsections (c) through (e)
25 of this Section shall not be construed to prevent an
26 arms-length agreement between an electricity provider and an

1 eligible customer that sets forth different prices, terms, and
2 conditions for the provision of net metering service,
3 including, but not limited to, the provision of the
4 appropriate metering equipment for non-residential customers.

5 (f) Notwithstanding the requirements of subsections (c)
6 through (e-5) of this Section, an electricity provider must
7 require dual-channel metering for customers operating eligible
8 renewable electrical generating facilities ~~with a nameplate~~
9 ~~rating up to 2,000 kilowatts and~~ to whom the provisions of
10 neither subsection (d), (d-5), nor (e) of this Section apply.
11 In such cases, electricity charges and credits shall be
12 determined as follows:

13 (1) The electricity provider shall assess and the
14 customer remains responsible for all taxes, fees, and
15 utility delivery charges that would otherwise be
16 applicable to the gross amount of kilowatt-hours supplied
17 to the eligible customer by the electricity provider.

18 (2) Each month that service is supplied by means of
19 dual-channel metering, the electricity provider shall
20 compensate the eligible customer for any excess
21 kilowatt-hour credits at the electricity provider's
22 avoided cost of electricity supply over the monthly period
23 or as otherwise specified by the terms of a power-purchase
24 agreement negotiated between the customer and electricity
25 provider.

26 (3) For all eligible net metering customers taking

1 service from an electricity provider under contracts or
2 tariffs employing hourly or time-of-use ~~time-of-use~~ rates,
3 any monthly consumption of electricity shall be calculated
4 according to the terms of the contract or tariff to which
5 the same customer would be assigned to or be eligible for
6 if the customer was not a net metering customer. When
7 those same customer-generators are net generators during
8 any discrete hourly or time-of-use ~~time-of-use~~ period, the
9 net kilowatt-hours produced shall be valued at the same
10 price per kilowatt-hour as the electric service provider
11 would charge for retail kilowatt-hour sales during that
12 same time-of-use ~~time-of-use~~ period.

13 (g) For purposes of federal and State laws providing
14 renewable energy credits or greenhouse gas credits, the
15 eligible customer shall be treated as owning and having title
16 to the renewable energy attributes, renewable energy credits,
17 and greenhouse gas emission credits related to any electricity
18 produced by the qualified generating unit. The electricity
19 provider may not condition participation in a net metering
20 program on the signing over of a customer's renewable energy
21 credits; provided, however, this subsection (g) shall not be
22 construed to prevent an arms-length agreement between an
23 electricity provider and an eligible customer that sets forth
24 the ownership or title of the credits.

25 (h) Within 120 days after the effective date of this
26 amendatory Act of the 95th General Assembly, the Commission

1 shall establish standards for net metering and, if the
2 Commission has not already acted on its own initiative,
3 standards for the interconnection of eligible renewable
4 generating equipment to the utility system. The
5 interconnection standards shall address any procedural
6 barriers, delays, and administrative costs associated with the
7 interconnection of customer-generation while ensuring the
8 safety and reliability of the units and the electric utility
9 system. The Commission shall consider the Institute of
10 Electrical and Electronics Engineers (IEEE) Standard 1547 and
11 the issues of (i) reasonable and fair fees and costs, (ii)
12 clear timelines for major milestones in the interconnection
13 process, (iii) nondiscriminatory terms of agreement, and (iv)
14 any best practices for interconnection of distributed
15 generation.

16 (h-5) Within 90 days after the effective date of this
17 amendatory Act of the 102nd General Assembly, the Commission
18 shall:

19 (1) establish an Interconnection Working Group. The
20 working group shall include representatives from electric
21 utilities, developers of renewable electric generating
22 facilities, other industries that regularly apply for
23 interconnection with the electric utilities,
24 representatives of distributed generation customers, the
25 Commission Staff, and such other stakeholders with a
26 substantial interest in the topics addressed by the

1 Interconnection Working Group. The Interconnection Working
2 Group shall address at least the following issues:

3 (A) cost and best available technology for
4 interconnection and metering, including the
5 standardization and publication of standard costs;

6 (B) transparency, accuracy and use of the
7 distribution interconnection queue and hosting
8 capacity maps;

9 (C) distribution system upgrade cost avoidance
10 through use of advanced inverter functions;

11 (D) predictability of the queue management process
12 and enforcement of timelines;

13 (E) benefits and challenges associated with group
14 studies and cost sharing;

15 (F) minimum requirements for application to the
16 interconnection process and throughout the
17 interconnection process to avoid queue clogging
18 behavior;

19 (G) process and customer service for
20 interconnecting customers adopting distributed energy
21 resources, including energy storage;

22 (H) options for metering distributed energy
23 resources, including energy storage;

24 (I) interconnection of new technologies, including
25 smart inverters and energy storage;

26 (J) collect, share, and examine data on Level 1

1 interconnection costs, including cost and type of
2 upgrades required for interconnection, and use this
3 data to inform the final standardized cost of Level 1
4 interconnection; and

5 (K) such other technical, policy, and tariff
6 issues related to and affecting interconnection
7 performance and customer service as determined by the
8 Interconnection Working Group.

9 The Commission may create subcommittees of the
10 Interconnection Working Group to focus on specific issues
11 of importance, as appropriate. The Interconnection Working
12 Group shall report to the Commission on recommended
13 improvements to interconnection rules and tariffs and
14 policies as determined by the Interconnection Working
15 Group at least every 6 months. Such reports shall include
16 consensus recommendations of the Interconnection Working
17 Group and, if applicable, additional recommendations for
18 which consensus was not reached. The Commission shall use
19 the report from the Interconnection Working Group to
20 determine whether processes should be commenced to
21 formally codify or implement the recommendations;

22 (2) create or contract for an Ombudsman to resolve
23 interconnection disputes through non-binding arbitration.
24 The Ombudsman may be paid in full or in part through fees
25 levied on the initiators of the dispute; and

26 (3) determine a single standardized cost for Level 1

1 interconnections, which shall not exceed \$200.

2 (i) All electricity providers shall begin to offer net
3 metering no later than April 1, 2008.

4 (j) An electricity provider shall provide net metering to
5 eligible customers according to subsections (d), (d-5), and
6 (e). Eligible renewable electrical generating facilities for
7 which eligible customers registered for net metering before
8 January 1, 2025 shall continue to receive net metering
9 services according to subsections (d), (d-5), and (e) of this
10 Section for the lifetime of the system, regardless of whether
11 those retail customers change electricity providers or whether
12 the retail customer benefiting from the system changes. On and
13 after January 1, 2025, any eligible customer that applies for
14 net metering and previously would have qualified under
15 subsections (d), (d-5), or (e) shall only be eligible for net
16 metering as described in subsection (n). ~~until the load of its~~
17 ~~net metering customers equals 5% of the total peak demand~~
18 ~~supplied by that electricity provider during the previous~~
19 ~~year. After such time as the load of the electricity~~
20 ~~provider's net metering customers equals 5% of the total peak~~
21 ~~demand supplied by that electricity provider during the~~
22 ~~previous year, eligible customers that begin taking net~~
23 ~~metering shall only be eligible for netting of energy.~~

24 (k) Each electricity provider shall maintain records and
25 report annually to the Commission the total number of net
26 metering customers served by the provider, as well as the

1 type, capacity, and energy sources of the generating systems
2 used by the net metering customers. Nothing in this Section
3 shall limit the ability of an electricity provider to request
4 the redaction of information deemed by the Commission to be
5 confidential business information.

6 (1)(1) Notwithstanding the definition of "eligible
7 customer" in item (ii) of subsection (b) of this Section, each
8 electricity provider shall allow net metering as set forth in
9 this subsection (1) and for the following projects, provided
10 that only electric utilities serving more than 200,000
11 customers as of January 1, 2021 shall provide net metering for
12 projects that are eligible for subparagraph (C) of this
13 paragraph (1) and have energized after the effective date of
14 this amendatory Act of the 102nd General Assembly:

15 (A) properties owned or leased by multiple customers
16 that contribute to the operation of an eligible renewable
17 electrical generating facility through an ownership or
18 leasehold interest of at least 200 watts in such facility,
19 such as a community-owned wind project, a community-owned
20 biomass project, a community-owned solar project, or a
21 community methane digester processing livestock waste from
22 multiple sources, provided that the facility is also
23 located within the utility's service territory;

24 (B) individual units, apartments, or properties
25 located in a single building that are owned or leased by
26 multiple customers and collectively served by a common

1 eligible renewable electrical generating facility, such as
2 an office or apartment building, a shopping center or
3 strip mall served by photovoltaic panels on the roof; and

4 (C) subscriptions to community renewable generation
5 projects, including community renewable generation
6 projects on the customer's side of the billing meter of a
7 host facility and partially used for the customer's own
8 load.

9 In addition, the nameplate capacity of the eligible
10 renewable electric generating facility that serves the demand
11 of the properties, units, or apartments identified in
12 paragraphs (1) and (2) of this subsection (1) shall not exceed
13 5,000 ~~2,000~~ kilowatts in nameplate capacity in total. Any
14 eligible renewable electrical generating facility or community
15 renewable generation project that is powered by photovoltaic
16 electric energy and installed after the effective date of this
17 amendatory Act of the 99th General Assembly must be installed
18 by a qualified person in compliance with the requirements of
19 Section 16-128A of the Public Utilities Act and any rules or
20 regulations adopted thereunder.

21 (2) Notwithstanding anything to the contrary, an
22 electricity provider shall provide credits for the electricity
23 produced by the projects described in paragraph (1) of this
24 subsection (1). The electricity provider shall provide credits
25 that include at least energy supply, capacity, transmission,
26 and, if applicable, the purchased energy adjustment ~~at the~~

1 ~~subscriber's energy supply rate~~ on the subscriber's monthly
2 bill equal to the subscriber's share of the production of
3 electricity from the project, as determined by paragraph (3)
4 of this subsection (1). For customers with transmission or
5 capacity charges not charged on a kilowatt-hour basis, the
6 electricity provider shall prepare a reasonable approximation
7 of the kilowatt-hour equivalent value and provide that value
8 as a monetary credit. The electricity provider shall submit
9 these approximation methodologies to the Commission for
10 review, modification, and approval. Notwithstanding anything
11 to the contrary, customers on payment plans or participating
12 in budget billing programs shall have credits applied on a
13 monthly basis.

14 (3) Notwithstanding anything to the contrary and
15 regardless of whether a subscriber to an eligible community
16 renewable generation project receives power and energy service
17 from the electric utility or an alternative retail electric
18 supplier, for projects eligible under paragraph (C) of
19 subparagraph (1) of this subsection (1), electric utilities
20 servicing more than 200,000 customers as of January 1, 2021
21 shall provide the monetary credits to a subscriber's
22 subsequent bill for the electricity produced by community
23 renewable generation projects. The electric utility shall
24 provide monetary credits to a subscriber's subsequent bill at
25 the utility's total price to compare equal to the subscriber's
26 share of the production of electricity from the project, as

1 determined by paragraph (5) of this subsection (1). For the
2 purposes of this subsection, "total price to compare" means
3 the rate or rates published by the Illinois Commerce
4 Commission for energy supply for eligible customers receiving
5 supply service from the electric utility, and shall include
6 energy, capacity, transmission, and the purchased energy
7 adjustment. Notwithstanding anything to the contrary,
8 customers on payment plans or participating in budget billing
9 programs shall have credits applied on a monthly basis. Any
10 applicable credit or reduction in load obligation from the
11 production of the community renewable generating projects
12 receiving a credit under this subsection shall be credited to
13 the electric utility to offset the cost of providing the
14 credit. To the extent that the credit or load obligation
15 reduction does not completely offset the cost of providing the
16 credit to subscribers of community renewable generation
17 projects as described in this subsection, the electric utility
18 may recover the remaining costs through its Multi-Year Rate
19 Plan. All electric utilities serving 200,000 or fewer
20 customers as of January 1, 2021 shall only provide the
21 monetary credits to a subscriber's subsequent bill for the
22 electricity produced by community renewable generation
23 projects if the subscriber receives power and energy service
24 from the electric utility. Alternative retail electric
25 suppliers providing power and energy service to a subscriber
26 located within the service territory of an electric utility

1 not subject to Sections 16-108.18 and 16-118 shall provide the
2 monetary credits to the subscriber's subsequent bill for the
3 electricity produced by community renewable generation
4 projects.

5 (4) If requested by the owner or operator of a community
6 renewable generating project, an electric utility serving more
7 than 200,000 customers as of January 1, 2021 shall enter into a
8 net crediting agreement with the owner or operator to include
9 a subscriber's subscription fee on the subscriber's monthly
10 electric bill and provide the subscriber with a net credit
11 equivalent to the total bill credit value for that generation
12 period minus the subscription fee, provided the subscription
13 fee is structured as a fixed percentage of bill credit value.
14 The net crediting agreement shall set forth payment terms from
15 the electric utility to the owner or operator of the community
16 renewable generating project, and the electric utility may
17 charge a net crediting fee to the owner or operator of a
18 community renewable generating project that may not exceed 2%
19 of the bill credit value. Notwithstanding anything to the
20 contrary, an electric utility serving 200,000 customers or
21 fewer as of January 1, 2021 shall not be obligated to enter
22 into a net crediting agreement with the owner or operator of a
23 community renewable generating project.

24 (5) ~~(3)~~ For the purposes of facilitating net metering, the
25 owner or operator of the eligible renewable electrical
26 generating facility or community renewable generation project

1 shall be responsible for determining the amount of the credit
2 that each customer or subscriber participating in a project
3 under this subsection (1) is to receive in the following
4 manner:

5 (A) The owner or operator shall, on a monthly basis,
6 provide to the electric utility the kilowatthours of
7 generation attributable to each of the utility's retail
8 customers and subscribers participating in projects under
9 this subsection (1) in accordance with the customer's or
10 subscriber's share of the eligible renewable electric
11 generating facility's or community renewable generation
12 project's output of power and energy for such month. The
13 owner or operator shall electronically transmit such
14 calculations and associated documentation to the electric
15 utility, in a format or method set forth in the applicable
16 tariff, on a monthly basis so that the electric utility
17 can reflect the monetary credits on customers' and
18 subscribers' electric utility bills. The electric utility
19 shall be permitted to revise its tariffs to implement the
20 provisions of this amendatory Act of the 102nd General
21 Assembly ~~this amendatory Act of the 99th General Assembly~~.
22 The owner or operator shall separately provide the
23 electric utility with the documentation detailing the
24 calculations supporting the credit in the manner set forth
25 in the applicable tariff.

26 (B) For those participating customers and subscribers

1 who receive their energy supply from an alternative retail
2 electric supplier, the electric utility shall remit to the
3 applicable alternative retail electric supplier the
4 information provided under subparagraph (A) of this
5 paragraph (3) for such customers and subscribers in a
6 manner set forth in such alternative retail electric
7 supplier's net metering program, or as otherwise agreed
8 between the utility and the alternative retail electric
9 supplier. The alternative retail electric supplier shall
10 then submit to the utility the amount of the charges for
11 power and energy to be applied to such customers and
12 subscribers, including the amount of the credit associated
13 with net metering.

14 (C) A participating customer or subscriber may provide
15 authorization as required by applicable law that directs
16 the electric utility to submit information to the owner or
17 operator of the eligible renewable electrical generating
18 facility or community renewable generation project to
19 which the customer or subscriber has an ownership or
20 leasehold interest or a subscription. Such information
21 shall be limited to the components of the net metering
22 credit calculated under this subsection (1), including the
23 bill credit rate, total kilowatthours, and total monetary
24 credit value applied to the customer's or subscriber's
25 bill for the monthly billing period.

26 (1-5) Within 90 days after the effective date of this

1 amendatory Act of the 102nd General Assembly ~~this amendatory~~
2 ~~Act of the 99th General Assembly~~, each electric utility
3 subject to this Section shall file a tariff or tariffs to
4 implement the provisions of subsection (l) of this Section,
5 which shall, consistent with the provisions of subsection (l),
6 describe the terms and conditions under which owners or
7 operators of qualifying properties, units, or apartments may
8 participate in net metering. The Commission shall approve, or
9 approve with modification, the tariff within 120 days after
10 the effective date of this amendatory Act of the 102nd General
11 Assembly ~~this amendatory Act of the 99th General Assembly~~.

12 (m) Nothing in this Section shall affect the right of an
13 electricity provider to continue to provide, or the right of a
14 retail customer to continue to receive service pursuant to a
15 contract for electric service between the electricity provider
16 and the retail customer in accordance with the prices, terms,
17 and conditions provided for in that contract. Either the
18 electricity provider or the customer may require compliance
19 with the prices, terms, and conditions of the contract.

20 (n) On and after January 1, 2025 ~~At such time, if any, that~~
21 ~~the load of the electricity provider's net metering customers~~
22 ~~equals 5% of the total peak demand supplied by that~~
23 ~~electricity provider during the previous year, as specified in~~
24 ~~subsection (j) of this Section~~, the net metering services
25 described in subsections (d), (d-5), and (e), ~~(e-5), and (f)~~
26 of this Section shall no longer be offered, except as to those

1 eligible renewable electrical generating facilities for which
2 retail customers ~~that~~ are receiving net metering service under
3 these subsections at the time the net metering services under
4 those subsections are no longer offered; those systems shall
5 continue to receive net metering services described in
6 subsections (d), (d-5), and (e) of this Section for the
7 lifetime of the system, regardless of if those retail
8 customers change electricity providers or whether the retail
9 customer benefiting from the system changes. The electric
10 utility serving more than 200,000 customers as of January 1,
11 2021 is responsible for ensuring the billing credits continue
12 without lapse for the lifetime of systems, as required in
13 subsection (o). Those retail customers that begin taking net
14 metering service after the date that net metering services are
15 no longer offered under such subsections shall be subject to
16 the provisions set forth in the following paragraphs (1)
17 through (3) of this subsection (n):

18 (1) An electricity provider shall charge or credit for
19 the net electricity supplied to eligible customers or
20 provided by eligible customers whose electric supply
21 service is not provided based on hourly pricing in the
22 following manner:

23 (A) If the amount of electricity used by the
24 customer during the monthly billing period exceeds the
25 amount of electricity produced by the customer, then
26 the electricity provider shall charge the customer for

1 the net kilowatt-hour based electricity charges
2 reflected in the customer's electric service rate
3 supplied to and used by the customer as provided in
4 paragraph (3) of this subsection (n).

5 (B) If the amount of electricity produced by a
6 customer during the monthly billing period exceeds the
7 amount of electricity used by the customer during that
8 billing period, then the electricity provider
9 supplying that customer shall apply a 1:1
10 kilowatt-hour energy or monetary credit kilowatt-hour
11 supply charges to the customer's subsequent bill. The
12 customer shall choose between 1:1 kilowatt-hour or
13 monetary credit at the time of application. For the
14 purposes of this subsection, "kilowatt-hour supply
15 charges" means the kilowatt-hour equivalent values for
16 energy, capacity, transmission, and the purchased
17 energy adjustment, if applicable. Notwithstanding
18 anything to the contrary, customers on payment plans
19 or participating in budget billing programs shall have
20 credits applied on a monthly basis. ~~that reflects the~~
21 ~~kilowatt-hour based energy charges in the customer's~~
22 ~~electric service rate to a subsequent bill for service~~
23 ~~to the customer for the net electricity supplied to~~
24 ~~the electricity provider.~~ The electricity provider
25 shall continue to carry over any excess kilowatt-hour
26 or monetary energy credits earned and apply those

1 credits to subsequent billing periods. For customers
2 with transmission or capacity charges not charged on a
3 kilowatt-hour basis, the electricity provider shall
4 prepare a reasonable approximation of the
5 kilowatt-hour equivalent value and provide that value
6 as a monetary credit. The electricity provider shall
7 submit these approximation methodologies to the
8 Commission for review, modification, and approval. ~~to~~
9 ~~offset any customer generator consumption in those~~
10 ~~billing periods until all credits are used or until~~
11 ~~the end of the annualized period.~~

12 (C) (Blank). ~~At the end of the year or annualized~~
13 ~~over the period that service is supplied by means of~~
14 ~~net metering, or in the event that the retail customer~~
15 ~~terminates service with the electricity provider prior~~
16 ~~to the end of the year or the annualized period, any~~
17 ~~remaining credits in the customer's account shall~~
18 ~~expire.~~

19 (2) An electricity provider shall charge or credit for
20 the net electricity supplied to eligible customers or
21 provided by eligible customers whose electric supply
22 service is provided based on hourly pricing in the
23 following manner:

24 (A) If the amount of electricity used by the
25 customer during any hourly period exceeds the amount
26 of electricity produced by the customer, then the

1 electricity provider shall charge the customer for the
2 net electricity supplied to and used by the customer
3 as provided in paragraph (3) of this subsection (n).

4 (B) If the amount of electricity produced by a
5 customer during any hourly period exceeds the amount
6 of electricity used by the customer during that hourly
7 period, the energy provider shall calculate an energy
8 credit for the net kilowatt-hours produced in such
9 period, and shall apply that credit as a monetary
10 credit to the customer's subsequent bill. The value of
11 the energy credit shall be calculated using the same
12 price per kilowatt-hour as the electric service
13 provider would charge for kilowatt-hour energy sales
14 during that same hourly period and shall also include
15 values for capacity and transmission. For customers
16 with transmission or capacity charges not charged on a
17 kilowatt-hour basis, the electricity provider shall
18 prepare a reasonable approximation of the
19 kilowatt-hour equivalent value and provide that value
20 as a monetary credit. The electricity provider shall
21 submit these approximation methodologies to the
22 Commission for review, modification, and approval.
23 Notwithstanding anything to the contrary, customers on
24 payment plans or participating in budget billing
25 programs shall have credits applied on a monthly
26 basis.

1 (3) 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
4 to rate structure, retail rate components, and any monthly
5 charges, to the rates that the customer would be charged
6 if not a net metering customer. An electricity provider
7 shall charge the customer for the net electricity supplied
8 to and used by the customer according to the terms of the
9 contract or tariff to which the same customer would be
10 assigned or be eligible for if the customer was not a net
11 metering customer. An electricity provider shall not
12 charge net metering customers any fee or charge or require
13 additional equipment, insurance, or any other requirements
14 not specifically authorized by interconnection standards
15 authorized by the Commission, unless the fee, charge, or
16 other requirement would apply to other similarly situated
17 customers who are not net metering customers. ~~The charge~~
18 ~~or credit that the customer receives for net electricity~~
19 ~~shall be at a rate equal to the customer's energy supply~~
20 ~~rate.~~ The customer remains responsible for the gross
21 amount of delivery services charges, supply-related
22 charges that are kilowatt based, and all taxes and fees
23 related to such charges. The customer also remains
24 responsible for all taxes and fees that would otherwise be
25 applicable to the net amount of electricity used by the
26 customer. Paragraphs (1) and (2) of this subsection (n)

1 shall not be construed to prevent an arms-length agreement
2 between an electricity provider and an eligible customer
3 that sets forth different prices, terms, and conditions
4 for the provision of net metering service, including, but
5 not limited to, the provision of the appropriate metering
6 equipment for non-residential customers. Nothing in this
7 paragraph (3) shall be interpreted to mandate that a
8 utility that is only required to provide delivery services
9 to a given customer must also sell electricity to such
10 customer.

11 (o) Within 90 days after the effective date of this
12 amendatory Act of the 102nd General Assembly, each electric
13 utility subject to this Section shall file a tariff, which
14 shall, consistent with the provisions of this Section, propose
15 the terms and conditions under which a customer may
16 participate in net metering. The tariff for electric utilities
17 serving more than 200,000 customers as of January 1, 2021
18 shall also provide a streamlined and transparent bill
19 crediting system for net metering to be managed by the
20 electric utilities. The terms and conditions shall include,
21 but are not limited to, that an electric utility shall manage
22 and maintain billing of net metering credits and charges
23 regardless of if the eligible customer takes net metering
24 under an electric utility or alternative retail electric
25 supplier. The electric utility serving more than 200,000
26 customers as of January 1, 2021 shall process and approve all

1 net metering applications, even if an eligible customer is
2 served by an alternative retail electric supplier; and the
3 utility shall forward application approval to the appropriate
4 alternative retail electric supplier. Eligibility for net
5 metering shall remain with the owner of the utility billing
6 address such that, if an eligible renewable electrical
7 generating facility changes ownership, the net metering
8 eligibility transfers to the new owner. The electric utility
9 serving more than 200,000 customers as of January 1, 2021
10 shall manage net metering billing for eligible customers to
11 ensure full crediting occurs on electricity bills, including,
12 but not limited to, ensuring net metering crediting begins
13 upon commercial operation date, net metering billing transfers
14 immediately if an eligible customer switches from an electric
15 utility to alternative retail electric supplier or vice versa,
16 and net metering billing transfers between ownership of a
17 valid billing address. All transfers referenced in the
18 preceding sentence shall include transfer of all banked
19 credits. All electric utilities serving 200,000 or fewer
20 customers as of January 1, 2021 shall manage net metering
21 billing for eligible customers receiving power and energy
22 service from the electric utility to ensure full crediting
23 occurs on electricity bills, ensuring net metering crediting
24 begins upon commercial operation date, net metering billing
25 transfers immediately if an eligible customer switches from an
26 electric utility to alternative retail electric supplier or

1 vice versa, and net metering billing transfers between
2 ownership of a valid billing address. Alternative retail
3 electric suppliers providing power and energy service to
4 eligible customers located within the service territory of an
5 electric utility serving 200,000 or fewer customers as of
6 January 1, 2021 shall manage net metering billing for eligible
7 customers to ensure full crediting occurs on electricity
8 bills, including, but not limited to, ensuring net metering
9 crediting begins upon commercial operation date, net metering
10 billing transfers immediately if an eligible customer switches
11 from an electric utility to alternative retail electric
12 supplier or vice versa, and net metering billing transfers
13 between ownership of a valid billing address.

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

15 (220 ILCS 5/16-107.6)

16 Sec. 16-107.6. Distributed generation rebate.

17 (a) In this Section:

18 "Additive services" means the services that distributed
19 energy resources provide to the energy system and society that
20 are not (1) already included in the base rebates for
21 system-wide grid services; or (2) otherwise already
22 compensated. Additive services may reflect, but shall not be
23 limited to, any geographic, time-based, performance-based, and
24 other benefits of distributed energy resources, as well as the
25 present and future technological capabilities of distributed

1 energy resources and present and future grid needs.

2 "Distributed energy resource" means a wide range of
3 technologies that are located on the customer side of the
4 customer's electric meter, including, but not limited to,
5 distributed generation, energy storage, electric vehicles, and
6 demand response technologies.

7 "Energy storage system" means commercially available
8 technology that is capable of absorbing energy and storing it
9 for a period of time for use at a later time, including, but
10 not limited to, electrochemical, thermal, and
11 electromechanical technologies, and may be interconnected
12 behind the customer's meter or interconnected behind its own
13 meter.

14 "Smart inverter" means a device that converts direct
15 current into alternating current and meets the IEEE 1547-2018
16 equipment standards. Until devices that meet the IEEE
17 1547-2018 standard are available, devices that meet the UL
18 1741 SA standard are acceptable. ~~can autonomously contribute~~
19 ~~to grid support during excursions from normal operating~~
20 ~~voltage and frequency conditions by providing each of the~~
21 ~~following: dynamic reactive and real power support, voltage~~
22 ~~and frequency ride-through, ramp rate controls, communication~~
23 ~~systems with ability to accept external commands, and other~~
24 ~~functions from the electric utility.~~

25 "Subscriber" has the meaning set forth in Section 1-10 of
26 the Illinois Power Agency Act.

1 "Subscription" has the meaning set forth in Section 1-10
2 of the Illinois Power Agency Act.

3 "System-wide grid services" means the benefits that a
4 distributed energy resource provides to the distribution grid
5 for a period of no less than 25 years. System-wide grid
6 services do not vary by location, time, or the performance
7 characteristics of the distributed energy resource.
8 System-wide grid services include, but are not limited to,
9 avoided or deferred distribution capacity costs, resilience
10 and reliability benefits, avoided or deferred distribution
11 operation and maintenance costs, distribution voltage and
12 power quality benefits, and line loss reductions.

