



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB3685

by Rep. Kelly M. Burke

SYNOPSIS AS INTRODUCED:

20 ILCS 3855/1-75

Amends the Illinois Power Agency Act. Provides that not less than 30 calendar days before a required demonstration of compliance (rather than within 45 days after the effective date of the relevant Act), an alternative retail electric supplier or its successor may (rather than shall) submit an informational filing to the Illinois Commerce Commission certifying that the alternative retail electric supplier owned or operated one or more electric generating facilities that generates renewable energy resources and the facilities generate one renewable energy credit for each megawatthour of energy produced from the facility. Provides that a distributed renewable energy generation device or a community renewable generation project shall be considered owned or operated by the entity with a contractual right to any renewable energy credits generated. Provides that the Illinois Commerce Commission shall maintain the confidentiality of all facility-specific information, whether or not requested by an alternative retail electric supplier. Effective immediately or on the date specified provisions of Public Act 99-906 take effect, whichever is later.

LRB100 06857 RJF 16906 b

1 AN ACT concerning regulation.

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

4 Section 5. The Illinois Power Agency Act is amended by
5 changing Section 1-75 as follows:

6 (20 ILCS 3855/1-75)

7 (Text of Section before amendment by P.A. 99-906)

8 Sec. 1-75. Planning and Procurement Bureau. The Planning
9 and Procurement Bureau has the following duties and
10 responsibilities:

11 (a) The Planning and Procurement Bureau shall each year,
12 beginning in 2008, develop procurement plans and conduct
13 competitive procurement processes in accordance with the
14 requirements of Section 16-111.5 of the Public Utilities Act
15 for the eligible retail customers of electric utilities that on
16 December 31, 2005 provided electric service to at least 100,000
17 customers in Illinois. The Planning and Procurement Bureau
18 shall also develop procurement plans and conduct competitive
19 procurement processes in accordance with the requirements of
20 Section 16-111.5 of the Public Utilities Act for the eligible
21 retail customers of small multi-jurisdictional electric
22 utilities that (i) on December 31, 2005 served less than
23 100,000 customers in Illinois and (ii) request a procurement

1 plan for their Illinois jurisdictional load. This Section shall
2 not apply to a small multi-jurisdictional utility until such
3 time as a small multi-jurisdictional utility requests the
4 Agency to prepare a procurement plan for their Illinois
5 jurisdictional load. For the purposes of this Section, the term
6 "eligible retail customers" has the same definition as found in
7 Section 16-111.5(a) of the Public Utilities Act.

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

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

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

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

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

26 (E) expertise in credit protocols and familiarity

1 with contract protocols;

2 (F) adequate resources to perform and fulfill the
3 required functions and responsibilities; and

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

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

13 (A) direct previous experience administering a
14 large-scale competitive procurement process;

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

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

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

23 (E) expertise in credit and contract protocols;

24 (F) adequate resources to perform and fulfill the
25 required functions and responsibilities; and

26 (G) the absence of a conflict of interest and

1 inappropriate bias for or against potential bidders or
2 the affected electric utilities.

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

- 18 (A) failure to satisfy qualification criteria;
19 (B) identification of a conflict of interest; or
20 (C) evidence of inappropriate bias for or against
21 potential bidders or the affected utilities.

22 The Agency shall remove experts or expert consulting
23 firms from the lists within 10 days if there is a
24 reasonable basis for an objection and provide the updated
25 lists to the affected utilities and other interested
26 parties. If the Agency fails to remove an expert or expert

1 consulting firm from a list, an objecting party may seek
2 review by the Commission within 5 days thereafter by filing
3 a petition, and the Commission shall render a ruling on the
4 petition within 10 days. There is no right of appeal of the
5 Commission's ruling.

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

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

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

23 (b) The experts or expert consulting firms retained by the
24 Agency shall, as appropriate, prepare procurement plans, and
25 conduct a competitive procurement process as prescribed in
26 Section 16-111.5 of the Public Utilities Act, to ensure

1 adequate, reliable, affordable, efficient, and environmentally
2 sustainable electric service at the lowest total cost over
3 time, taking into account any benefits of price stability, for
4 eligible retail customers of electric utilities that on
5 December 31, 2005 provided electric service to at least 100,000
6 customers in the State of Illinois, and for eligible Illinois
7 retail customers of small multi-jurisdictional electric
8 utilities that (i) on December 31, 2005 served less than
9 100,000 customers in Illinois and (ii) request a procurement
10 plan for their Illinois jurisdictional load.

11 (c) Renewable portfolio standard.

12 (1) The procurement plans shall include cost-effective
13 renewable energy resources. A minimum percentage of each
14 utility's total supply to serve the load of eligible retail
15 customers, as defined in Section 16-111.5(a) of the Public
16 Utilities Act, procured for each of the following years
17 shall be generated from cost-effective renewable energy
18 resources: at least 2% by June 1, 2008; at least 4% by June
19 1, 2009; at least 5% by June 1, 2010; at least 6% by June 1,
20 2011; at least 7% by June 1, 2012; at least 8% by June 1,
21 2013; at least 9% by June 1, 2014; at least 10% by June 1,
22 2015; and increasing by at least 1.5% each year thereafter
23 to at least 25% by June 1, 2025. To the extent that it is
24 available, at least 75% of the renewable energy resources
25 used to meet these standards shall come from wind
26 generation and, beginning on June 1, 2011, at least the

1 following percentages of the renewable energy resources
2 used to meet these standards shall come from photovoltaics
3 on the following schedule: 0.5% by June 1, 2012, 1.5% by
4 June 1, 2013; 3% by June 1, 2014; and 6% by June 1, 2015 and
5 thereafter. Of the renewable energy resources procured
6 pursuant to this Section, at least the following
7 percentages shall come from distributed renewable energy
8 generation devices: 0.5% by June 1, 2013, 0.75% by June 1,
9 2014, and 1% by June 1, 2015 and thereafter. To the extent
10 available, half of the renewable energy resources procured
11 from distributed renewable energy generation shall come
12 from devices of less than 25 kilowatts in nameplate
13 capacity. Renewable energy resources procured from
14 distributed generation devices may also count towards the
15 required percentages for wind and solar photovoltaics.
16 Procurement of renewable energy resources from distributed
17 renewable energy generation devices shall be done on an
18 annual basis through multi-year contracts of no less than 5
19 years, and shall consist solely of renewable energy
20 credits.

21 The Agency shall create credit requirements for
22 suppliers of distributed renewable energy. In order to
23 minimize the administrative burden on contracting
24 entities, the Agency shall solicit the use of third-party
25 organizations to aggregate distributed renewable energy
26 into groups of no less than one megawatt in installed

1 capacity. These third-party organizations shall administer
2 contracts with individual distributed renewable energy
3 generation device owners. An individual distributed
4 renewable energy generation device owner shall have the
5 ability to measure the output of his or her distributed
6 renewable energy generation device.

7 For purposes of this subsection (c), "cost-effective"
8 means that the costs of procuring renewable energy
9 resources do not cause the limit stated in paragraph (2) of
10 this subsection (c) to be exceeded and do not exceed
11 benchmarks based on market prices for renewable energy
12 resources in the region, which shall be developed by the
13 procurement administrator, in consultation with the
14 Commission staff, Agency staff, and the procurement
15 monitor and shall be subject to Commission review and
16 approval.

17 (2) For purposes of this subsection (c), the required
18 procurement of cost-effective renewable energy resources
19 for a particular year shall be measured as a percentage of
20 the actual amount of electricity (megawatt-hours) supplied
21 by the electric utility to eligible retail customers in the
22 planning year ending immediately prior to the procurement.
23 For purposes of this subsection (c), the amount paid per
24 kilowatthour means the total amount paid for electric
25 service expressed on a per kilowatthour basis. For purposes
26 of this subsection (c), the total amount paid for electric

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

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

11 (A) in 2008, no more than 0.5% of the amount paid
12 per kilowatthour by those customers during the year
13 ending May 31, 2007;

14 (B) in 2009, the greater of an additional 0.5% of
15 the amount paid per kilowatthour by those customers
16 during the year ending May 31, 2008 or 1% of the amount
17 paid per kilowatthour by those customers during the
18 year ending May 31, 2007;

19 (C) in 2010, the greater of an additional 0.5% of
20 the amount paid per kilowatthour by those customers
21 during the year ending May 31, 2009 or 1.5% of the
22 amount paid per kilowatthour by those customers during
23 the year ending May 31, 2007;

24 (D) in 2011, the greater of an additional 0.5% of
25 the amount paid per kilowatthour by those customers
26 during the year ending May 31, 2010 or 2% of the amount

1 paid per kilowatthour by those customers during the
2 year ending May 31, 2007; and

3 (E) thereafter, the amount of renewable energy
4 resources procured pursuant to the procurement plan
5 for any single year shall be reduced by an amount
6 necessary to limit the estimated average net increase
7 due to the cost of these resources included in the
8 amounts paid by eligible retail customers in
9 connection with electric service to no more than the
10 greater of 2.015% of the amount paid per kilowatthour
11 by those customers during the year ending May 31, 2007
12 or the incremental amount per kilowatthour paid for
13 these resources in 2011.

14 No later than June 30, 2011, the Commission shall
15 review the limitation on the amount of renewable energy
16 resources procured pursuant to this subsection (c) and
17 report to the General Assembly its findings as to
18 whether that limitation unduly constrains the
19 procurement of cost-effective renewable energy
20 resources.

21 (3) Through June 1, 2011, renewable energy resources
22 shall be counted for the purpose of meeting the renewable
23 energy standards set forth in paragraph (1) of this
24 subsection (c) only if they are generated from facilities
25 located in the State, provided that cost-effective
26 renewable energy resources are available from those

1 facilities. If those cost-effective resources are not
2 available in Illinois, they shall be procured in states
3 that adjoin Illinois and may be counted towards compliance.
4 If those cost-effective resources are not available in
5 Illinois or in states that adjoin Illinois, they shall be
6 purchased elsewhere and shall be counted towards
7 compliance. After June 1, 2011, cost-effective renewable
8 energy resources located in Illinois and in states that
9 adjoin Illinois may be counted towards compliance with the
10 standards set forth in paragraph (1) of this subsection
11 (c). If those cost-effective resources are not available in
12 Illinois or in states that adjoin Illinois, they shall be
13 purchased elsewhere and shall be counted towards
14 compliance.

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

17 (5) Beginning with the year commencing June 1, 2010, an
18 electric utility subject to this subsection (c) shall apply
19 the lesser of the maximum alternative compliance payment
20 rate or the most recent estimated alternative compliance
21 payment rate for its service territory for the
22 corresponding compliance period, established pursuant to
23 subsection (d) of Section 16-115D of the Public Utilities
24 Act to its retail customers that take service pursuant to
25 the electric utility's hourly pricing tariff or tariffs.
26 The electric utility shall retain all amounts collected as

1 a result of the application of the alternative compliance
2 payment rate or rates to such customers, and, beginning in
3 2011, the utility shall include in the information provided
4 under item (1) of subsection (d) of Section 16-111.5 of the
5 Public Utilities Act the amounts collected under the
6 alternative compliance payment rate or rates for the prior
7 year ending May 31. Notwithstanding any limitation on the
8 procurement of renewable energy resources imposed by item
9 (2) of this subsection (c), the Agency shall increase its
10 spending on the purchase of renewable energy resources to
11 be procured by the electric utility for the next plan year
12 by an amount equal to the amounts collected by the utility
13 under the alternative compliance payment rate or rates in
14 the prior year ending May 31.

15 (d) Clean coal portfolio standard.

16 (1) The procurement plans shall include electricity
17 generated using clean coal. Each utility shall enter into
18 one or more sourcing agreements with the initial clean coal
19 facility, as provided in paragraph (3) of this subsection
20 (d), covering electricity generated by the initial clean
21 coal facility representing at least 5% of each utility's
22 total supply to serve the load of eligible retail customers
23 in 2015 and each year thereafter, as described in paragraph
24 (3) of this subsection (d), subject to the limits specified
25 in paragraph (2) of this subsection (d). It is the goal of
26 the State that by January 1, 2025, 25% of the electricity

1 used in the State shall be generated by cost-effective
2 clean coal facilities. For purposes of this subsection (d),
3 "cost-effective" means that the expenditures pursuant to
4 such sourcing agreements do not cause the limit stated in
5 paragraph (2) of this subsection (d) to be exceeded and do
6 not exceed cost-based benchmarks, which shall be developed
7 to assess all expenditures pursuant to such sourcing
8 agreements covering electricity generated by clean coal
9 facilities, other than the initial clean coal facility, by
10 the procurement administrator, in consultation with the
11 Commission staff, Agency staff, and the procurement
12 monitor and shall be subject to Commission review and
13 approval.

14 A utility party to a sourcing agreement shall
15 immediately retire any emission credits that it receives in
16 connection with the electricity covered by such agreement.

