



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB5438

Introduced 2/13/2026, by Rep. Jay Hoffman

#### SYNOPSIS AS INTRODUCED:

20 ILCS 655/5.5

from Ch. 67 1/2, par. 609.1

20 ILCS 3855/1-10

Amends the Illinois Enterprise Zone Act. In provisions concerning High Impact Businesses, adds utility-scale brownfield site photovoltaic projects and over 5,000 kilowatts and utility-scale solar projects to High Impact Businesses that may be located, at the time of designation, in an enterprise zone. Amends the Illinois Power Agency Act. Provides that "brownfield site photovoltaic project" includes photovoltaics that are interconnected to an electric utility, a municipal utility, a public utility, or an electric cooperative, where at least 50% of the acreage occupied by the photovoltaics is located on the property regulated under specified United States Environmental Protection Agency or Illinois Environmental Protection Agency programs. Makes other changes

LRB104 20732 AAS 34235 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 Enterprise Zone Act is amended by  
5 changing Section 5.5 as follows:

6 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

7 Sec. 5.5. High Impact Business.

8 (a) In order to respond to unique opportunities to assist  
9 in the encouragement, development, growth, and expansion of  
10 the private sector through large-scale ~~large-scale~~ investment  
11 and development projects, the Department is authorized to  
12 receive and approve applications for the designation of "High  
13 Impact Businesses" in Illinois, for an initial term of 20  
14 years with an option for renewal for a term not to exceed 20  
15 years, subject to the following conditions:

16 (1) such applications may be submitted at any time  
17 during the year;

18 (2) such business is not located, at the time of  
19 designation, in an enterprise zone designated pursuant to  
20 this Act, except for the following:

21 (A) grocery stores, as defined in the Grocery  
22 Initiative Act;IT

23 (B) ~~and~~ a new battery energy storage solution

1 facility, as defined by subparagraph (I) of paragraph  
2 (3) of this subsection (a);

3 (C) utility-scale brownfield site photovoltaic  
4 projects over 5,000 kilowatts; and

5 (D) utility-scale solar projects, as defined in  
6 Section 1-10 of the Illinois Power Agency Act;

7 (3) the business intends to do, commits to do, or is  
8 one or more of the following:

9 (A) the business intends to make a minimum  
10 investment of \$12,000,000 which will be placed in  
11 service in qualified property and intends to create  
12 500 full-time equivalent jobs at a designated location  
13 in Illinois or intends to make a minimum investment of  
14 \$30,000,000 which will be placed in service in  
15 qualified property and intends to retain 1,500  
16 full-time retained jobs at a designated location in  
17 Illinois. The terms "placed in service" and "qualified  
18 property" have the same meanings as described in  
19 subsection (h) of Section 201 of the Illinois Income  
20 Tax Act; or

21 (B) the business intends to establish a new  
22 electric generating facility at a designated location  
23 in Illinois. "New electric generating facility", for  
24 purposes of this Section, means a newly constructed  
25 electric generation plant or a newly constructed  
26 generation capacity expansion at an existing electric

1 generation plant, including the transmission lines and  
2 associated equipment that transfers electricity from  
3 points of supply to points of delivery, and for which  
4 such new foundation construction commenced not sooner  
5 than July 1, 2001. Such facility shall be designed to  
6 provide baseload electric generation and shall operate  
7 on a continuous basis throughout the year; and (i)  
8 shall have an aggregate rated generating capacity of  
9 at least 1,000 megawatts for all new units at one site  
10 if it uses natural gas as its primary fuel and  
11 foundation construction of the facility is commenced  
12 on or before December 31, 2004, or shall have an  
13 aggregate rated generating capacity of at least 400  
14 megawatts for all new units at one site if it uses coal  
15 or gases derived from coal as its primary fuel and  
16 shall support the creation of at least 150 new  
17 Illinois coal mining jobs, or (ii) shall be funded  
18 through a federal Department of Energy grant before  
19 December 31, 2010 and shall support the creation of  
20 Illinois coal mining jobs, or (iii) shall use coal  
21 gasification or integrated gasification-combined cycle  
22 units that generate electricity or chemicals, or both,  
23 and shall support the creation of Illinois coal mining  
24 jobs. The term "placed in service" has the same  
25 meaning as described in subsection (h) of Section 201  
26 of the Illinois Income Tax Act; or