13 "Threshold date" means December 31, 2024 or the date on
14 which the utility's tariff or tariffs setting the new
15 compensation values established under subsection (e) take
16 effect, whichever is later. ~~the load of an electricity~~
17 ~~provider's net metering customers equals 5% of the total peak~~
18 ~~demand supplied by that electricity provider during the~~
19 ~~previous year, as specified under subsection (j) of Section~~
20 ~~16-107.5 of this Act.~~

21 (b) An electric utility that serves more than 200,000
22 customers in the State shall file a petition with the
23 Commission requesting approval of the utility's tariff to
24 provide a rebate to the owner or operator of a retail customer
25 ~~who owns or operates~~ distributed generation, including
26 third-party owned systems, that meets the following criteria:

1 (1) has a nameplate generating capacity no greater
2 than 5,000 ~~2,000~~ kilowatts and is primarily used to offset
3 ~~a that~~ customer's electricity load;

4 (2) is located on the customer's side of the billing
5 meter and premises, for the customer's own use, ~~and not~~
6 ~~for commercial use or sales, including, but not limited~~
7 ~~to, wholesale sales of electric power and energy;~~

8 ~~(3) is located in the electric utility's service~~
9 ~~territory; and~~

10 (3) (4) is interconnected to electric distribution
11 facilities owned by the electric utility under rules
12 adopted by the Commission by means of the inverter or
13 smart inverter required by this Section, as applicable.

14 For purposes of this Section, "distributed generation"
15 shall satisfy the definition of distributed renewable energy
16 generation device set forth in Section 1-10 of the Illinois
17 Power Agency Act to the extent such definition is consistent
18 with the requirements of this Section.

19 In addition, any new photovoltaic distributed generation
20 that is installed after June 1, 2017 (the effective date of
21 Public Act 99-906) ~~this amendatory Act of the 99th General~~
22 ~~Assembly~~ must be installed by a qualified person, as defined
23 by subsection (i) of Section 1-56 of the Illinois Power Agency
24 Act.

25 The tariff shall include a base rebate that compensates
26 distributed generation for the system-wide grid services

1 associated with distributed generation and, after the
2 proceeding described in subsection (e) of this Section, an
3 additional payment or payments for the additive services. The
4 tariff shall provide that the smart inverter associated with
5 the distributed generation shall provide autonomous response
6 to grid conditions through its default settings as approved by
7 the Commission. Default settings may not be changed after the
8 execution of the interconnection agreement except by mutual
9 agreement between the utility and the owner or operator of the
10 distributed generation. ~~provide that the utility shall be~~
11 ~~permitted to operate and control the smart inverter associated~~
12 ~~with the distributed generation that is the subject of the~~
13 ~~rebate for the purpose of preserving reliability during~~
14 ~~distribution system reliability events and shall address the~~
15 ~~terms and conditions of the operation and the compensation~~
16 ~~associated with the operation.~~ Nothing in this Section shall
17 negate or supersede Institute of Electrical and Electronics
18 Engineers equipment interconnection requirements or standards
19 or other similar standards or requirements. The tariff shall
20 not limit the ability of the smart inverter or other
21 distributed energy resource to provide wholesale market
22 products such as regulation, demand response, or other
23 services, or limit the ability of the owner of the smart
24 inverter or the other distributed energy resource to receive
25 compensation for providing those wholesale market products or
26 services. ~~The tariff shall also provide for additional uses of~~

1 ~~the smart inverter that shall be separately compensated and~~
2 ~~which may include, but are not limited to, voltage and VAR~~
3 ~~support, regulation, and other grid services. As part of the~~
4 ~~proceeding described in subsection (c) of this Section, the~~
5 ~~Commission shall review and determine whether smart inverters~~
6 ~~can provide any additional uses or services. If the Commission~~
7 ~~determines that an additional use or service would be~~
8 ~~beneficial, the Commission shall determine the terms and~~
9 ~~conditions of the operation and how the use or service should~~
10 ~~be separately compensated.~~

11 (b-5) Within 30 days after the effective date of this
12 amendatory Act of the 102nd General Assembly, each electric
13 public utility with 3,000,000 or more retail customers shall
14 file a tariff with the Commission that further compensates any
15 retail customer that installs or has installed photovoltaic
16 facilities paired with energy storage facilities on or
17 adjacent to its premises for the benefits the facilities
18 provide to the distribution grid. The tariff shall provide
19 that, in addition to the other rebates identified in this
20 Section, the electric utility shall rebate to such retail
21 customer (i) the previously incurred and future costs of
22 installing interconnection facilities and related
23 infrastructure to enable full participation in the PJM
24 Interconnection, LLC or its successor organization frequency
25 regulation market; and (ii) all wholesale demand charges
26 incurred after the effective date of this amendatory Act of

1 the 102nd General Assembly. The Commission shall approve, or
2 approve with modification, the tariff within 120 days after
3 the utility's filing.

4 (c) The proposed tariff authorized by subsection (b) of
5 this Section shall include the following participation terms
6 ~~for and formulae to calculate the value of the~~ rebates to be
7 applied under this Section for distributed generation that
8 satisfies the criteria set forth in subsection (b) of this
9 Section:

10 (1) The owner or operator of distributed generation
11 that services ~~(1) Until the utility files its tariff or~~
12 ~~tariffs to place into effect the rebate values established~~
13 ~~by the Commission under subsection (c) of this Section,~~
14 ~~non residential~~ customers not eligible for net metering
15 under subsection (d), (d-5), or (e) of Section 16-107.5 of
16 this Act that are taking service under a net metering
17 ~~program offered by an electricity provider under the terms~~
18 ~~of Section 16-107.5 of this Act~~ may apply for a rebate as
19 provided for in this Section. Until the threshold date,
20 the ~~The~~ value of the rebate shall be \$250 per kilowatt of
21 nameplate generating capacity, measured as nominal DC
22 power output, of that ~~a non-residential~~ customer's
23 distributed generation. To the extent the distributed
24 generation also has an associated energy storage, then the
25 energy storage system shall be separately compensated with
26 a base rebate of \$250 per kilowatt-hour of nameplate

1 capacity. Any distributed generation device that is
2 compensated for storage in this subsection (1) before the
3 threshold date shall participate in one or more programs
4 determined through the Multi-Year Integrated Grid Planning
5 process that are designed to meet peak reduction and
6 flexibility. After the threshold date, the value of the
7 base rebate and additional compensation for any additive
8 services shall be as determined by the Commission in the
9 proceeding described in subsection (e) of this Section,
10 provided that the value of the base rebate for system-wide
11 grid services shall not be lower than \$250 per kilowatt of
12 nameplate generating capacity of distributed generation or
13 community renewable generation project.

14 (2) The owner or operator of distributed generation
15 that, before the threshold date, would have been eligible
16 for net metering under subsection (d), (d-5), or (e) of
17 Section 16-107.5 of this Act and that has not previously
18 received a distributed generation rebate, may apply for a
19 rebate as provided for in this Section. Until the
20 threshold date, the value of the base rebate shall be \$300
21 per kilowatt of nameplate generating capacity, measured as
22 nominal DC power output, of the distributed generation.
23 The owner or operator of distributed generation that,
24 before the threshold date, is eligible for net metering
25 under subsection (d), (d-5), or (e) of Section 16-107.5 of
26 this Act may apply for a base rebate for an energy storage

1 device that uses the same smart inverter as the
2 distributed generation, regardless of whether the
3 distributed generation applies for a rebate for the
4 distributed generation device. The energy storage system
5 shall be separately compensated at a base payment of \$300
6 per kilowatt-hour of nameplate capacity. Any distributed
7 generation device that is compensated for storage in this
8 subsection (2) before the threshold date shall participate
9 in a peak time rebate program, hourly pricing program, or
10 time-of-use rate program offered by the applicable
11 electric utility. After the threshold date, the value of
12 the base rebate and additional compensation for any
13 additive services shall be as determined by the Commission
14 in the proceeding described in subsection (e) of this
15 Section, provided that, prior to December 31, 2029, the
16 value of the base rebate for system-wide services shall
17 not be lower than \$300 per kilowatt of nameplate
18 generating capacity of distributed generation, after which
19 it shall not be lower than \$250 per kilowatt of nameplate
20 capacity.

21 ~~(2) After the utility's tariff or tariffs setting the~~
22 ~~new rebate values established under subsection (d) of this~~
23 ~~Section take effect, retail customers may, as applicable,~~
24 ~~make the following elections:~~

25 ~~(A) Residential customers that are taking service~~
26 ~~under a net metering program offered by an electricity~~

1 ~~provider under the terms of Section 16-107.5 of this~~
2 ~~Act on the threshold date may elect to either continue~~
3 ~~to take such service under the terms of such program as~~
4 ~~in effect on such threshold date for the useful life of~~
5 ~~the customer's eligible renewable electric generating~~
6 ~~facility as defined in such Section, or file an~~
7 ~~application to receive a rebate under the terms of~~
8 ~~this Section, provided that such application must be~~
9 ~~submitted within 6 months after the effective date of~~
10 ~~the tariff approved under subsection (d) of this~~
11 ~~Section. The value of the rebate shall be the amount~~
12 ~~established by the Commission and reflected in the~~
13 ~~utility's tariff pursuant to subsection (c) of this~~
14 ~~Section.~~

15 ~~(B) Non residential customers that are taking~~
16 ~~service under a net metering program offered by an~~
17 ~~electricity provider under the terms of Section~~
18 ~~16-107.5 of this Act on the threshold date may apply~~
19 ~~for a rebate as provided for in this Section. The value~~
20 ~~of the rebate shall be the amount established by the~~
21 ~~Commission and reflected in the utility's tariff~~
22 ~~pursuant to subsection (c) of this Section.~~

23 (3) Upon approval of a rebate application submitted
24 under this subsection (c), the retail customer shall no
25 longer be entitled to receive any delivery service credits
26 for the excess electricity generated by its facility and

1 shall be subject to the provisions of subsection (n) of
2 Section 16-107.5 of this Act.

3 (4) To be eligible for a rebate described in this
4 subsection (c), the owner or operator of the distributed
5 generation customers who begin taking service after the
6 effective date of this amendatory Act of the 99th General
7 Assembly under a net metering program offered by an
8 electricity provider under the terms of Section 16-107.5
9 of this Act must have a smart inverter installed and in
10 operation on the associated with the customer's
11 distributed generation.

12 (d) The Commission shall review the proposed tariff
13 authorized by subsection ~~submitted under subsections (b) and~~
14 ~~(e)~~ of this Section and may make changes to the tariff that are
15 consistent with this Section and with the Commission's
16 authority under Article IX of this Act, subject to notice and
17 hearing. Following notice and hearing, the Commission shall
18 issue an order approving, or approving with modification, such
19 tariff no later than 240 days after the utility files its
20 tariff. Upon the effective date of this amendatory Act of the
21 102nd General Assembly, an electric utility shall file a
22 petition with the Commission to amend and update any existing
23 tariffs to comply with subsections (b) and (c).

24 (e) By no later than June 30, 2023, ~~When the total~~
25 ~~generating capacity of the electricity provider's net metering~~
26 ~~customers is equal to 3%,~~ the Commission shall open an

1 independent, statewide investigation into the value of, and
2 compensation for, distributed energy resources. The Commission
3 shall conduct the investigation, but may arrange for experts
4 or consultants independent of the utilities and selected by
5 the Commission to assist with the investigation. The cost of
6 the investigation shall be shared by the utilities filing
7 tariffs under subsection (b) of this Section but may be
8 recovered as an expense through normal ratemaking procedures.
9 ~~an annual process and formula for calculating the value of~~
10 ~~rebates for the retail customers described in subsections (b)~~
11 ~~and (f) of this Section that submit rebate applications after~~
12 ~~the threshold date for an electric utility that elected to~~
13 ~~file a tariff pursuant to this Section.~~

14 (1) The Commission shall ensure that the investigation
15 includes, at minimum, diverse sets of stakeholders; a
16 review of best practices in calculating the value of
17 distributed energy resource benefits; a review of the full
18 value of the distributed energy resources and the manner
19 in which each component of that value is or is not
20 otherwise compensated; and assessments of how the value of
21 distributed energy resources may evolve based on the
22 present and future technological capabilities of
23 distributed energy resources and based on present and
24 future grid needs.

25 (2) The Commission's final order concluding this
26 investigation shall establish an annual process and

1 formula for the compensation of distributed generation and
2 energy storage systems, and an initial set of inputs for
3 that formula. The Commission's final order concluding this
4 investigation shall establish base rebates that compensate
5 distributed generation, community renewable generation
6 projects and energy storage systems for the system-wide
7 grid services that they provide. Those base rebate values
8 shall be consistent across the state, and shall not vary
9 by customer, customer class, customer location, or any
10 other variable. With respect to rebates for distributed
11 generation or community renewable generation projects,
12 that rebate shall not be lower than \$250 per kilowatt of
13 nameplate generating capacity of the distributed
14 generation or community renewable generation project. The
15 Commission's final order concluding this proceeding shall
16 also direct the utilities to update the formula, on an
17 annual basis, with inputs derived from their integrated
18 grid plans developed pursuant to Section 16-105.17. The
19 base rebate shall be updated annually based on the annual
20 updates to the formula inputs, but, with respect to
21 rebates for distributed generation or community renewable
22 generation projects, shall be no lower than \$250 per
23 kilowatt of nameplate generating capacity of the
24 distributed generation or community renewable generation
25 project.

26 (3) The Commission shall also determine, as a part of

1 its investigation under this subsection, whether
2 distributed energy resources can provide any additive
3 services. Those additive services may include services
4 that are provided through utility-controlled responses to
5 grid conditions. If the Commission determines that
6 distributed energy resources can provide additive grid
7 services, the Commission shall determine the terms and
8 conditions for the operation and compensation of those
9 services. That compensation shall be above and beyond the
10 base rebate that the distributed energy generation,
11 community renewable generation project and energy storage
12 system receives. Compensation for additive services may
13 vary by location, time, performance characteristics,
14 technology types, or other variables.

15 (4) The Commission shall ensure that compensation for
16 distributed energy resources, including base rebates and
17 any payments for additive services, shall reflect all
18 reasonably known and measurable values of the distributed
19 generation over its full expected useful life.
20 Compensation for additive services shall reflect, but
21 shall not be limited to, any geographic, time-based,
22 performance-based, and other benefits of distributed
23 generation, as well as the present and future
24 technological capabilities of distributed energy resources
25 and present and future grid needs.

26 (5) The Commission shall consider the electric

1 utility's integrated grid plan developed pursuant to
2 Section 16-105.17 of this Act to help identify the value
3 of distributed energy resources for the purpose of
4 calculating the compensation described in this subsection.

5 (6) The Commission shall determine additional
6 compensation for distributed energy resources that creates
7 savings and value on the distribution system by being
8 co-located or in close proximity to electric vehicle
9 charging infrastructure in use by medium-duty and
10 heavy-duty vehicles, primarily serving environmental
11 justice communities, as outlined in the utility integrated
12 grid planning process under Section 16-105.17 of this Act.

13 No later than 60 days after the Commission enters its
14 final order under this subsection (e), each utility shall file
15 its updated tariff or tariffs in compliance with the order,
16 including new tariffs for the recovery of costs incurred under
17 this subsection (e) that shall provide for volumetric-based
18 cost recovery, and the Commission shall approve, or approve
19 with modification, the tariff or tariffs within 240 days after
20 the utility's filing.

21 ~~The investigation shall include diverse sets of~~
22 ~~stakeholders, calculations for valuing distributed energy~~
23 ~~resource benefits to the grid based on best practices, and~~
24 ~~assessments of present and future technological capabilities~~
25 ~~of distributed energy resources. The value of such rebates~~
26 ~~shall reflect the value of the distributed generation to the~~

1 ~~distribution system at the location at which it is~~
2 ~~interconnected, taking into account the geographic,~~
3 ~~time-based, and performance-based benefits, as well as~~
4 ~~technological capabilities and present and future grid needs.~~
5 ~~No later than 10 days after the Commission enters its final~~
6 ~~order under this subsection (c), the utility shall file its~~
7 ~~tariff or tariffs in compliance with the order, and the~~
8 ~~Commission shall approve, or approve with modification, the~~
9 ~~tariff or tariffs within 45 days after the utility's filing.~~
10 ~~For those rebate applications filed after the threshold date~~
11 ~~but before the utility's tariff or tariffs filed pursuant to~~
12 ~~this subsection (c) take effect, the value of the rebate shall~~
13 ~~remain at the value established in subsection (c) of this~~
14 ~~Section until the tariff is approved.~~

15 (f) Notwithstanding any provision of this Act to the
16 contrary, the owner or operator ~~, developer, or subscriber~~ of
17 a community renewable generation project as defined in Section
18 1-10 of the Illinois Power Agency Act ~~facility that is part of~~
19 ~~a net metering program provided under subsection (1) of~~
20 ~~Section 16-107.5~~ shall also be eligible to apply for the
21 rebate described in this Section. The owner or operator of the
22 community renewable ~~A subscriber to the~~ generation project
23 ~~facility~~ may apply for a rebate ~~in the amount of the~~
24 ~~subscriber's subscription~~ only if the owner or operator, or
25 previous owner or operator, of the community renewable
26 generation project, developer, or previous subscriber to the

1 ~~same panel or panels~~ has not already submitted an application,
2 and, regardless of whether the subscriber is a residential or
3 non-residential customer, may be allowed the amount identified
4 in paragraph (1) of subsection (c) ~~or in subsection (e) of this~~
5 ~~Section~~ applicable ~~to such customer~~ on the date that the
6 application is submitted. ~~An application for a rebate for a~~
7 ~~portion of a project described in this subsection (f) may be~~
8 ~~submitted at or after the time that a related request for net~~
9 ~~metering is made.~~

10 (g) The owner of the distributed generation or community
11 renewable generation project may apply for the rebate or
12 rebates approved under this Section at the time of execution
13 of an interconnection agreement with the distribution utility
14 and shall receive the value available at that time of
15 execution of the interconnection agreement, provided the
16 project reaches mechanical completion within 24 months after
17 execution of the interconnection agreement. If the project has
18 not reached mechanical completion within 24 months after
19 execution, the owner may reapply for the rebate or rebates
20 approved under this Section available at the time of
21 application and shall receive the value available at the time
22 of application. The utility shall issue the rebate no ~~no~~ later
23 than 60 days after the project is energized. ~~utility receives~~
24 ~~an application for a rebate under its tariff approved under~~
25 ~~subsection (d) or (e) of this Section, the utility shall issue~~
26 ~~a rebate to the applicant under the terms of the tariff. In the~~

1 event the application is incomplete or the utility is
2 otherwise unable to calculate the payment based on the
3 information provided by the owner, the utility shall issue the
4 payment no later than 60 days after the application is
5 complete or all requested information is received.

6 (h) An electric utility shall recover from its retail
7 customers all of the costs of the rebates made under a tariff
8 or tariffs approved under subsection (d) of placed into effect
9 ~~under~~ this Section, including, but not limited to, the value
10 of the rebates and all costs incurred by the utility to comply
11 with and implement subsections (b) and (c) of this Section,
12 but not including costs incurred by the utility to comply with
13 and implement subsection (e) of this Section, consistent with
14 the following provisions:

15 (1) The utility shall defer the full amount of its
16 costs ~~incurred under this Section~~ as a regulatory asset.
17 The total costs deferred as a regulatory asset shall be
18 amortized over a 15-year period. The unamortized balance
19 shall be recognized as of December 31 for a given year. The
20 utility shall also earn a return on the total of the
21 unamortized balance of the regulatory assets, less any
22 deferred taxes related to the unamortized balance, at an
23 annual rate equal to the utility's weighted average cost
24 of capital that includes, based on a year-end capital
25 structure, the utility's actual cost of debt for the
26 applicable calendar year and a cost of equity, which shall

1 be calculated as the sum of (i) the average for the
2 applicable calendar year of the monthly average yields of
3 30-year U.S. Treasury bonds published by the Board of
4 Governors of the Federal Reserve System in its weekly H.15
5 Statistical Release or successor publication; and (ii) 580
6 basis points, including a revenue conversion factor
7 calculated to recover or refund all additional income
8 taxes that may be payable or receivable as a result of that
9 return.

10 When an electric utility creates a regulatory asset
11 under the provisions of this paragraph (1) of subsection
12 (h) Section, the costs are recovered over a period during
13 which customers also receive a benefit, which is in the
14 public interest. Accordingly, it is the intent of the
15 General Assembly that an electric utility that elects to
16 create a regulatory asset under the provisions of this
17 paragraph (1) Section shall recover all of the associated
18 costs, including, but not limited to, its cost of capital
19 as set forth in this paragraph (1) Section. After the
20 Commission has approved the prudence and reasonableness of
21 the costs that comprise the regulatory asset, the electric
22 utility shall be permitted to recover all such costs, and
23 the value and recoverability through rates of the
24 associated regulatory asset shall not be limited, altered,
25 impaired, or reduced. To enable the financing of the
26 incremental capital expenditures, including regulatory

1 assets, for electric utilities that serve less than
2 3,000,000 retail customers but more than 500,000 retail
3 customers in the State, the utility's actual year-end
4 capital structure that includes a common equity ratio,
5 excluding goodwill, of up to and including 50% of the
6 total capital structure shall be deemed reasonable and
7 used to set rates.

8 (2) The utility, at its election, may recover all of
9 the costs ~~it incurs under this Section~~ as part of a filing
10 for a general increase in rates under Article IX of this
11 Act, as part of an annual filing to update a
12 performance-based formula rate under subsection (d) of
13 Section 16-108.5 of this Act, or through an automatic
14 adjustment clause tariff, provided that nothing in this
15 paragraph (2) permits the double recovery of such costs
16 from customers. If the utility elects to recover the costs
17 it incurs under subsections (b) and (c) ~~this Section~~
18 through an automatic adjustment clause tariff, the utility
19 may file its proposed tariff together with the tariff it
20 files under subsection (b) of this Section or at a later
21 time. The proposed tariff shall provide for an annual
22 reconciliation, less any deferred taxes related to the
23 reconciliation, with interest at an annual rate of return
24 equal to the utility's weighted average cost of capital as
25 calculated under paragraph (1) of this subsection (h),
26 including a revenue conversion factor calculated to

1 recover or refund all additional income taxes that may be
2 payable or receivable as a result of that return, of the
3 revenue requirement reflected in rates for each calendar
4 year, beginning with the calendar year in which the
5 utility files its automatic adjustment clause tariff under
6 this subsection (h), with what the revenue requirement
7 would have been had the actual cost information for the
8 applicable calendar year been available at the filing
9 date. The Commission shall review the proposed tariff and
10 may make changes to the tariff that are consistent with
11 this Section and with the Commission's authority under
12 Article IX of this Act, subject to notice and hearing.
13 Following notice and hearing, the Commission shall issue
14 an order approving, or approving with modification, such
15 tariff no later than 240 days after the utility files its
16 tariff.

17 (i) An electric utility shall recover from its retail
18 customers, on a volumetric basis, all of the costs of the
19 rebates made under a tariff or tariffs placed into effect
20 under subsection (e) of this Section, including, but not
21 limited to, the value of the rebates and all costs incurred by
22 the utility to comply with and implement subsection (e) of
23 this Section, consistent with the following provisions:

24 (1) The utility may defer a portion of its costs as a
25 regulatory asset. The Commission shall determine the
26 portion that may be appropriately deferred as a regulatory

1 asset. Factors that the Commission shall consider in
2 determining the portion of costs that shall be deferred as
3 a regulatory asset include, but are not limited to: (i)
4 whether and the extent to which a cost effectively
5 deferred or avoided other distribution system operating
6 costs or capital expenditures; (ii) the extent to which a
7 cost provides environmental benefits; (iii) the extent to
8 which a cost improves system reliability or resilience;
9 (iv) the electric utility's distribution system plan
10 developed pursuant to Section 16-105.17 of this Act; (v)
11 the extent to which a cost advances equity principles; and
12 (vi) such other factors as the Commission deems
13 appropriate. The remainder of costs shall be deemed an
14 operating expense and shall be recoverable if found
15 prudent and reasonable by the Commission.

16 The total costs deferred as a regulatory asset shall be
17 amortized over a 15-year period. The unamortized balance shall
18 be recognized as of December 31 for a given year. The utility
19 shall also earn a return on the total of the unamortized
20 balance of the regulatory assets, less any deferred taxes
21 related to the unamortized balance, at an annual rate equal to
22 the utility's weighted average cost of capital that includes,
23 based on a year-end capital structure, the utility's actual
24 cost of debt for the applicable calendar year and a cost of
25 equity, which shall be calculated as the sum of: (I) the
26 average for the applicable calendar year of the monthly

1 average yields of 30-year U.S. Treasury bonds published by the
2 Board of Governors of the Federal Reserve System in its weekly
3 H.15 Statistical Release or successor publication; and (II)
4 580 basis points, including a revenue conversion factor
5 calculated to recover or refund all additional income taxes
6 that may be payable or receivable as a result of that return.

7 The total costs deferred as a regulatory asset shall be
8 amortized over a 15-year period. The unamortized balance shall
9 be recognized as of December 31 for a given year. The utility
10 shall also earn a return on the total of the unamortized
11 balance of the regulatory assets, less any deferred taxes
12 related to the unamortized balance, at an annual rate equal to
13 the utility's weighted average cost of capital that includes,
14 based on a year-end capital structure, the utility's actual
15 cost of debt for the applicable calendar year and a cost of
16 equity, which shall be calculated as the sum of: (I) the
17 average for the applicable calendar year of the monthly
18 average yields of 30-year U.S. Treasury bonds published by the
19 Board of Governors of the Federal Reserve System in its weekly
20 H.15 Statistical Release or successor publication; and (II)
21 580 basis points, including a revenue conversion factor
22 calculated to recover or refund all additional income taxes
23 that may be payable or receivable as a result of that return.

24 (2) The utility may recover all of the costs through
25 an automatic adjustment clause tariff, on a volumetric
26 basis. The utility may file its proposed cost-recovery

1 tariff together with the tariff it files under subsection
2 (e) of this Section or at a later time. The proposed tariff
3 shall provide for an annual reconciliation, less any
4 deferred taxes related to the reconciliation, with
5 interest at an annual rate of return equal to the
6 utility's weighted average cost of capital as calculated
7 under paragraph (1) of this subsection (i), including a
8 revenue conversion factor calculated to recover or refund
9 all additional income taxes that may be payable or
10 receivable as a result of that return, of the revenue
11 requirement reflected in rates for each calendar year,
12 beginning with the calendar year in which the utility
13 files its automatic adjustment clause tariff under this
14 subsection (i), with what the revenue requirement would
15 have been had the actual cost information for the
16 applicable calendar year been available at the filing
17 date. The Commission shall review the proposed tariff and
18 may make changes to the tariff that are consistent with
19 this Section and with the Commission's authority under
20 Article IX of this Act, subject to notice and hearing.
21 Following notice and hearing, the Commission shall issue
22 an order approving, or approving with modification, such
23 tariff no later than 240 days after the utility files its
24 tariff.

25 (j) ~~(i)~~ No later than 90 days after the Commission enters
26 an order, or order on rehearing, whichever is later, approving

1 an electric utility's proposed tariff under ~~subsection (d) of~~
2 this Section, the electric utility shall provide notice of the
3 availability of rebates under this Section. ~~Subsequent to the~~
4 ~~utility's notice, any entity that offers in the State, for~~
5 ~~sale or lease, distributed generation and estimates the dollar~~
6 ~~saving attributable to such distributed generation shall~~
7 ~~provide estimates based on both delivery service credits and~~
8 ~~the rebates available under this Section.~~

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

10 (220 ILCS 5/16-108)

11 Sec. 16-108. Recovery of costs associated with the
12 provision of delivery and other services.

13 (a) An electric utility shall file a delivery services
14 tariff with the Commission at least 210 days prior to the date
15 that it is required to begin offering such services pursuant
16 to this Act. An electric utility shall provide the components
17 of delivery services that are subject to the jurisdiction of
18 the Federal Energy Regulatory Commission at the same prices,
19 terms and conditions set forth in its applicable tariff as
20 approved or allowed into effect by that Commission. The
21 Commission shall otherwise have the authority pursuant to
22 Article IX to review, approve, and modify the prices, terms
23 and conditions of those components of delivery services not
24 subject to the jurisdiction of the Federal Energy Regulatory
25 Commission, including the authority to determine the extent to

1 which such delivery services should be offered on an unbundled
2 basis. In making any such determination the Commission shall
3 consider, at a minimum, the effect of additional unbundling on
4 (i) the objective of just and reasonable rates, (ii) electric
5 utility employees, and (iii) the development of competitive
6 markets for electric energy services in Illinois.