17 Utilities shall maintain adequate records documenting
18 the purchases under the sourcing agreement to comply with
19 this subsection (d) and shall file an accounting with the
20 load forecast that must be filed with the Agency by July 15
21 of each year, in accordance with subsection (d) of Section
22 16-111.5 of the Public Utilities Act.

23 A utility shall be deemed to have complied with the
24 clean coal portfolio standard specified in this subsection
25 (d) if the utility enters into a sourcing agreement as
26 required by this subsection (d).

1 (2) For purposes of this subsection (d), the required
2 execution of sourcing agreements with the initial clean
3 coal facility for a particular year shall be measured as a
4 percentage of the actual amount of electricity
5 (megawatt-hours) supplied by the electric utility to
6 eligible retail customers in the planning year ending
7 immediately prior to the agreement's execution. For
8 purposes of this subsection (d), the amount paid per
9 kilowatthour means the total amount paid for electric
10 service expressed on a per kilowatthour basis. For purposes
11 of this subsection (d), the total amount paid for electric
12 service includes without limitation amounts paid for
13 supply, transmission, distribution, surcharges and add-on
14 taxes.

15 Notwithstanding the requirements of this subsection
16 (d), the total amount paid under sourcing agreements with
17 clean coal facilities pursuant to the procurement plan for
18 any given year shall be reduced by an amount necessary to
19 limit the annual estimated average net increase due to the
20 costs of these resources included in the amounts paid by
21 eligible retail customers in connection with electric
22 service to:

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

26 (B) in 2011, the greater of an additional 0.5% of

1 the amount paid per kilowatthour by those customers
2 during the year ending May 31, 2010 or 1% of the amount
3 paid per kilowatthour by those customers during the
4 year ending May 31, 2009;

5 (C) in 2012, the greater of an additional 0.5% of
6 the amount paid per kilowatthour by those customers
7 during the year ending May 31, 2011 or 1.5% of the
8 amount paid per kilowatthour by those customers during
9 the year ending May 31, 2009;

10 (D) in 2013, the greater of an additional 0.5% of
11 the amount paid per kilowatthour by those customers
12 during the year ending May 31, 2012 or 2% of the amount
13 paid per kilowatthour by those customers during the
14 year ending May 31, 2009; and

15 (E) thereafter, the total amount paid under
16 sourcing agreements with clean coal facilities
17 pursuant to the procurement plan for any single year
18 shall be reduced by an amount necessary to limit the
19 estimated average net increase due to the cost of these
20 resources included in the amounts paid by eligible
21 retail customers in connection with electric service
22 to no more than the greater of (i) 2.015% of the amount
23 paid per kilowatthour by those customers during the
24 year ending May 31, 2009 or (ii) the incremental amount
25 per kilowatthour paid for these resources in 2013.
26 These requirements may be altered only as provided by

1 statute.

2 No later than June 30, 2015, the Commission shall
3 review the limitation on the total amount paid under
4 sourcing agreements, if any, with clean coal facilities
5 pursuant to this subsection (d) and report to the General
6 Assembly its findings as to whether that limitation unduly
7 constrains the amount of electricity generated by
8 cost-effective clean coal facilities that is covered by
9 sourcing agreements.

10 (3) Initial clean coal facility. In order to promote
11 development of clean coal facilities in Illinois, each
12 electric utility subject to this Section shall execute a
13 sourcing agreement to source electricity from a proposed
14 clean coal facility in Illinois (the "initial clean coal
15 facility") that will have a nameplate capacity of at least
16 500 MW when commercial operation commences, that has a
17 final Clean Air Act permit on the effective date of this
18 amendatory Act of the 95th General Assembly, and that will
19 meet the definition of clean coal facility in Section 1-10
20 of this Act when commercial operation commences. The
21 sourcing agreements with this initial clean coal facility
22 shall be subject to both approval of the initial clean coal
23 facility by the General Assembly and satisfaction of the
24 requirements of paragraph (4) of this subsection (d) and
25 shall be executed within 90 days after any such approval by
26 the General Assembly. The Agency and the Commission shall

1 have authority to inspect all books and records associated
2 with the initial clean coal facility during the term of
3 such a sourcing agreement. A utility's sourcing agreement
4 for electricity produced by the initial clean coal facility
5 shall include:

6 (A) a formula contractual price (the "contract
7 price") approved pursuant to paragraph (4) of this
8 subsection (d), which shall:

9 (i) be determined using a cost of service
10 methodology employing either a level or deferred
11 capital recovery component, based on a capital
12 structure consisting of 45% equity and 55% debt,
13 and a return on equity as may be approved by the
14 Federal Energy Regulatory Commission, which in any
15 case may not exceed the lower of 11.5% or the rate
16 of return approved by the General Assembly
17 pursuant to paragraph (4) of this subsection (d);
18 and

19 (ii) provide that all miscellaneous net
20 revenue, including but not limited to net revenue
21 from the sale of emission allowances, if any,
22 substitute natural gas, if any, grants or other
23 support provided by the State of Illinois or the
24 United States Government, firm transmission
25 rights, if any, by-products produced by the
26 facility, energy or capacity derived from the

1 facility and not covered by a sourcing agreement
2 pursuant to paragraph (3) of this subsection (d) or
3 item (5) of subsection (d) of Section 16-115 of the
4 Public Utilities Act, whether generated from the
5 synthesis gas derived from coal, from SNG, or from
6 natural gas, shall be credited against the revenue
7 requirement for this initial clean coal facility;

8 (B) power purchase provisions, which shall:

9 (i) provide that the utility party to such
10 sourcing agreement shall pay the contract price
11 for electricity delivered under such sourcing
12 agreement;

13 (ii) require delivery of electricity to the
14 regional transmission organization market of the
15 utility that is party to such sourcing agreement;

16 (iii) require the utility party to such
17 sourcing agreement to buy from the initial clean
18 coal facility in each hour an amount of energy
19 equal to all clean coal energy made available from
20 the initial clean coal facility during such hour
21 times a fraction, the numerator of which is such
22 utility's retail market sales of electricity
23 (expressed in kilowatthours sold) in the State
24 during the prior calendar month and the
25 denominator of which is the total retail market
26 sales of electricity (expressed in kilowatthours

1 sold) in the State by utilities during such prior
2 month and the sales of electricity (expressed in
3 kilowatthours sold) in the State by alternative
4 retail electric suppliers during such prior month
5 that are subject to the requirements of this
6 subsection (d) and paragraph (5) of subsection (d)
7 of Section 16-115 of the Public Utilities Act,
8 provided that the amount purchased by the utility
9 in any year will be limited by paragraph (2) of
10 this subsection (d); and

11 (iv) be considered pre-existing contracts in
12 such utility's procurement plans for eligible
13 retail customers;

14 (C) contract for differences provisions, which
15 shall:

16 (i) require the utility party to such sourcing
17 agreement to contract with the initial clean coal
18 facility in each hour with respect to an amount of
19 energy equal to all clean coal energy made
20 available from the initial clean coal facility
21 during such hour times a fraction, the numerator of
22 which is such utility's retail market sales of
23 electricity (expressed in kilowatthours sold) in
24 the utility's service territory in the State
25 during the prior calendar month and the
26 denominator of which is the total retail market

1 sales of electricity (expressed in kilowatthours
2 sold) in the State by utilities during such prior
3 month and the sales of electricity (expressed in
4 kilowatthours sold) in the State by alternative
5 retail electric suppliers during such prior month
6 that are subject to the requirements of this
7 subsection (d) and paragraph (5) of subsection (d)
8 of Section 16-115 of the Public Utilities Act,
9 provided that the amount paid by the utility in any
10 year will be limited by paragraph (2) of this
11 subsection (d);

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

1 facility busbar, multiplied by (2) the quantity of
2 electricity determined pursuant to the preceding
3 clause (i); and

4 (iii) not require the utility to take physical
5 delivery of the electricity produced by the
6 facility;

7 (D) general provisions, which shall:

8 (i) specify a term of no more than 30 years,
9 commencing on the commercial operation date of the
10 facility;

11 (ii) provide that utilities shall maintain
12 adequate records documenting purchases under the
13 sourcing agreements entered into to comply with
14 this subsection (d) and shall file an accounting
15 with the load forecast that must be filed with the
16 Agency by July 15 of each year, in accordance with
17 subsection (d) of Section 16-111.5 of the Public
18 Utilities Act;

19 (iii) provide that all costs associated with
20 the initial clean coal facility will be
21 periodically reported to the Federal Energy
22 Regulatory Commission and to purchasers in
23 accordance with applicable laws governing
24 cost-based wholesale power contracts;

25 (iv) permit the Illinois Power Agency to
26 assume ownership of the initial clean coal

1 facility, without monetary consideration and
2 otherwise on reasonable terms acceptable to the
3 Agency, if the Agency so requests no less than 3
4 years prior to the end of the stated contract term;

5 (v) require the owner of the initial clean coal
6 facility to provide documentation to the
7 Commission each year, starting in the facility's
8 first year of commercial operation, accurately
9 reporting the quantity of carbon emissions from
10 the facility that have been captured and
11 sequestered and report any quantities of carbon
12 released from the site or sites at which carbon
13 emissions were sequestered in prior years, based
14 on continuous monitoring of such sites. If, in any
15 year after the first year of commercial operation,
16 the owner of the facility fails to demonstrate that
17 the initial clean coal facility captured and
18 sequestered at least 50% of the total carbon
19 emissions that the facility would otherwise emit
20 or that sequestration of emissions from prior
21 years has failed, resulting in the release of
22 carbon dioxide into the atmosphere, the owner of
23 the facility must offset excess emissions. Any
24 such carbon offsets must be permanent, additional,
25 verifiable, real, located within the State of
26 Illinois, and legally and practicably enforceable.

1 The cost of such offsets for the facility that are
2 not recoverable shall not exceed \$15 million in any
3 given year. No costs of any such purchases of
4 carbon offsets may be recovered from a utility or
5 its customers. All carbon offsets purchased for
6 this purpose and any carbon emission credits
7 associated with sequestration of carbon from the
8 facility must be permanently retired. The initial
9 clean coal facility shall not forfeit its
10 designation as a clean coal facility if the
11 facility fails to fully comply with the applicable
12 carbon sequestration requirements in any given
13 year, provided the requisite offsets are
14 purchased. However, the Attorney General, on
15 behalf of the People of the State of Illinois, may
16 specifically enforce the facility's sequestration
17 requirement and the other terms of this contract
18 provision. Compliance with the sequestration
19 requirements and offset purchase requirements
20 specified in paragraph (3) of this subsection (d)
21 shall be reviewed annually by an independent
22 expert retained by the owner of the initial clean
23 coal facility, with the advance written approval
24 of the Attorney General. The Commission may, in the
25 course of the review specified in item (vii),
26 reduce the allowable return on equity for the

1 facility if the facility wilfully fails to comply
2 with the carbon capture and sequestration
3 requirements set forth in this item (v);

4 (vi) include limits on, and accordingly
5 provide for modification of, the amount the
6 utility is required to source under the sourcing
7 agreement consistent with paragraph (2) of this
8 subsection (d);

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

24 (viii) limit the utility's obligation to such
25 amount as the utility is allowed to recover through
26 tariffs filed with the Commission, provided that

1 neither the clean coal facility nor the utility
2 waives any right to assert federal pre-emption or
3 any other argument in response to a purported
4 disallowance of recovery costs;

5 (ix) limit the utility's or alternative retail
6 electric supplier's obligation to incur any
7 liability until such time as the facility is in
8 commercial operation and generating power and
9 energy and such power and energy is being delivered
10 to the facility busbar;

11 (x) provide that the owner or owners of the
12 initial clean coal facility, which is the
13 counterparty to such sourcing agreement, shall
14 have the right from time to time to elect whether
15 the obligations of the utility party thereto shall
16 be governed by the power purchase provisions or the
17 contract for differences provisions;

18 (xi) append documentation showing that the
19 formula rate and contract, insofar as they relate
20 to the power purchase provisions, have been
21 approved by the Federal Energy Regulatory
22 Commission pursuant to Section 205 of the Federal
23 Power Act;

24 (xii) provide that any changes to the terms of
25 the contract, insofar as such changes relate to the
26 power purchase provisions, are subject to review

1 under the public interest standard applied by the
2 Federal Energy Regulatory Commission pursuant to
3 Sections 205 and 206 of the Federal Power Act; and
4 (xiii) conform with customary lender
5 requirements in power purchase agreements used as
6 the basis for financing non-utility generators.

7 (4) Effective date of sourcing agreements with the
8 initial clean coal facility.