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

12 (c) The electric utility's tariffs shall define the
13 classes of its customers for purposes of delivery services
14 charges. Delivery services shall be priced and made available
15 to all retail customers electing delivery services in each
16 such class on a nondiscriminatory basis regardless of whether
17 the retail customer chooses the electric utility, an affiliate
18 of the electric utility, or another entity as its supplier of
19 electric power and energy. Charges for delivery services shall
20 be cost based, and shall allow the electric utility to recover
21 the costs of providing delivery services through its charges
22 to its delivery service customers that use the facilities and
23 services associated with such costs. Such costs shall include
24 the costs of owning, operating and maintaining transmission
25 and distribution facilities. The Commission shall also be
26 authorized to consider whether, and if so to what extent, the

1 following costs are appropriately included in the electric
2 utility's delivery services rates: (i) the costs of that
3 portion of generation facilities used for the production and
4 absorption of reactive power in order that retail customers
5 located in the electric utility's service area can receive
6 electric power and energy from suppliers other than the
7 electric utility, and (ii) the costs associated with the use
8 and redispatch of generation facilities to mitigate
9 constraints on the transmission or distribution system in
10 order that retail customers located in the electric utility's
11 service area can receive electric power and energy from
12 suppliers other than the electric utility. Nothing in this
13 subsection shall be construed as directing the Commission to
14 allocate any of the costs described in (i) or (ii) that are
15 found to be appropriately included in the electric utility's
16 delivery services rates to any particular customer group or
17 geographic area in setting delivery services rates.

18 (d) The Commission shall establish charges, terms and
19 conditions for delivery services that are just and reasonable
20 and shall take into account customer impacts when establishing
21 such charges. In establishing charges, terms and conditions
22 for delivery services, the Commission shall take into account
23 voltage level differences. A retail customer shall have the
24 option to request to purchase electric service at any delivery
25 service voltage reasonably and technically feasible from the
26 electric facilities serving that customer's premises provided

1 that there are no significant adverse impacts upon system
2 reliability or system efficiency. A retail customer shall also
3 have the option to request to purchase electric service at any
4 point of delivery that is reasonably and technically feasible
5 provided that there are no significant adverse impacts on
6 system reliability or efficiency. Such requests shall not be
7 unreasonably denied.

8 (e) Electric utilities shall recover the costs of
9 installing, operating or maintaining facilities for the
10 particular benefit of one or more delivery services customers,
11 including without limitation any costs incurred in complying
12 with a customer's request to be served at a different voltage
13 level, directly from the retail customer or customers for
14 whose benefit the costs were incurred, to the extent such
15 costs are not recovered through the charges referred to in
16 subsections (c) and (d) of this Section.

17 (f) An electric utility shall be entitled but not required
18 to implement transition charges in conjunction with the
19 offering of delivery services pursuant to Section 16-104. If
20 an electric utility implements transition charges, it shall
21 implement such charges for all delivery services customers and
22 for all customers described in subsection (h), but shall not
23 implement transition charges for power and energy that a
24 retail customer takes from cogeneration or self-generation
25 facilities located on that retail customer's premises, if such
26 facilities meet the following criteria:

1 (i) the cogeneration or self-generation facilities
2 serve a single retail customer and are located on that
3 retail customer's premises (for purposes of this
4 subparagraph and subparagraph (ii), an industrial or
5 manufacturing retail customer and a third party contractor
6 that is served by such industrial or manufacturing
7 customer through such retail customer's own electrical
8 distribution facilities under the circumstances described
9 in subsection (vi) of the definition of "alternative
10 retail electric supplier" set forth in Section 16-102,
11 shall be considered a single retail customer);

12 (ii) the cogeneration or self-generation facilities
13 either (A) are sized pursuant to generally accepted
14 engineering standards for the retail customer's electrical
15 load at that premises (taking into account standby or
16 other reliability considerations related to that retail
17 customer's operations at that site) or (B) if the facility
18 is a cogeneration facility located on the retail
19 customer's premises, the retail customer is the thermal
20 host for that facility and the facility has been designed
21 to meet that retail customer's thermal energy requirements
22 resulting in electrical output beyond that retail
23 customer's electrical demand at that premises, comply with
24 the operating and efficiency standards applicable to
25 "qualifying facilities" specified in title 18 Code of
26 Federal Regulations Section 292.205 as in effect on the

1 effective date of this amendatory Act of 1999;

2 (iii) the retail customer on whose premises the
3 facilities are located either has an exclusive right to
4 receive, and corresponding obligation to pay for, all of
5 the electrical capacity of the facility, or in the case of
6 a cogeneration facility that has been designed to meet the
7 retail customer's thermal energy requirements at that
8 premises, an identified amount of the electrical capacity
9 of the facility, over a minimum 5-year period; and

10 (iv) if the cogeneration facility is sized for the
11 retail customer's thermal load at that premises but
12 exceeds the electrical load, any sales of excess power or
13 energy are made only at wholesale, are subject to the
14 jurisdiction of the Federal Energy Regulatory Commission,
15 and are not for the purpose of circumventing the
16 provisions of this subsection (f).

17 If a generation facility located at a retail customer's
18 premises does not meet the above criteria, an electric utility
19 implementing transition charges shall implement a transition
20 charge until December 31, 2006 for any power and energy taken
21 by such retail customer from such facility as if such power and
22 energy had been delivered by the electric utility. Provided,
23 however, that an industrial retail customer that is taking
24 power from a generation facility that does not meet the above
25 criteria but that is located on such customer's premises will
26 not be subject to a transition charge for the power and energy

1 taken by such retail customer from such generation facility if
2 the facility does not serve any other retail customer and
3 either was installed on behalf of the customer and for its own
4 use prior to January 1, 1997, or is both predominantly fueled
5 by byproducts of such customer's manufacturing process at such
6 premises and sells or offers an average of 300 megawatts or
7 more of electricity produced from such generation facility
8 into the wholesale market. Such charges shall be calculated as
9 provided in Section 16-102, and shall be collected on each
10 kilowatt-hour delivered under a delivery services tariff to a
11 retail customer from the date the customer first takes
12 delivery services until December 31, 2006 except as provided
13 in subsection (h) of this Section. Provided, however, that an
14 electric utility, other than an electric utility providing
15 service to at least 1,000,000 customers in this State on
16 January 1, 1999, shall be entitled to petition for entry of an
17 order by the Commission authorizing the electric utility to
18 implement transition charges for an additional period ending
19 no later than December 31, 2008. The electric utility shall
20 file its petition with supporting evidence no earlier than 16
21 months, and no later than 12 months, prior to December 31,
22 2006. The Commission shall hold a hearing on the electric
23 utility's petition and shall enter its order no later than 8
24 months after the petition is filed. The Commission shall
25 determine whether and to what extent the electric utility
26 shall be authorized to implement transition charges for an

1 additional period. The Commission may authorize the electric
2 utility to implement transition charges for some or all of the
3 additional period, and shall determine the mitigation factors
4 to be used in implementing such transition charges; provided,
5 that the Commission shall not authorize mitigation factors
6 less than 110% of those in effect during the 12 months ended
7 December 31, 2006. In making its determination, the Commission
8 shall consider the following factors: the necessity to
9 implement transition charges for an additional period in order
10 to maintain the financial integrity of the electric utility;
11 the prudence of the electric utility's actions in reducing its
12 costs since the effective date of this amendatory Act of 1997;
13 the ability of the electric utility to provide safe, adequate
14 and reliable service to retail customers in its service area;
15 and the impact on competition of allowing the electric utility
16 to implement transition charges for the additional period.

17 (g) The electric utility shall file tariffs that establish
18 the transition charges to be paid by each class of customers to
19 the electric utility in conjunction with the provision of
20 delivery services. The electric utility's tariffs shall define
21 the classes of its customers for purposes of calculating
22 transition charges. The electric utility's tariffs shall
23 provide for the calculation of transition charges on a
24 customer-specific basis for any retail customer whose average
25 monthly maximum electrical demand on the electric utility's
26 system during the 6 months with the customer's highest monthly

1 maximum electrical demands equals or exceeds 3.0 megawatts for
2 electric utilities having more than 1,000,000 customers, and
3 for other electric utilities for any customer that has an
4 average monthly maximum electrical demand on the electric
5 utility's system of one megawatt or more, and (A) for which
6 there exists data on the customer's usage during the 3 years
7 preceding the date that the customer became eligible to take
8 delivery services, or (B) for which there does not exist data
9 on the customer's usage during the 3 years preceding the date
10 that the customer became eligible to take delivery services,
11 if in the electric utility's reasonable judgment there exists
12 comparable usage information or a sufficient basis to develop
13 such information, and further provided that the electric
14 utility can require customers for which an individual
15 calculation is made to sign contracts that set forth the
16 transition charges to be paid by the customer to the electric
17 utility pursuant to the tariff.

18 (h) An electric utility shall also be entitled to file
19 tariffs that allow it to collect transition charges from
20 retail customers in the electric utility's service area that
21 do not take delivery services but that take electric power or
22 energy from an alternative retail electric supplier or from an
23 electric utility other than the electric utility in whose
24 service area the customer is located. Such charges shall be
25 calculated, in accordance with the definition of transition
26 charges in Section 16-102, for the period of time that the

1 customer would be obligated to pay transition charges if it
2 were taking delivery services, except that no deduction for
3 delivery services revenues shall be made in such calculation,
4 and usage data from the customer's class shall be used where
5 historical usage data is not available for the individual
6 customer. The customer shall be obligated to pay such charges
7 on a lump sum basis on or before the date on which the customer
8 commences to take service from the alternative retail electric
9 supplier or other electric utility, provided, that the
10 electric utility in whose service area the customer is located
11 shall offer the customer the option of signing a contract
12 pursuant to which the customer pays such charges ratably over
13 the period in which the charges would otherwise have applied.

14 (i) An electric utility shall be entitled to add to the
15 bills of delivery services customers charges pursuant to
16 Sections 9-221, 9-222 (except as provided in Section 9-222.1),
17 and Section 16-114 of this Act, Section 5-5 of the Electricity
18 Infrastructure Maintenance Fee Law, Section 6-5 of the
19 Renewable Energy, Energy Efficiency, and Coal Resources
20 Development Law of 1997, and Section 13 of the Energy
21 Assistance Act.

22 (i-5) An electric utility required to impose the Coal to
23 Solar and Energy Storage Initiative Charge provided for in
24 subsection (c-5) of Section 1-75 of the Illinois Power Agency
25 Act shall add such charge to the bills of its delivery services
26 customers pursuant to the terms of a tariff conforming to the

1 requirements of subsection (c-5) of Section 1-75 of the
2 Illinois Power Agency Act and this subsection (i-5) and filed
3 with and approved by the Commission. The electric utility
4 shall file its proposed tariff with the Commission on or
5 before July 1, 2022 to be effective, after review and approval
6 or modification by the Commission, beginning January 1, 2023.
7 On or before December 1, 2022, the Commission shall review the
8 electric utility's proposed tariff, including by conducting a
9 docketed proceeding if deemed necessary by the Commission, and
10 shall approve the proposed tariff or direct the electric
11 utility to make modifications the Commission finds necessary
12 for the tariff to conform to the requirements of subsection
13 (c-5) of Section 1-75 of the Illinois Power Agency Act and this
14 subsection (i-5). The electric utility's tariff shall provide
15 for imposition of the Coal to Solar and Energy Storage
16 Initiative Charge on a per-kilowatthour basis to all
17 kilowatthours delivered by the electric utility to its
18 delivery services customers. The tariff shall provide for the
19 calculation of the Coal to Solar and Energy Storage Initiative
20 Charge to be in effect for the year beginning January 1, 2023
21 and each year beginning January 1 thereafter, sufficient to
22 collect the electric utility's estimated payment obligations
23 for the delivery year beginning the following June 1 under
24 contracts for purchase of renewable energy credits entered
25 into pursuant to subsection (c-5) of Section 1-75 of the
26 Illinois Power Agency Act and the obligations of the

1 Department of Commerce and Economic Opportunity, or any
2 successor department or agency, which for purposes of this
3 subsection (i-5) shall be referred to as the Department, to
4 make grant payments during such delivery year from the Coal to
5 Solar and Energy Storage Initiative Fund pursuant to grant
6 contracts entered into pursuant to subsection (c-5) of Section
7 1-75 of the Illinois Power Agency Act, and using the electric
8 utility's kilowatthour deliveries to its delivery services
9 customers during the delivery year ended May 31 of the
10 preceding calendar year. On or before November 1 of each year
11 beginning November 1, 2022, the Department shall notify the
12 electric utilities of the amount of the Department's estimated
13 obligations for grant payments during the delivery year
14 beginning the following June 1 pursuant to grant contracts
15 entered into pursuant to subsection (c-5) of Section 1-75 of
16 the Illinois Power Agency Act; and each electric utility shall
17 incorporate in the calculation of its Coal to Solar and Energy
18 Storage Initiative Charge the fractional portion of the
19 Department's estimated obligations equal to the electric
20 utility's kilowatthour deliveries to its delivery services
21 customers in the delivery year ended the preceding May 31 to
22 the aggregate deliveries of both electric utilities to
23 delivery services customers in such delivery year. The
24 electric utility shall remit on a monthly basis to the State
25 Treasurer, for deposit in the Coal to Solar and Energy Storage
26 Initiative Fund provided for in subsection (c-5) of Section

1 1-75 of the Illinois Power Agency Act, the electric utility's
2 collections of the Coal to Solar and Energy Storage Initiative
3 Charge estimated to be needed by the Department for grant
4 payments pursuant to grant contracts entered into pursuant to
5 subsection (c-5) of Section 1-75 of the Illinois Power Agency
6 Act. The initial charge under the electric utility's tariff
7 shall be effective for kilowatthours delivered beginning
8 January 1, 2023, and thereafter shall be revised to be
9 effective January 1, 2024 and each January 1 thereafter, based
10 on the payment obligations for the delivery year beginning the
11 following June 1. The tariff shall provide for the electric
12 utility to make an annual filing with the Commission on or
13 before November 15 of each year, beginning in 2023, setting
14 forth the Coal to Solar and Energy Storage Initiative Charge
15 to be in effect for the year beginning the following January 1.
16 The electric utility's tariff shall also provide that the
17 electric utility shall make a filing with the Commission on or
18 before August 1 of each year beginning in 2024 setting forth a
19 reconciliation, for the delivery year ended the preceding May
20 31, of the electric utility's collections of the Coal to Solar
21 and Energy Storage Initiative Charge against actual payments
22 for renewable energy credits pursuant to contracts entered
23 into, and the actual grant payments by the Department pursuant
24 to grant contracts entered into, pursuant to subsection (c-5)
25 of Section 1-75 of the Illinois Power Agency Act. The tariff
26 shall provide that any excess or shortfall of collections to

1 payments shall be deducted from or added to, on a
2 per-kilowatthour basis, the Coal to Solar and Energy Storage
3 Initiative Charge, over the 6-month period beginning October 1
4 of that calendar year.

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

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

1 the reasonable costs that the utility incurs as part of the
2 procurement processes and to implement and comply with plans
3 and processes approved by the Commission under such Sections.
4 The costs associated with the purchase of renewable energy
5 resources shall be allocated across all retail customers in
6 proportion to the amount of renewable energy resources the
7 utility procures for such customers through a single, uniform
8 cents per kilowatt-hour charge applicable to such retail
9 customers, which shall appear as a separate line item on each
10 such customer's bill. The credits, costs, and penalties
11 associated with the self-direct renewable portfolio standard
12 compliance program described in subparagraph (R) of paragraph
13 (1) of subsection (c) of Section 1-75 of the Illinois Power
14 Agency Act shall be allocated to approved eligible self-direct
15 customers by the utility in a cents per kilowatt-hour credit,
16 cost, or penalty, which shall appear as a separate line item on
17 each such customer's bill.

18 Notwithstanding whether the Commission has approved the
19 initial long-term renewable resources procurement plan as of
20 June 1, 2017, an electric utility shall place new tariffed
21 charges into effect beginning with the June 2017 monthly
22 billing period, to the extent practicable, to begin recovering
23 the costs of procuring renewable energy resources, as those
24 charges are calculated under the limitations described in
25 subparagraph (E) of paragraph (1) of subsection (c) of Section
26 1-75 of the Illinois Power Agency Act. Notwithstanding the

1 date on which the utility places such new tariffed charges
2 into effect, the utility shall be permitted to collect the
3 charges under such tariff as if the tariff had been in effect
4 beginning with the first day of the June 2017 monthly billing
5 period. For the delivery years commencing June 1, 2017, June
6 1, 2018, ~~and~~ June 1, 2019, and each delivery year thereafter,
7 the electric utility shall deposit into a separate interest
8 bearing account of a financial institution the monies
9 collected under the tariffed charges. Money collected from
10 customers for the procurement of renewable energy resources in
11 a given delivery year may be spent by the utility for the
12 procurement of renewable resources over any of the following 5
13 delivery years, after which unspent money shall be credited
14 back to retail customers. The electric utility shall spend all
15 money collected in earlier delivery years that has not yet
16 been returned to customers, first, before spending money
17 collected in later delivery years. Any interest earned shall
18 be credited back to retail customers under the reconciliation
19 proceeding provided for in this subsection (k), provided that
20 the electric utility shall first be reimbursed from the
21 interest for the administrative costs that it incurs to
22 administer and manage the account. Any taxes due on the funds
23 in the account, or interest earned on it, will be paid from the
24 account or, if insufficient monies are available in the
25 account, from the monies collected under the tariffed charges
26 to recover the costs of procuring renewable energy resources.

1 Monies deposited in the account shall be subject to the
2 review, reconciliation, and true-up process described in this
3 subsection (k) that is applicable to the funds collected and
4 costs incurred for the procurement of renewable energy
5 resources.

6 The electric utility shall be entitled to recover all of
7 the costs identified in this subsection (k) through automatic
8 adjustment clause tariffs applicable to all of the utility's
9 retail customers that allow the electric utility to adjust its
10 tariffed charges consistent with this subsection (k). The
11 determination as to whether any excess funds were collected
12 during a given delivery year for the purchase of renewable
13 energy resources, and the crediting of any excess funds back
14 to retail customers, shall not be made until after the close of
15 the delivery year, which will ensure that the maximum amount
16 of funds is available to implement the approved long-term
17 renewable resources procurement plan during a given delivery
18 year. The amount of excess funds eligible to be credited back
19 to retail customers shall be reduced by an amount equal to the
20 payment obligations required by any contracts entered into by
21 an electric utility under contracts described in subsection
22 (b) of Section 1-56 and subsection (c) of Section 1-75 of the
23 Illinois Power Agency Act, even if such payments have not yet
24 been made and regardless of the delivery year in which those
25 payment obligations were incurred. Notwithstanding anything to
26 the contrary, including in tariffs authorized by this

1 subsection (k) in effect prior to the effective date of this
2 amendatory Act of the 102nd General Assembly, all unspent
3 funds as of May 31, 2021 shall remain in the utility account
4 and shall on a first in, first out basis be used toward utility
5 payment obligations 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. The electric utility's collections
8 under such automatic adjustment clause tariffs to recover the
9 costs of renewable energy resources, ~~and~~ zero emission credits
10 from zero emission facilities, and carbon mitigation credits
11 from carbon-free energy resources shall be subject to separate
12 annual review, reconciliation, and true-up against actual
13 costs by the Commission under a procedure that shall be
14 specified in the electric utility's automatic adjustment
15 clause tariffs and that shall be approved by the Commission in
16 connection with its approval of such tariffs. The procedure
17 shall provide that any difference between the electric
18 utility's collections for zero emission credits and carbon
19 mitigation credits under the automatic adjustment charges for
20 an annual period and the electric utility's actual costs of
21 ~~renewable energy resources and~~ zero emission credits from zero
22 emission facilities and carbon mitigation credits from
23 carbon-free energy resources for that same annual period shall
24 be refunded to or collected from, as applicable, the electric
25 utility's retail customers in subsequent periods.

26 Nothing in this subsection (k) is intended to affect,

1 limit, or change the right of the electric utility to recover
2 the costs associated with the procurement of renewable energy
3 resources for periods commencing before, on, or after June 1,
4 2017, as otherwise provided in the Illinois Power Agency Act.

5 ~~Notwithstanding anything to the contrary, the Commission~~
6 ~~shall not conduct an annual review, reconciliation, and~~
7 ~~true up associated with renewable energy resources'~~
8 ~~collections and costs for the delivery years commencing June~~
9 ~~1, 2017, June 1, 2018, June 1, 2019, and June 1, 2020, and~~
10 ~~shall instead conduct a single review, reconciliation, and~~
11 ~~true up associated with renewable energy resources'~~
12 ~~collections and costs for the 4-year period beginning June 1,~~
13 ~~2017 and ending May 31, 2021, provided that the review,~~
14 ~~reconciliation, and true up shall not be initiated until after~~
15 ~~August 31, 2021. During the 4 year period, the utility shall~~
16 ~~be permitted to collect and retain funds under this subsection~~
17 ~~(k) and to purchase renewable energy resources under an~~
18 ~~approved long term renewable resources procurement plan using~~
19 ~~those funds regardless of the delivery year in which the funds~~
20 ~~were collected during the 4-year period.~~

21 ~~If the amount of funds collected during the delivery year~~
22 ~~commencing June 1, 2017, exceeds the costs incurred during~~
23 ~~that delivery year, then up to half of this excess amount, as~~
24 ~~calculated on June 1, 2018, 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. For purposes of~~
5 ~~this Section, "funding shortfall" means the difference between~~
6 ~~\$200,000,000 and the amount appropriated by the General~~
7 ~~Assembly to the Illinois Power Agency Renewable Energy~~
8 ~~Resources Fund during the period that commences on the~~
9 ~~effective date of this amendatory act of the 99th General~~
10 ~~Assembly and ends on August 1, 2018.~~

11 ~~If the amount of funds collected during the delivery year~~
12 ~~commencing June 1, 2018, exceeds the costs incurred during~~
13 ~~that delivery year, then up to half of this excess amount, as~~
14 ~~calculated on June 1, 2019, may be used to fund the programs~~
15 ~~under subsection (b) of Section 1-56 of the Illinois Power~~
16 ~~Agency Act in the same proportion the programs are funded~~
17 ~~under that subsection (b). However, any amount identified~~
18 ~~under this subsection (k) to fund programs under subsection~~
19 ~~(b) of Section 1-56 of the Illinois Power Agency Act shall be~~
20 ~~reduced if it exceeds the funding shortfall.~~

21 ~~If the amount of funds collected during the delivery year~~
22 ~~commencing June 1, 2019, exceeds the costs incurred during~~
23 ~~that delivery year, then up to half of this excess amount, as~~
24 ~~calculated on June 1, 2020, 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 The funding available under this subsection (k), if any,
6 for the programs described under subsection (b) of Section
7 1-56 of the Illinois Power Agency Act shall not reduce the
8 amount of funding for the programs described in subparagraph
9 (O) of paragraph (1) of subsection (c) of Section 1-75 of the
10 Illinois Power Agency Act. If funding is available under this
11 subsection (k) for programs described under subsection (b) of
12 Section 1-56 of the Illinois Power Agency Act, then the
13 long-term renewable resources plan shall provide for the
14 Agency to procure contracts in an amount that does not exceed
15 the funding, and the contracts approved by the Commission
16 shall be executed by the applicable utility or utilities.

17 (1) A utility that has terminated any contract executed
18 under subsection (d-5) or (d-10) of Section 1-75 of the
19 Illinois Power Agency Act shall be entitled to recover any
20 remaining balance associated with the purchase of zero
21 emission credits prior to such termination, and such utility
22 shall also apply a credit to its retail customer bills in the
23 event of any over-collection.

24 (m)(1) An electric utility that recovers its costs of
25 procuring zero emission credits from zero emission facilities
26 through a cents-per-kilowatthour charge under ~~to~~ subsection

1 (k) of this Section shall be subject to the requirements of
2 this subsection (m). Notwithstanding anything to the contrary,
3 such electric utility shall, beginning on April 30, 2018, and
4 each April 30 thereafter until April 30, 2026, calculate
5 whether any reduction must be applied to such
6 cents-per-kilowatthour charge that is paid by retail customers
7 of the electric utility that have opted out of ~~are exempt from~~
8 subsections (a) through (j) of Section 8-103B of this Act
9 under subsection (l) of Section 8-103B. Such charge shall be
10 reduced for such customers for the next delivery year
11 commencing on June 1 based on the amount necessary, if any, to
12 limit the annual estimated average net increase for the prior
13 calendar year due to the future energy investment costs to no
14 more than 1.3% of 5.98 cents per kilowatt-hour, which is the
15 average amount paid per kilowatthour for electric service
16 during the year ending December 31, 2015 by Illinois
17 industrial retail customers, as reported to the Edison
18 Electric Institute.

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

22 (2) For purposes of this Section, "future energy
23 investment costs" shall be calculated by subtracting the
24 cents-per-kilowatthour charge identified in subparagraph (A)
25 of this paragraph (2) from the sum of the
26 cents-per-kilowatthour charges identified in subparagraph (B)

1 of this paragraph (2):

2 (A) The cents-per-kilowatthour charge identified in
3 the electric utility's tariff placed into effect under
4 Section 8-103 of the Public Utilities Act that, on
5 December 1, 2016, was applicable to those retail customers
6 that have opted out of ~~are exempt from~~ subsections (a)
7 through (j) of Section 8-103B of this Act under subsection
8 (1) of Section 8-103B.

9 (B) The sum of the following cents-per-kilowatthour
10 charges applicable to those retail customers that have
11 opted out of ~~are exempt from~~ subsections (a) through (j)
12 of Section 8-103B of this Act under subsection (1) of
13 Section 8-103B, provided that if one or more of the
14 following charges has been in effect and applied to such
15 customers for more than one calendar year, then each
16 charge shall be equal to the average of the charges
17 applied over a period that commences with the calendar
18 year ending December 31, 2017 and ends with the most
19 recently completed calendar year prior to the calculation
20 required by this subsection (m):

21 (i) the cents-per-kilowatthour charge to recover
22 the costs incurred by the utility under subsection
23 (d-5) of Section 1-75 of the Illinois Power Agency
24 Act, adjusted for any reductions required under this
25 subsection (m); and

26 (ii) the cents-per-kilowatthour charge to recover

1 the costs incurred by the utility under Section
2 16-107.6 of the Public Utilities Act.

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

6 (3) If a reduction is required by the calculation
7 performed under this subsection (m), then the amount of the
8 reduction shall be multiplied by the number of years reflected
9 in the averages calculated under subparagraph (B) of paragraph
10 (2) of this subsection (m). Such reduction shall be applied to
11 the cents-per-kilowatthour charge that is applicable to those
12 retail customers that have opted out of ~~are exempt from~~
13 subsections (a) through (j) of Section 8-103B of this Act
14 under subsection (l) of Section 8-103B beginning with the next
15 delivery year commencing after the date of the calculation
16 required by this subsection (m).

17 (4) The electric utility shall file a notice with the
18 Commission on May 1 of 2018 and each May 1 thereafter until May
19 1, 2026 containing the reduction, if any, which must be
20 applied for the delivery year which begins in the year of the
21 filing. The notice shall contain the calculations made
22 pursuant to this Section. By October 1 of each year beginning
23 in 2018, each electric utility shall notify the Commission if
24 it appears, based on an estimate of the calculation required
25 in this subsection (m), that a reduction will be required in
26 the next year.

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

2 (220 ILCS 5/16-108.18 new)

3 Sec. 16-108.18. Performance-based ratemaking.

4 (a) The General Assembly finds:

5 (1) That improving the alignment of utility customer
6 and company interests is critical to ensuring equity,
7 rapid growth of distributed energy resources, electric
8 vehicles, and other new technologies that substantially
9 change the makeup of the grid and protect Illinois
10 residents and businesses from potential economic and
11 environmental harm from the State's energy systems.

12 (2) There is urgency around addressing increasing
13 threats from climate change and assisting communities that
14 have borne disproportionate impacts from climate change,
15 including air pollution, greenhouse gas emissions, and
16 energy burdens. Addressing this problem requires changes
17 to the business model under which utilities in Illinois
18 have traditionally functioned.

19 (3) Providing targeted incentives to support change
20 through a new performance-based structure to enhance
21 ratemaking is intended to enable alignment of utility,
22 customer, community, and environmental goals.

23 (4) Though Illinois has taken some measures to move
24 utilities to performance-based ratemaking through the
25 establishment of performance incentives and a

1 performance-based formula rate under the Energy
2 Infrastructure Modernization Act, these measures have not
3 been sufficiently transformative in urgently moving
4 electric utilities toward the State's ambitious energy
5 policy goals: protecting a healthy environment and
6 climate, improving public health, and creating quality
7 jobs and economic opportunities, including wealth
8 building, especially in economically disadvantaged
9 communities and communities of color.

10 (5) These measures were not developed through a
11 process to understand first what performance measures and
12 penalties would help drive the sought-after behavior by
13 the utilities.

14 (6) While the General Assembly has not made a finding
15 that the spending related to the Energy Infrastructure and
16 Modernization Act and its performance metrics was not
17 reasonable, it is important to address concerns that these
18 measures may have resulted in excess utility spending and
19 guaranteed profits without meaningful improvements in
20 customer experience, rate affordability, or equity.

21 (7) Discussions of performance incentive mechanisms
22 must always take into account the affordability of
23 customer rates and bills for all customers, including
24 low-income customers.

25 (8) The General Assembly therefore directs the
26 Illinois Commerce Commission to complete a transition that

1 includes a comprehensive performance-based regulation
2 framework for electric utilities serving more than 500,000
3 customers. The breadth of this framework should revise
4 existing utility regulations to position Illinois electric
5 utilities to effectively and efficiently achieve current
6 and anticipated future energy needs of this State, while
7 ensuring affordability for consumers.

8 (b) As used in this Section:

9 "Commission" means the Illinois Commerce Commission.

10 "Demand response" means measures that decrease peak
11 electricity demand or shift demand from peak to off-peak
12 periods.

13 "Distributed energy resources" or "DER" means a wide range
14 of technologies that are connected to the grid including those
15 that are located on the customer side of the customer's
16 electric meter and can provide value to the distribution
17 system, including, but not limited to, distributed generation,
18 energy storage, electric vehicles, and demand response
19 technologies.

20 "Economically disadvantaged communities" means areas of
21 one or more census tracts where average household income does
22 not exceed 80% of area median income.

23 "Environmental justice communities" means the definition
24 of that term as used and as may be updated in the long-term
25 renewable resources procurement plan by the Illinois Power
26 Agency and its Program Administrator in the Illinois Solar for

1 All Program.

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

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

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

17 "Performance incentive mechanism" means an instrument by
18 which utility performance is incentivized, which could include
19 a monetary performance incentive.

20 "Performance metric" means a manner of measurement for a
21 particular utility activity.

22 (c) Through coordinated, comprehensive system planning,
23 ratemaking, and performance incentives, the performance-based
24 ratemaking framework should be designed to accomplish the
25 following objectives:

26 (1) maintain and improve service reliability and

1 safety, including and particularly in environmental
2 justice, low-income and equity investment eligible
3 communities;

4 (2) decarbonize utility systems at a pace that meets
5 or exceeds State climate goals, while also ensuring the
6 affordability of rates for all customers, including
7 low-income customers;

8 (3) direct electric utilities to make cost-effective
9 investments that support achievement of Illinois' clean
10 energy policies, including, at a minimum, investments
11 designed to integrate distributed energy resources, comply
12 with critical infrastructure protection standards, plans,
13 and industry best practices, and support and take
14 advantage of potential benefits from the electric vehicle
15 charging and other electrification, while mitigating the
16 impacts;

17 (4) choose cost-effective assets and services, whether
18 utility-supplied or through third-party contracting,
19 considering both economic and environmental costs and the
20 effects on utility rates, to deliver high-quality service
21 to customers at least cost;

22 (5) maintain the affordability of electric delivery
23 services for all customers, including low-income
24 customers;

25 (6) maintain and grow a diverse workforce, diverse
26 supplier procurement base and, for relevant programs,

1 diverse approved-vendor pools, including increased
2 opportunities for minority-owned, female-owned,
3 veteran-owned, and disability-owned business enterprises;

4 (7) improve customer service performance and
5 engagement;

6 (8) address the particular burdens faced by consumers
7 in environmental justice and equity investment eligible
8 communities, including shareholder, consumer, and publicly
9 funded bill payment assistance and credit and collection
10 policies, and ensure equitable disconnections, late fees,
11 or arrearages as a result of utility credit and collection
12 practices, which may include consideration of impact by
13 zip code; and

14 (9) implement or otherwise enhance current supplier
15 diversity programs to increase diverse contractor
16 participation in professional services, subcontracting,
17 and prime contracting opportunities with programs that
18 address barriers to access. Supplier diversity programs
19 shall address specific barriers related to RFP and
20 contract access, access to capital, information technology
21 and cyber security access and costs, administrative
22 burdens, and quality control with specific metrics,
23 outcomes, and demographic data reported.

24 (d) Multi-Year Rate Plan.

25 (1) If an electric utility had a performance-based
26 formula rate in effect under Section 16-108.5 as of

1 December 31, 2020, then the utility may file a petition
2 proposing tariffs implementing a 4-year Multi-Year Rate
3 Plan as provided in this Section no later than, January
4 20, 2023, for delivery service rates to be effective for
5 the billing periods January 1, 2024 through December 31,
6 2027. The Commission shall issue an order approving or
7 approving as modified the utility's plan no later than
8 December 20, 2023. The term "Multi-Year Rate Plan" refers
9 to a plan establishing the base rates the utility shall
10 charge for each delivery year of the 4-year period to be
11 covered by the plan, which shall be subject to
12 modification only as expressly allowed in this Section.

13 (2) A utility proposing a Multi-Year Rate Plan shall
14 provide a 4-year investment plan and a description of the
15 utility's major planned investments, including, at a
16 minimum, all investments of \$2,000,000 or greater over the
17 plan period for an electric utility that serves more than
18 3,000,000 retail customers in the State or \$500,000 for an
19 electric utility that serves less than 3,000,000 retail
20 customers in the State but more than 500,000 retail
21 customers in the State. The 4-year investment plan must be
22 consistent with the Multi-Year Integrated Grid Plan
23 described in Section 16-105.17 of this Act. The investment
24 plan shall provide sufficiently detailed information, as
25 required by the Commission, including, at a minimum, a
26 description of each investment, the location of the

1 investment, and an explanation of the need for and benefit
2 of such an investment to the extent known.

3 (3) The Multi-Year Rate Plan shall be implemented
4 through a tariff filed with the Commission consistent with
5 the provisions of this paragraph (3) that shall apply to
6 all delivery service customers. The Commission shall
7 initiate and conduct an investigation of the tariff in a
8 manner consistent with the provisions of this paragraph
9 (3) and the provisions of Article IX of this Act, to the
10 extent they do not conflict with this paragraph (3). The
11 Multi-Year Rate Plan approved by the Commission shall do
12 the following:

13 (A) Provide for the recovery of the utility's
14 forecasted rate base, based on the 4-year investment
15 plan and the utility's Integrated Grid Plan. The
16 forecasted rate base must include the utility's
17 planned capital investments, with rates based on
18 average annual plant investment, and
19 investment-related costs, including income tax
20 impacts, depreciation, and ratemaking adjustments and
21 costs that are prudently incurred and reasonable in
22 amount consistent with Commission practice and law.
23 The process used to develop the forecasts must be
24 iterative, rigorous, and lead to forecasts that
25 reasonably represent the utility's investments during
26 the forecasted period and ensure that the investments

1 are projected to be used and useful during the annual
2 investment period and least cost, consistent with the
3 provisions of Articles VIII and IX of this Act.

4 (B) The cost of equity shall be approved by the
5 Commission consistent with Commission practice and
6 law.

7 (C) The revenue requirement shall reflect the
8 utility's actual capital structure for the applicable
9 calendar year. A year-end capital structure that
10 includes a common equity ratio of up to and including
11 50% of the total capital structure shall be deemed
12 prudent and reasonable. A higher common equity ratio
13 must be specifically approved by the Commission.

14 (E) Provide for recovery of prudent and reasonable
15 projected operating expenses, giving effect to
16 ratemaking adjustments, consistent with Commission
17 practice and law under Article IX of this Act.
18 Operating expenses for years after the first year of
19 the Multi-Year Rate Plan may be estimated by the use of
20 known and measurable changes, expense reductions
21 associated with planned capital investments as
22 appropriate, and reasonable and appropriate
23 escalators, indices, or other metrics.

24 (F) Amortize the amount of unprotected
25 property-related excess accumulated deferred income
26 taxes in rates as of January 1, 2023 over a period

1 ending December 31, 2027, unless otherwise required to
2 amortize the excess deferred income tax pursuant to
3 Section 16-108.21 of this Act.

4 (G) Allow recovery of incentive compensation
5 expense that is based on the achievement of
6 operational metrics, including metrics related to
7 budget controls, outage duration and frequency,
8 safety, customer service, efficiency and productivity,
9 environmental compliance and attainment of
10 affordability and environmental goals, and other goals
11 and metrics approved by the Commission. Incentive
12 compensation expense that is based on net income or an
13 affiliate's earnings per share shall not be
14 recoverable.

15 (H) To the maximum extent practicable, align the
16 4-year investment plan and annual capital budgets with
17 the electric utility's Multi-Year Integrated Grid
18 Plan.

19 (4) The Commission shall establish annual rates for
20 each year of the Multi-Year Rate Plan that accurately
21 reflect and are based only upon the utility's reasonable
22 and prudent costs of service over the term of the plan,
23 including the effect of all ratemaking adjustments
24 consistent with Commission practice and law as determined
25 by the Commission, provided that the costs are not being
26 recovered elsewhere in rates. Tariff riders authorized by

1 the Commission may continue outside of a plan authorized
2 under this Section to the extent such costs are not
3 recovered elsewhere in rates. For the first multi-year
4 rate plan, the burden of proof shall be on the electric
5 utility to establish the prudence of investments and
6 expenditures and to establish that such investments
7 consistent with and reasonably necessary to meet the
8 requirements of the utility's first approved Multi-Year
9 Integrated Grid Plan described in Section 16-105.17 of
10 this Act. For subsequent Multi-Year Rate Plans, the burden
11 of proof shall be on the electric utility to establish the
12 prudence of investments and expenditures and to establish
13 that such investments are consistent with and reasonably
14 necessary to meet the requirements of the utility's most
15 recently approved Multi-Year Integrated Grid Plan
16 described in Section 16-105.17 of this Act. The sole fact
17 that a cost differs from that incurred in a prior period or
18 that an investment is different from that described in the
19 Multi-Year Integrated Grid Plan shall not imply the
20 imprudence or unreasonableness of that cost or investment.
21 The sole fact that an investment is the same or similar to
22 that described in the Multi-Year Integrated Grid Plan
23 shall not imply prudence and reasonableness of that
24 investment.

25 (5) To facilitate public transparency, all materials,
26 data, testimony, and schedules shall be provided to the

1 Commission in an editable, machine-readable electronic
2 format including .doc, .docx, .xls, .xlsx, and similar
3 file formats, but not including .pdf or .exif. Should
4 utilities designate any materials confidential, they shall
5 have an affirmative duty to explain why the particular
6 information is marked confidential. In determining
7 prudence and reasonableness of rates, the Commission shall
8 make its determination based upon the record, including
9 each public comment filed or provided orally at open
10 meetings consistent with the Commission's rules and
11 practices.

12 (6) The Commission may, by order, establish terms,
13 conditions, and procedures for submitting and approving a
14 Multi-Year Rate Plan necessary to implement this Section
15 and ensure that rates remain just and reasonable during
16 the course of the plan, including terms and procedures for
17 rate adjustment.

18 (7) An electric utility that files a tariff pursuant
19 to paragraph (3) of this subsection (e) must submit a
20 one-time \$300,000 filing fee at the time the Chief Clerk
21 of the Commission accepts the filing, which shall be a
22 recoverable expense.

23 (8) An electric utility operating under a Multi-Year
24 Rate Plan shall file a new Multi-Year Rate Plan at least
25 300 days prior to the end of the initial Multi-Year Rate
26 Plan unless it elects to file a general rate case pursuant

1 to paragraph (9), and every 4 years thereafter, with a
2 rate-effective date of the proposed tariffs such that,
3 after the Commission suspension period, the rates would
4 take effect immediately at the close of the final year of
5 the initial Multi-Year Rate Plan. In subsequent Multi-Year
6 Rate Plans, as in the initial plans, utilities and
7 stakeholders may propose additional metrics that achieve
8 the outcomes described in paragraph (2) of subsection (f)
9 of this Section.

10 (9) Election of Rate Case.

11 (A) On or before the date prescribed by
12 subparagraph (B) of paragraph (9) of this Section,
13 electric utilities that serve more than 500,000 retail
14 customers in the State shall file either a general
15 rate case under Section 9-201 of this Act, or a
16 Multi-Year Rate Plan, as set forth in paragraph (1) of
17 this subsection (d).

18 (B) Electric utilities described in subparagraph
19 (A) of paragraph (9) of this Section shall file their
20 initial general rate case or Multi-Year Rate Plan, as
21 applicable, with the Commission no later than January
22 20, 2023.

23 (C) Notwithstanding which rate filing option an
24 electric utility elects to file on the date prescribed
25 by subparagraph (B) of paragraph (9) of this Section,
26 the electric utility shall be subject to the

1 Multi-year Integrated Plan filing requirements.

2 (D) Following its initial rate filing pursuant to
3 paragraph (2), an electric utility subject to the
4 requirements of this Section shall thereafter be
5 permitted to elect a different rate filing option
6 consistent with any filing intervals established for a
7 general rate case or Multi-Year Rate Plan, as follows:

8 (i) An electric utility that initially elected
9 to file a Multi-Year Rate Plan and thereafter
10 elects to transition to a general rate case may do
11 so upon completion of the 4-year Multi-Year Rate
12 Plan by filing a general rate case at the same time
13 that the utility would have filed its subsequent
14 Multi-Year Rate Plan, as specified in paragraph
15 (8) of this subsection (d). Notwithstanding this
16 election, the annual adjustment of the final year
17 of the Multi-Year Rate Plan shall proceed as
18 specified in paragraph (6) of subsection (f).

19 (ii) An electric utility that initially
20 elected to a file general rate case and thereafter
21 elects to transition to a Multi-Year Rate Plan may
22 do so only at the 4-year filing intervals
23 identified by paragraph (8) of this subsection
24 (d).

25 (10) The Commission shall approve tariffs establishing
26 rate design for all delivery service customers unless the

1 electric utility makes the election specified in Section
2 16-105.5, in which case the rate design shall be subject
3 to the provisions of that Section.

4 (11) The Commission shall establish requirements for
5 annual performance evaluation reports to be submitted
6 annually for performance metrics. Such reports shall
7 include, but not be limited to, a description of the
8 utility's performance under each metric and an
9 identification of any extraordinary events that adversely
10 affected the utility's performance.

11 (12) For the first Multi-Year Rate Plan, the
12 Commission shall consolidate its investigation with the
13 proceeding under Section 16-105.17 to establish the
14 Multi-Year Integrated Grid Plan no later than 45 days
15 after plan filing.

16 (13) Where a rate change under a Multi-Year Rate Plan
17 will result in a rate increase, an electric utility may
18 propose a rate phase-in plan that the Commission shall
19 approve with or without modification or deny in its final
20 order approving the new delivery services rates. A
21 proposed rate phase-in plan under this paragraph (13) must
22 allow the new delivery services rates to be implemented in
23 no more than 2 steps, as follows: in the first step, at
24 least 50% of the approved rate increase must be reflected
25 in rates, and, in the second step, 100% of the rate
26 increase must be reflected in rates. The second step's

1 rates must take effect no later than 12 months after the
2 first step's rates were placed into effect. The portion of
3 the approved rate increase not implemented in the first
4 step shall be recorded on the electric utility's books as
5 a regulatory asset, and shall accrue carrying costs to
6 ensure that the utility does not recover more or less than
7 it otherwise would because of the deferral. This portion
8 shall be recovered, with such carrying costs at the
9 weighted average cost of capital, through a surcharge
10 applied to retail customer bills that (i) begins no later
11 than 12 months after the date on which the second step's
12 rates went into effect and (ii) is applied over a period
13 not to exceed 24 months. Nothing in this paragraph is
14 intended to limit the Commission's authority to mitigate
15 the impact of rates caused by rate plans, or any other
16 instance on a revenue-neutral basis; nor shall it mitigate
17 or a utility's ability to make proposals to mitigate the
18 impact of rates. When a deferral, or similar method, is
19 used to mitigate the impact of rates, the utility should
20 be allowed to recover carrying costs.

21 (14) Notwithstanding the provisions of Section (13),
22 the Commission may, on its own initiative, take
23 revenue-neutral measures to relieve the impact of rate
24 increases on customers. Such initiatives may be taken by
25 the Commission in the first Multi-Year Rate Plan,
26 subsequent multi-year plans, or in other instances

1 described in this Act.

2 (15) Whenever during the pendency of a Multi-year Rate
3 Plan, an electric utility subject to this Section becomes
4 aware that, due to circumstances beyond its control,
5 prudent operating practices will require the utility to
6 make adjustments to the Multi-Year Rate Plan, the electric
7 utility may file a petition with the Commission requesting
8 modification of the approved annual revenue requirements
9 included in the Multi-Year Rate Plan. The electric utility
10 must support its request with evidence demonstrating why a
11 modification is necessary, due to circumstances beyond the
12 utility's control, to follow prudent operating practices
13 and must set forth the changes to each annual revenue
14 requirement to be approved, and the basis for any changes
15 in anticipated operating expenses or capital investment
16 levels. The utility shall affirmatively address the impact
17 of the changes on the Multi-Year Integrated Grid Plan and
18 Multi-Year Rate Plan originally submitted and approved by
19 the Commission. Any interested party may file an objection
20 to the changes proposed, or offer alternatives to the
21 utility's proposal, as supported by testimony and
22 evidence. After notice and hearing, the Commission shall
23 issue a final order regarding the electric utility's
24 request no later than 180 days after the filing of the
25 petition.

26 (e) Performance incentive mechanisms.

1 (1) The electric industry is undergoing rapid
2 transformation, including fundamental changes in how
3 electricity is generated, procured, and delivered and how
4 customers are choosing to participate in the supply and
5 delivery of electricity to and from the electric grid.
6 Building upon the State's goals to increase the
7 procurement of electricity from renewable energy
8 resources, including distributed generation and storage
9 devices, the General Assembly finds that electric
10 utilities should make cost-effective investments that
11 support moving forward on Illinois' clean energy policies.
12 It is therefore in the State's interest for the Commission
13 to establish performance incentive mechanisms in order to
14 better tie utility revenues to performance and customer
15 benefits, accelerate progress on Illinois energy and other
16 goals, ensure equity and affordability of rates for all
17 customers, including low-income customers, and hold
18 utilities publicly accountable.

19 (2) The Commission shall approve, based on the
20 substantial evidence proffered in the proceeding initiated
21 pursuant to this subsection performance metrics that, to
22 the extent practicable and achievable by the electric
23 utility, encourage cost-effective, equitable utility
24 achievement of the outcomes described in this subsection
25 (e) while ensuring no degradation in the significant
26 performance improvement achieved through previously

1 established performance metrics. For each electric
2 utility, the Commission shall approve metrics designed to
3 achieve incremental improvements over baseline performance
4 values and targets, over a performance period of up to 10
5 years, and no less than 4 years.

6 (A) The Commission shall approve no more than 8
7 metrics, with at least one metric from each of the
8 categories below, for each electric utility, from
9 subparagraphs (i) through (vi) of this subsection (A).
10 Upon a utility request, the Commission may approve the
11 use of a specific, measurable, and achievable tracking
12 metric described in paragraph (3) of subsection (e) as
13 a performance metric pursuant to paragraph (2) of
14 subsection (e).

15 (i) Metrics designed to ensure the utility
16 maintains and improves the high standards of both
17 overall and locational reliability and resiliency,
18 and makes improvements in power quality, including
19 and particularly in environmental justice and
20 equity investment eligible communities.

21 (ii) Peak load reductions attributable to
22 demand response programs.

23 (iii) Supplier diversity expansion, including
24 diverse contractor participation in professional
25 services, subcontracting, and prime contracting
26 opportunities, development of programs that

1 address the barriers to access, aligning
2 demographics of contractors to the demographics in
3 the utility's service territory, establish
4 long-term mentoring relationships that develop and
5 remove barriers to access for diverse and
6 underserved contractors. The utilities shall
7 provide solutions, resources, and tools to address
8 complex barriers of entry related to costly and
9 time-intensive cyber security requirements,
10 increasingly complex information technology
11 requirements, insurance barriers, service provider
12 sign-up process barriers, administrative process
13 barriers, and other barriers that inhibit access
14 to RFPs and contracts. For programs with contracts
15 over \$1,000,000, winning bidders must demonstrate
16 a subcontractor development or mentoring
17 relationship with at least one of their diverse
18 subcontracting partners for a core component of
19 the scope of the project. The mentoring time and
20 cost shall be taken into account in the creation
21 of RFP and shall include a structured and measured
22 plan by the prime contractor to increase the
23 capabilities of the subcontractor in their
24 proposed scope. The metric shall include reporting
25 on all supplier diversity programs by goals,
26 program results, demographics and geography, with

1 separate reporting by category of minority-owned,
2 female-owned, veteran-owned, and disability-owned
3 business enterprise metrics. The report shall
4 include resources and expenses committed to the
5 programs and conversion rates of new diverse
6 utility contractors.

7 (iv) Achieve affordable customer delivery
8 service costs, with particular emphasis on keeping
9 the bills of lower-income households, households
10 in equity investment eligible communities, and
11 household in environmental justice communities
12 within a manageable portion of their income and
13 adopting credit and collection policies that
14 reduce disconnections for these households
15 specifically and for customers overall to ensure
16 equitable disconnections, late fees, or arrearages
17 as a result of utility credit and collection
18 practices, which may include consideration of
19 impact by zip code.

20 (v) Metrics designed around the utility's
21 timeliness to customer requests for
22 interconnection in key milestone areas, such as:
23 initial response, supplemental review, and system
24 feasibility study; improved average service
25 reliability index for those customers that have
26 interconnected a distributed renewable energy

1 generation device to the utility's distribution
2 system and are lawfully taking service under an
3 applicable tariff; offering a variety of
4 affordable rate options, including demand
5 response, time of use rates for delivery and
6 supply, real-time pricing rates for supply;
7 comprehensive and predictable net metering, and
8 maximizing the benefits of grid modernization and
9 clean energy for ratepayers; and improving
10 customer access to utility system information
11 according to consumer demand and interest.

12 (vi) Metrics designed to measure the utility's
13 customer service performance, which may include
14 the average length of time to answer a customer's
15 call by a customer service representative, the
16 abandoned call rate and the relative ranking of
17 the electric utility, by a reputable third-party
18 organization, in customer service satisfaction
19 when compared to other similar electric utilities
20 in the Midwest region.

21 (B) Performance metrics shall include a
22 description of the metric, a calculation method, a
23 data collection method, annual performance targets,
24 and any incentives or penalties for the utility's
25 achievement of, or failure to achieve, their
26 performance targets, provided that the total amount of

1 potential incentives and penalties shall be
2 symmetrical. Incentives shall be rewards or penalties
3 or both, reflected as basis points added to, or
4 subtracted from, the utility's cost of equity. The
5 metrics and incentives shall apply for the entire time
6 period covered by a Multi-Year Rate Plan. The total
7 for all metrics shall be equal to 40 basis points,
8 however, the Commission may adjust the basis points
9 upward or downward by up to 20 basis points for any
10 given Multi-Year Rate Plan, as appropriate, but in no
11 event may the total exceed 60 basis points or fall
12 below 20 basis points.

13 (C) Metrics related to reliability shall be
14 implemented to ensure equitable benefits to
15 environmental justice and equity investment eligible
16 communities, as defined in this Act.

17 (D) The Commission shall approve performance
18 metrics that are reasonably within control of the
19 utility to achieve. The Commission also shall not
20 approve a metric that is solely expected to have the
21 effect of reducing the workforce. Performance metrics
22 should measure outcomes and actual, rather than
23 projected, results where possible. Nothing in this
24 paragraph is intended to require that different
25 electric utilities must be subject to the same
26 metrics, goals, or incentives.

1 (E) Increases or enhancements to an existing
2 performance goal or target shall be considered in
3 light of other metrics, cost-effectiveness, and other
4 factors the Commission deems appropriate. Performance
5 metrics shall include one year of tracking data
6 collected in a consistent manner, verifiable by an
7 independent evaluator in order to establish a baseline
8 and measure outcomes and actual results against
9 projections where possible.

10 (F) For the purpose of determining reasonable
11 performance metrics and related incentives, the
12 Commission shall develop a methodology to calculate
13 net benefits that includes customer and societal costs
14 and benefits and quantifies the effect on delivery
15 rates. In determining the appropriate level of a
16 performance incentive, the Commission shall consider:
17 the extent to which the amount is likely to encourage
18 the utility to achieve the performance target in the
19 least cost manner; the value of benefits to customers,
20 the grid, public health and safety, and the
21 environment from achievement of the performance
22 target, including in particular benefits to equity
23 investment eligible community; the affordability of
24 customer's electric bills, including low-income
25 customers, the utility's revenue requirement, the
26 promotion of renewable and distributed energy, and

1 other such factors that the Commission deems
2 appropriate. The consideration of these factors shall
3 result in an incentive level that ensures benefits
4 exceed costs for customers.

5 (G) Achievement of performance metrics are based
6 on the assumptions that the utility will adopt or
7 implement the technology and equipment, and make the
8 investments to the extent reasonably necessary to
9 achieve the goal. If the electric utility is unable to
10 meet the performance metrics as a result of
11 extraordinary circumstances outside of its control,
12 including but not limited to government-declared
13 emergencies, then the utility shall be permitted to
14 file a petition with the Commission requesting that
15 the utility be excused from compliance with the
16 applicable performance goal or goals and the
17 associated financial incentives and penalties. The
18 burden of proof shall be on the utility, consistent
19 with Article IX, and the utility's petition shall be
20 supported by substantial evidence. The Commission
21 shall, after notice and hearing, enter its order
22 approving or denying, in whole or in part, the
23 utility's petition based on the extent to which the
24 utility demonstrated that its achievement of the
25 affected metrics and performance goals was hindered by
26 extraordinary circumstances outside of the utility's

1 control.

2 (3) The Commission shall approve reasonable and
3 appropriate tracking metrics to collect and monitor data
4 for the purpose of measuring and reporting utility
5 performance and for establishing future performance
6 metrics. These additional tracking metrics shall include
7 at least one metric from each of the following categories
8 of performance:

9 (A) Minimize emissions of greenhouse gases and
10 other air pollutants that harm human health,
11 particularly in environmental justice and equity
12 investment eligible communities, through minimizing
13 total emissions by accelerating electrification of
14 transportation, buildings and industries where such
15 electrification results in net reductions, across all
16 fuels and over the life of electrification measures,
17 of greenhouse gases and other pollutants, taking into
18 consideration the fuel mix used to produce electricity
19 at the relevant hour and the effect of accelerating
20 electrification on electricity delivery services
21 rates, supply prices and peak demand, provided the
22 revenues the utility receives from accelerating
23 electrification of transportation, buildings and
24 industries exceed the costs.