9 Any proposed sourcing agreement with the initial clean
10 coal facility shall not become effective unless the
11 following reports are prepared and submitted and
12 authorizations and approvals obtained:

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

26 (ii) Commission report. Within 6 months following

1 receipt of the facility cost report, the Commission, in
2 consultation with the Agency, shall submit a report to
3 the General Assembly setting forth its analysis of the
4 facility cost report. Such report shall include, but
5 not be limited to, a comparison of the costs associated
6 with electricity generated by the initial clean coal
7 facility to the costs associated with electricity
8 generated by other types of generation facilities, an
9 analysis of the rate impacts on residential and small
10 business customers over the life of the sourcing
11 agreements, and an analysis of the likelihood that the
12 initial clean coal facility will commence commercial
13 operation by and be delivering power to the facility's
14 busbar by 2016. To assist in the preparation of its
15 report, the Commission, in consultation with the
16 Agency, may hire one or more experts or consultants,
17 the costs of which shall be paid for by the owner of
18 the initial clean coal facility. The Commission and
19 Agency may begin the process of selecting such experts
20 or consultants prior to receipt of the facility cost
21 report.

22 (iii) General Assembly approval. The proposed
23 sourcing agreements shall not take effect unless,
24 based on the facility cost report and the Commission's
25 report, the General Assembly enacts authorizing
26 legislation approving (A) the projected price, stated

1 in cents per kilowatthour, to be charged for
2 electricity generated by the initial clean coal
3 facility, (B) the projected impact on residential and
4 small business customers' bills over the life of the
5 sourcing agreements, and (C) the maximum allowable
6 return on equity for the project; and

7 (iv) Commission review. If the General Assembly
8 enacts authorizing legislation pursuant to
9 subparagraph (iii) approving a sourcing agreement, the
10 Commission shall, within 90 days of such enactment,
11 complete a review of such sourcing agreement. During
12 such time period, the Commission shall implement any
13 directive of the General Assembly, resolve any
14 disputes between the parties to the sourcing agreement
15 concerning the terms of such agreement, approve the
16 form of such agreement, and issue an order finding that
17 the sourcing agreement is prudent and reasonable.

18 The facility cost report shall be prepared as follows:

19 (A) The facility cost report shall be prepared by
20 duly licensed engineering and construction firms
21 detailing the estimated capital costs payable to one or
22 more contractors or suppliers for the engineering,
23 procurement and construction of the components
24 comprising the initial clean coal facility and the
25 estimated costs of operation and maintenance of the
26 facility. The facility cost report shall include:

1 (i) an estimate of the capital cost of the core
2 plant based on one or more front end engineering
3 and design studies for the gasification island and
4 related facilities. The core plant shall include
5 all civil, structural, mechanical, electrical,
6 control, and safety systems.

7 (ii) an estimate of the capital cost of the
8 balance of the plant, including any capital costs
9 associated with sequestration of carbon dioxide
10 emissions and all interconnects and interfaces
11 required to operate the facility, such as
12 transmission of electricity, construction or
13 backfeed power supply, pipelines to transport
14 substitute natural gas or carbon dioxide, potable
15 water supply, natural gas supply, water supply,
16 water discharge, landfill, access roads, and coal
17 delivery.

18 The quoted construction costs shall be expressed
19 in nominal dollars as of the date that the quote is
20 prepared and shall include capitalized financing costs
21 during construction, taxes, insurance, and other
22 owner's costs, and an assumed escalation in materials
23 and labor beyond the date as of which the construction
24 cost quote is expressed.

25 (B) The front end engineering and design study for
26 the gasification island and the cost study for the

1 balance of plant shall include sufficient design work
2 to permit quantification of major categories of
3 materials, commodities and labor hours, and receipt of
4 quotes from vendors of major equipment required to
5 construct and operate the clean coal facility.

6 (C) The facility cost report shall also include an
7 operating and maintenance cost quote that will provide
8 the estimated cost of delivered fuel, personnel,
9 maintenance contracts, chemicals, catalysts,
10 consumables, spares, and other fixed and variable
11 operations and maintenance costs. The delivered fuel
12 cost estimate will be provided by a recognized third
13 party expert or experts in the fuel and transportation
14 industries. The balance of the operating and
15 maintenance cost quote, excluding delivered fuel
16 costs, will be developed based on the inputs provided
17 by duly licensed engineering and construction firms
18 performing the construction cost quote, potential
19 vendors under long-term service agreements and plant
20 operating agreements, or recognized third party plant
21 operator or operators.

22 The operating and maintenance cost quote
23 (including the cost of the front end engineering and
24 design study) shall be expressed in nominal dollars as
25 of the date that the quote is prepared and shall
26 include taxes, insurance, and other owner's costs, and

1 an assumed escalation in materials and labor beyond the
2 date as of which the operating and maintenance cost
3 quote is expressed.

4 (D) The facility cost report shall also include an
5 analysis of the initial clean coal facility's ability
6 to deliver power and energy into the applicable
7 regional transmission organization markets and an
8 analysis of the expected capacity factor for the
9 initial clean coal facility.

10 (E) Amounts paid to third parties unrelated to the
11 owner or owners of the initial clean coal facility to
12 prepare the core plant construction cost quote,
13 including the front end engineering and design study,
14 and the operating and maintenance cost quote will be
15 reimbursed through Coal Development Bonds.

16 (5) Re-powering and retrofitting coal-fired power
17 plants previously owned by Illinois utilities to qualify as
18 clean coal facilities. During the 2009 procurement
19 planning process and thereafter, the Agency and the
20 Commission shall consider sourcing agreements covering
21 electricity generated by power plants that were previously
22 owned by Illinois utilities and that have been or will be
23 converted into clean coal facilities, as defined by Section
24 1-10 of this Act. Pursuant to such procurement planning
25 process, the owners of such facilities may propose to the
26 Agency sourcing agreements with utilities and alternative

1 retail electric suppliers required to comply with
2 subsection (d) of this Section and item (5) of subsection
3 (d) of Section 16-115 of the Public Utilities Act, covering
4 electricity generated by such facilities. In the case of
5 sourcing agreements that are power purchase agreements,
6 the contract price for electricity sales shall be
7 established on a cost of service basis. In the case of
8 sourcing agreements that are contracts for differences,
9 the contract price from which the reference price is
10 subtracted shall be established on a cost of service basis.
11 The Agency and the Commission may approve any such utility
12 sourcing agreements that do not exceed cost-based
13 benchmarks developed by the procurement administrator, in
14 consultation with the Commission staff, Agency staff and
15 the procurement monitor, subject to Commission review and
16 approval. The Commission shall have authority to inspect
17 all books and records associated with these clean coal
18 facilities during the term of any such contract.

19 (6) Costs incurred under this subsection (d) or
20 pursuant to a contract entered into under this subsection
21 (d) shall be deemed prudently incurred and reasonable in
22 amount and the electric utility shall be entitled to full
23 cost recovery pursuant to the tariffs filed with the
24 Commission.

25 (e) The draft procurement plans are subject to public
26 comment, as required by Section 16-111.5 of the Public

1 Utilities Act.

2 (f) The Agency shall submit the final procurement plan to
3 the Commission. The Agency shall revise a procurement plan if
4 the Commission determines that it does not meet the standards
5 set forth in Section 16-111.5 of the Public Utilities Act.

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

9 (h) The Agency shall assess fees to each bidder to recover
10 the costs incurred in connection with a competitive procurement
11 process.

12 (Source: P.A. 98-463, eff. 8-16-13; 99-536, eff. 7-8-16.)

13 (Text of Section after amendment by P.A. 99-906)

14 Sec. 1-75. Planning and Procurement Bureau. The Planning
15 and Procurement Bureau has the following duties and
16 responsibilities:

17 (a) The Planning and Procurement Bureau shall each year,
18 beginning in 2008, develop procurement plans and conduct
19 competitive procurement processes in accordance with the
20 requirements of Section 16-111.5 of the Public Utilities Act
21 for the eligible retail customers of electric utilities that on
22 December 31, 2005 provided electric service to at least 100,000
23 customers in Illinois. Beginning with the delivery year
24 commencing on June 1, 2017, the Planning and Procurement Bureau
25 shall develop plans and processes for the procurement of zero

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (E) expertise in credit and contract protocols;

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

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

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

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

9 (A) failure to satisfy qualification criteria;

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

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

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

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

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

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

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

1 plan for their Illinois jurisdictional load.

2 (c) Renewable portfolio standard.

3 (1) (A) The Agency shall develop a long-term renewable
4 resources procurement plan that shall include procurement
5 programs and competitive procurement events necessary to
6 meet the goals set forth in this subsection (c). The
7 initial long-term renewable resources procurement plan
8 shall be released for comment no later than 160 days after
9 the effective date of this amendatory Act of the 99th
10 General Assembly. The Agency shall review, and may revise
11 on an expedited basis, the long-term renewable resources
12 procurement plan at least every 2 years, which shall be
13 conducted in conjunction with the procurement plan under
14 Section 16-111.5 of the Public Utilities Act to the extent
15 practicable to minimize administrative expense. The
16 long-term renewable resources procurement plans shall be
17 subject to review and approval by the Commission under
18 Section 16-111.5 of the Public Utilities Act.

19 (B) Subject to subparagraph (F) of this paragraph (1),
20 the long-term renewable resources procurement plan shall
21 include the goals for procurement of renewable energy
22 credits to meet at least the following overall percentages:
23 13% by the 2017 delivery year; increasing by at least 1.5%
24 each delivery year thereafter to at least 25% by the 2025
25 delivery year; and continuing at no less than 25% for each
26 delivery year thereafter. In the event of a conflict

1 between these goals and the new wind and new photovoltaic
2 procurement requirements described in items (i) through
3 (iii) of subparagraph (C) of this paragraph (1), the
4 long-term plan shall prioritize compliance with the new
5 wind and new photovoltaic procurement requirements
6 described in items (i) through (iii) of subparagraph (C) of
7 this paragraph (1) over the annual percentage targets
8 described in this subparagraph (B).

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

18 For the delivery year beginning June 1, 2018, the
19 procurement plan shall include cost-effective renewable
20 energy resources equal to at least 14.5% of each utility's
21 load for eligible retail customers and 14.5% of the
22 applicable portion of each utility's load for retail
23 customers who are not eligible retail customers, which
24 applicable portion shall equal 75% of the utility's load
25 for retail customers who are not eligible retail customers
26 on February 28, 2017.

1 For the delivery year beginning June 1, 2019, and for
2 each year thereafter, the procurement plans shall include
3 cost-effective renewable energy resources equal to a
4 minimum percentage of each utility's load for all retail
5 customers as follows: 16% by June 1, 2019; increasing by
6 1.5% each year thereafter to 25% by June 1, 2025; and 25%
7 by June 1, 2026 and each year thereafter.

8 For each delivery year, the Agency shall first
9 recognize each utility's obligations for that delivery
10 year under existing contracts. Any renewable energy
11 credits under existing contracts, including renewable
12 energy credits as part of renewable energy resources, shall
13 be used to meet the goals set forth in this subsection (c)
14 for the delivery year.

15 (C) Of the renewable energy credits procured under this
16 subsection (c), at least 75% shall come from wind and
17 photovoltaic projects. The long-term renewable resources
18 procurement plan described in subparagraph (A) of this
19 paragraph (1) shall include the procurement of renewable
20 energy credits in amounts equal to at least the following:

21 (i) By the end of the 2020 delivery year:

22 At least 2,000,000 renewable energy credits
23 for each delivery year shall come from new wind
24 projects; and

25 At least 2,000,000 renewable energy credits
26 for each delivery year shall come from new

1 photovoltaic projects; of that amount, to the
2 extent possible, the Agency shall procure: at
3 least 50% from solar photovoltaic projects using
4 the program outlined in subparagraph (K) of this
5 paragraph (1) from distributed renewable energy
6 generation devices or community renewable
7 generation projects; at least 40% from
8 utility-scale solar projects; at least 2% from
9 brownfield site photovoltaic projects that are not
10 community renewable generation projects; and the
11 remainder shall be determined through the
12 long-term planning process described in
13 subparagraph (A) of this paragraph (1).

14 (ii) By the end of the 2025 delivery year:

15 At least 3,000,000 renewable energy credits
16 for each delivery year shall come from new wind
17 projects; and

18 At least 3,000,000 renewable energy credits
19 for each delivery year shall come from new
20 photovoltaic projects; of that amount, to the
21 extent possible, the Agency shall procure: at
22 least 50% from solar photovoltaic projects using
23 the program outlined in subparagraph (K) of this
24 paragraph (1) from distributed renewable energy
25 devices or community renewable generation
26 projects; at least 40% from utility-scale solar

1 projects; at least 2% from brownfield site
2 photovoltaic projects that are not community
3 renewable generation projects; and the remainder
4 shall be determined through the long-term planning
5 process described in subparagraph (A) of this
6 paragraph (1).

7 (iii) By the end of the 2030 delivery year:

8 At least 4,000,000 renewable energy credits
9 for each delivery year shall come from new wind
10 projects; and

11 At least 4,000,000 renewable energy credits
12 for each delivery year shall come from new
13 photovoltaic projects; of that amount, to the
14 extent possible, the Agency shall procure: at
15 least 50% from solar photovoltaic projects using
16 the program outlined in subparagraph (K) of this
17 paragraph (1) from distributed renewable energy
18 devices or community renewable generation
19 projects; at least 40% from utility-scale solar
20 projects; at least 2% from brownfield site
21 photovoltaic projects that are not community
22 renewable generation projects; and the remainder
23 shall be determined through the long-term planning
24 process described in subparagraph (A) of this
25 paragraph (1).