25 (B) Enhance the grid's flexibility to adapt to
26 increased deployment of nondispatchable resources,

1 improve the ability and performance of the grid on
2 load balancing, and offer a variety of rate plans to
3 match consumer consumption patterns and lower consumer
4 bills for electricity delivery and supply.

5 (C) Ensure rates reflect cost savings attributable
6 to grid modernization and utilize distributed energy
7 resources that allow the utility to defer or forgo
8 traditional grid investments that would otherwise be
9 required to provide safe and reliable service.

10 (D) Metrics designed to create and sustain
11 full-time-equivalent jobs and opportunities for all
12 segments of the population and workforce, including
13 minority-owned businesses, women-owned businesses,
14 veteran-owned businesses, and businesses owned by a
15 person or persons with a disability, and that do not,
16 consistent with State and federal law, discriminate
17 based on race or socioeconomic status as a result of
18 this amendatory Act of the 102nd General Assembly.

19 (E) Maximize and prioritize the allocation of grid
20 planning benefits to environmental justice and
21 economically disadvantaged customers and communities,
22 such that all metrics provide equitable benefits
23 across the utility's service territory and maintain
24 and improve utility customers' access to uninterrupted
25 utility services.

26 (4) The Commission may establish new tracking and

1 performance metrics in future Multi-Year Rate Plans to
2 further measure achievement of the outcomes set forth in
3 paragraph (2) of subsection (f) of this Section and the
4 other goals and requirements of this Section.

5 (5) The Commission shall also evaluate metrics that
6 were established in prior Multi-Year Rate Plans to
7 determine if there has been an unanticipated material
8 change in circumstances such that adjustments are required
9 to improve the likelihood of the outcomes described in
10 paragraph (2) of subsection (f). For metrics that were
11 established in prior Multi-Year Rate Plan proceedings and
12 that the Commission elects to continue, the design of
13 these metrics, including the goals of tracking metrics and
14 the targets and incentive levels and structures of
15 performance metrics, may be adjusted pursuant to the
16 requirements in this Section. The Commission may also
17 change, adjust or phase out tracking and performance
18 metrics that were established in prior Multi-Year Rate
19 Plan proceedings if these metrics no longer meet the
20 requirements of this Section or if they are rendered
21 obsolete by the changing needs and technology of an
22 evolving grid. Additionally, performance metrics that no
23 longer require an incentive to create improved utility
24 performance may become tracking metrics in a Multi-Year
25 Rate Plan proceeding.

26 (6) The Commission shall initiate a workshop process

1 no later than August 1, 2021, or 15 days after the
2 effective date of this amendatory Act of the 102nd General
3 Assembly, whichever is later, for the purpose of
4 facilitating the development of metrics for each utility.
5 The workshop shall be coordinated by the staff of the
6 Commission, or a facilitator retained by staff, and shall
7 be organized and facilitated in a manner that encourages
8 representation from diverse stakeholders and ensures
9 equitable opportunities for participation, without
10 requiring formal intervention or representation by an
11 attorney. Working with staff of the Commission the
12 facilitator may conduct a combination of workshops
13 specific to a utility or applicable to multiple utilities
14 where content and stakeholders are substantially similar.
15 The workshop process shall conclude no later than October
16 31, 2021. Following the workshop, the staff of the
17 Commission, or the facilitator retained by the Staff,
18 shall prepare and submit a report to the Commission that
19 identifies the participants in the process, the metrics
20 proposed during the process, any material issues that
21 remained unresolved at the conclusions of such process,
22 and any recommendations for workshop process improvements.
23 Any workshop participant may file comments and reply
24 comments in response to the Staff report.

25 (A) No later than January, 20, 2022, each electric
26 utility that intends to file a petition pursuant to

1 subsection (b) of this Section shall file a petition
2 with the Commission seeking approval of its
3 performance metrics, which shall include for each
4 metric, at a minimum, (i) a detailed description, (ii)
5 the calculation of the baseline, (iii) the performance
6 period and overall performance goal, provided that the
7 performance period shall not commence prior to January
8 1, 2024, (iv) each annual performance goal, (v) the
9 performance adjustment, which shall be a symmetrical
10 basis point increase or decrease to the utility's cost
11 of equity based on the extent to which the utility
12 achieved the annual performance goal, and (vi) the new
13 or modified tariff mechanism that will apply the
14 performance adjustments. The Commission shall issue
15 its order approving, or approving with modification,
16 the utility's proposed performance metrics no later
17 than September 30, 2022.

18 (B) No later than August 1, 2025, the Commission
19 shall initiate a workshop process that conforms to the
20 workshop purpose and requirements of this paragraph
21 (6) of this Section to the extent they do not conflict.
22 The workshop process shall conclude no later than
23 October 31, 2025, and the staff of the Commission, or
24 the facilitator retained by the Staff, shall prepare
25 and submit a report consistent with the requirements
26 described in this paragraph (6) of this Section. No

1 later than January 20, 2026, each electric utility
2 subject to the requirements of this Section shall file
3 a petition that reflects, and is consistent with, the
4 components required in this paragraph (6) of this
5 Section, and the Commission shall issue its order
6 approving, or approving with modification, the
7 utility's proposed performance metrics no later than
8 September 30, 2026.

9 (f) On May 1 of each year, following the approval of the
10 first Multi-Year Rate Plan and its initial year, the
11 Commission shall open an annual performance evaluation
12 proceeding to evaluate the utilities' performance on their
13 metric targets during the year just completed, as well as the
14 appropriate Annual Adjustment as defined in paragraph (6). The
15 Commission shall determine the performance and annual
16 adjustments to be applied through a surcharge in the following
17 calendar year.

18 (1) On February 15 of each year, prior to the annual
19 performance evaluation proceeding, each utility shall file
20 a performance evaluation report with the Commission that
21 includes a description of and all data supporting how the
22 utility performed under each performance metric and an
23 identification of any extraordinary events that adversely
24 impacted the utility's performance.

25 (2) The metrics approved under this Section are based
26 on the assumptions that the utility may fully implement

1 the technology and equipment, and make the investments,
2 required to achieve the metrics and performance goals. If
3 the utility is unable to meet the metrics and performance
4 goals because it was hindered by unanticipated technology
5 or equipment implementation delays, government-declared
6 emergencies, or other investment impediments, then the
7 utility shall be permitted to file a petition with the
8 Commission on or before the date that its report is due
9 pursuant to paragraph (1) of this subsection (f)
10 requesting that the utility be excused from compliance
11 with the applicable performance goal or goals. The burden
12 of proof shall be on the utility, consistent with Article
13 IX, and the utility's petition shall be supported by
14 substantial evidence. No later than 90 days after the
15 utility files its petition, the Commission shall, after
16 notice and hearing, enter its order approving or denying,
17 in whole or in part, the utility's petition based on the
18 extent to which the utility demonstrated that its
19 achievement of the affected metrics and performance goals
20 was hindered by unanticipated technology or equipment
21 implementation delays, or other investment impediments,
22 that were reasonably outside of the utility's control.

23 (3) The electric utility shall provide for an annual
24 independent evaluation of its performance on metrics. The
25 independent evaluator shall review the utility's
26 assumptions, baselines, targets, calculation

1 methodologies, and other relevant information, especially
2 ensuring that the utility's data for establishing
3 baselines matches actual performance, and shall provide a
4 report to the Commission in each annual performance
5 evaluation describing the results. The independent
6 evaluator shall present this report as evidence as a
7 nonparty participant and shall not be represented by the
8 utility's legal counsel. The independent evaluator shall
9 be hired through a competitive bidding process with
10 approval of the contract by the Commission.

11 The Commission shall consider the report of the
12 independent evaluator in determining the utility's
13 achievement of performance targets. Discrepancies between
14 the utility's assumptions, baselines, targets, or
15 calculations and those of the independent evaluator shall
16 be closely scrutinized by the Commission. If the
17 Commission finds that the utility's reported data for any
18 metric or metrics significantly and incorrectly deviates
19 from the data reported by the independent evaluator, then
20 the Commission shall order the utility to revise its data
21 collection and calculation process within 60 days, with
22 specifications where appropriate.

23 (4) The Commission shall, after notice and hearing in
24 the annual performance evaluation proceeding, enter an
25 order approving the utility's performance adjustment based
26 on its achievement of or failure to achieve its

1 performance targets no later than December 20 each year.
2 The Commission-approved penalties or incentives shall be
3 applied beginning with the next calendar year.

4 (5) In order to promote the transparency of utility
5 investments during the effective period of a multi-year
6 rate plan, inform the Commission's investigation and
7 adjustment of rates in the annual adjustment process, and
8 to facilitate the participation of stakeholders in the
9 annual adjustment process, an electric utility with an
10 effective Multi-Year Rate Plan shall, within 90 days of
11 the close of each quarter during the Multi-Year Rate Plan
12 period, submit to the Commission a report that summarizes
13 the additions to utility plant that were placed into
14 service during the prior quarter, which for purposes of
15 the report shall be the most recently closed fiscal
16 quarter. The report shall also summarize the utility plant
17 the electric utility projects it will place into service
18 through the end of the calendar year in which the report is
19 filed. The projections, estimates, plans, and
20 forward-looking information that are provided in the
21 reports pursuant to this paragraph (5) are for planning
22 purposes and are intended to be illustrative of the
23 investments that the utility proposes to make as of the
24 time of submittal. Nothing in this paragraph (5)
25 precludes, or is intended to limit, a utility's ability to
26 modify and update its projections, estimates, plans, and

1 forward-looking information previously submitted in order
2 to reflect stakeholder input or other new or updated
3 information and analysis, including, but not limited to,
4 changes in specific investment needs, customer electric
5 use patterns, customer applications and preferences, and
6 commercially available equipment and technologies, however
7 the utility shall explain any changes or deviations
8 between the projected investments from the quarterly
9 reports and actual investments in the annual report. The
10 reports submitted pursuant to this subsection are intended
11 to be flexible planning tools, and are expected to evolve
12 as new information becomes available. Within 7 days of
13 receiving a quarterly report, the Commission shall timely
14 make such report available to the public by posting it on
15 the Commission's website. Each quarterly report shall
16 include the following detail:

17 (A) The total dollar value of the additions to
18 utility plant placed in service during the prior
19 quarter;

20 (B) A list of the major investment categories the
21 electric utility used to manage its routine standing
22 operational activities during the prior quarter
23 including the total dollar amount for the work
24 reflected in each investment category in which utility
25 plant in service is equal to or greater than
26 \$2,000,000 for an electric utility that serves more

1 than 3,000,000 customers in the State or \$500,000 for
2 an electric utility that serves less than 3,000,000
3 customers but more than 500,000 customers in the State
4 as of the last day of the quarterly reporting period,
5 as well as a summary description of each investment
6 category;

7 (C) A list of the projects which the electric
8 utility has identified by a unique investment tracking
9 number for utility plant placed in service during the
10 prior quarter for utility plant placed in service with
11 a total dollar value as of the last day of the
12 quarterly reporting period that is equal to or greater
13 than \$2,000,000 for an electric utility that serves
14 more than 3,000,000 customers in the State or \$500,000
15 for an electric utility that serves less than
16 3,000,000 retail customers but more than \$500,000
17 retail customers in the State, as well as a summary of
18 each project;

19 (D) The estimated total dollar value of the
20 additions to utility plant projected to be placed in
21 service through the end of the calendar year in which
22 the report is filed;

23 (E) A list of the major investment categories the
24 electric utility used to manage its routine standing
25 operational activities with utility plant projected to
26 be placed in service through the end of the calendar

1 year in which the report is filed, including the total
2 dollar amount for the work reflected in each
3 investment category in which utility plant in service
4 is projected to be equal to or greater than \$2,000,000
5 for an electric utility that serves more than
6 3,000,000 customers in the State or \$500,000 for an
7 electric utility that serves less than 3,000,000
8 retail customers but more than 500,000 retail
9 customers in the State, as well as a summary
10 description of each investment category; and

11 (F) A list of the projects for which the electric
12 utility has identified by a unique investment tracking
13 number for utility plant projected to be placed in
14 service through the end of the calendar year in which
15 the report is filed with an estimated dollar value
16 that is equal to or greater than \$2,000,000 for an
17 electric utility that serves more than 3,000,000
18 customers in the State or \$500,000 for an electric
19 utility that serves less than 3,000,000 retails
20 customers but more than \$500,000 retail customers in
21 the State, as well as a summary description of each
22 project.

23 (6) As part of the Annual Performance Adjustment, the
24 electric utility shall submit evidence sufficient to
25 support a determination of its actual revenue requirement
26 for the applicable calendar year, consistent with the

1 provisions of paragraphs (d) and (f) of this subsection.
2 The electric utility shall bear the burden of
3 demonstrating that its costs were prudent and reasonable,
4 subject to the provisions of paragraph (4) of this
5 subsection (f). 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 this 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 shall mean the
20 amount by which, the electric utility's actual revenue
21 requirement for the applicable year of the Multi-Year Rate
22 Plan either exceeded, or was exceeded by, the revenue
23 requirement approved by the Commission for such calendar
24 year, plus carrying costs calculated at the weighted
25 average cost of capital approved for the Multi-Year Rate
26 Plan.

1 The Commission's determination of the electric
2 utility's actual revenue requirement for the applicable
3 calendar year shall be based on:

4 (A) the Commission-approved used and useful,
5 prudent and reasonable actual costs for the applicable
6 calendar year, which shall be determined pursuant to
7 the following criteria:

8 (i) The overall level of actual costs incurred
9 during the calendar year, provided that the
10 Commission may not allow recovery of actual costs
11 that are more than 105% of the approved revenue
12 requirement calculated as provided in item (ii) of
13 this subparagraph (A), except to the extent the
14 Commission approves a modification of the
15 Multi-Year Rate Plan to permit such recovery.

16 (ii) The calculation of 105% of the revenue
17 requirement required by this subparagraph (A)
18 shall exclude the revenue requirement impacts of
19 the following volatile and fluctuating variables
20 that occurred during the year: (i) storms and
21 weather-related events for which the utility
22 provides sufficient evidence to demonstrate that
23 such expenses were not foreseeable and not in
24 control of the utility; (ii) new business; (iii)
25 changes in interest rates; (iv) changes in taxes;
26 (v) facility relocations; (vi) changes in pension

1 or post-retirement benefits costs due to
2 fluctuations in interest rates, market returns or
3 actuarial assumptions; (vii) amortization expenses
4 related to costs; and (viii) changes in the timing
5 of when an expenditure or investment is made such
6 that it is accelerated to occur during the
7 applicable year or deferred to occur in a
8 subsequent year.

9 (B) the year-end rate base;

10 (C) the cost of equity approved in the multi-year
11 rate plan; and

12 (D) the electric utility's actual year-end capital
13 structure, provided that the common equity ratio in
14 such capital structure may not exceed the common
15 equity ratio that was approved by the Commission in
16 the Multi-Year Rate Plan.

17 (2) The Commission's determinations of the prudence
18 and reasonableness of the costs incurred for the
19 applicable year, and of the original cost of plant in
20 service as of the end of the applicable calendar year,
21 shall be final upon entry of the Commission's order and
22 shall not be subject to collateral attack in any other
23 Commission proceeding, case, docket, order, rule, or
24 regulation; however, nothing in this Section shall
25 prohibit a party from petitioning the Commission to rehear
26 or appeal to the courts the order pursuant to the

1 provisions of this Act.

2 (g) During the period leading to approval of the first
3 Multi-Year Integrated Grid Plan, each electric utility will
4 necessarily continue to invest in its distribution grid. Those
5 investments will be subject to a determination of prudence and
6 reasonableness consistent with Commission practice and law.
7 Any failure to conform to the Multi-Year Integrated Grid Plan
8 ultimately approved shall not imply imprudence or
9 unreasonableness.

10 (h) After calculating the Performance Adjustment and
11 Annual Adjustment, the Commission shall order the electric
12 utility to collect the amount in excess of the revenue
13 requirement from customers, or issue a refund to customers, as
14 applicable, to be applied through a surcharge beginning with
15 the next calendar year.

16 Electric utilities subject to the requirements of this
17 Section shall be permitted to file new or revised tariffs to
18 comply with the provisions of, and Commission orders entered
19 pursuant to, this Section.

20 (220 ILCS 5/16-108.19 new)

21 Sec. 16-108.19. Division of Integrated Distribution
22 Planning.

23 (a) The Commission shall establish the Division of
24 Integrated Distribution Planning within the Bureau of Public
25 Utilities. The Division shall be staffed by no less than 13

1 professionals, including engineers, rate analysts,
2 accountants, policy analysts, utility research and analysis
3 analysts, cybersecurity analysts, informational technology
4 specialists, and lawyers to review and evaluate Integrated
5 Grid Plans, updates to Integrated Grid Plans, audits, and
6 other duties as assigned by the Chief of the Public Utilities
7 Bureau.

8 (b) The Division of Integrated Distribution Planning shall
9 be established by January 1, 2022.

10 (220 ILCS 5/16-108.20 new)

11 Sec. 16-108.20. Cost-effectiveness incentive.

12 (a) The General Assembly finds that it is critical to
13 maintain this focus on utility bill affordability as the State
14 transitions to a clean energy economy. The General Assembly
15 accordingly finds that it may be in the public interest to
16 incentivize electric utilities to reduce spending where
17 practicable and where such reduction will not have an adverse
18 impact on the State's clean energy goals; this Act's
19 overarching objectives of efficiency, environmental quality,
20 reliability, and equity; or the utility's achievement on its
21 metrics.

22 (b) In addition to the performance metrics established and
23 approved by the Commission pursuant to Section 16-108.18 of
24 this Act, the Commission may also determine whether each
25 electric utility that serves more than 500,000 retail

1 customers in the State may also be subject to a performance
2 metric that incentivizes the utility to make cost-effective
3 choices and stretch to achieve cost savings for public utility
4 customers where it can do so without adverse impact (on
5 efficiency, environmental quality, reliability or equity).

6 (c) The Commission shall initiate a docket on the subject
7 of cost-effective shared savings, and shall make a
8 determination if it would be in the public interest and the
9 best interest of electric utility customers to establish a
10 performance metric that incentivizes utilities to reduce their
11 costs while meeting all other performance metrics and
12 addressing state goals as found in this Act.

13 (d) At the conclusion of the docket, if the Commission
14 determines that such an incentive is in the best interest of
15 consumers, the Commission shall have the authority to set a
16 specific metric as part of the performance metric process
17 pursuant to Section 16-108.18. Such metric shall include a
18 determination of the percentage of the shared savings to be
19 returned to the customers and to the utility. Such percentage
20 shall be set so as to incentivize the utility to make savings,
21 while providing substantial benefits to consumers.

22 (220 ILCS 5/16-108.21 new)

23 Sec. 16-108.21. Accelerated repayment of excess deferred
24 income tax.

25 (a) The General Assembly finds:

1 (1) That a portion of each utility's compensation from
2 ratepayers is attributable to reimbursement for federal
3 taxes paid by the utility.

4 (2) Due to the enactment of the 2017 Tax Cut and Jobs
5 Act, the federal income tax rate for corporations was
6 lowered, resulting in excess deferred income tax for
7 distribution utilities in the State that serve more than
8 100,000 customers.

9 (3) In proceedings before the Commission, it was
10 determined that the repayment period to ratepayers by the
11 utilities which serve more than 100,000 customers in this
12 State for this excess deferred income tax would be 39.5
13 years.

14 (4) The COVID-19 pandemic has harmed many customers of
15 all rate classes in the State, and resulted in the
16 Commission adopting a number of measures to provide relief
17 for customers.

18 (5) Electric utilities with greater than 3,000,000
19 customers have sufficient resources to refund excess tax
20 reserve to their ratepayers without experiencing financial
21 hardship.

22 (6) It would be in the interest of the State for the
23 repayment of the excess deferred income tax referenced in
24 Commission Dockets 19-0387 and 20-0393 to be paid back to
25 ratepayers on a timetable greatly accelerated from that
26 set forth in the dockets.

1 (b) Notwithstanding the Commission Orders in Dockets
2 19-0387 and 20-0383, the excess deferred income tax referenced
3 in those dockets shall be fully refunded to ratepayers by the
4 respective utilities no later than December 31, 2025.

5 (c) The Commission shall initiate a docket to provide for
6 the refunding of these excess deferred income taxes to
7 ratepayers of the utilities referenced in those dockets, and
8 shall set forth any necessary provisions to accomplish the
9 reimbursement on the schedule delineated in subsection (b).

10 (220 ILCS 5/16-108.25 new)

11 Sec. 16-108.25. Tariff regarding transition in rates. Each
12 electric utility that files a Multi-Year Rate Plan pursuant to
13 Section 16-108.18 of this Act or a general rate case as
14 described in this Act shall also file a tariff that sets forth
15 the processes and procedures by which the electric utility
16 will transition from its current rates and ratemaking
17 mechanism to the new Multi-Year Rate Plan or a general rate
18 case and rates that will take effect under that multi-year
19 plan. The proposed tariff shall be consistent with the tariff
20 approved by the Commission in Docket No. 20-0426 and covers
21 the period until the new delivery rates are effective and all
22 required processes and procedures described in the tariff have
23 been completed.

24 Each electric utility subject to this Section shall file
25 its proposed tariff no later than 30 days after the effective

1 date of this amendatory Act of the 102nd General Assembly, and
2 the Commission shall enter its order approving the tariff no
3 later than 120 days after it was filed if the Commission finds
4 that the proposed tariff is consistent with the tariff
5 previously approved in Docket No. 20-0426 for the period until
6 the new delivery rates are effective and all required
7 processes and procedures described in the tariff have been
8 completed. If the Commission does not so find, then the
9 Commission shall approve the utility's tariff with those
10 modifications that are required to make the proposed tariff
11 consistent with the tariff approved in Docket 20-0426 until
12 the new delivery rates are effective and all required
13 processes and procedures described in the tariff have been
14 completed.

15 An electric utility that has a tariff in effect on the
16 effective date of this amendatory Act of the 102nd General
17 Assembly that provides for the transition from its current
18 rates and ratemaking mechanism to new base rates approved
19 pursuant to Article IX of this Act, shall file a compliance
20 tariff modifying its existing tariff to comply with the
21 provisions of this Section. The compliance tariff shall go
22 into effect on 45 days' notice.

23 (220 ILCS 5/16-108.30 new)

24 Sec. 16-108.30. Energy Transition Assistance Fund.

25 (a) The Energy Transition Assistance Fund is hereby

1 created as a special fund in the State Treasury. The Energy
2 Transition Assistance Fund is authorized to receive moneys
3 collected pursuant to this Section. Subject to appropriation,
4 the Department of Commerce and Economic Opportunity shall use
5 moneys from the Energy Transition Assistance Fund consistent
6 with the purposes of this Act.

7 (b) An electric utility serving more than 500,000
8 customers in the State shall assess an energy transition
9 assistance charge on all its retail customers for the Energy
10 Transition Assistance Fund. The utility's total charge shall
11 be set based upon the value determined by the Department of
12 Commerce and Economic Opportunity pursuant to subsection (d)
13 or (e), as applicable, of Section 605-1075 of the Department
14 of Commerce and Economic Opportunity Law of the Civil
15 Administrative Code of Illinois. For each utility, the charge
16 shall be recovered through a single, uniform cents per
17 kilowatt-hour charge applicable to all retail customers. For
18 each utility, the charge shall not exceed 1% of the amount paid
19 per kilowatthour by those customers during the year ending May
20 31, 2009.

21 (c) Within 75 days of the effective date of this
22 amendatory Act of the 102nd General Assembly, each electric
23 utility serving more than 500,000 customers in the State shall
24 file with the Illinois Commerce Commission tariffs
25 incorporating the energy transition assistance charge in other
26 charges stated in such tariffs, which shall become effective

1 no later than the beginning of the first billing cycle
2 following such filing. Each electric utility serving more than
3 500,000 customers in the State shall, prior to the beginning
4 of each calendar year starting with calendar year 2021, file
5 with the Illinois Commerce Commission tariff revisions to
6 incorporate annual revisions to the energy transition
7 assistance charge as prescribed by the Department of Commerce
8 and Economic Opportunity pursuant to Section 605-1075 of the
9 Department of Commerce and Economic Opportunity Law of the
10 Civil Administrative Code of Illinois so that such revision
11 becomes effective no later than the beginning of the first
12 billing cycle in each respective year.

13 (d) The energy transition assistance charge shall be
14 considered a charge for public utility service.

15 (e) By the 20th day of the month following the month in
16 which the charges imposed by this Section were collected, each
17 electric utility serving more than 500,000 customers in the
18 State shall remit to Department of Revenue all moneys received
19 as payment of the energy transition assistance charge on a
20 return prescribed and furnished by the Department of Revenue
21 showing such information as the Department of Revenue may
22 reasonably require. If a customer makes a partial payment, a
23 public utility may apply such partial payments first to
24 amounts owed to the utility. No customer may be subjected to
25 disconnection of his or her utility service for failure to pay
26 the energy transition assistance charge.

1 If any payment provided for in this subsection exceeds the
2 electric utility's liabilities under this Act, as shown on an
3 original return, the Department may authorize the electric
4 utility to credit such excess payment against liability
5 subsequently to be remitted to the Department under this Act,
6 in accordance with reasonable rules adopted by the Department.

7 All the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e,
8 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13
9 of the Retailers' Occupation Tax Act that are not inconsistent
10 with this Act apply, as far as practicable, to the charge
11 imposed by this Act to the same extent as if those provisions
12 were included in this Act. References in the incorporated
13 Sections of the Retailers' Occupation Tax Act to retailers, to
14 sellers, or to persons engaged in the business of selling
15 tangible personal property mean persons required to remit the
16 charge imposed under this Act.

17 (f) The Department of Revenue shall deposit into the
18 Energy Transition Assistance Fund all moneys remitted to it in
19 accordance with this Section.

20 (g) The Department of Revenue may establish such rules as
21 it deems necessary to implement this Section.

22 (h) The Department of Commerce and Economic Opportunity
23 may establish such rules as it deems necessary to implement
24 this Section.

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

2 (a) An electric utility that on December 31, 2005 served
3 at least 100,000 customers in Illinois shall procure power and
4 energy for its eligible retail customers in accordance with
5 the applicable provisions set forth in Section 1-75 of the
6 Illinois Power Agency Act and this Section. Beginning with the
7 delivery year commencing on June 1, 2017, such electric
8 utility shall also procure zero emission credits from zero
9 emission facilities in accordance with the applicable
10 provisions set forth in Section 1-75 of the Illinois Power
11 Agency Act, and, for years beginning on or after June 1, 2017,
12 the utility shall procure renewable energy resources in
13 accordance with the applicable provisions set forth in Section
14 1-75 of the Illinois Power Agency Act and this Section.
15 Beginning with the delivery year commencing on June 1, 2022,
16 an electric utility serving over 3,000,000 customers shall
17 also procure carbon mitigation credits from carbon-free energy
18 resources in accordance with the applicable provisions set
19 forth in Section 1-75 of the Illinois Power Agency Act and this
20 Section. A small multi-jurisdictional electric utility that on
21 December 31, 2005 served less than 100,000 customers in
22 Illinois may elect to procure power and energy for all or a
23 portion of its eligible Illinois retail customers in
24 accordance with the applicable provisions set forth in this
25 Section and Section 1-75 of the Illinois Power Agency Act.
26 This Section shall not apply to a small multi-jurisdictional

1 utility until such time as a small multi-jurisdictional
2 utility requests the Illinois Power Agency to prepare a
3 procurement plan for its eligible retail customers. "Eligible
4 retail customers" for the purposes of this Section means those
5 retail customers that purchase power and energy from the
6 electric utility under fixed-price bundled service tariffs,
7 other than those retail customers whose service is declared or
8 deemed competitive under Section 16-113 and those other
9 customer groups specified in this Section, including
10 self-generating customers, customers electing hourly pricing,
11 or those customers who are otherwise ineligible for
12 fixed-price bundled tariff service. For those customers that
13 are excluded from the procurement plan's electric supply
14 service requirements, and the utility shall procure any supply
15 requirements, including capacity, ancillary services, and
16 hourly priced energy, in the applicable markets as needed to
17 serve those customers, provided that the utility may include
18 in its procurement plan load requirements for the load that is
19 associated with those retail customers whose service has been
20 declared or deemed competitive pursuant to Section 16-113 of
21 this Act to the extent that those customers are purchasing
22 power and energy during one of the transition periods
23 identified in subsection (b) of Section 16-113 of this Act.

24 (b) A procurement plan shall be prepared for each electric
25 utility consistent with the applicable requirements of the
26 Illinois Power Agency Act and this Section. For purposes of

1 this Section, Illinois electric utilities that are affiliated
2 by virtue of a common parent company are considered to be a
3 single electric utility. Small multi-jurisdictional utilities
4 may request a procurement plan for a portion of or all of its
5 Illinois load. Each procurement plan shall analyze the
6 projected balance of supply and demand for those retail
7 customers to be included in the plan's electric supply service
8 requirements over a 5-year period, with the first planning
9 year beginning on June 1 of the year following the year in
10 which the plan is filed. The plan shall specifically identify
11 the wholesale products to be procured following plan approval,
12 and shall follow all the requirements set forth in the Public
13 Utilities Act and all applicable State and federal laws,
14 statutes, rules, or regulations, as well as Commission orders.
15 Nothing in this Section precludes consideration of contracts
16 longer than 5 years and related forecast data. Unless
17 specified otherwise in this Section, in the procurement plan
18 or in the implementing tariff, any procurement occurring in
19 accordance with this plan shall be competitively bid through a
20 request for proposals process. Approval and implementation of
21 the procurement plan shall be subject to review and approval
22 by the Commission according to the provisions set forth in
23 this Section. A procurement plan shall include each of the
24 following components:

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

26 (i) multi-year historical analysis of hourly

1 loads;

2 (ii) switching trends and competitive retail
3 market analysis;

4 (iii) known or projected changes to future loads;
5 and

6 (iv) growth forecasts by customer class.

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

9 (i) the impact of demand response programs and
10 energy efficiency programs, both current and
11 projected; for small multi-jurisdictional utilities,
12 the impact of demand response and energy efficiency
13 programs approved pursuant to Section 8-408 of this
14 Act, both current and projected; and

15 (ii) supply side needs that are projected to be
16 offset by purchases of renewable energy resources, if
17 any.

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

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

23 (ii) the proposed mix of demand-response products
24 for which contracts will be executed during the next
25 year. For small multi-jurisdictional electric
26 utilities that on December 31, 2005 served fewer than

1 100,000 customers in Illinois, these shall be defined
2 as demand-response products offered in an energy
3 efficiency plan approved pursuant to Section 8-408 of
4 this Act. The cost-effective demand-response measures
5 shall be procured whenever the cost is lower than
6 procuring comparable capacity products, provided that
7 such products shall:

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

11 (B) at least satisfy the demand-response
12 requirements of the regional transmission
13 organization market in which the utility's service
14 territory is located, including, but not limited
15 to, any applicable capacity or dispatch
16 requirements;

17 (C) provide for customers' participation in
18 the stream of benefits produced by the
19 demand-response products;

20 (D) provide for reimbursement by the
21 demand-response provider of the utility for any
22 costs incurred as a result of the failure of the
23 supplier of such products to perform its
24 obligations thereunder; and

25 (E) meet the same credit requirements as apply
26 to suppliers of capacity, in the applicable

1 regional transmission organization market;

2 (iii) monthly forecasted system supply
3 requirements, including expected minimum, maximum, and
4 average values for the planning period;

5 (iv) the proposed mix and selection of standard
6 wholesale products for which contracts will be
7 executed during the next year, separately or in
8 combination, to meet that portion of its load
9 requirements not met through pre-existing contracts,
10 including but not limited to monthly 5 x 16 peak period
11 block energy, monthly off-peak wrap energy, monthly 7
12 x 24 energy, annual 5 x 16 energy, other standardized
13 energy or capacity products designed to provide
14 eligible retail customer benefits from commercially
15 deployed advanced technologies including but not
16 limited to high voltage direct current converter
17 stations, as such term is defined in Section 1-10 of
18 the Illinois Power Agency Act, whether or not such
19 product is currently available in wholesale markets,
20 annual off-peak wrap energy, annual 7 x 24 energy,
21 monthly capacity, annual capacity, peak load capacity
22 obligations, capacity purchase plan, and ancillary
23 services;

24 (v) proposed term structures for each wholesale
25 product type included in the proposed procurement plan
26 portfolio of products; and

1 (vi) an assessment of the price risk, load
2 uncertainty, and other factors that are associated
3 with the proposed procurement plan; this assessment,
4 to the extent possible, shall include an analysis of
5 the following factors: contract terms, time frames for
6 securing products or services, fuel costs, weather
7 patterns, transmission costs, market conditions, and
8 the governmental regulatory environment; the proposed
9 procurement plan shall also identify alternatives for
10 those portfolio measures that are identified as having
11 significant price risk and mitigation in the form of
12 additional retail customer and ratepayer price,
13 reliability, and environmental benefits from
14 standardized energy products delivered from
15 commercially deployed advanced technologies,
16 including, but not limited to, high voltage direct
17 current converter stations, as such term is defined in
18 Section 1-10 of the Illinois Power Agency Act, whether
19 or not such product is currently available in
20 wholesale markets.

21 (4) Proposed procedures for balancing loads. The
22 procurement plan shall include, for load requirements
23 included in the procurement plan, the process for (i)
24 hourly balancing of supply and demand and (ii) the
25 criteria for portfolio re-balancing in the event of
26 significant shifts in load.

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

7 (i) The initial long-term renewable resources
8 procurement plan and all subsequent revisions shall be
9 subject to review and approval by the Commission. For
10 the purposes of this Section, "delivery year" has the
11 same meaning as in Section 1-10 of the Illinois Power
12 Agency Act. For purposes of this Section, "Agency"
13 shall mean the Illinois Power Agency.

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

16 (A) Electric utilities shall provide a range
17 of load forecasts to the Illinois Power Agency
18 within 45 days of the Agency's request for
19 forecasts, which request shall specify the length
20 and conditions for the forecasts including, but
21 not limited to, the quantity of distributed
22 generation expected to be interconnected for each
23 year.

24 (B) The Agency shall publish for comment the
25 initial long-term renewable resources procurement
26 plan no later than 120 days after the effective

1 date of this amendatory Act of the 99th General
2 Assembly and shall review, and may revise, the
3 plan at least every 2 years thereafter. To the
4 extent practicable, the Agency shall review and
5 propose any revisions to the long-term renewable
6 energy resources procurement plan in conjunction
7 with the Agency's other planning and approval
8 processes conducted under this Section. The
9 initial long-term renewable resources procurement
10 plan shall:

11 (aa) Identify the procurement programs and
12 competitive procurement events consistent with
13 the applicable requirements of the Illinois
14 Power Agency Act and shall be designed to
15 achieve the goals set forth in subsection (c)
16 of Section 1-75 of that Act.

17 (bb) Include a schedule for procurements
18 for renewable energy credits from
19 utility-scale wind projects, utility-scale
20 solar projects, and brownfield site
21 photovoltaic projects consistent with
22 subparagraph (G) of paragraph (1) of
23 subsection (c) of Section 1-75 of the Illinois
24 Power Agency Act.

25 (cc) Identify the process whereby the
26 Agency will submit to the Commission for

1 review and approval the proposed contracts to
2 implement the programs required by such plan.

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

1 comments received and shall file the plan with the
2 Commission for review and approval.

3 (C) Within 14 days after the filing of the
4 initial long-term renewable resources procurement
5 plan or any subsequent revisions, any person
6 objecting to the plan may file an objection with
7 the Commission. Within 21 days after the filing of
8 the plan, the Commission shall determine whether a
9 hearing is necessary. The Commission shall enter
10 its order confirming or modifying the initial
11 long-term renewable resources procurement plan or
12 any subsequent revisions within 120 days after the
13 filing of the plan by the Illinois Power Agency.

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

1 implement the programs authorized by the
2 Commission pursuant to a long-term renewable
3 resources procurement plan approved under this
4 Section.

5 In approving any long-term renewable resources
6 procurement plan after the effective date of this
7 amendatory Act of the 102nd General Assembly, the
8 Commission shall approve or modify the Agency's
9 proposal for minimum equity standards pursuant to
10 subsection (c-10) of Section 1-75 of the Illinois
11 Power Agency Act. The Commission shall consider
12 any analysis performed by the Agency in developing
13 its proposal, including past performance,
14 availability of equity eligible contractors, and
15 availability of equity eligible persons at the
16 time the long-term renewable resources procurement
17 plan is approved.

18 (iii) The Agency or third parties contracted by
19 the Agency shall implement all programs authorized by
20 the Commission in an approved long-term renewable
21 resources procurement plan without further review and
22 approval by the Commission. Third parties shall not
23 begin implementing any programs or receive any payment
24 under this Section until the Commission has approved
25 the contract or contracts under the process authorized
26 by the Commission in item (D) of subparagraph (ii) of

1 paragraph (5) of this subsection (b) and the third
2 party and the Agency or utility, as applicable, have
3 executed the contract. For those renewable energy
4 credits subject to procurement through a competitive
5 bid process under the plan or under the initial
6 forward procurements for wind and solar resources
7 described in subparagraph (G) of paragraph (1) of
8 subsection (c) of Section 1-75 of the Illinois Power
9 Agency Act, the Agency shall follow the procurement
10 process specified in the provisions relating to
11 electricity procurement in subsections (e) through (i)
12 of this Section.

13 (iv) An electric utility shall recover its costs
14 associated with the procurement of renewable energy
15 credits under this Section and pursuant to subsection
16 (c-5) of Section 1-75 of the Illinois Power Agency Act
17 through an automatic adjustment clause tariff under
18 subsection (k) or a tariff pursuant to subsection
19 (i-5), as applicable, of Section 16-108 of this Act. A
20 utility shall not be required to advance any payment
21 or pay any amounts under this Section that exceed the
22 actual amount of revenues collected by the utility
23 under paragraph (6) of subsection (c) of Section 1-75
24 of the Illinois Power Agency Act, subsection (c-5) of
25 Section 1-75 of the Illinois Power Agency Act, and
26 subsection (k) or subsection (i-5), as applicable, of

1 Section 16-108 of this Act, and contracts executed
2 under this Section shall expressly incorporate this
3 limitation.

4 (v) For the public interest, safety, and welfare,
5 the Agency and the Commission may adopt rules to carry
6 out the provisions of this Section on an emergency
7 basis immediately following the effective date of this
8 amendatory Act of the 99th General Assembly.

9 (vi) On or before July 1 of each year, the
10 Commission shall hold an informal hearing for the
11 purpose of receiving comments on the prior year's
12 procurement process and any recommendations for
13 change.

14 (b-5) An electric utility that as of January 1, 2019
15 served more than 300,000 retail customers in this State shall
16 purchase renewable energy credits from new renewable energy
17 facilities constructed at or adjacent to the sites of
18 coal-fueled electric generating facilities in this State in
19 accordance with subsection (c-5) of Section 1-75 of the
20 Illinois Power Agency Act. Except as expressly provided in
21 this Section, the plans and procedures for such procurements
22 shall not be included in the procurement plans provided for in
23 this Section, but rather shall be conducted and implemented
24 solely in accordance with subsection (c-5) of Section 1-75 of
25 the Illinois Power Agency Act.

26 (c) The provisions of this subsection (c) shall not apply

1 to procurements conducted pursuant to subsection (c-5) of
2 Section 1-75 of the Illinois Power Agency Act. However, the
3 Agency may retain a procurement administrator to assist the
4 Agency in planning and carrying out the procurement events and
5 implementing the other requirements specified in such
6 subsection (c-5) of Section 1-75 of the Illinois Power Agency
7 Act, with the costs incurred by the Agency for the procurement
8 administrator to be recovered through fees charged to
9 applicants for selection to sell and deliver renewable energy
10 credits to electric utilities pursuant to subsection (c-5) of
11 Section 1-75 of the Illinois Power Agency Act. The procurement
12 process set forth in Section 1-75 of the Illinois Power Agency
13 Act and subsection (e) of this Section shall be administered
14 by a procurement administrator and monitored by a procurement
15 monitor.

16 (1) The procurement administrator shall:

17 (i) design the final procurement process in
18 accordance with Section 1-75 of the Illinois Power
19 Agency Act and subsection (e) of this Section
20 following Commission approval of the procurement plan;

21 (ii) develop benchmarks in accordance with
22 subsection (e)(3) to be used to evaluate bids; these
23 benchmarks shall be submitted to the Commission for
24 review and approval on a confidential basis prior to
25 the procurement event;

26 (iii) serve as the interface between the electric

1 utility and suppliers;

2 (iv) manage the bidder pre-qualification and
3 registration process;

4 (v) obtain the electric utilities' agreement to
5 the final form of all supply contracts and credit
6 collateral agreements;

7 (vi) administer the request for proposals process;

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

20 (viii) maintain confidentiality of supplier and
21 bidding information in a manner consistent with all
22 applicable laws, rules, regulations, and tariffs;

23 (ix) submit a confidential report to the
24 Commission recommending acceptance or rejection of
25 bids;

26 (x) notify the utility of contract counterparties

1 and contract specifics; and

2 (xi) administer related contingency procurement
3 events.

4 (2) The procurement monitor, who shall be retained by
5 the Commission, shall:

6 (i) monitor interactions among the procurement
7 administrator, suppliers, and utility;

8 (ii) monitor and report to the Commission on the
9 progress of the procurement process;

10 (iii) provide an independent confidential report
11 to the Commission regarding the results of the
12 procurement event;

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

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

22 (vi) provide expert advice to the Commission and
23 consult with the procurement administrator regarding
24 issues related to procurement process design, rules,
25 protocols, and policy-related matters; and

26 (vii) consult with the procurement administrator

1 regarding the development and use of benchmark
2 criteria, standard form contracts, credit policies,
3 and bid documents.

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

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

18 (2) Beginning in 2008, the Illinois Power Agency shall
19 prepare a procurement plan by August 15th of each year, or
20 such other date as may be required by the Commission. The
21 procurement plan shall identify the portfolio of
22 demand-response and power and energy products to be
23 procured. Cost-effective demand-response measures shall be
24 procured as set forth in item (iii) of subsection (b) of
25 this Section. Copies of the procurement plan shall be
26 posted and made publicly available on the Agency's and

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

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

1 Illinois Power Agency.

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

9 (4.5) The Commission shall review the Agency's
10 recommendations for the selection of applicants to enter
11 into long-term contracts for the sale and delivery of
12 renewable energy credits from new renewable energy
13 facilities to be constructed at or adjacent to the sites
14 of coal-fueled electric generating facilities in this
15 State in accordance with the provisions of subsection
16 (c-5) of Section 1-75 of the Illinois Power Agency Act,
17 and shall approve the Agency's recommendations if the
18 Commission determines that the applicants recommended by
19 the Agency for selection, the proposed new renewable
20 energy facilities to be constructed, the amounts of
21 renewable energy credits to be delivered pursuant to the
22 contracts, and the other terms of the contracts, are
23 consistent with the requirements of subsection (c-5) of
24 Section 1-75 of the Illinois Power Agency Act.

25 (e) The procurement process shall include each of the
26 following components:

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

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

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

14 (3) Establishment of a market-based price benchmark.
15 As part of the development of the procurement process, the
16 procurement administrator, in consultation with the
17 Commission staff, Agency staff, and the procurement
18 monitor, shall establish benchmarks for evaluating the
19 final prices in the contracts for each of the products
20 that will be procured through the procurement process. The
21 benchmarks shall be based on price data for similar
22 products for the same delivery period and same delivery
23 hub, or other delivery hubs after adjusting for that
24 difference. The price benchmarks may also be adjusted to
25 take into account differences between the information
26 reflected in the underlying data sources and the specific

1 products and procurement process being used to procure
2 power for the Illinois utilities. The benchmarks shall be
3 confidential but shall be provided to, and will be subject
4 to Commission review and approval, prior to a procurement
5 event.

6 (4) Request for proposals competitive procurement
7 process. The procurement administrator shall design and
8 issue a request for proposals to supply electricity in
9 accordance with each utility's procurement plan, as
10 approved by the Commission. The request for proposals
11 shall set forth a procedure for sealed, binding commitment
12 bidding with pay-as-bid settlement, and provision for
13 selection of bids on the basis of price.

14 (5) A plan for implementing contingencies in the event
15 of supplier default or failure of the procurement process
16 to fully meet the expected load requirement due to
17 insufficient supplier participation, Commission rejection
18 of results, or any other cause.

19 (i) Event of supplier default: In the event of
20 supplier default, the utility shall review the
21 contract of the defaulting supplier to determine if
22 the amount of supply is 200 megawatts or greater, and
23 if there are more than 60 days remaining of the
24 contract term. If both of these conditions are met,
25 and the default results in termination of the
26 contract, the utility shall immediately notify the

1 Illinois Power Agency that a request for proposals
2 must be issued to procure replacement power, and the
3 procurement administrator shall run an additional
4 procurement event. If the contracted supply of the
5 defaulting supplier is less than 200 megawatts or
6 there are less than 60 days remaining of the contract
7 term, the utility shall procure power and energy from
8 the applicable regional transmission organization
9 market, including ancillary services, capacity, and
10 day-ahead or real time energy, or both, for the
11 duration of the contract term to replace the
12 contracted supply; provided, however, that if a needed
13 product is not available through the regional
14 transmission organization market it shall be purchased
15 from the wholesale market.

16 (ii) Failure of the procurement process to fully
17 meet the expected load requirement: If the procurement
18 process fails to fully meet the expected load
19 requirement due to insufficient supplier participation
20 or due to a Commission rejection of the procurement
21 results, the procurement administrator, the
22 procurement monitor, and the Commission staff shall
23 meet within 10 days to analyze potential causes of low
24 supplier interest or causes for the Commission
25 decision. If changes are identified that would likely
26 result in increased supplier participation, or that

1 would address concerns causing the Commission to
2 reject the results of the prior procurement event, the
3 procurement administrator may implement those changes
4 and rerun the request for proposals process according
5 to a schedule determined by those parties and
6 consistent with Section 1-75 of the Illinois Power
7 Agency Act and this subsection. In any event, a new
8 request for proposals process shall be implemented by
9 the procurement administrator within 90 days after the
10 determination that the procurement process has failed
11 to fully meet the expected load requirement.

12 (iii) In all cases where there is insufficient
13 supply provided under contracts awarded through the
14 procurement process to fully meet the electric
15 utility's load requirement, the utility shall meet the
16 load requirement by procuring power and energy from
17 the applicable regional transmission organization
18 market, including ancillary services, capacity, and
19 day-ahead or real time energy, or both; provided,
20 however, that if a needed product is not available
21 through the regional transmission organization market
22 it shall be purchased from the wholesale market.

23 (6) The procurement processes ~~process~~ described in
24 this subsection and in subsection (c-5) of Section 1-75 of
25 the Illinois Power Agency Act are ~~is~~ exempt from the
26 requirements of the Illinois Procurement Code, pursuant to

1 Section 20-10 of that Code.

2 (f) Within 2 business days after opening the sealed bids,
3 the procurement administrator shall submit a confidential
4 report to the Commission. The report shall contain the results
5 of the bidding for each of the products along with the
6 procurement administrator's recommendation for the acceptance
7 and rejection of bids based on the price benchmark criteria
8 and other factors observed in the process. The procurement
9 monitor also shall submit a confidential report to the
10 Commission within 2 business days after opening the sealed
11 bids. The report shall contain the procurement monitor's
12 assessment of bidder behavior in the process as well as an
13 assessment of the procurement administrator's compliance with
14 the procurement process and rules. The Commission shall review
15 the confidential reports submitted by the procurement
16 administrator and procurement monitor, and shall accept or
17 reject the recommendations of the procurement administrator
18 within 2 business days after receipt of the reports.

19 (g) Within 3 business days after the Commission decision
20 approving the results of a procurement event, the utility
21 shall enter into binding contractual arrangements with the
22 winning suppliers using the standard form contracts; except
23 that the utility shall not be required either directly or
24 indirectly to execute the contracts if a tariff that is
25 consistent with subsection (l) of this Section has not been
26 approved and placed into effect for that utility.

1 (h) For the procurement of standard wholesale products,
2 the names of the successful bidders and the load weighted
3 average of the winning bid prices for each contract type and
4 for each contract term shall be made available to the public at
5 the time of Commission approval of a procurement event. For
6 procurements conducted to meet the requirements of subsection
7 (b) of Section 1-56 or subsection (c) of Section 1-75 of the
8 Illinois Power Agency Act governed by the provisions of this
9 Section, the address and nameplate capacity of the new
10 renewable energy generating facility proposed by a winning
11 bidder shall also be made available to the public at the time
12 of Commission approval of a procurement event, along with the
13 business address and contact information for any winning
14 bidder. An estimate or approximation of the nameplate capacity
15 of the new renewable energy generating facility may be
16 disclosed if necessary to protect the confidentiality of
17 individual bid prices.

18 The Commission, the procurement monitor, the procurement
19 administrator, the Illinois Power Agency, and all participants
20 in the procurement process shall maintain the confidentiality
21 of all other supplier and bidding information in a manner
22 consistent with all applicable laws, rules, regulations, and
23 tariffs. Confidential information, including the confidential
24 reports submitted by the procurement administrator and
25 procurement monitor pursuant to subsection (f) of this
26 Section, shall not be made publicly available and shall not be

1 discoverable by any party in any proceeding, absent a
2 compelling demonstration of need, nor shall those reports be
3 admissible in any proceeding other than one for law
4 enforcement purposes. ~~The names of the successful bidders and~~
5 ~~the load weighted average of the winning bid prices for each~~
6 ~~contract type and for each contract term shall be made~~
7 ~~available to the public at the time of Commission approval of a~~
8 ~~procurement event. The Commission, the procurement monitor,~~
9 ~~the procurement administrator, the Illinois Power Agency, and~~
10 ~~all participants in the procurement process shall maintain the~~
11 ~~confidentiality of all other supplier and bidding information~~
12 ~~in a manner consistent with all applicable laws, rules,~~
13 ~~regulations, and tariffs. Confidential information, including~~
14 ~~the confidential reports submitted by the procurement~~
15 ~~administrator and procurement monitor pursuant to subsection~~
16 ~~(f) of this Section, shall not be made publicly available and~~
17 ~~shall not be discoverable by any party in any proceeding,~~
18 ~~absent a compelling demonstration of need, nor shall those~~
19 ~~reports be admissible in any proceeding other than one for law~~
20 ~~enforcement purposes.~~

21 (i) Within 2 business days after a Commission decision
22 approving the results of a procurement event or such other
23 date as may be required by the Commission from time to time,
24 the utility shall file for informational purposes with the
25 Commission its actual or estimated retail supply charges, as
26 applicable, by customer supply group reflecting the costs

1 associated with the procurement and computed in accordance
2 with the tariffs filed pursuant to subsection (l) of this
3 Section and approved by the Commission.

4 (j) Within 60 days following August 28, 2007 (the
5 effective date of Public Act 95-481), each electric utility
6 that on December 31, 2005 provided electric service to at
7 least 100,000 customers in Illinois shall prepare and file
8 with the Commission an initial procurement plan, which shall
9 conform in all material respects to the requirements of the
10 procurement plan set forth in subsection (b); provided,
11 however, that the Illinois Power Agency Act shall not apply to
12 the initial procurement plan prepared pursuant to this
13 subsection. The initial procurement plan shall identify the
14 portfolio of power and energy products to be procured and
15 delivered for the period June 2008 through May 2009, and shall
16 identify the proposed procurement administrator, who shall
17 have the same experience and expertise as is required of a
18 procurement administrator hired pursuant to Section 1-75 of
19 the Illinois Power Agency Act. Copies of the procurement plan
20 shall be posted and made publicly available on the
21 Commission's website. The initial procurement plan may include
22 contracts for renewable resources that extend beyond May 2009.

23 (i) Within 14 days following filing of the initial
24 procurement plan, any person may file a detailed objection
25 with the Commission contesting the procurement plan
26 submitted by the electric utility. All objections to the

1 electric utility's plan shall be specific, supported by
2 data or other detailed analyses. The electric utility may
3 file a response to any objections to its procurement plan
4 within 7 days after the date objections are due to be
5 filed. Within 7 days after the date the utility's response
6 is due, the Commission shall determine whether a hearing
7 is necessary. If it determines that a hearing is
8 necessary, it shall require the hearing to be completed
9 and issue an order on the procurement plan within 60 days
10 after the filing of the procurement plan by the electric
11 utility.

12 (ii) The order shall approve or modify the procurement
13 plan, approve an independent procurement administrator,
14 and approve or modify the electric utility's tariffs that
15 are proposed with the initial procurement plan. The
16 Commission shall approve the procurement plan if the
17 Commission determines that it will ensure adequate,
18 reliable, affordable, efficient, and environmentally
19 sustainable electric service at the lowest total cost over
20 time, taking into account any benefits of price stability.

21 (k) (Blank).

22 (k-5) (Blank).

23 (l) An electric utility shall recover its costs incurred
24 under this Section and subsection (c-5) of Section 1-75 of the
25 Illinois Power Agency Act, including, but not limited to, the
26 costs of procuring power and energy demand-response resources

1 under this Section and its costs for purchasing renewable
2 energy credits pursuant to subsection (c-5) of Section 1-75 of
3 the Illinois Power Agency Act. The utility shall file with the
4 initial procurement plan its proposed tariffs through which
5 its costs of procuring power that are incurred pursuant to a
6 Commission-approved procurement plan and those other costs
7 identified in this subsection (1), will be recovered. The
8 tariffs shall include a formula rate or charge designed to
9 pass through both the costs incurred by the utility in
10 procuring a supply of electric power and energy for the
11 applicable customer classes with no mark-up or return on the
12 price paid by the utility for that supply, plus any just and
13 reasonable costs that the utility incurs in arranging and
14 providing for the supply of electric power and energy. The
15 formula rate or charge shall also contain provisions that
16 ensure that its application does not result in over or under
17 recovery due to changes in customer usage and demand patterns,
18 and that provide for the correction, on at least an annual
19 basis, of any accounting errors that may occur. A utility
20 shall recover through the tariff all reasonable costs incurred
21 to implement or comply with any procurement plan that is
22 developed and put into effect pursuant to Section 1-75 of the
23 Illinois Power Agency Act and this Section, and for the
24 procurement of renewable energy credits pursuant to subsection
25 (c-5) of Section 1-75 of the Illinois Power Agency Act,
26 including any fees assessed by the Illinois Power Agency,

1 costs associated with load balancing, and contingency plan
2 costs. The electric utility shall also recover its full costs
3 of procuring electric supply for which it contracted before
4 the effective date of this Section in conjunction with the
5 provision of full requirements service under fixed-price
6 bundled service tariffs subsequent to December 31, 2006. All
7 such costs shall be deemed to have been prudently incurred.
8 The pass-through tariffs that are filed and approved pursuant
9 to this Section shall not be subject to review under, or in any
10 way limited by, Section 16-111(i) of this Act. All of the costs
11 incurred by the electric utility associated with the purchase
12 of zero emission credits in accordance with subsection (d-5)
13 of Section 1-75 of the Illinois Power Agency Act, all costs
14 incurred by the electric utility associated with the purchase
15 of carbon mitigation credits in accordance with subsection
16 (d-10) of Section 1-75 of the Illinois Power Agency Act, and,
17 beginning June 1, 2017, all of the costs incurred by the
18 electric utility associated with the purchase of renewable
19 energy resources in accordance with Sections 1-56 and 1-75 of
20 the Illinois Power Agency Act, and all of the costs incurred by
21 the electric utility in purchasing renewable energy credits in
22 accordance with subsection (c-5) of Section 1-75 of the
23 Illinois Power Agency Act, shall be recovered through the
24 electric utility's tariffed charges applicable to all of its
25 retail customers, as specified in subsection (k) or subsection
26 (i-5), as applicable, of Section 16-108 of this Act, and shall

1 not be recovered through the electric utility's tariffed
2 charges for electric power and energy supply to its eligible
3 retail customers.