26 For purposes of this Section:

1 "New wind projects" means wind renewable
2 energy facilities that are energized after June 1,
3 2017 for the delivery year commencing June 1, 2017
4 or within 3 years after the date the Commission
5 approves contracts for subsequent delivery years.

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

12 (D) Renewable energy credits shall be cost effective.
13 For purposes of this subsection (c), "cost effective" means
14 that the costs of procuring renewable energy resources do
15 not cause the limit stated in subparagraph (E) of this
16 paragraph (1) to be exceeded and, for renewable energy
17 credits procured through a competitive procurement event,
18 do not exceed benchmarks based on market prices for like
19 products in the region. For purposes of this subsection
20 (c), "like products" means contracts for renewable energy
21 credits from the same or substantially similar technology,
22 same or substantially similar vintage (new or existing),
23 the same or substantially similar quantity, and the same or
24 substantially similar contract length and structure.
25 Benchmarks shall be developed by the procurement
26 administrator, in consultation with the Commission staff,

1 Agency staff, and the procurement monitor and shall be
2 subject to Commission review and approval. If price
3 benchmarks for like products in the region are not
4 available, the procurement administrator shall establish
5 price benchmarks based on publicly available data on
6 regional technology costs and expected current and future
7 regional energy prices. The benchmarks in this Section
8 shall not be used to curtail or otherwise reduce
9 contractual obligations entered into by or through the
10 Agency prior to the effective date of this amendatory Act
11 of the 99th General Assembly.

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

1 kilowatthour means the total amount paid for electric
2 service expressed on a per kilowatthour basis. For purposes
3 of this subsection (c), the total amount paid for electric
4 service includes without limitation amounts paid for
5 supply, transmission, distribution, surcharges, and add-on
6 taxes.

7 Notwithstanding the requirements of this subsection
8 (c), the total of renewable energy resources procured under
9 the procurement plan for any single year shall be subject
10 to the limitations of this subparagraph (E). Such
11 procurement shall be reduced for all retail customers based
12 on the amount necessary to limit the annual estimated
13 average net increase due to the costs of these resources
14 included in the amounts paid by eligible retail customers
15 in connection with electric service to no more than the
16 greater of 2.015% of the amount paid per kilowatthour by
17 those customers during the year ending May 31, 2007 or the
18 incremental amount per kilowatthour paid for these
19 resources in 2011. To arrive at a maximum dollar amount of
20 renewable energy resources to be procured for the
21 particular delivery year, the resulting per kilowatthour
22 amount shall be applied to the actual amount of
23 kilowatthours of electricity delivered, or applicable
24 portion of such amount as specified in paragraph (1) of
25 this subsection (c), as applicable, by the electric utility
26 in the delivery year immediately prior to the procurement

1 to all retail customers in its service territory. The
2 calculations required by this subparagraph (E) shall be
3 made only once for each delivery year at the time that the
4 renewable energy resources are procured. Once the
5 determination as to the amount of renewable energy
6 resources to procure is made based on the calculations set
7 forth in this subparagraph (E) and the contracts procuring
8 those amounts are executed, no subsequent rate impact
9 determinations shall be made and no adjustments to those
10 contract amounts shall be allowed. All costs incurred under
11 such contracts shall be fully recoverable by the electric
12 utility as provided in this Section.

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

20 (i) renewable energy credits under existing
21 contractual obligations;

22 (i-5) funding for the Illinois Solar for All
23 Program, as described in subparagraph (O) of this
24 paragraph (1);

25 (ii) renewable energy credits necessary to comply
26 with the new wind and new photovoltaic procurement

1 requirements described in items (i) through (iii) of
2 subparagraph (C) of this paragraph (1); and

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

5 (G) The following provisions shall apply to the
6 Agency's procurement of renewable energy credits under
7 this subsection (c):

8 (i) Notwithstanding whether a long-term renewable
9 resources procurement plan has been approved, the
10 Agency shall conduct an initial forward procurement
11 for renewable energy credits from new utility-scale
12 wind projects within 160 days after the effective date
13 of this amendatory Act of the 99th General Assembly.
14 For the purposes of this initial forward procurement,
15 the Agency shall solicit 15-year contracts for
16 delivery of 1,000,000 renewable energy credits
17 delivered annually from new utility-scale wind
18 projects to begin delivery on June 1, 2019, if
19 available, but not later than June 1, 2021. Payments to
20 suppliers of renewable energy credits shall commence
21 upon delivery. Renewable energy credits procured under
22 this initial procurement shall be included in the
23 Agency's long-term plan and shall apply to all
24 renewable energy goals in this subsection (c).

25 (ii) Notwithstanding whether a long-term renewable
26 resources procurement plan has been approved, the

1 Agency shall conduct an initial forward procurement
2 for renewable energy credits from new utility-scale
3 solar projects and brownfield site photovoltaic
4 projects within one year after the effective date of
5 this amendatory Act of the 99th General Assembly. For
6 the purposes of this initial forward procurement, the
7 Agency shall solicit 15-year contracts for delivery of
8 1,000,000 renewable energy credits delivered annually
9 from new utility-scale solar projects and brownfield
10 site photovoltaic projects to begin delivery on June 1,
11 2019, if available, but not later than June 1, 2021.
12 The Agency may structure this initial procurement in
13 one or more discrete procurement events. Payments to
14 suppliers of renewable energy credits shall commence
15 upon delivery. Renewable energy credits procured under
16 this initial procurement shall be included in the
17 Agency's long-term plan and shall apply to all
18 renewable energy goals in this subsection (c).

19 (iii) Subsequent forward procurements for
20 utility-scale wind projects shall solicit at least
21 1,000,000 renewable energy credits delivered annually
22 per procurement event and shall be planned, scheduled,
23 and designed such that the cumulative amount of
24 renewable energy credits delivered from all new wind
25 projects in each delivery year shall not exceed the
26 Agency's projection of the cumulative amount of

1 renewable energy credits that will be delivered from
2 all new photovoltaic projects, including utility-scale
3 and distributed photovoltaic devices, in the same
4 delivery year at the time scheduled for wind contract
5 delivery.

6 (iv) If, at any time after the time set for
7 delivery of renewable energy credits pursuant to the
8 initial procurements in items (i) and (ii) of this
9 subparagraph (G), the cumulative amount of renewable
10 energy credits projected to be delivered from all new
11 wind projects in a given delivery year exceeds the
12 cumulative amount of renewable energy credits
13 projected to be delivered from all new photovoltaic
14 projects in that delivery year by 200,000 or more
15 renewable energy credits, then the Agency shall within
16 60 days adjust the procurement programs in the
17 long-term renewable resources procurement plan to
18 ensure that the projected cumulative amount of
19 renewable energy credits to be delivered from all new
20 wind projects does not exceed the projected cumulative
21 amount of renewable energy credits to be delivered from
22 all new photovoltaic projects by 200,000 or more
23 renewable energy credits, provided that nothing in
24 this Section shall preclude the projected cumulative
25 amount of renewable energy credits to be delivered from
26 all new photovoltaic projects from exceeding the

1 projected cumulative amount of renewable energy
2 credits to be delivered from all new wind projects in
3 each delivery year and provided further that nothing in
4 this item (iv) shall require the curtailment of an
5 executed contract. The Agency shall update, on a
6 quarterly basis, its projection of the renewable
7 energy credits to be delivered from all projects in
8 each delivery year. Notwithstanding anything to the
9 contrary, the Agency may adjust the timing of
10 procurement events conducted under this subparagraph
11 (G). The long-term renewable resources procurement
12 plan shall set forth the process by which the
13 adjustments may be made.

14 (v) All procurements under this subparagraph (G)
15 shall comply with the geographic requirements in
16 subparagraph (I) of this paragraph (1) and shall follow
17 the procurement processes and procedures described in
18 this Section and Section 16-111.5 of the Public
19 Utilities Act to the extent practicable, and these
20 processes and procedures may be expedited to
21 accommodate the schedule established by this
22 subparagraph (G).

23 (H) The procurement of renewable energy resources for a
24 given delivery year shall be reduced as described in this
25 subparagraph (H) if an alternate retail electric supplier
26 meets the requirements described in this subparagraph (H).

1 (i) Not less than 30 calendar days before a
2 required demonstration of compliance under Section
3 16-115D of the Public Utilities Act ~~Within 45 days~~
4 ~~after the effective date of this amendatory Act of the~~
5 ~~99th General Assembly~~, an alternative retail electric
6 supplier or its successor may ~~shall~~ submit an
7 informational filing to the Illinois Commerce
8 Commission certifying that, ~~as of December 31, 2015,~~
9 the alternative retail electric supplier owned or
10 operated one or more electric generating facilities
11 that generates renewable energy resources as defined
12 in Section 1-10 of this Act, ~~provided that such~~
13 ~~facilities are not powered by wind or photovoltaics,~~
14 and the facilities generate one renewable energy
15 credit for each megawatthour of energy produced from
16 the facility. For the purposes of this item (i), a
17 distributed renewable energy generation device or a
18 community renewable generation project shall be
19 considered owned or operated by the entity with a
20 contractual right to any renewable energy credits
21 generated.

22 The informational filing shall identify each
23 facility that was eligible to satisfy the alternative
24 retail electric supplier's obligations under Section
25 16-115D of the Public Utilities Act as described in
26 this item (i). The Commission shall maintain the

1 confidentiality of all facility-specific information,
2 whether or not requested by an alternative retail
3 electric supplier.

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

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

25 For the delivery year beginning June 1, 2018,
26 the maximum amount of renewable energy credits to

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

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

23 For each delivery year, the total amount of
24 renewable energy credits supplied by all alternative
25 retail electric suppliers under this subparagraph (H)
26 shall not exceed 9% of the Illinois target renewable

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

10 If the requirements set forth in items (i) through
11 (iii) of this subparagraph (H) are met, the charges
12 that would otherwise be applicable to the retail
13 customers of the alternative retail electric supplier
14 under paragraph (6) of this subsection (c) for the
15 applicable delivery year shall be reduced by the ratio
16 of the quantity of renewable energy credits supplied by
17 the alternative retail electric supplier compared to
18 that supplier's target renewable energy credit
19 quantity. The supplier's target renewable energy
20 credit quantity for the delivery year beginning June 1,
21 2018 is 14.5% multiplied by the total amount of metered
22 electricity (megawatt-hours) delivered by the
23 alternative retail supplier in that delivery year,
24 provided that the 14.5% shall increase by 1.5% each
25 delivery year thereafter to 25% by the delivery year
26 beginning June 1, 2025, and thereafter the 25% value

1 shall apply to each delivery year.

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

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

1 health, safety, and welfare of its residents based on the
2 public interest criteria described above. To ensure that
3 the public interest criteria are applied to the procurement
4 and given full effect, the Agency's long-term procurement
5 plan shall describe in detail how each public interest
6 factor shall be considered and weighted for facilities
7 located in states adjacent to Illinois.

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

1 procurement of additional renewable energy credits from
2 new wind or new photovoltaic resources as defined in this
3 subsection (c). The long-term plan shall provide that these
4 renewable energy credits shall be procured in the next
5 procurement event.

6 Notwithstanding the limitations of this subparagraph
7 (J), renewable energy credits sourced from generating
8 units that are constructed, purchased, owned, or leased by
9 an electric utility as part of an approved project,
10 program, or pilot under Section 1-56 of this Act shall be
11 eligible to be counted toward the renewable energy
12 requirements of this subsection (c), regardless of how the
13 costs of these units are recovered.

14 (K) The long-term renewable resources procurement plan
15 developed by the Agency in accordance with subparagraph (A)
16 of this paragraph (1) shall include an Adjustable Block
17 program for the procurement of renewable energy credits
18 from new photovoltaic projects that are distributed
19 renewable energy generation devices or new photovoltaic
20 community renewable generation projects. The Adjustable
21 Block program shall be designed to provide a transparent
22 schedule of prices and quantities to enable the
23 photovoltaic market to scale up and for renewable energy
24 credit prices to adjust at a predictable rate over time.
25 The prices set by the Adjustable Block program can be
26 reflected as a set value or as the product of a formula.

1 The Adjustable Block program shall include for each
2 category of eligible projects: a schedule of standard block
3 purchase prices to be offered; a series of steps, with
4 associated nameplate capacity and purchase prices that
5 adjust from step to step; and automatic opening of the next
6 step as soon as the nameplate capacity and available
7 purchase prices for an open step are fully committed or
8 reserved. Only projects energized on or after June 1, 2017
9 shall be eligible for the Adjustable Block program. For
10 each block group the Agency shall determine the number of
11 blocks, the amount of generation capacity in each block,
12 and the purchase price for each block, provided that the
13 purchase price provided and the total amount of generation
14 in all blocks for all block groups shall be sufficient to
15 meet the goals in this subsection (c). The Agency may
16 periodically review its prior decisions establishing the
17 number of blocks, the amount of generation capacity in each
18 block, and the purchase price for each block, and may
19 propose, on an expedited basis, changes to these previously
20 set values, including but not limited to redistributing
21 these amounts and the available funds as necessary and
22 appropriate, subject to Commission approval as part of the
23 periodic plan revision process described in Section
24 16-111.5 of the Public Utilities Act. The Agency may define
25 different block sizes, purchase prices, or other distinct
26 terms and conditions for projects located in different

1 utility service territories if the Agency deems it
2 necessary to meet the goals in this subsection (c).

3 The Adjustable Block program shall include at least the
4 following block groups in at least the following amounts,
5 which may be adjusted upon review by the Agency and
6 approval by the Commission as described in this
7 subparagraph (K):

8 (i) At least 25% from distributed renewable energy
9 generation devices with a nameplate capacity of no more
10 than 10 kilowatts.

11 (ii) At least 25% from distributed renewable
12 energy generation devices with a nameplate capacity of
13 more than 10 kilowatts and no more than 2,000
14 kilowatts. The Agency may create sub-categories within
15 this category to account for the differences between
16 projects for small commercial customers, large
17 commercial customers, and public or non-profit
18 customers.

19 (iii) At least 25% from photovoltaic community
20 renewable generation projects.

21 (iv) The remaining 25% shall be allocated as
22 specified by the Agency in the long-term renewable
23 resources procurement plan.

24 The Adjustable Block program shall be designed to
25 ensure that renewable energy credits are procured from
26 photovoltaic distributed renewable energy generation

1 devices and new photovoltaic community renewable energy
2 generation projects in diverse locations and are not
3 concentrated in a few geographic areas.

4 (L) The procurement of photovoltaic renewable energy
5 credits under items (i) through (iv) of subparagraph (K) of
6 this paragraph (1) shall be subject to the following
7 contract and payment terms:

8 (i) The Agency shall procure contracts of at least
9 15 years in length.

10 (ii) For those renewable energy credits that
11 qualify and are procured under item (i) of subparagraph
12 (K) of this paragraph (1), the renewable energy credit
13 purchase price shall be paid in full by the contracting
14 utilities at the time that the facility producing the
15 renewable energy credits is interconnected at the
16 distribution system level of the utility and
17 energized. The electric utility shall receive and
18 retire all renewable energy credits generated by the
19 project for the first 15 years of operation.

20 (iii) For those renewable energy credits that
21 qualify and are procured under item (ii) and (iii) of
22 subparagraph (K) of this paragraph (1) and any
23 additional categories of distributed generation
24 included in the long-term renewable resources
25 procurement plan and approved by the Commission, 20
26 percent of the renewable energy credit purchase price

1 shall be paid by the contracting utilities at the time
2 that the facility producing the renewable energy
3 credits is interconnected at the distribution system
4 level of the utility and energized. The remaining
5 portion shall be paid ratably over the subsequent
6 4-year period. The electric utility shall receive and
7 retire all renewable energy credits generated by the
8 project for the first 15 years of operation.

9 (iv) Each contract shall include provisions to
10 ensure the delivery of the renewable energy credits for
11 the full term of the contract.

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

18 (vi) If, at any time, approved applications for the
19 Adjustable Block program exceed funds collected by the
20 electric utility or would cause the Agency to exceed
21 the limitation described in subparagraph (E) of this
22 paragraph (1) on the amount of renewable energy
23 resources that may be procured, then the Agency shall
24 consider future uncommitted funds to be reserved for
25 these contracts on a first-come, first-served basis,
26 with the delivery of renewable energy credits required

1 beginning at the time that the reserved funds become
2 available.

3 (vii) Nothing in this Section shall require the
4 utility to advance any payment or pay any amounts that
5 exceed the actual amount of revenues collected by the
6 utility under paragraph (6) of this subsection (c) and
7 subsection (k) of Section 16-108 of the Public
8 Utilities Act, and contracts executed under this
9 Section shall expressly incorporate this limitation.

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

25 The Agency and its consultant or consultants shall
26 monitor block activity, share program activity with

1 stakeholders and conduct regularly scheduled meetings to
2 discuss program activity and market conditions. If
3 necessary, the Agency may make prospective administrative
4 adjustments to the Adjustable Block program design, such as
5 redistributing available funds or making adjustments to
6 purchase prices as necessary to achieve the goals of this
7 subsection (c). Program modifications to any price,
8 capacity block, or other program element that do not
9 deviate from the Commission's approved value by more than
10 25% shall take effect immediately and are not subject to
11 Commission review and approval. Program modifications to
12 any price, capacity block, or other program element that
13 deviate more than 25% from the Commission's approved value
14 must be approved by the Commission as a long-term plan
15 amendment under Section 16-111.5 of the Public Utilities
16 Act. The Agency shall consider stakeholder feedback when
17 making adjustments to the Adjustable Block design and shall
18 notify stakeholders in advance of any planned changes.

19 (N) The long-term renewable resources procurement plan
20 required by this subsection (c) shall include a community
21 renewable generation program. The Agency shall establish
22 the terms, conditions, and program requirements for
23 community renewable generation projects with a goal to
24 expand renewable energy generating facility access to a
25 broader group of energy consumers, to ensure robust
26 participation opportunities for residential and small

1 commercial customers and those who cannot install
2 renewable energy on their own properties. Any plan approved
3 by the Commission shall allow subscriptions to community
4 renewable generation projects to be portable and
5 transferable. For purposes of this subparagraph (N),
6 "portable" means that subscriptions may be retained by the
7 subscriber even if the subscriber relocates or changes its
8 address within the same utility service territory; and
9 "transferable" means that a subscriber may assign or sell
10 subscriptions to another person within the same utility
11 service territory.

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

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

1 Act of 1978.

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

11 (O) For the delivery year beginning June 1, 2018, the
12 long-term renewable resources procurement plan required by
13 this subsection (c) shall provide for the Agency to procure
14 contracts to continue offering the Illinois Solar for All
15 Program described in subsection (b) of Section 1-56 of this
16 Act, and the contracts approved by the Commission shall be
17 executed by the utilities that are subject to this
18 subsection (c). The long-term renewable resources
19 procurement plan shall allocate 5% of the funds available
20 under the plan for the applicable delivery year, or
21 \$10,000,000 per delivery year, whichever is greater, to
22 fund the programs, and the plan shall determine the amount
23 of funding to be apportioned to the programs identified in
24 subsection (b) of Section 1-56 of this Act; provided that
25 for the delivery years beginning June 1, 2017, June 1,
26 2021, and June 1, 2025, the long-term renewable resources

1 procurement plan shall allocate 10% of the funds available
2 under the plan for the applicable delivery year, or
3 \$20,000,000 per delivery year, whichever is greater, and
4 \$10,000,000 of such funds in such year shall be used by an
5 electric utility that serves more than 3,000,000 retail
6 customers in the State to implement a Commission-approved
7 plan under Section 16-108.12 of the Public Utilities Act.
8 In making the determinations required under this
9 subparagraph (O), the Commission shall consider the
10 experience and performance under the programs and any
11 evaluation reports. The Commission shall also provide for
12 an independent evaluation of those programs on a periodic
13 basis that are funded under this subparagraph (O).

14 (2) (Blank).

15 (3) (Blank).

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

18 (5) Beginning with the 2010 delivery year and ending
19 June 1, 2017, an electric utility subject to this
20 subsection (c) shall apply the lesser of the maximum
21 alternative compliance payment rate or the most recent
22 estimated alternative compliance payment rate for its
23 service territory for the corresponding compliance period,
24 established pursuant to subsection (d) of Section 16-115D
25 of the Public Utilities Act to its retail customers that
26 take service pursuant to the electric utility's hourly

1 pricing tariff or tariffs. The electric utility shall
2 retain all amounts collected as a result of the application
3 of the alternative compliance payment rate or rates to such
4 customers, and, beginning in 2011, the utility shall
5 include in the information provided under item (1) of
6 subsection (d) of Section 16-111.5 of the Public Utilities
7 Act the amounts collected under the alternative compliance
8 payment rate or rates for the prior year ending May 31.
9 Notwithstanding any limitation on the procurement of
10 renewable energy resources imposed by item (2) of this
11 subsection (c), the Agency shall increase its spending on
12 the purchase of renewable energy resources to be procured
13 by the electric utility for the next plan year by an amount
14 equal to the amounts collected by the utility under the
15 alternative compliance payment rate or rates in the prior
16 year ending May 31.

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

1 (7) Renewable energy credits procured from new
2 photovoltaic projects or new distributed renewable energy
3 generation devices under this Section after the effective
4 date of this amendatory Act of the 99th General Assembly
5 must be procured from devices installed by a qualified
6 person in compliance with the requirements of Section
7 16-128A of the Public Utilities Act and any rules or
8 regulations adopted thereunder.

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

19 (d) Clean coal portfolio standard.

20 (1) The procurement plans shall include electricity
21 generated using clean coal. Each utility shall enter into
22 one or more sourcing agreements with the initial clean coal
23 facility, as provided in paragraph (3) of this subsection
24 (d), covering electricity generated by the initial clean
25 coal facility representing at least 5% of each utility's
26 total supply to serve the load of eligible retail customers

1 in 2015 and each year thereafter, as described in paragraph
2 (3) of this subsection (d), subject to the limits specified
3 in paragraph (2) of this subsection (d). It is the goal of
4 the State that by January 1, 2025, 25% of the electricity
5 used in the State shall be generated by cost-effective
6 clean coal facilities. For purposes of this subsection (d),
7 "cost-effective" means that the expenditures pursuant to
8 such sourcing agreements do not cause the limit stated in
9 paragraph (2) of this subsection (d) to be exceeded and do
10 not exceed cost-based benchmarks, which shall be developed
11 to assess all expenditures pursuant to such sourcing
12 agreements covering electricity generated by clean coal
13 facilities, other than the initial clean coal facility, by
14 the procurement administrator, in consultation with the
15 Commission staff, Agency staff, and the procurement
16 monitor and shall be subject to Commission review and
17 approval.

18 A utility party to a sourcing agreement shall
19 immediately retire any emission credits that it receives in
20 connection with the electricity covered by such agreement.

21 Utilities shall maintain adequate records documenting
22 the purchases under the sourcing agreement to comply with
23 this subsection (d) and shall file an accounting with the
24 load forecast that must be filed with the Agency by July 15
25 of each year, in accordance with subsection (d) of Section
26 16-111.5 of the Public Utilities Act.

1 A utility shall be deemed to have complied with the
2 clean coal portfolio standard specified in this subsection
3 (d) if the utility enters into a sourcing agreement as
4 required by this subsection (d).

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

19 Notwithstanding the requirements of this subsection
20 (d), the total amount paid under sourcing agreements with
21 clean coal facilities pursuant to the procurement plan for
22 any given year shall be reduced by an amount necessary to
23 limit the annual estimated average net increase due to the
24 costs of these resources included in the amounts paid by
25 eligible retail customers in connection with electric
26 service to:

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

4 (B) in 2011, the greater of an additional 0.5% of
5 the amount paid per kilowatthour by those customers
6 during the year ending May 31, 2010 or 1% of the amount
7 paid per kilowatthour by those customers during the
8 year ending May 31, 2009;

9 (C) in 2012, the greater of an additional 0.5% of
10 the amount paid per kilowatthour by those customers
11 during the year ending May 31, 2011 or 1.5% of the
12 amount paid per kilowatthour by those customers during
13 the year ending May 31, 2009;

14 (D) in 2013, the greater of an additional 0.5% of
15 the amount paid per kilowatthour by those customers
16 during the year ending May 31, 2012 or 2% of the amount
17 paid per kilowatthour by those customers during the
18 year ending May 31, 2009; and

19 (E) thereafter, the total amount paid under
20 sourcing agreements with clean coal facilities
21 pursuant to the procurement plan for any single year
22 shall be reduced by an amount necessary to limit the
23 estimated average net increase due to the cost of these
24 resources included in the amounts paid by eligible
25 retail customers in connection with electric service
26 to no more than the greater of (i) 2.015% of the amount

1 paid per kilowatthour by those customers during the
2 year ending May 31, 2009 or (ii) the incremental amount
3 per kilowatthour paid for these resources in 2013.
4 These requirements may be altered only as provided by
5 statute.

6 No later than June 30, 2015, the Commission shall
7 review the limitation on the total amount paid under
8 sourcing agreements, if any, with clean coal facilities
9 pursuant to this subsection (d) and report to the General
10 Assembly its findings as to whether that limitation unduly
11 constrains the amount of electricity generated by
12 cost-effective clean coal facilities that is covered by
13 sourcing agreements.