4 (m) The Commission has the authority to adopt rules to
5 carry out the provisions of this Section. For the public
6 interest, safety, and welfare, the Commission also has
7 authority to adopt rules to carry out the provisions of this
8 Section on an emergency basis immediately following August 28,
9 2007 (the effective date of Public Act 95-481).

10 (n) Notwithstanding any other provision of this Act, any
11 affiliated electric utilities that submit a single procurement
12 plan covering their combined needs may procure for those
13 combined needs in conjunction with that plan, and may enter
14 jointly into power supply contracts, purchases, and other
15 procurement arrangements, and allocate capacity and energy and
16 cost responsibility therefor among themselves in proportion to
17 their requirements.

18 (o) On or before June 1 of each year, the Commission shall
19 hold an informal hearing for the purpose of receiving comments
20 on the prior year's procurement process and any
21 recommendations for change.

22 (p) An electric utility subject to this Section may
23 propose to invest, lease, own, or operate an electric
24 generation facility as part of its procurement plan, provided
25 the utility demonstrates that such facility is the least-cost
26 option to provide electric service to those retail customers

1 included in the plan's electric supply service requirements.
2 If the facility is shown to be the least-cost option and is
3 included in a procurement plan prepared in accordance with
4 Section 1-75 of the Illinois Power Agency Act and this
5 Section, then the electric utility shall make a filing
6 pursuant to Section 8-406 of this Act, and may request of the
7 Commission any statutory relief required thereunder. If the
8 Commission grants all of the necessary approvals for the
9 proposed facility, such supply shall thereafter be considered
10 as a pre-existing contract under subsection (b) of this
11 Section. The Commission shall in any order approving a
12 proposal under this subsection specify how the utility will
13 recover the prudently incurred costs of investing in, leasing,
14 owning, or operating such generation facility through just and
15 reasonable rates charged to those retail customers included in
16 the plan's electric supply service requirements. Cost recovery
17 for facilities included in the utility's procurement plan
18 pursuant to this subsection shall not be subject to review
19 under or in any way limited by the provisions of Section
20 16-111(i) of this Act. Nothing in this Section is intended to
21 prohibit a utility from filing for a fuel adjustment clause as
22 is otherwise permitted under Section 9-220 of this Act.

23 (q) If the Illinois Power Agency filed with the
24 Commission, under Section 16-111.5 of this Act, its proposed
25 procurement plan for the period commencing June 1, 2017, and
26 the Commission has not yet entered its final order approving

1 the plan on or before the effective date of this amendatory Act
2 of the 99th General Assembly, then the Illinois Power Agency
3 shall file a notice of withdrawal with the Commission, after
4 the effective date of this amendatory Act of the 99th General
5 Assembly, to withdraw the proposed procurement of renewable
6 energy resources to be approved under the plan, other than the
7 procurement of renewable energy credits from distributed
8 renewable energy generation devices using funds previously
9 collected from electric utilities' retail customers that take
10 service pursuant to electric utilities' hourly pricing tariff
11 or tariffs and, for an electric utility that serves less than
12 100,000 retail customers in the State, other than the
13 procurement of renewable energy credits from distributed
14 renewable energy generation devices. Upon receipt of the
15 notice, the Commission shall enter an order that approves the
16 withdrawal of the proposed procurement of renewable energy
17 resources from the plan. The initially proposed procurement of
18 renewable energy resources shall not be approved or be the
19 subject of any further hearing, investigation, proceeding, or
20 order of any kind.

21 This amendatory Act of the 99th General Assembly preempts
22 and supersedes any order entered by the Commission that
23 approved the Illinois Power Agency's procurement plan for the
24 period commencing June 1, 2017, to the extent it is
25 inconsistent with the provisions of this amendatory Act of the
26 99th General Assembly. To the extent any previously entered

1 order approved the procurement of renewable energy resources,
2 the portion of that order approving the procurement shall be
3 void, other than the procurement of renewable energy credits
4 from distributed renewable energy generation devices using
5 funds previously collected from electric utilities' retail
6 customers that take service under electric utilities' hourly
7 pricing tariff or tariffs and, for an electric utility that
8 serves less than 100,000 retail customers in the State, other
9 than the procurement of renewable energy credits for
10 distributed renewable energy generation devices.

11 (Source: P.A. 99-906, eff. 6-1-17.)

12 (220 ILCS 5/16-111.10 new)

13 Sec. 16-111.10. Equitable Energy Upgrade Program.

14 (a) The General Assembly finds and declares that Illinois
15 homes and businesses can contribute to the creation of a clean
16 energy economy, conservation of natural resources, and
17 reliability of the electricity grid through the installation
18 of cost-effective renewable energy generation, energy
19 efficiency and demand response equipment, and energy storage
20 systems. Further, a large portion of Illinois residents and
21 businesses that would benefit from the installation of energy
22 efficiency, storage, and renewable energy generation systems
23 are unable to purchase systems due to capital or credit
24 barriers. This State should pursue options to enable many more
25 Illinoisans to access the health, environmental, and financial

1 benefits of new clean energy technology.

2 (b) As used in this Section:

3 "Commission" means the Illinois Commerce Commission.

4 "Energy project" means renewable energy generation
5 systems, including solar projects, energy efficiency upgrades,
6 energy storage systems, demand response equipment, or any
7 combination thereof.

8 "Fund" means the Clean Energy Jobs and Justice Fund
9 established in the Clean Energy Jobs and Justice Fund Act.

10 "Program" means the Equitable Energy Upgrade Program
11 established under subsection (c).

12 "Utility" means electric public utilities providing
13 services to 500,000 or more customers under this Act.

14 (c) The Commission shall open an investigation into and
15 direct all electric public utilities in this State to adopt an
16 Equitable Energy Upgrade Program that permits customers to
17 finance the construction of energy projects through an
18 optional tariff payable directly through their utility bill,
19 modeled after the Pay As You Save system, developed by the
20 Energy Efficiency Institute. The Program model shall enable
21 utilities to offer to make investments in energy projects to
22 customer properties with low-cost capital and use an opt-in
23 tariff to recover the costs. The Program shall be designed to
24 provide customers with immediate financial savings if they
25 choose to participate. The Program shall allow residential
26 electric utility customers that own the property, or renters

1 that have permission of the property owner, for which they
2 subscribe to utility service to agree to the installation of
3 an energy project. The Program shall ensure:

4 (1) eligible projects do not require upfront payments;
5 however, customers may pay down the costs for projects
6 with a payment to the installing contractor in order to
7 qualify projects that would otherwise require upfront
8 payments;

9 (2) eligible projects have sufficient estimated
10 savings and estimated life span to produce significant,
11 immediate net savings;

12 (3) participants shall agree the utility can recover
13 its costs for the projects at their location by paying for
14 the project through an optional tariff directly through
15 the participant's electricity bill, allowing participants
16 to benefit from installation of energy projects without
17 traditional loans;

18 (4) accessibility by lower-income residents and
19 environmental justice community residents; and

20 (5) the utility must ensure that customers who are
21 interested in participating are notified that if they are
22 income qualified, they may also be eligible for the
23 Percentage of Income Payment Plan program and free energy
24 improvements through other programs and provide contact
25 information.

26 (d) The Commission shall establish Program guidelines with

1 the anticipated schedule of Program availability as follows:

2 (1) Year 1: Beginning in the first year of operation,
3 each utility is required to obtain low-cost capital of at
4 least \$20,000,000 annually for investments in energy
5 projects.

6 (2) Year 2: Beginning in the second year of operation,
7 each utility is required to obtain low-cost capital for
8 investments in energy projects of at least \$40,000,000
9 annually.

10 (3) Year 3: Beginning in the third year of operation,
11 each utility is required to obtain low-cost capital for
12 investments in as many systems as customers demand,
13 subject to available capital provided by the utility,
14 State, or other lenders.

15 (e) In the design of the Program, the Commission shall:

16 (1) Within 270 days after the effective date of this
17 amendatory Act of the 102nd General Assembly, convene a
18 workshop during which interested participants may discuss
19 issues and submit comments related to the Program.

20 (2) Establish Program guidelines for implementation of
21 the Program in accordance with the Pay As You Save
22 Essential Elements and Minimum Program Requirements that
23 electric utilities must abide by when implementing the
24 Program. Program guidelines established by the Commission
25 shall include the following elements:

26 (A) The Commission shall establish conditions

1 under which utilities secure capital to fund the
2 energy projects. The Commission may allow utilities to
3 raise capital independently, work with third-party
4 lenders to secure the capital for participants, or a
5 combination thereof. Any process the Commission
6 approves must use a market mechanism to identify the
7 least costly sources of capital funds so as to pass on
8 maximum savings to participants. The State or the
9 Clean Energy Jobs and Justice Fund may also provide
10 capital for the Program.

11 (B) Customer protection guidelines should be
12 designed consistent with Pay As You Save Essential
13 Elements and Minimum Program Requirements.

14 (C) The Commission shall establish conditions by
15 which utilities may connect Program participants to
16 energy project vendors. In setting conditions for
17 connection, the Commission may prioritize vendors that
18 have a history of good relations with the State,
19 including vendors that have hired participants from
20 State-created job training programs.

21 (D) Guarantee that conservative estimates of
22 financial savings will immediately and significantly
23 exceed Program costs for Program participants.

24 (f) Within 120 days after the Commission releases the
25 Program conditions established under this Section, each
26 utility subject to the requirements of this Section shall

1 submit an informational filing to the Commission that
2 describes its plan for implementing the provisions of this
3 Section. If the Commission finds that the submission does not
4 properly comply with the statutory or regulatory requirements
5 of the Program, the Commission may require that the utility
6 make modifications to its filing.

7 (g) An independent process evaluation shall be conducted
8 after one year of the Program's operation. An independent
9 impact evaluation shall be conducted after 3 years of
10 operation, excluding one-time startup costs and results from
11 the first 12 months of the Program. The Commission shall
12 convene an advisory council of stakeholders, including
13 representation of low-income and environmental justice
14 community members to make recommendations in response to the
15 findings of the independent evaluation.

16 (h) The Program shall be designed using the Pay As You Save
17 system guidelines to be cost-effective for customers. Only
18 projects that are deemed to be cost-effective and can be
19 reasonably expected to ensure customer savings are eligible
20 for funding through the Program, unless, as specified in
21 paragraph (1) of subsection (c), customers able to make
22 upfront copayments to installers buy down the cost of projects
23 so it can be deemed cost-effective.

24 (i) Eligible customers must be:

25 (1) property renters with permission of the property
26 owner; or

1 (2) property owners.

2 (j) The calculation of project cost-effectiveness shall be
3 based upon the Pay As You Save system requirements.

4 (1) The calculation of cost-effectiveness must be
5 conducted by an objective process approved by the
6 Commission and based on rates in effect at the time of
7 installation.

8 (2) A project shall be considered cost-effective only
9 if it is estimated to produce significant immediate net
10 savings, not counting copayments voluntarily made by
11 customers. The Commission may establish guidelines by
12 which this required savings is estimated.

13 (k) The Program should be modeled after the Pay As You Save
14 system, by which Program participants finance energy projects
15 using the savings that the energy project creates with a
16 tariffed on-bill program. Eligible projects shall not create
17 personal debt for the customer, result in a lien in the event
18 of nonpayment, or require customers to pay monthly charges for
19 any upgrade that fails and is not repaired within 21 days. The
20 utility may restart charges once the upgrade is repaired and
21 functioning and extend the term of payments to recover its
22 costs for missed payments and deferred cost recovery,
23 providing the upgrade continues to function.

24 (l) Any energy project that is defective or damaged due to
25 no fault of the participant must be either replaced or
26 repaired with parts that meet industry standards at the cost

1 of the utility or vendor, as specified by the Commission, and
2 charges shall be suspended until repairs or replacement is
3 completed. The Commission may establish, increase, or replace
4 the requirements imposed in this subsection. The Commission
5 may determine that this responsibility is best handled by
6 participating project vendors in the form of insurance,
7 contractual guarantees, or other mechanisms, and issue rules
8 detailing this requirement. Customers shall not be charged
9 monthly payments for upgrades that are no longer functioning.

10 (m) In the event of nonpayment, the remaining balance due
11 to pay off the system shall remain with the utility meter at an
12 upgraded location. The Commission shall establish conditions
13 subject to this constraint in the event of nonpayment that are
14 in accordance with the Pay As You Save system.

15 (n) If the demand by utility customers exceeds the Program
16 capital supply in a given year, utilities shall ensure that
17 50% of participants are:

18 (1) customers in neighborhoods where a majority of
19 households make 150% or less of area median income; or

20 (2) residents of environmental justice communities.

21 (o) Utilities shall endeavor to inform customers about the
22 availability of the Program, their potential eligibility for
23 participation in the Program, and whether they are likely to
24 save money on the basis of an estimate conducted using
25 variables consistent with the Program that the utility has at
26 its disposal. The Commission may establish guidelines by which

1 utilities must abide by this directive and alternatives if the
2 Commission deems utilities' efforts as inadequate.

3 (p) Subject to Commission specifications under subsection
4 (c), each utility shall work with certified project vendors
5 selected using a request for proposals process to establish
6 the terms and processes under which a utility can install
7 eligible renewable energy generation and energy storage
8 systems using the capital to fit the Equitable Energy Upgrade
9 model. The certified project vendor shall explain and offer
10 the approved upgrades to customers and shall assist customers
11 in applying for financing through the Program. As part of the
12 process, vendors shall also provide participants with
13 information about any other relevant incentives that may be
14 available.

15 (q) An electric utility shall recover all of the prudently
16 incurred costs of offering a program approved by the
17 Commission under this Section. For investor-owned utilities,
18 shareholder incentives will be proportional to meeting
19 Commission approved thresholds for the number of customers
20 served and the amount of its investments in those locations.

21 (r) The Commission shall adopt all rules necessary for the
22 administration of this Section.

23 (220 ILCS 5/16-127)

24 Sec. 16-127. Environmental disclosure.

25 (a) ~~Every Effective January 1, 2013, every~~ electric

1 utility and alternative retail electric supplier shall provide
2 the following information, to the maximum extent practicable,
3 to its customers on a quarterly basis:

4 (i) the known sources of electricity supplied,
5 broken-out by percentages, of biomass power, coal-fired
6 power, hydro power, natural gas-fired power, nuclear
7 power, oil-fired power, solar power, wind power and other
8 resources, respectively;

9 (ii) a pie chart that graphically depicts the
10 percentages of the sources of the electricity supplied as
11 set forth in subparagraph (i) of this subsection;

12 (iii) a pie chart that graphically depicts the
13 quantity of renewable energy resources procured pursuant
14 to Section 1-75 of the Illinois Power Agency Act as a
15 percentage of electricity supplied to serve eligible
16 retail customers as defined in Section 16-111.5(a) of this
17 Act; and

18 (iv) ~~after May, 31, 2017,~~ a pie chart that graphically
19 depicts the quantity of zero emission credits from zero
20 emission facilities procured under Section 1-75 of the
21 Illinois Power Agency Act as a percentage of the actual
22 load of retail customers within its service area and, for
23 an electric utility serving over 3,000,000 customers, the
24 quantity of carbon mitigation credits from carbon-free
25 energy resources procured under Section 1-75 of the
26 Illinois Power Agency Act, which may be depicted in

1 combination with the zero emission credits procured.

2 (b) In addition, every electric utility and alternative
3 retail electric supplier shall provide, to the maximum extent
4 practicable, to its customers on a quarterly basis, a
5 standardized chart in a format to be determined by the
6 Commission in a rule following notice and hearings which
7 provides the amounts of carbon dioxide, nitrogen oxides and
8 sulfur dioxide emissions and nuclear waste attributable to the
9 known sources of electricity supplied as set forth in
10 subparagraph (i) of subsection (a) of this Section.

11 (c) The electric utilities and alternative retail electric
12 suppliers may provide their customers with such other
13 information as they believe relevant to the information
14 required in subsections (a) and (b) of this Section. All of the
15 information required in subsections (a) and (b) of this
16 Section shall be made available by the electric utilities or
17 alternative retail electric suppliers either in an electronic
18 medium, such as on a website or by electronic mail, or through
19 the U.S. Postal Service.

20 (d) For the purposes of subsection (a) of this Section,
21 "biomass" means dedicated crops grown for energy production
22 and organic wastes.

23 (e) All of the information provided in subsections (a) and
24 (b) of this Section shall be presented to the Commission for
25 inclusion in its World Wide Web Site.

26 (Source: P.A. 99-906, eff. 6-1-17.)

1 (220 ILCS 5/16-135 new)

2 Sec. 16-135. Energy Storage Program.

3 (a) The Illinois General Assembly hereby finds and
4 declares that:

5 (1) Energy storage systems provide opportunities to:

6 (A) reduce costs to ratepayers directly or
7 indirectly by avoiding or deferring the need for
8 investment in new generation and for upgrades to
9 systems for the transmission and distribution of
10 electricity;

11 (B) reduce the use of fossil fuels for meeting
12 demand during peak load periods;

13 (C) provide ancillary services such as frequency
14 response, load following, and voltage support;

15 (D) assist electric utilities with integrating
16 sources of renewable energy into the grid for the
17 transmission and distribution of electricity, and with
18 maintaining grid stability;

19 (E) support diversification of energy resources;

20 (F) enhance the resilience and reliability of the
21 electric grid; and

22 (G) reduce greenhouse gas emissions and other air
23 pollutants resulting from power generation, thereby
24 minimizing public health impacts that result from
25 power generation.

1 (2) There are significant barriers to obtaining the
2 benefits of energy storage systems, including inadequate
3 valuation of the services that energy storage can provide
4 to the grid and the public.

5 (3) It is in the public interest to:

6 (A) develop a robust competitive market for
7 existing and new providers of energy storage systems
8 in order to leverage Illinois' position as a leader in
9 advanced energy and to capture the potential for
10 economic development;

11 (B) implement targets and programs to achieve
12 deployment of energy storage systems; and

13 (C) modernize distributed energy resource programs
14 and interconnection standards to lower costs and
15 efficiently deploy energy storage systems in order to
16 increase economic development and job creation within
17 the state's clean energy economy.

18 (b) In this Section:

19 "Energy storage peak standard" means a percentage of
20 annual retail electricity sales during peak hours that an
21 electric utility must derive from electricity discharged from
22 eligible energy storage systems.

23 "Deployment" means the installation of energy storage
24 systems through a variety of mechanisms, including utility
25 procurement, customer installation, or other processes.

26 "Electric utility" has the same meaning as provided in

1 Section 16-102 of this Act.

2 "Energy storage system" means a technology that is capable
3 of absorbing zero-carbon energy, storing it for a period of
4 time, and redelivering that energy after it has been stored in
5 order to provide direct or indirect benefits to the broader
6 electricity system. The term includes, but is not limited to,
7 electrochemical, thermal, and electromechanical technologies.

8 "Nonwires alternatives solicitation" means a utility
9 solicitation for third-party-owned or utility-owned
10 distributed energy resources that uses nontraditional
11 solutions to defer or replace planned investment on the
12 distribution or transmission system.

13 "Total peak demand" means the highest hourly electricity
14 demand for an electric utility in a given year, measured in
15 megawatts, from all of the electric utility's customers of
16 distribution service.

17 (c) The Commission, in consultation with the Illinois
18 Power Agency, shall initiate a proceeding to examine specific
19 programs, mechanisms, and policies that could support the
20 deployment of energy storage systems. The Illinois Commerce
21 Commission shall engage a broad group of Illinois
22 stakeholders, including electric utilities, the energy storage
23 industry, the renewable energy industry, and others to inform
24 the proceeding. The proceeding must, at minimum:

25 (1) develop a framework to identify and measure the
26 potential costs, benefits, that deployment of energy

1 storage could produce, as well as barriers to realizing
2 such benefits, including, but not limited to:

3 (A) avoided cost and deferred investments in
4 generation, transmission, and distribution facilities;

5 (B) reduced ancillary services costs;

6 (C) reduced transmission and distribution
7 congestion;

8 (D) lower peak power costs and reduced capacity
9 costs;

10 (E) reduced costs for emergency power supplies
11 during outages;

12 (F) reduced curtailment of renewable energy
13 generators;

14 (G) reduced greenhouse gas emissions and other
15 criteria air pollutants;

16 (H) increased grid hosting capacity of renewable
17 energy generators that produce energy on an
18 intermittent basis;

19 (I) increased reliability and resilience of the
20 electric grid;

21 (J) reduced line losses;

22 (K) increased resource diversification;

23 (L) increased economic development;

24 (2) analyze and estimate:

25 (A) the impact on the system's ability to
26 integrate renewable resources;

1 (B) the benefits of addition of storage at
2 specific locations, such as at existing peaking units
3 or locations on the grid close to large load centers;

4 (C) the impact on grid reliability and power
5 quality; and

6 (D) the effect on retail electric rates and supply
7 rates over the useful life of a given energy storage
8 system; and

9 (3) Evaluate and identify cost-effective policies and
10 programs to support the deployment of energy storage
11 systems, including, but not limited to:

12 (A) incentive programs;

13 (B) energy storage peak standards;

14 (C) nonwires alternative solicitation;

15 (D) peak demand reduction programs for
16 behind-the-meter storage for all customer classes;

17 (E) value of distributed energy resources
18 programs;

19 (F) tax incentives;

20 (G) time-varying rates;

21 (H) updating of interconnection processes and
22 metering standards; and

23 (I) procurement by the Illinois Power Agency of
24 energy storage resources.

25 (d) The Commission shall, no later than May 31, 2022,
26 submit to the General Assembly and the Governor any

1 recommendations for additional legislative, regulatory, or
2 executive actions based on the findings of the proceeding.

3 (e) At the conclusion of the proceeding required under
4 subsection (c), the Commission shall consider and recommend to
5 the Governor and General Assembly energy storage deployment
6 targets, if any, for each electric utility that serves more
7 than 200,000 customers to be achieved by December 31, 2032,
8 including recommended interim targets.

9 (f) In setting recommendations for energy storage
10 deployment targets, the Commission shall:

11 (1) take into account the costs and benefits of
12 procuring energy storage according to the framework
13 developed in the proceeding under subsection (c);

14 (2) consider establishing specific subcategories of
15 deployment of systems by point of interconnection or
16 application in addition to the 10% requirement for
17 behind-the-meter energy storage in item (D) of paragraph
18 (3) of subsection (c).

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 90-52. 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, 2022 ~~2021~~, assess each of
20 its customer accounts a monthly Energy Assistance Charge for
21 the Supplemental Low-Income Energy Assistance Fund. The
22 delivering public utility, municipal electric or gas utility,
23 or electric or gas cooperative for a self-assessing purchaser
24 remains subject to the collection of the fee imposed by this
25 Section. 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 ~~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 100,000 ~~25,000~~ customers in Illinois on
8 January 1, 2021. The incremental change to such charges
9 imposed by this amendatory Act of the 102nd General Assembly
10 are intended to increase utilization of the Percentage of
11 Income Payment Plan (PIPP or PIP Plan) and shall be applied
12 such that PIP Plan enrollment is at least doubled, as compared
13 to 2020 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 -

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 monies

1 collected under subsection (b) of Section 13 of this Act
2 for all PIPPs implemented in the State; monies allocated
3 to each utility for implementation of its PIPP; and monies
4 allocated to each utility for other purposes, including a
5 description of each of those purposes. The Commission
6 shall publish 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 90-55. The Environmental Protection Act is amended
19 by adding Sections 3.131 and 9.18 and by changing Sections
20 9.15 and 22.59 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 emission" means the plant annual CO₂ total
2 output emission as measured by the United States Environmental
3 Protection Agency in its Emissions & Generation Resource
4 Integrated Database (eGrid).

5 "Carbon dioxide equivalent emissions" or "CO₂e" means the
6 sum total of the mass amount of emissions in tons per year,
7 calculated by multiplying the mass amount of each of the 6
8 greenhouse gases specified in Section 3.207, in tons per year,
9 by its associated global warming potential as set forth in 40
10 CFR 98, subpart A, table A-1 or its successor, and then adding
11 them all together.

12 "Cogeneration" or "combined heat and power" refers to any
13 system that, either simultaneously or sequentially, produces
14 electricity and useful thermal energy from a single fuel
15 source.

16 "Copollutants" refers to the 6 criteria pollutants that
17 have been identified by the United States Environmental
18 Protection Agency pursuant to the Clean Air Act.

19 "Electric generating unit" or "EGU" means a fossil
20 fuel-fired stationary boiler, combustion turbine, or combined
21 cycle system that serves as a generator that has a nameplate
22 capacity greater than 25 MWe and produces electricity for
23 sale.

24 "Environmental justice community" means the definition of
25 that term based on existing methodologies and findings, used
26 and as may be updated by the Illinois Power Agency and its

1 program administrator in the Illinois Solar for All Program.

2 "Equity investment eligible community" or "eligible
3 community" means the geographic areas throughout Illinois that
4 would most benefit from equitable investments by the State
5 designed to combat discrimination and foster sustainable
6 economic growth. Specifically, eligible community means the
7 following areas:

8 (1) areas where residents have been historically
9 excluded from economic opportunities, including
10 opportunities in the energy sector, as defined as R3 areas
11 pursuant to Section 10-40 of the Cannabis Regulation and
12 Tax Act; and

13 (2) areas where residents have been historically
14 subject to disproportionate burdens of pollution,
15 including pollution from the energy sector, as established
16 by environmental justice communities as defined by the
17 Illinois Power Agency pursuant to the Illinois Power
18 Agency Act, excluding any racial or ethnic indicators.

19 "Equity investment eligible person" or "eligible person"
20 means the persons who would most benefit from equitable
21 investments by the State designed to combat discrimination and
22 foster sustainable economic growth. Specifically, eligible
23 person means the following people:

24 (1) persons whose primary residence is in an equity
25 investment eligible community;

26 (2) persons whose primary residence is in a

1 municipality, or a county with a population under 100,000,
2 where the closure of an electric generating unit or mine
3 has been publicly announced or the electric generating
4 unit or mine is in the process of closing or closed within
5 the last 5 years;

6 (3) persons who are graduates of or currently enrolled
7 in the foster care system; or

8 (4) persons who were formerly incarcerated.

9 "Green hydrogen" means a power plant technology in which
10 an EGU creates electric power exclusively from electrolytic
11 hydrogen, in a manner that produces zero carbon and
12 copollutant emissions, using hydrogen fuel that is
13 electrolyzed using a 100% renewable zero carbon emission
14 energy source.

15 "Large greenhouse gas-emitting unit" or "large
16 GHG-emitting unit" means a unit that is an electric generating
17 unit or other fossil fuel-fired unit that itself has a
18 nameplate capacity or serves a generator that has a nameplate
19 capacity greater than 25 MWe and that produces electricity,
20 including, but not limited to, coal-fired, coal-derived,
21 oil-fired, natural gas-fired, and cogeneration units.

22 "NO_x emission rate" means the "plant annual NO_x total
23 output emission rate" as measured by the United States
24 Environmental Protection Agency in its Emissions & Generation
25 Resource Integrated Database (eGrid), in the most recent year
26 for which data is available.

1 "Public greenhouse gas-emitting units" or "public
2 GHG-emitting unit" means large greenhouse gas-emitting units,
3 including EGUs, that are wholly owned, directly or indirectly,
4 by one or more municipalities, municipal corporations, joint
5 municipal electric power agencies, electric cooperatives, or
6 other governmental or nonprofit entities, whether organized
7 and created under the laws of Illinois or another state.

8 "SO₂ emission rate" means the "plant annual SO₂ total
9 output emission rate" as measured by the United States
10 Environmental Protection Agency in its Emissions & Generation
11 Resource Integrated Database (eGrid), in the most recent year
12 for which data is available.

13 (g) All EGUs and large greenhouse gas-emitting units that
14 use coal or oil as a fuel and are not public GHG-emitting units
15 shall permanently reduce all CO₂e and copollutant emissions to
16 zero no later than January 1, 2030.

17 (h) All public GHG-emitting units that use coal as a fuel
18 source shall reduce carbon dioxide emissions by 105% of the
19 unit's 2021 annual carbon emission amount. At least 95% of the
20 carbon dioxide emission reductions shall be attained through
21 carbon capture and sequestration or unit retirement by 2045.
22 The remainder of the total carbon dioxide emission reductions
23 required by this subsection by 2045 and thereafter shall be
24 attained through direct air carbon capture or any other
25 available technology proven to directly remove carbon dioxide
26 from the atmosphere. If a public GHG-emitting unit with less

1 than 700 megawatts of nameplate capacity attains 100% carbon
2 dioxide emission reductions through unit retirement, it is
3 exempt from the requirements of this subsection. All EGUs and
4 large greenhouse gas-emitting units that use coal as a fuel
5 and are public GHG-emitting units that are greater than 700
6 megawatts of nameplate capacity shall:

7 (1) As of the effective date of this amendatory Act of
8 the 102nd General Assembly, be authorized to begin
9 purchasing renewable energy credits, without regard to the
10 commercial operations date of the resource and without
11 regard to the location of the resource, and carbon dioxide
12 offsets that may be retired in 2035 to meet the
13 requirements of paragraph (3).

14 (2) No later than January 1, 2027, file a plan with the
15 Illinois Power Agency, Illinois Commerce Commission, and
16 the Board describing the public GHG-emitting unit's plan,
17 including the means for achieving compliance and the
18 associated anticipated carbon dioxide emission reduction,
19 to meet the carbon emission reduction requirements under
20 this subsection. This plan should describe the public
21 GHG-emitting unit's plan to achieve 105% reduction of the
22 unit's 2019 annual carbon emission amount by 2045 and
23 maintain this net negative carbon emission for the life of
24 the unit. The public GHG-emitting unit shall use carbon
25 dioxide reduction credit accounting sourced from
26 technology commercially proven to reduce carbon emissions

1 to meet the carbon dioxide reduction targets in paragraph
2 (3). For purposes of this subsection, "carbon dioxide
3 reduction credit accounting" includes the following
4 compliance measures: operational changes and efficiency
5 improvements, carbon capture, carbon utilization, carbon
6 storage, direct air capture, unit retirement, emission
7 control technology, purchase of renewable energy credits
8 by the public GHG-emitting unit or its owners from
9 anywhere in the continental United States, investment in
10 carbon offset credits that result in carbon dioxide or CO₂e
11 emission reductions, investment in demand response,
12 investment in energy efficiency, or public electric
13 vehicle adoption incentives based on nationally recognized
14 standards to meet its carbon emission reduction
15 requirements. One renewable energy credit shall be
16 sufficient to offset the carbon dioxide emission of one
17 megawatt-hour of electricity generated by the public
18 GHG-emitting unit. For purposes of this paragraph,
19 "renewable energy credit" means a tradable credit that
20 represents the environmental attributes of one megawatt
21 hour of energy produced from a renewable energy resource.
22 Offset credits that are not renewable energy credits must
23 be unique, real, permanent, verified, and enforceable
24 reductions that are additional to standard business
25 practices, employ competent and reliable scientific and
26 accounting methods to quantify claimed emission

1 reductions, and result from a specific activity or set of
2 activities that actually reduce greenhouse gas emissions,
3 increase the storage of carbon, or enhance greenhouse gas
4 removal from the atmosphere.

5 (3) No later than January 1, 2035, reduce carbon
6 dioxide emissions by 20% of the unit's 2021 annual carbon
7 emission amount through use of the carbon dioxide
8 reduction credit accounting compliance measures under
9 paragraph (2).

10 (4) No later than January 1, 2040, reduce carbon
11 dioxide emissions by 50% of the unit's 2021 annual carbon
12 emission amount. At least 45% of the carbon dioxide
13 emission reductions shall be attained through carbon
14 capture and sequestration or unit retirement. Up to 5% of
15 the carbon dioxide emission reductions shall be attained
16 through direct air carbon capture.

17 (i) All EGUs and large greenhouse gas-emitting units that
18 use gas as a fuel and are not public GHG-emitting units shall
19 permanently reduce all CO₂e and copollutant emissions to zero,
20 including through the use of 100% green hydrogen or other
21 similar technology that is commercially proven to achieve zero
22 carbon emissions, according to the following:

23 (1) No later than January 1, 2030: all EGUs and large
24 greenhouse gas-emitting units that have a NO_x emissions
25 rate of greater than 0.12 lbs/MWh or a SO₂ emission rate of
26 greater than 0.006 lb/MWh, and are located in or within 3

1 miles of an environmental justice community or an equity
2 investment eligible community.

3 (2) No later than January 1, 2035: all EGUs and large
4 greenhouse gas-emitting units that have a NO_x emission
5 rate of greater than 0.12 lbs/MWh or a SO₂ emission rate
6 greater than 0.006 lb/MWh, and are not located in or
7 within 3 miles of an environmental justice community or an
8 equity investment eligible community.

9 (3) No later than January 1, 2040: all EGUs and large
10 greenhouse gas-emitting units that began operation prior
11 to the effective date of this amendatory Act of the 102nd
12 General Assembly and have a NO_x emission rate of less than
13 or equal to 0.12 lb/MWh and a SO₂ emission rate less than
14 or equal to 0.006 lb/MWh, but not including any EGUs and
15 large greenhouse gas-emitting units that have a heat rate
16 less than or equal to 7000 BTU/kWh.

17 (4) No later than January 1, 2045: all remaining EGUs
18 and large greenhouse gas-emitting units that began
19 operation subsequent to the effective date of this
20 amendatory Act of the 102nd General Assembly and have a NO_x
21 emission rate less than 0.12 lb/MWh and a SO₂ emission rate
22 less than 0.006 lb/MWh.

23 (j) All EGUs and large greenhouse gas-emitting units that
24 use gas as a fuel and are public GHG-emitting units shall
25 permanently reduce all CO₂e and copollutant emissions to zero,
26 including through the use of 100% green hydrogen or other

1 similar technology that is commercially proven to achieve zero
2 carbon emissions by January 1, 2045.

3 (k) All EGUs and large greenhouse gas-emitting units that
4 utilize combined heat and power or cogeneration technology
5 shall permanently reduce all CO₂e and copollutant emissions to
6 zero, including through the use of 100% green hydrogen or
7 other similar technology that is commercially proven to
8 achieve zero carbon emissions by January 1, 2045.

9 (l) Notwithstanding subsections (g) through (k), large
10 GHG-emitting units including EGUs may temporarily continue
11 emitting greenhouse gases after any applicable deadline
12 specified in any of subsections (g) through (k) if it has been
13 determined, as described in paragraphs (1) and (2) of this
14 subsection, that ongoing operation of the EGU is necessary to
15 maintain power grid supply and reliability or ongoing
16 operation of large GHG-emitting unit that is not an EGU is
17 necessary to serve as an emergency backup to operations. Up to
18 and including the occurrence of an emission reduction deadline
19 under subsection (i), all EGUs and large GHG-emitting units
20 must comply with the following terms:

21 (1) if an EGU or large GHG-emitting unit that is a
22 participant in a regional transmission organization
23 intends to retire, it must submit documentation to the
24 appropriate regional transmission organization by the
25 appropriate deadline that meets all applicable regulatory
26 requirements necessary to obtain approval to permanently

1 cease operating the large GHG-emitting unit;

2 (2) if any EGU or large GHG-emitting unit that is a
3 participant in a regional transmission organization
4 receives notice that the regional transmission
5 organization has determined that continued operation of
6 the unit is required, the unit may continue operating
7 until the issue identified by the regional transmission
8 organization is resolved. The owner or operator of the
9 unit must cooperate with the regional transmission
10 organization in resolving the issue and must reduce its
11 emissions to zero, consistent with the requirements under
12 subsection (g), (h), (i), (j), or (k), as applicable, as
13 soon as practicable when the issue identified by the
14 regional transmission organization is resolved; and

15 (3) any large GHG-emitting unit that is not a
16 participant in a regional transmission organization shall
17 be allowed to continue emitting greenhouse gases after the
18 zero-emission date specified in subsection (g), (h), (i),
19 (j), or (k), as applicable, in the capacity of an
20 emergency backup unit if approved by the Illinois Commerce
21 Commission.

22 (m) No variance, adjusted standard, or other regulatory
23 relief otherwise available in this Act may be granted to the
24 emissions reduction and elimination obligations in this
25 Section.

26 (n) By June 30 of each year, beginning in 2025, the Agency

1 shall prepare and publish on its website a report setting
2 forth the actual greenhouse gas emissions from individual
3 units and the aggregate statewide emissions from all units for
4 the prior year.

5 (o) Every 5 years beginning in 2025, the Environmental
6 Protection Agency, Illinois Power Agency, and Illinois
7 Commerce Commission shall jointly prepare, and release
8 publicly, a report to the General Assembly that examines the
9 State's current progress toward its renewable energy resource
10 development goals, the status of CO₂e and copollutant
11 emissions reductions, the current status and progress toward
12 developing and implementing green hydrogen technologies, the
13 current and projected status of electric resource adequacy and
14 reliability throughout the State for the period beginning 5
15 years ahead, and proposed solutions for any findings. The
16 report should also describe whether the emission reductions
17 required by this Section will cause load serving entities in
18 the State and regional transmission organizations to rely on
19 energy generated out of State. The Environmental Protection
20 Agency, Illinois Power Agency, and Illinois Commerce
21 Commission shall consult PJM Interconnection, LLC and
22 Midcontinent Independent System Operator, Inc., or their
23 respective successor organizations regarding forecasted
24 resource adequacy and reliability needs, anticipated new
25 generation interconnection, new transmission development or
26 upgrades, and any announced large GHG-emitting unit closure

1 dates and include this information in the report. The report
2 shall be released publicly by no later than December 15 of the
3 year it is prepared. If the Environmental Protection Agency,
4 Illinois Power Agency, and Illinois Commerce Commission
5 conclude the CO₂e and copollutant emissions reductions
6 required by subsection (i) reasonably demonstrate that a
7 resource adequacy shortfall will occur, that the regional
8 transmission operators determine that a reliability violation
9 will occur, or that a potential to increase emissions by
10 replacing generation with generation from a large GHG-emitting
11 unit or units that produce more greenhouse gas emissions
12 during the time frame the study is evaluating, then the
13 Illinois Power Agency, in conjunction with the Environmental
14 Protection Agency shall develop a plan to reduce or delay CO₂e
15 and copollutant emissions reductions requirement only to the
16 extent and for the duration necessary to meet the resource
17 adequacy and reliability needs of the State, including
18 allowing any plants whose emission reduction deadline has been
19 identified in the plan as creating a reliability concern to
20 continue operating, including operating with reduced emissions
21 or as emergency backup where appropriate.

22 (1) In developing the plan, the Environmental
23 Protection Agency and the Illinois Power Agency shall hold
24 at least one workshop open to the public and shall
25 consider any comments made by stakeholders or the public.
26 Upon development of the plan, copies of the plan shall be

1 posted and made publicly available on the Environmental
2 Protection Agency's, the Illinois Power Agency's, and the
3 Illinois Commerce Commission's websites. All interested
4 parties shall have 60 days following the date of posting
5 to provide comment to the Environmental Protection Agency
6 and the Illinois Power Agency on the plan. All comments
7 submitted to the Environmental Protection Agency and the
8 Illinois Power Agency shall be specific, supported by data
9 or other detailed analyses, and, if objecting to all or a
10 portion of the plan, accompanied by specific alternative
11 wording or proposals. All comments shall be posted on the
12 Environmental Protection Agency's, the Illinois Power
13 Agency's, and the Illinois Commerce Commission's websites.
14 Within 30 days following the end of the 60-day review
15 period, the Environmental Protection Agency and the
16 Illinois Power Agency shall revise the plan as necessary
17 based on the comments received and file its revised plan
18 with the Illinois Commerce Commission for approval.

19 (2) Within 30 days after the filing of the revised
20 plan at the Illinois Commerce Commission, any person
21 objecting to the plan shall file an objection with the
22 Illinois Commerce Commission. Within 30 days after the
23 expiration of the comment period, the Illinois Commerce
24 Commission shall determine whether an evidentiary hearing
25 is necessary. The Illinois Commerce Commission shall also
26 host 3 public hearings within 90 days after the plan is

1 filed. Following the evidentiary and public hearings, the
2 Illinois Commerce Commission shall enter its order
3 approving or approving with modifications the reliability
4 mitigation plan within 180 days.

5 (3) The Illinois Commerce Commission shall approve the
6 plan, if the Illinois Commerce Commission determines that
7 it will ensure adequate, reliable, affordable, efficient,
8 and environmentally sustainable electric service in the
9 form of at the lowest total cost over time, taking into
10 account any potential for increases in emissions.

11 (4) If the resource adequacy or reliability deficiency
12 identified in the reliability mitigation plan is resolved,
13 the Environmental Protection Agency and the Illinois Power
14 Agency may file an amended plan adjusting the reduction or
15 delay in CO₂e and copollutant emission reduction
16 requirements identified in the plan.

17 (Source: P.A. 97-95, eff. 7-12-11.)

18 (415 ILCS 5/9.18 new)

19 Sec. 9.18. Commission on market-based carbon pricing
20 solutions.

21 (a) In the United States, state-based market policies to
22 reduce greenhouse gases have been in operation since 2009.
23 More than a quarter of the US population lives in a state with
24 carbon pricing and these states represent one-third of the
25 United States' gross domestic product. Market-based policies

1 have proved effective at reducing emissions in states across
2 the United States, and around the world. Additionally,
3 well-designed carbon pricing incentivizes energy efficiency
4 and drives investments in low-carbon solutions and
5 technologies, such as renewables, hydrogen, biofuels, and
6 carbon capture, use, and storage. Illinois must assess
7 available suites of programs and policies to support a rapid,
8 economy-wide decarbonization and spur the development of a
9 clean energy economy in the State, while maintaining Illinois'
10 competitive advantage.

11 (b) The Governor is hereby authorized to create a carbon
12 pricing commission to study the short-term and long-term
13 impacts of joining, implementing, or designing a sector-based,
14 statewide, or regional carbon pricing program. The commission
15 shall analyze and compare the relative cost of, and greenhouse
16 gas reductions from, various carbon pricing programs available
17 to Illinois and the Midwest, including, but not limited to:
18 the Regional Greenhouse Gas Initiative (RGGI), the
19 Transportation and Climate Initiative (TCI), California's
20 cap-and-trade program, California's low carbon fuel standard,
21 Washington State's cap-and-invest program, the Oregon Clean
22 Fuels Program, and other relevant market-based programs. At
23 the conclusion of the study, no later than December 31, 2022,
24 the commission shall issue a public report containing its
25 findings.

26 (c) This Section is repealed on January 1, 2024.

1 (415 ILCS 5/22.59)

2 Sec. 22.59. CCR surface impoundments.

3 (a) The General Assembly finds that:

4 (1) the State of Illinois has a long-standing policy
5 to restore, protect, and enhance the environment,
6 including the purity of the air, land, and waters,
7 including groundwaters, of this State;

8 (2) a clean environment is essential to the growth and
9 well-being of this State;

10 (3) CCR generated by the electric generating industry
11 has caused groundwater contamination and other forms of
12 pollution at active and inactive plants throughout this
13 State;

14 (4) environmental laws should be supplemented to
15 ensure consistent, responsible regulation of all existing
16 CCR surface impoundments; and

17 (5) meaningful participation of State residents,
18 especially vulnerable populations who may be affected by
19 regulatory actions, is critical to ensure that
20 environmental justice considerations are incorporated in
21 the development of, decision-making related to, and
22 implementation of environmental laws and rulemaking that
23 protects and improves the well-being of communities in
24 this State that bear disproportionate burdens imposed by
25 environmental pollution.

1 Therefore, the purpose of this Section is to promote a
2 healthful environment, including clean water, air, and land,
3 meaningful public involvement, and the responsible disposal
4 and storage of coal combustion residuals, so as to protect
5 public health and to prevent pollution of the environment of
6 this State.

7 The provisions of this Section shall be liberally
8 construed to carry out the purposes of this Section.

9 (b) No person shall:

10 (1) cause or allow the discharge of any contaminants
11 from a CCR surface impoundment into the environment so as
12 to cause, directly or indirectly, a violation of this
13 Section or any regulations or standards adopted by the
14 Board under this Section, either alone or in combination
15 with contaminants from other sources;

16 (2) construct, install, modify, operate, or close any
17 CCR surface impoundment without a permit granted by the
18 Agency, or so as to violate any conditions imposed by such
19 permit, any provision of this Section or any regulations
20 or standards adopted by the Board under this Section; or

21 (3) cause or allow, directly or indirectly, the
22 discharge, deposit, injection, dumping, spilling, leaking,
23 or placing of any CCR upon the land in a place and manner
24 so as to cause or tend to cause a violation this Section or
25 any regulations or standards adopted by the Board under
26 this Section.

1 (c) For purposes of this Section, a permit issued by the
2 Administrator of the United States Environmental Protection
3 Agency under Section 4005 of the federal Resource Conservation
4 and Recovery Act, shall be deemed to be a permit under this
5 Section and subsection (y) of Section 39.

6 (d) Before commencing closure of a CCR surface
7 impoundment, in accordance with Board rules, the owner of a
8 CCR surface impoundment must submit to the Agency for approval
9 a closure alternatives analysis that analyzes all closure
10 methods being considered and that otherwise satisfies all
11 closure requirements adopted by the Board under this Act.
12 Complete removal of CCR, as specified by the Board's rules,
13 from the CCR surface impoundment must be considered and
14 analyzed. Section 3.405 does not apply to the Board's rules
15 specifying complete removal of CCR. The selected closure
16 method must ensure compliance with regulations adopted by the
17 Board pursuant to this Section.

18 (e) Owners or operators of CCR surface impoundments who
19 have submitted a closure plan to the Agency before May 1, 2019,
20 and who have completed closure prior to 24 months after July
21 30, 2019 (the effective date of Public Act 101-171) ~~this~~
22 ~~amendatory Act of the 101st General Assembly~~ shall not be
23 required to obtain a construction permit for the surface
24 impoundment closure under this Section.

25 (f) Except for the State, its agencies and institutions, a
26 unit of local government, or not-for-profit electric

1 cooperative as defined in Section 3.4 of the Electric Supplier
2 Act, any person who owns or operates a CCR surface impoundment
3 in this State shall post with the Agency a performance bond or
4 other security for the purpose of: (i) ensuring closure of the
5 CCR surface impoundment and post-closure care in accordance
6 with this Act and its rules; and (ii) insuring remediation of
7 releases from the CCR surface impoundment. The only acceptable
8 forms of financial assurance are: a trust fund, a surety bond
9 guaranteeing payment, a surety bond guaranteeing performance,
10 or an irrevocable letter of credit.

11 (1) The cost estimate for the post-closure care of a
12 CCR surface impoundment shall be calculated using a
13 30-year post-closure care period or such longer period as
14 may be approved by the Agency under Board or federal
15 rules.

16 (2) The Agency is authorized to enter into such
17 contracts and agreements as it may deem necessary to carry
18 out the purposes of this Section. Neither the State, nor
19 the Director, nor any State employee shall be liable for
20 any damages or injuries arising out of or resulting from
21 any action taken under this Section.

22 (3) The Agency shall have the authority to approve or
23 disapprove any performance bond or other security posted
24 under this subsection. Any person whose performance bond
25 or other security is disapproved by the Agency may contest
26 the disapproval as a permit denial appeal pursuant to

1 Section 40.

2 (g) The Board shall adopt rules establishing construction
3 permit requirements, operating permit requirements, design
4 standards, reporting, financial assurance, and closure and
5 post-closure care requirements for CCR surface impoundments.
6 Not later than 8 months after July 30, 2019 (the effective date
7 of Public Act 101-171) ~~this amendatory Act of the 101st~~
8 ~~General Assembly~~ the Agency shall propose, and not later than
9 one year after receipt of the Agency's proposal the Board
10 shall adopt, rules under this Section. The Board shall not be
11 deemed in noncompliance with the rulemaking deadline due to
12 delays in adopting rules as a result of the Joint Commission on
13 Administrative Rules oversight process. The rules must, at a
14 minimum:

15 (1) be at least as protective and comprehensive as the
16 federal regulations or amendments thereto promulgated by
17 the Administrator of the United States Environmental
18 Protection Agency in Subpart D of 40 CFR 257 governing CCR
19 surface impoundments;

20 (2) specify the minimum contents of CCR surface
21 impoundment construction and operating permit
22 applications, including the closure alternatives analysis
23 required under subsection (d);

24 (3) specify which types of permits include
25 requirements for closure, post-closure, remediation and
26 all other requirements applicable to CCR surface

1 impoundments;

2 (4) specify when permit applications for existing CCR
3 surface impoundments must be submitted, taking into
4 consideration whether the CCR surface impoundment must
5 close under the RCRA;

6 (5) specify standards for review and approval by the
7 Agency of CCR surface impoundment permit applications;

8 (6) specify meaningful public participation procedures
9 for the issuance of CCR surface impoundment construction
10 and operating permits, including, but not limited to,
11 public notice of the submission of permit applications, an
12 opportunity for the submission of public comments, an
13 opportunity for a public hearing prior to permit issuance,
14 and a summary and response of the comments prepared by the
15 Agency;

16 (7) prescribe the type and amount of the performance
17 bonds or other securities required under subsection (f),
18 and the conditions under which the State is entitled to
19 collect moneys from such performance bonds or other
20 securities;

21 (8) specify a procedure to identify areas of
22 environmental justice concern in relation to CCR surface
23 impoundments;

24 (9) specify a method to prioritize CCR surface
25 impoundments required to close under RCRA if not otherwise
26 specified by the United States Environmental Protection

1 Agency, so that the CCR surface impoundments with the
2 highest risk to public health and the environment, and
3 areas of environmental justice concern are given first
4 priority;

5 (10) define when complete removal of CCR is achieved
6 and specify the standards for responsible removal of CCR
7 from CCR surface impoundments, including, but not limited
8 to, dust controls and the protection of adjacent surface
9 water and groundwater; and

10 (11) describe the process and standards for
11 identifying a specific alternative source of groundwater
12 pollution when the owner or operator of the CCR surface
13 impoundment believes that groundwater contamination on the
14 site is not from the CCR surface impoundment.

15 (h) Any owner of a CCR surface impoundment that generates
16 CCR and sells or otherwise provides coal combustion byproducts
17 pursuant to Section 3.135 shall, every 12 months, post on its
18 publicly available website a report specifying the volume or
19 weight of CCR, in cubic yards or tons, that it sold or provided
20 during the past 12 months.

21 (i) The owner of a CCR surface impoundment shall post all
22 closure plans, permit applications, and supporting
23 documentation, as well as any Agency approval of the plans or
24 applications on its publicly available website.

25 (j) The owner or operator of a CCR surface impoundment
26 shall pay the following fees:

1 (1) An initial fee to the Agency within 6 months after
2 July 30, 2019 (the effective date of Public Act 101-171)
3 ~~this amendatory Act of the 101st General Assembly~~ of:

4 \$50,000 for each closed CCR surface impoundment;

5 and

6 \$75,000 for each CCR surface impoundment that have
7 not completed closure.

8 (2) Annual fees to the Agency, beginning on July 1,
9 2020, of:

10 \$25,000 for each CCR surface impoundment that has
11 not completed closure; and

12 \$15,000 for each CCR surface impoundment that has
13 completed closure, but has not completed post-closure
14 care.

15 (k) All fees collected by the Agency under subsection (j)
16 shall be deposited into the Environmental Protection Permit
17 and Inspection Fund.

18 (l) The Coal Combustion Residual Surface Impoundment
19 Financial Assurance Fund is created as a special fund in the
20 State treasury. Any moneys forfeited to the State of Illinois
21 from any performance bond or other security required under
22 this Section shall be placed in the Coal Combustion Residual
23 Surface Impoundment Financial Assurance Fund and shall, upon
24 approval by the Governor and the Director, be used by the
25 Agency for the purposes for which such performance bond or
26 other security was issued. The Coal Combustion Residual

1 Surface Impoundment Financial Assurance Fund is not subject to
2 the provisions of subsection (c) of Section 5 of the State
3 Finance Act.

4 (m) The provisions of this Section shall apply, without
5 limitation, to all existing CCR surface impoundments and any
6 CCR surface impoundments constructed after July 30, 2019 (the
7 effective date of Public Act 101-171) ~~this amendatory Act of~~
8 ~~the 101st General Assembly~~, except to the extent prohibited by
9 the Illinois or United States Constitutions.

10 (Source: P.A. 101-171, eff. 7-30-19; revised 10-22-19.)

11 Section 90-60. The Illinois Worker Adjustment and
12 Retraining Notification Act is amended by changing Section 10
13 as follows:

14 (820 ILCS 65/10)

15 Sec. 10. Notice.

16 (a) An employer may not order a mass layoff, relocation,
17 or employment loss unless, 60 days before the order takes
18 effect, the employer gives written notice of the order to the
19 following:

20 (1) affected employees and representatives of affected
21 employees; and

22 (2) the Department of Commerce and Economic
23 Opportunity and the chief elected official of each
24 municipal and county government within which the

1 employment loss, relocation, or mass layoff occurs.

2 (a-5) An owner of an investor-owned electric generating
3 plant or coal mining operation may not order a mass layoff,
4 relocation, or employment loss unless, 2 years before the
5 order takes effect, the employer gives written notice of the
6 order to the following:

7 (1) affected employees and representatives of affected
8 employees; and

9 (2) the Department of Commerce and Economic
10 Opportunity and the chief elected official of each
11 municipal and county government within which the
12 employment loss, relocation, or mass layoff occurs.

13 (b) An employer required to give notice of any mass
14 layoff, relocation, or employment loss under this Act shall
15 include in its notice the elements required by the federal
16 Worker Adjustment and Retraining Notification Act (29 U.S.C.
17 2101 et seq.).

18 (c) Notwithstanding the requirements of subsection (a), an
19 employer is not required to provide notice if a mass layoff,
20 relocation, or employment loss is necessitated by a physical
21 calamity or an act of terrorism or war.

22 (d) The mailing of notice to an employee's last known
23 address or inclusion of notice in the employee's paycheck
24 shall be considered acceptable methods for fulfillment of the
25 employer's obligation to give notice to each affected employee
26 under this Act.

1 (e) In the case of a sale of part or all of an employer's
2 business, the seller shall be responsible for providing notice
3 for any plant closing or mass layoff in accordance with this
4 Section, up to and including the effective date of the sale.
5 After the effective date of the sale of part or all of an
6 employer's business, the purchaser shall be responsible for
7 providing notice for any plant closing or mass layoff in
8 accordance with this Section. Notwithstanding any other
9 provision of this Act, any person who is an employee of the
10 seller (other than a part-time employee) as of the effective
11 date of the sale shall be considered an employee of the
12 purchaser immediately after the effective date of the sale.

13 (f) An employer which is receiving State or local economic
14 development incentives for doing or continuing to do business
15 in this State may be required to provide additional notice
16 pursuant to Section 15 of the Business Economic Support Act.

17 (g) The rights and remedies provided to employees by this
18 Act are in addition to, and not in lieu of, any other
19 contractual or statutory rights and remedies of the employees,
20 and are not intended to alter or affect such rights and
21 remedies, except that the period of notification required by
22 this Act shall run concurrently with any period of
23 notification required by contract or by any other law.

24 (h) It is the sense of the General Assembly that an
25 employer who is not required to comply with the notice
26 requirements of this Section should, to the extent possible,

1 provide notice to its employees about a proposal to close a
2 plant or permanently reduce its workforce.

3 (Source: P.A. 93-915, eff. 1-1-05.)

4 Article 99. Miscellaneous Provisions; Effective Date

5 Section 99-95. No acceleration or delay. Where this Act
6 makes changes in a statute that is represented in this Act by
7 text that is not yet or no longer in effect (for example, a
8 Section represented by multiple versions), the use of that
9 text does not accelerate or delay the taking effect of (i) the
10 changes made by this Act or (ii) provisions derived from any
11 other Public Act.

12 Section 99-97. Severability. The provisions of this Act
13 are severable under Section 1.31 of the Statute on Statutes.

14 Section 99-99. Effective date. This Act takes effect upon
15 becoming law."