14 (3) Initial clean coal facility. In order to promote
15 development of clean coal facilities in Illinois, each
16 electric utility subject to this Section shall execute a
17 sourcing agreement to source electricity from a proposed
18 clean coal facility in Illinois (the "initial clean coal
19 facility") that will have a nameplate capacity of at least
20 500 MW when commercial operation commences, that has a
21 final Clean Air Act permit on the effective date of this
22 amendatory Act of the 95th General Assembly, and that will
23 meet the definition of clean coal facility in Section 1-10
24 of this Act when commercial operation commences. The
25 sourcing agreements with this initial clean coal facility
26 shall be subject to both approval of the initial clean coal

1 facility by the General Assembly and satisfaction of the
2 requirements of paragraph (4) of this subsection (d) and
3 shall be executed within 90 days after any such approval by
4 the General Assembly. The Agency and the Commission shall
5 have authority to inspect all books and records associated
6 with the initial clean coal facility during the term of
7 such a sourcing agreement. A utility's sourcing agreement
8 for electricity produced by the initial clean coal facility
9 shall include:

10 (A) a formula contractual price (the "contract
11 price") approved pursuant to paragraph (4) of this
12 subsection (d), which shall:

13 (i) be determined using a cost of service
14 methodology employing either a level or deferred
15 capital recovery component, based on a capital
16 structure consisting of 45% equity and 55% debt,
17 and a return on equity as may be approved by the
18 Federal Energy Regulatory Commission, which in any
19 case may not exceed the lower of 11.5% or the rate
20 of return approved by the General Assembly
21 pursuant to paragraph (4) of this subsection (d);
22 and

23 (ii) provide that all miscellaneous net
24 revenue, including but not limited to net revenue
25 from the sale of emission allowances, if any,
26 substitute natural gas, if any, grants or other

1 support provided by the State of Illinois or the
2 United States Government, firm transmission
3 rights, if any, by-products produced by the
4 facility, energy or capacity derived from the
5 facility and not covered by a sourcing agreement
6 pursuant to paragraph (3) of this subsection (d) or
7 item (5) of subsection (d) of Section 16-115 of the
8 Public Utilities Act, whether generated from the
9 synthesis gas derived from coal, from SNG, or from
10 natural gas, shall be credited against the revenue
11 requirement for this initial clean coal facility;

12 (B) power purchase provisions, which shall:

13 (i) provide that the utility party to such
14 sourcing agreement shall pay the contract price
15 for electricity delivered under such sourcing
16 agreement;

17 (ii) require delivery of electricity to the
18 regional transmission organization market of the
19 utility that is party to such sourcing agreement;

20 (iii) require the utility party to such
21 sourcing agreement to buy from the initial clean
22 coal facility in each hour an amount of energy
23 equal to all clean coal energy made available from
24 the initial clean coal facility during such hour
25 times a fraction, the numerator of which is such
26 utility's retail market sales of electricity

1 (expressed in kilowatthours sold) in the State
2 during the prior calendar month and the
3 denominator of which is the total retail market
4 sales of electricity (expressed in kilowatthours
5 sold) in the State by utilities during such prior
6 month and the sales of electricity (expressed in
7 kilowatthours sold) in the State by alternative
8 retail electric suppliers during such prior month
9 that are subject to the requirements of this
10 subsection (d) and paragraph (5) of subsection (d)
11 of Section 16-115 of the Public Utilities Act,
12 provided that the amount purchased by the utility
13 in any year will be limited by paragraph (2) of
14 this subsection (d); and

15 (iv) be considered pre-existing contracts in
16 such utility's procurement plans for eligible
17 retail customers;

18 (C) contract for differences provisions, which
19 shall:

20 (i) require the utility party to such sourcing
21 agreement to contract with the initial clean coal
22 facility in each hour with respect to an amount of
23 energy equal to all clean coal energy made
24 available from the initial clean coal facility
25 during such hour times a fraction, the numerator of
26 which is such utility's retail market sales of

1 electricity (expressed in kilowatthours sold) in
2 the utility's service territory in the State
3 during the prior calendar month and the
4 denominator of which is the total retail market
5 sales of electricity (expressed in kilowatthours
6 sold) in the State by utilities during such prior
7 month and the sales of electricity (expressed in
8 kilowatthours sold) in the State by alternative
9 retail electric suppliers during such prior month
10 that are subject to the requirements of this
11 subsection (d) and paragraph (5) of subsection (d)
12 of Section 16-115 of the Public Utilities Act,
13 provided that the amount paid by the utility in any
14 year will be limited by paragraph (2) of this
15 subsection (d);

16 (ii) provide that the utility's payment
17 obligation in respect of the quantity of
18 electricity determined pursuant to the preceding
19 clause (i) shall be limited to an amount equal to
20 (1) the difference between the contract price
21 determined pursuant to subparagraph (A) of
22 paragraph (3) of this subsection (d) and the
23 day-ahead price for electricity delivered to the
24 regional transmission organization market of the
25 utility that is party to such sourcing agreement
26 (or any successor delivery point at which such

1 utility's supply obligations are financially
2 settled on an hourly basis) (the "reference
3 price") on the day preceding the day on which the
4 electricity is delivered to the initial clean coal
5 facility busbar, multiplied by (2) the quantity of
6 electricity determined pursuant to the preceding
7 clause (i); and

8 (iii) not require the utility to take physical
9 delivery of the electricity produced by the
10 facility;

11 (D) general provisions, which shall:

12 (i) specify a term of no more than 30 years,
13 commencing on the commercial operation date of the
14 facility;

15 (ii) provide that utilities shall maintain
16 adequate records documenting purchases under the
17 sourcing agreements entered into to comply with
18 this subsection (d) and shall file an accounting
19 with the load forecast that must be filed with the
20 Agency by July 15 of each year, in accordance with
21 subsection (d) of Section 16-111.5 of the Public
22 Utilities Act;

23 (iii) provide that all costs associated with
24 the initial clean coal facility will be
25 periodically reported to the Federal Energy
26 Regulatory Commission and to purchasers in

1 accordance with applicable laws governing
2 cost-based wholesale power contracts;

3 (iv) permit the Illinois Power Agency to
4 assume ownership of the initial clean coal
5 facility, without monetary consideration and
6 otherwise on reasonable terms acceptable to the
7 Agency, if the Agency so requests no less than 3
8 years prior to the end of the stated contract term;

9 (v) require the owner of the initial clean coal
10 facility to provide documentation to the
11 Commission each year, starting in the facility's
12 first year of commercial operation, accurately
13 reporting the quantity of carbon emissions from
14 the facility that have been captured and
15 sequestered and report any quantities of carbon
16 released from the site or sites at which carbon
17 emissions were sequestered in prior years, based
18 on continuous monitoring of such sites. If, in any
19 year after the first year of commercial operation,
20 the owner of the facility fails to demonstrate that
21 the initial clean coal facility captured and
22 sequestered at least 50% of the total carbon
23 emissions that the facility would otherwise emit
24 or that sequestration of emissions from prior
25 years has failed, resulting in the release of
26 carbon dioxide into the atmosphere, the owner of

1 the facility must offset excess emissions. Any
2 such carbon offsets must be permanent, additional,
3 verifiable, real, located within the State of
4 Illinois, and legally and practicably enforceable.
5 The cost of such offsets for the facility that are
6 not recoverable shall not exceed \$15 million in any
7 given year. No costs of any such purchases of
8 carbon offsets may be recovered from a utility or
9 its customers. All carbon offsets purchased for
10 this purpose and any carbon emission credits
11 associated with sequestration of carbon from the
12 facility must be permanently retired. The initial
13 clean coal facility shall not forfeit its
14 designation as a clean coal facility if the
15 facility fails to fully comply with the applicable
16 carbon sequestration requirements in any given
17 year, provided the requisite offsets are
18 purchased. However, the Attorney General, on
19 behalf of the People of the State of Illinois, may
20 specifically enforce the facility's sequestration
21 requirement and the other terms of this contract
22 provision. Compliance with the sequestration
23 requirements and offset purchase requirements
24 specified in paragraph (3) of this subsection (d)
25 shall be reviewed annually by an independent
26 expert retained by the owner of the initial clean

1 coal facility, with the advance written approval
2 of the Attorney General. The Commission may, in the
3 course of the review specified in item (vii),
4 reduce the allowable return on equity for the
5 facility if the facility wilfully fails to comply
6 with the carbon capture and sequestration
7 requirements set forth in this item (v);

8 (vi) include limits on, and accordingly
9 provide for modification of, the amount the
10 utility is required to source under the sourcing
11 agreement consistent with paragraph (2) of this
12 subsection (d);

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

1 months;

2 (viii) limit the utility's obligation to such
3 amount as the utility is allowed to recover through
4 tariffs filed with the Commission, provided that
5 neither the clean coal facility nor the utility
6 waives any right to assert federal pre-emption or
7 any other argument in response to a purported
8 disallowance of recovery costs;

9 (ix) limit the utility's or alternative retail
10 electric supplier's obligation to incur any
11 liability until such time as the facility is in
12 commercial operation and generating power and
13 energy and such power and energy is being delivered
14 to the facility busbar;

15 (x) provide that the owner or owners of the
16 initial clean coal facility, which is the
17 counterparty to such sourcing agreement, shall
18 have the right from time to time to elect whether
19 the obligations of the utility party thereto shall
20 be governed by the power purchase provisions or the
21 contract for differences provisions;

22 (xi) append documentation showing that the
23 formula rate and contract, insofar as they relate
24 to the power purchase provisions, have been
25 approved by the Federal Energy Regulatory
26 Commission pursuant to Section 205 of the Federal

1 Power Act;

2 (xii) provide that any changes to the terms of
3 the contract, insofar as such changes relate to the
4 power purchase provisions, are subject to review
5 under the public interest standard applied by the
6 Federal Energy Regulatory Commission pursuant to
7 Sections 205 and 206 of the Federal Power Act; and

8 (xiii) conform with customary lender
9 requirements in power purchase agreements used as
10 the basis for financing non-utility generators.

11 (4) Effective date of sourcing agreements with the
12 initial clean coal facility.

13 Any proposed sourcing agreement with the initial clean
14 coal facility shall not become effective unless the
15 following reports are prepared and submitted and
16 authorizations and approvals obtained:

17 (i) Facility cost report. The owner of the initial
18 clean coal facility shall submit to the Commission, the
19 Agency, and the General Assembly a front-end
20 engineering and design study, a facility cost report,
21 method of financing (including but not limited to
22 structure and associated costs), and an operating and
23 maintenance cost quote for the facility (collectively
24 "facility cost report"), which shall be prepared in
25 accordance with the requirements of this paragraph (4)
26 of subsection (d) of this Section, and shall provide

1 the Commission and the Agency access to the work
2 papers, relied upon documents, and any other backup
3 documentation related to the facility cost report.

4 (ii) Commission report. Within 6 months following
5 receipt of the facility cost report, the Commission, in
6 consultation with the Agency, shall submit a report to
7 the General Assembly setting forth its analysis of the
8 facility cost report. Such report shall include, but
9 not be limited to, a comparison of the costs associated
10 with electricity generated by the initial clean coal
11 facility to the costs associated with electricity
12 generated by other types of generation facilities, an
13 analysis of the rate impacts on residential and small
14 business customers over the life of the sourcing
15 agreements, and an analysis of the likelihood that the
16 initial clean coal facility will commence commercial
17 operation by and be delivering power to the facility's
18 busbar by 2016. To assist in the preparation of its
19 report, the Commission, in consultation with the
20 Agency, may hire one or more experts or consultants,
21 the costs of which shall be paid for by the owner of
22 the initial clean coal facility. The Commission and
23 Agency may begin the process of selecting such experts
24 or consultants prior to receipt of the facility cost
25 report.

26 (iii) General Assembly approval. The proposed

1 sourcing agreements shall not take effect unless,
2 based on the facility cost report and the Commission's
3 report, the General Assembly enacts authorizing
4 legislation approving (A) the projected price, stated
5 in cents per kilowatthour, to be charged for
6 electricity generated by the initial clean coal
7 facility, (B) the projected impact on residential and
8 small business customers' bills over the life of the
9 sourcing agreements, and (C) the maximum allowable
10 return on equity for the project; and

11 (iv) Commission review. If the General Assembly
12 enacts authorizing legislation pursuant to
13 subparagraph (iii) approving a sourcing agreement, the
14 Commission shall, within 90 days of such enactment,
15 complete a review of such sourcing agreement. During
16 such time period, the Commission shall implement any
17 directive of the General Assembly, resolve any
18 disputes between the parties to the sourcing agreement
19 concerning the terms of such agreement, approve the
20 form of such agreement, and issue an order finding that
21 the sourcing agreement is prudent and reasonable.

22 The facility cost report shall be prepared as follows:

23 (A) The facility cost report shall be prepared by
24 duly licensed engineering and construction firms
25 detailing the estimated capital costs payable to one or
26 more contractors or suppliers for the engineering,

1 procurement and construction of the components
2 comprising the initial clean coal facility and the
3 estimated costs of operation and maintenance of the
4 facility. The facility cost report shall include:

5 (i) an estimate of the capital cost of the core
6 plant based on one or more front end engineering
7 and design studies for the gasification island and
8 related facilities. The core plant shall include
9 all civil, structural, mechanical, electrical,
10 control, and safety systems.

11 (ii) an estimate of the capital cost of the
12 balance of the plant, including any capital costs
13 associated with sequestration of carbon dioxide
14 emissions and all interconnects and interfaces
15 required to operate the facility, such as
16 transmission of electricity, construction or
17 backfeed power supply, pipelines to transport
18 substitute natural gas or carbon dioxide, potable
19 water supply, natural gas supply, water supply,
20 water discharge, landfill, access roads, and coal
21 delivery.

22 The quoted construction costs shall be expressed
23 in nominal dollars as of the date that the quote is
24 prepared and shall include capitalized financing costs
25 during construction, taxes, insurance, and other
26 owner's costs, and an assumed escalation in materials

1 and labor beyond the date as of which the construction
2 cost quote is expressed.

3 (B) The front end engineering and design study for
4 the gasification island and the cost study for the
5 balance of plant shall include sufficient design work
6 to permit quantification of major categories of
7 materials, commodities and labor hours, and receipt of
8 quotes from vendors of major equipment required to
9 construct and operate the clean coal facility.

10 (C) The facility cost report shall also include an
11 operating and maintenance cost quote that will provide
12 the estimated cost of delivered fuel, personnel,
13 maintenance contracts, chemicals, catalysts,
14 consumables, spares, and other fixed and variable
15 operations and maintenance costs. The delivered fuel
16 cost estimate will be provided by a recognized third
17 party expert or experts in the fuel and transportation
18 industries. The balance of the operating and
19 maintenance cost quote, excluding delivered fuel
20 costs, will be developed based on the inputs provided
21 by duly licensed engineering and construction firms
22 performing the construction cost quote, potential
23 vendors under long-term service agreements and plant
24 operating agreements, or recognized third party plant
25 operator or operators.

26 The operating and maintenance cost quote

1 (including the cost of the front end engineering and
2 design study) shall be expressed in nominal dollars as
3 of the date that the quote is prepared and shall
4 include taxes, insurance, and other owner's costs, and
5 an assumed escalation in materials and labor beyond the
6 date as of which the operating and maintenance cost
7 quote is expressed.

8 (D) The facility cost report shall also include an
9 analysis of the initial clean coal facility's ability
10 to deliver power and energy into the applicable
11 regional transmission organization markets and an
12 analysis of the expected capacity factor for the
13 initial clean coal facility.

14 (E) Amounts paid to third parties unrelated to the
15 owner or owners of the initial clean coal facility to
16 prepare the core plant construction cost quote,
17 including the front end engineering and design study,
18 and the operating and maintenance cost quote will be
19 reimbursed through Coal Development Bonds.

20 (5) Re-powering and retrofitting coal-fired power
21 plants previously owned by Illinois utilities to qualify as
22 clean coal facilities. During the 2009 procurement
23 planning process and thereafter, the Agency and the
24 Commission shall consider sourcing agreements covering
25 electricity generated by power plants that were previously
26 owned by Illinois utilities and that have been or will be

1 converted into clean coal facilities, as defined by Section
2 1-10 of this Act. Pursuant to such procurement planning
3 process, the owners of such facilities may propose to the
4 Agency sourcing agreements with utilities and alternative
5 retail electric suppliers required to comply with
6 subsection (d) of this Section and item (5) of subsection
7 (d) of Section 16-115 of the Public Utilities Act, covering
8 electricity generated by such facilities. In the case of
9 sourcing agreements that are power purchase agreements,
10 the contract price for electricity sales shall be
11 established on a cost of service basis. In the case of
12 sourcing agreements that are contracts for differences,
13 the contract price from which the reference price is
14 subtracted shall be established on a cost of service basis.
15 The Agency and the Commission may approve any such utility
16 sourcing agreements that do not exceed cost-based
17 benchmarks developed by the procurement administrator, in
18 consultation with the Commission staff, Agency staff and
19 the procurement monitor, subject to Commission review and
20 approval. The Commission shall have authority to inspect
21 all books and records associated with these clean coal
22 facilities during the term of any such contract.

23 (6) Costs incurred under this subsection (d) or
24 pursuant to a contract entered into under this subsection
25 (d) shall be deemed prudently incurred and reasonable in
26 amount and the electric utility shall be entitled to full

1 cost recovery pursuant to the tariffs filed with the
2 Commission.

3 (d-5) Zero emission standard.

4 (1) Beginning with the delivery year commencing on June
5 1, 2017, the Agency shall, for electric utilities that
6 serve at least 100,000 retail customers in this State,
7 procure contracts with zero emission facilities that are
8 reasonably capable of generating cost-effective zero
9 emission credits in an amount approximately equal to 16% of
10 the actual amount of electricity delivered by each electric
11 utility to retail customers in the State during calendar
12 year 2014. For an electric utility serving fewer than
13 100,000 retail customers in this State that requested,
14 under Section 16-111.5 of the Public Utilities Act, that
15 the Agency procure power and energy for all or a portion of
16 the utility's Illinois load for the delivery year
17 commencing June 1, 2016, the Agency shall procure contracts
18 with zero emission facilities that are reasonably capable
19 of generating cost-effective zero emission credits in an
20 amount approximately equal to 16% of the portion of power
21 and energy to be procured by the Agency for the utility.
22 The duration of the contracts procured under this
23 subsection (d-5) shall be for a term of 10 years ending May
24 31, 2027. The quantity of zero emission credits to be
25 procured under the contracts shall be all of the zero
26 emission credits generated by the zero emission facility in

1 each delivery year; however, if the zero emission facility
2 is owned by more than one entity, then the quantity of zero
3 emission credits to be procured under the contracts shall
4 be the amount of zero emission credits that are generated
5 from the portion of the zero emission facility that is
6 owned by the winning supplier.

7 The 16% value identified in this paragraph (1) is the
8 average of the percentage targets in subparagraph (B) of
9 paragraph (1) of subsection (c) of Section 1-75 of this Act
10 for the 5 delivery years beginning June 1, 2017.

11 The procurement process shall be subject to the
12 following provisions:

13 (A) Those zero emission facilities that intend to
14 participate in the procurement shall submit to the
15 Agency the following eligibility information for each
16 zero emission facility on or before the date
17 established by the Agency:

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

20 (ii) the amount of power generated annually
21 for each of the years 2005 through 2015, and the
22 projected zero emission credits to be generated
23 over the remaining useful life of the zero emission
24 facility, which shall be used to determine the
25 capability of each facility;

26 (iii) the annual zero emission facility cost

1 projections, expressed on a per megawatthour
2 basis, over the next 6 delivery years, which shall
3 include the following: operation and maintenance
4 expenses; fully allocated overhead costs, which
5 shall be allocated using the methodology developed
6 by the Institute for Nuclear Power Operations;
7 fuel expenditures; non-fuel capital expenditures;
8 spent fuel expenditures; a return on working
9 capital; the cost of operational and market risks
10 that could be avoided by ceasing operation; and any
11 other costs necessary for continued operations,
12 provided that "necessary" means, for purposes of
13 this item (iii), that the costs could reasonably be
14 avoided only by ceasing operations of the zero
15 emission facility; and

16 (iv) a commitment to continue operating, for
17 the duration of the contract or contracts executed
18 under the procurement held under this subsection
19 (d-5), the zero emission facility that produces
20 the zero emission credits to be procured in the
21 procurement.

22 The information described in item (iii) of this
23 subparagraph (A) may be submitted on a confidential basis
24 and shall be treated and maintained by the Agency, the
25 procurement administrator, and the Commission as
26 confidential and proprietary and exempt from disclosure

1 under subparagraphs (a) and (g) of paragraph (1) of Section
2 7 of the Freedom of Information Act. The Office of Attorney
3 General shall have access to, and maintain the
4 confidentiality of, such information pursuant to Section
5 6.5 of the Attorney General Act.

6 (B) The price for each zero emission credit
7 procured under this subsection (d-5) for each delivery
8 year shall be in an amount that equals the Social Cost
9 of Carbon, expressed on a price per megawatthour basis.
10 However, to ensure that the procurement remains
11 affordable to retail customers in this State if
12 electricity prices increase, the price in an
13 applicable delivery year shall be reduced below the
14 Social Cost of Carbon by the amount ("Price
15 Adjustment") by which the market price index for the
16 applicable delivery year exceeds the baseline market
17 price index for the consecutive 12-month period ending
18 May 31, 2016. If the Price Adjustment is greater than
19 or equal to the Social Cost of Carbon in an applicable
20 delivery year, then no payments shall be due in that
21 delivery year. The components of this calculation are
22 defined as follows:

23 (i) Social Cost of Carbon: The Social Cost of
24 Carbon is \$16.50 per megawatthour, which is based
25 on the U.S. Interagency Working Group on Social
26 Cost of Carbon's price in the August 2016 Technical

1 Update using a 3% discount rate, adjusted for
2 inflation for each year of the program. Beginning
3 with the delivery year commencing June 1, 2023, the
4 price per megawatthour shall increase by \$1 per
5 megawatthour, and continue to increase by an
6 additional \$1 per megawatthour each delivery year
7 thereafter.

8 (ii) Baseline market price index: The baseline
9 market price index for the consecutive 12-month
10 period ending May 31, 2016 is \$31.40 per
11 megawatthour, which is based on the sum of (aa) the
12 average day-ahead energy price across all hours of
13 such 12-month period at the PJM Interconnection
14 LLC Northern Illinois Hub, (bb) 50% multiplied by
15 the Base Residual Auction, or its successor,
16 capacity price for the rest of the RTO zone group
17 determined by PJM Interconnection LLC, divided by
18 24 hours per day, and (cc) 50% multiplied by the
19 Planning Resource Auction, or its successor,
20 capacity price for Zone 4 determined by the
21 Midcontinent Independent System Operator, Inc.,
22 divided by 24 hours per day.

23 (iii) Market price index: The market price
24 index for a delivery year shall be the sum of
25 projected energy prices and projected capacity
26 prices determined as follows:

1 (aa) Projected energy prices: the
2 projected energy prices for the applicable
3 delivery year shall be calculated once for the
4 year using the forward market price for the PJM
5 Interconnection, LLC Northern Illinois Hub.
6 The forward market price shall be calculated as
7 follows: the energy forward prices for each
8 month of the applicable delivery year averaged
9 for each trade date during the calendar year
10 immediately preceding that delivery year to
11 produce a single energy forward price for the
12 delivery year. The forward market price
13 calculation shall use data published by the
14 Intercontinental Exchange, or its successor.

15 (bb) Projected capacity prices:

16 (I) For the delivery years commencing
17 June 1, 2017, June 1, 2018, and June 1,
18 2019, the projected capacity price shall
19 be equal to the sum of (1) 50% multiplied
20 by the Base Residual Auction, or its
21 successor, price for the rest of the RTO
22 zone group as determined by PJM
23 Interconnection LLC, divided by 24 hours
24 per day and, (2) 50% multiplied by the
25 resource auction price determined in the
26 resource auction administered by the

1 Midcontinent Independent System Operator,
2 Inc., in which the largest percentage of
3 load cleared for Local Resource Zone 4,
4 divided by 24 hours per day, and where such
5 price is determined by the Midcontinent
6 Independent System Operator, Inc.

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

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

24 "Rest of the RTO" and "ComEd Zone" shall have
25 the meaning ascribed to them by PJM
26 Interconnection, LLC.

1 "RTO" means regional transmission
2 organization.

3 (C) No later than 45 days after the effective date
4 of this amendatory Act of the 99th General Assembly,
5 the Agency shall publish its proposed zero emission
6 standard procurement plan. The plan shall be
7 consistent with the provisions of this paragraph (1)
8 and shall provide that winning bids shall be selected
9 based on public interest criteria that include, but are
10 not limited to, minimizing carbon dioxide emissions
11 that result from electricity consumed in Illinois and
12 minimizing sulfur dioxide, nitrogen oxide, and
13 particulate matter emissions that adversely affect the
14 citizens of this State. In particular, the selection of
15 winning bids shall take into account the incremental
16 environmental benefits resulting from the procurement,
17 such as any existing environmental benefits that are
18 preserved by the procurements held under this
19 amendatory Act of the 99th General Assembly and would
20 cease to exist if the procurements were not held,
21 including the preservation of zero emission
22 facilities. The plan shall also describe in detail how
23 each public interest factor shall be considered and
24 weighted in the bid selection process to ensure that
25 the public interest criteria are applied to the
26 procurement and given full effect.

1 For purposes of developing the plan, the Agency
2 shall consider any reports issued by a State agency,
3 board, or commission under House Resolution 1146 of the
4 98th General Assembly and paragraph (4) of subsection
5 (d) of Section 1-75 of this Act, as well as publicly
6 available analyses and studies performed by or for
7 regional transmission organizations that serve the
8 State and their independent market monitors.

9 Upon publishing of the zero emission standard
10 procurement plan, copies of the plan shall be posted
11 and made publicly available on the Agency's website.
12 All interested parties shall have 10 days following the
13 date of posting to provide comment to the Agency on the
14 plan. All comments shall be posted to the Agency's
15 website. Following the end of the comment period, but
16 no more than 60 days later than the effective date of
17 this amendatory Act of the 99th General Assembly, the
18 Agency shall revise the plan as necessary based on the
19 comments received and file its zero emission standard
20 procurement plan with the Commission.

21 If the Commission determines that the plan will
22 result in the procurement of cost-effective zero
23 emission credits, then the Commission shall, after
24 notice and hearing, but no later than 45 days after the
25 Agency filed the plan, approve the plan or approve with
26 modification. For purposes of this subsection (d-5),

1 "cost effective" means the projected costs of
2 procuring zero emission credits from zero emission
3 facilities do not cause the limit stated in paragraph
4 (2) of this subsection to be exceeded.

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

9 (i) identify how the winning bids satisfy the
10 public interest criteria described in subparagraph
11 (C) of this paragraph (1) of minimizing carbon
12 dioxide emissions that result from electricity
13 consumed in Illinois and minimizing sulfur
14 dioxide, nitrogen oxide, and particulate matter
15 emissions that adversely affect the citizens of
16 this State;

17 (ii) specifically address how the selection of
18 winning bids takes into account the incremental
19 environmental benefits resulting from the
20 procurement, including any existing environmental
21 benefits that are preserved by the procurements
22 held under this amendatory Act of the 99th General
23 Assembly and would have ceased to exist if the
24 procurements had not been held, such as the
25 preservation of zero emission facilities;

26 (iii) quantify the environmental benefit of

1 preserving the resources identified in item (ii)
2 of this subparagraph (C-5), including the
3 following:

4 (aa) the value of avoided greenhouse gas
5 emissions measured as the product of the zero
6 emission facilities' output over the contract
7 term multiplied by the U.S. Environmental
8 Protection Agency eGrid subregion carbon
9 dioxide emission rate and the U.S. Interagency
10 Working Group on Social Cost of Carbon's price
11 in the August 2016 Technical Update using a 3%
12 discount rate, adjusted for inflation for each
13 delivery year; and

14 (bb) the costs of replacement with other
15 zero carbon dioxide resources, including wind
16 and photovoltaic, based upon the simple
17 average of the following:

18 (I) the price, or if there is more than
19 one price, the average of the prices, paid
20 for renewable energy credits from new
21 utility-scale wind projects in the
22 procurement events specified in item (i)
23 of subparagraph (G) of paragraph (1) of
24 subsection (c) of Section 1-75 of this Act;
25 and

26 (II) the price, or if there is more

1 than one price, the average of the prices,
2 paid for renewable energy credits from new
3 utility-scale solar projects and
4 brownfield site photovoltaic projects in
5 the procurement events specified in item
6 (ii) of subparagraph (G) of paragraph (1)
7 of subsection (c) of Section 1-75 of this
8 Act and, after January 1, 2015, renewable
9 energy credits from photovoltaic
10 distributed generation projects in
11 procurement events held under subsection
12 (c) of Section 1-75 of this Act.

13 Each utility shall enter into binding contractual
14 arrangements with the winning suppliers.

15 The procurement described in this subsection
16 (d-5), including, but not limited to, the execution of
17 all contracts procured, shall be completed no later
18 than May 10, 2017. Based on the effective date of this
19 amendatory Act of the 99th General Assembly, the Agency
20 and Commission may, as appropriate, modify the various
21 dates and timelines under this subparagraph and
22 subparagraphs (C) and (D) of this paragraph (1). The
23 procurement and plan approval processes required by
24 this subsection (d-5) shall be conducted in
25 conjunction with the procurement and plan approval
26 processes required by subsection (c) of this Section

1 and Section 16-111.5 of the Public Utilities Act, to
2 the extent practicable. Notwithstanding whether a
3 procurement event is conducted under Section 16-111.5
4 of the Public Utilities Act, the Agency shall
5 immediately initiate a procurement process on the
6 effective date of this amendatory Act of the 99th
7 General Assembly.

8 (D) Following the procurement event described in
9 this paragraph (1) and consistent with subparagraph
10 (B) of this paragraph (1), the Agency shall calculate
11 the payments to be made under each contract for the
12 next delivery year based on the market price index for
13 that delivery year. The Agency shall publish the
14 payment calculations no later than May 25, 2017 and
15 every May 25 thereafter.

16 (E) Notwithstanding the requirements of this
17 subsection (d-5), the contracts executed under this
18 subsection (d-5) shall provide that the zero emission
19 facility may, as applicable, suspend or terminate
20 performance under the contracts in the following
21 instances:

22 (i) A zero emission facility shall be excused
23 from its performance under the contract for any
24 cause beyond the control of the resource,
25 including, but not restricted to, acts of God,
26 flood, drought, earthquake, storm, fire,

1 lightning, epidemic, war, riot, civil disturbance
2 or disobedience, labor dispute, labor or material
3 shortage, sabotage, acts of public enemy,
4 explosions, orders, regulations or restrictions
5 imposed by governmental, military, or lawfully
6 established civilian authorities, which, in any of
7 the foregoing cases, by exercise of commercially
8 reasonable efforts the zero emission facility
9 could not reasonably have been expected to avoid,
10 and which, by the exercise of commercially
11 reasonable efforts, it has been unable to
12 overcome. In such event, the zero emission
13 facility shall be excused from performance for the
14 duration of the event, including, but not limited
15 to, delivery of zero emission credits, and no
16 payment shall be due to the zero emission facility
17 during the duration of the event.

18 (ii) A zero emission facility shall be
19 permitted to terminate the contract if legislation
20 is enacted into law by the General Assembly that
21 imposes or authorizes a new tax, special
22 assessment, or fee on the generation of
23 electricity, the ownership or leasehold of a
24 generating unit, or the privilege or occupation of
25 such generation, ownership, or leasehold of
26 generation units by a zero emission facility.

1 However, the provisions of this item (ii) do not
2 apply to any generally applicable tax, special
3 assessment or fee, or requirements imposed by
4 federal law.

5 (iii) A zero emission facility shall be
6 permitted to terminate the contract in the event
7 that the resource requires capital expenditures in
8 excess of \$40,000,000 that were neither known nor
9 reasonably foreseeable at the time it executed the
10 contract and that a prudent owner or operator of
11 such resource would not undertake.

12 (iv) A zero emission facility shall be
13 permitted to terminate the contract in the event
14 the Nuclear Regulatory Commission terminates the
15 resource's license.

16 (F) If the zero emission facility elects to
17 terminate a contract under this subparagraph (E, of
18 this paragraph (1), then the Commission shall reopen
19 the docket in which the Commission approved the zero
20 emission standard procurement plan under subparagraph
21 (C) of this paragraph (1) and, after notice and
22 hearing, enter an order acknowledging the contract
23 termination election if such termination is consistent
24 with the provisions of this subsection (d-5).

25 (2) For purposes of this subsection (d-5), the amount
26 paid per kilowatthour means the total amount paid for

1 electric service expressed on a per kilowatthour basis. For
2 purposes of this subsection (d-5), the total amount paid
3 for electric service includes, without limitation, amounts
4 paid for supply, transmission, distribution, surcharges,
5 and add-on taxes.

6 Notwithstanding the requirements of this subsection
7 (d-5), the contracts executed under this subsection (d-5)
8 shall provide that the total of zero emission credits
9 procured under a procurement plan shall be subject to the
10 limitations of this paragraph (2). For each delivery year,
11 the contractual volume receiving payments in such year
12 shall be reduced for all retail customers based on the
13 amount necessary to limit the net increase that delivery
14 year to the costs of those credits included in the amounts
15 paid by eligible retail customers in connection with
16 electric service to no more than 1.65% of the amount paid
17 per kilowatthour by eligible retail customers during the
18 year ending May 31, 2009. The result of this computation
19 shall apply to and reduce the procurement for all retail
20 customers, and all those customers shall pay the same
21 single, uniform cents per kilowatthour charge under
22 subsection (k) of Section 16-108 of the Public Utilities
23 Act. To arrive at a maximum dollar amount of zero emission
24 credits to be paid for the particular delivery year, the
25 resulting per kilowatthour amount shall be applied to the
26 actual amount of kilowatthours of electricity delivered by

1 the electric utility in the delivery year immediately prior
2 to the procurement, to all retail customers in its service
3 territory. Unpaid contractual volume for any delivery year
4 shall be paid in any subsequent delivery year in which such
5 payments can be made without exceeding the amount specified
6 in this paragraph (2). The calculations required by this
7 paragraph (2) shall be made only once for each procurement
8 plan year. Once the determination as to the amount of zero
9 emission credits to be paid is made based on the
10 calculations set forth in this paragraph (2), no subsequent
11 rate impact determinations shall be made and no adjustments
12 to those contract amounts shall be allowed. All costs
13 incurred under those contracts and in implementing this
14 subsection (d-5) shall be recovered by the electric utility
15 as provided in this Section.

16 No later than June 30, 2019, the Commission shall
17 review the limitation on the amount of zero emission
18 credits procured under this subsection (d-5) and report to
19 the General Assembly its findings as to whether that
20 limitation unduly constrains the procurement of
21 cost-effective zero emission credits.

22 (3) Six years after the execution of a contract under
23 this subsection (d-5), the Agency shall determine whether
24 the actual zero emission credit payments received by the
25 supplier over the 6-year period exceed the Average ZEC
26 Payment. In addition, at the end of the term of a contract

1 executed under this subsection (d-5), or at the time, if
2 any, a zero emission facility's contract is terminated
3 under subparagraph (E) of paragraph (1) of this subsection
4 (d-5), then the Agency shall determine whether the actual
5 zero emission credit payments received by the supplier over
6 the term of the contract exceed the Average ZEC Payment,
7 after taking into account any amounts previously credited
8 back to the utility under this paragraph (3). If the Agency
9 determines that the actual zero emission credit payments
10 received by the supplier over the relevant period exceed
11 the Average ZEC Payment, then the supplier shall credit the
12 difference back to the utility. The amount of the credit
13 shall be remitted to the applicable electric utility no
14 later than 120 days after the Agency's determination, which
15 the utility shall reflect as a credit on its retail
16 customer bills as soon as practicable; however, the credit
17 remitted to the utility shall not exceed the total amount
18 of payments received by the facility under its contract.

19 For purposes of this Section, the Average ZEC Payment
20 shall be calculated by multiplying the quantity of zero
21 emission credits delivered under the contract times the
22 average contract price. The average contract price shall be
23 determined by subtracting the amount calculated under
24 subparagraph (B) of this paragraph (3) from the amount
25 calculated under subparagraph (A) of this paragraph (3), as
26 follows:

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

4 (B) The average of the market price indices, as
5 defined in subparagraph (B) of paragraph (1) of this
6 subsection (d-5), during the term of the contract,
7 minus the baseline market price index, as defined in
8 subparagraph (B) of paragraph (1) of this subsection
9 (d-5).

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

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

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

18 (6) Electric utilities shall be entitled to recover all
19 of the costs associated with the procurement of zero
20 emission credits through an automatic adjustment clause
21 tariff in accordance with subsection (k) and (m) of Section
22 16-108 of the Public Utilities Act, and the contracts
23 executed under this subsection (d-5) shall provide that the
24 utilities' payment obligations under such contracts shall
25 be reduced if an adjustment is required under subsection
26 (m) of Section 16-108 of the Public Utilities Act.

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

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

6 (f) The Agency shall submit the final procurement plan to
7 the Commission. The Agency shall revise a procurement plan if
8 the Commission determines that it does not meet the standards
9 set forth in Section 16-111.5 of the Public Utilities Act.

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

13 (h) The Agency shall assess fees to each bidder to recover
14 the costs incurred in connection with a competitive procurement
15 process.

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

1 energy.

2 (Source: P.A. 98-463, eff. 8-16-13; 99-536, eff. 7-8-16;
3 99-906, eff. 6-1-17.)

4 Section 95. No acceleration or delay. Where this Act makes
5 changes in a statute that is represented in this Act by text
6 that is not yet or no longer in effect (for example, a Section
7 represented by multiple versions), the use of that text does
8 not accelerate or delay the taking effect of (i) the changes
9 made by this Act or (ii) provisions derived from any other
10 Public Act.

11 Section 99. Effective date. This Act takes effect upon
12 becoming law or on the date the provisions of Public Act 99-906
13 that amend Section 1-75 of the Illinois Power Agency Act take
14 effect, whichever is later.