1 (B-5) the business intends to establish a new  
2 gasification facility at a designated location in  
3 Illinois. As used in this Section, "new gasification  
4 facility" means a newly constructed coal gasification  
5 facility that generates chemical feedstocks or  
6 transportation fuels derived from coal (which may  
7 include, but are not limited to, methane, methanol,  
8 and nitrogen fertilizer), that supports the creation  
9 or retention of Illinois coal mining jobs, and that  
10 qualifies for financial assistance from the Department  
11 before December 31, 2010. A new gasification facility  
12 does not include a pilot project located within  
13 Jefferson County or within a county adjacent to  
14 Jefferson County for synthetic natural gas from coal;  
15 or

16 (C) the business intends to establish production  
17 operations at a new coal mine, re-establish production  
18 operations at a closed coal mine, or expand production  
19 at an existing coal mine at a designated location in  
20 Illinois not sooner than July 1, 2001; provided that  
21 the production operations result in the creation of  
22 150 new Illinois coal mining jobs as described in  
23 subdivision (a)(3)(B) of this Section, and further  
24 provided that the coal extracted from such mine is  
25 utilized as the predominant source for a new electric  
26 generating facility. The term "placed in service" has

1 the same meaning as described in subsection (h) of  
2 Section 201 of the Illinois Income Tax Act; or

3 (D) the business intends to construct new  
4 transmission facilities or upgrade existing  
5 transmission facilities at designated locations in  
6 Illinois, for which construction commenced not sooner  
7 than July 1, 2001. For the purposes of this Section,  
8 "transmission facilities" means transmission lines  
9 with a voltage rating of 115 kilovolts or above,  
10 including associated equipment, that transfer  
11 electricity from points of supply to points of  
12 delivery and that transmit a majority of the  
13 electricity generated by a new electric generating  
14 facility designated as a High Impact Business in  
15 accordance with this Section. The term "placed in  
16 service" has the same meaning as described in  
17 subsection (h) of Section 201 of the Illinois Income  
18 Tax Act; or

19 (E) the business intends to establish a new wind  
20 power facility at a designated location in Illinois.  
21 For purposes of this Section, "new wind power  
22 facility" means a newly constructed electric  
23 generation facility, a newly constructed expansion of  
24 an existing electric generation facility, or the  
25 replacement of an existing electric generation  
26 facility, including the demolition and removal of an

1 electric generation facility irrespective of whether  
2 it will be replaced, placed in service or replaced on  
3 or after July 1, 2009, that generates electricity  
4 using wind energy devices, and such facility shall be  
5 deemed to include any permanent structures associated  
6 with the electric generation facility and all  
7 associated transmission lines, substations, and other  
8 equipment related to the generation of electricity  
9 from wind energy devices. For purposes of this  
10 Section, "wind energy device" means any device, with a  
11 nameplate capacity of at least 0.5 megawatts, that is  
12 used in the process of converting kinetic energy from  
13 the wind to generate electricity; or

14 (E-5) the business intends to establish a new  
15 utility-scale solar facility at a designated location  
16 in Illinois. For purposes of this Section, "new  
17 utility-scale solar power facility" means a newly  
18 constructed electric generation facility, or a newly  
19 constructed expansion of an existing electric  
20 generation facility, placed in service on or after  
21 July 1, 2021, that (i) generates electricity using  
22 photovoltaic cells and (ii) has a nameplate capacity  
23 that is greater than 5,000 kilowatts, and such  
24 facility shall be deemed to include all associated  
25 transmission lines, substations, energy storage  
26 facilities, and other equipment related to the

1 generation and storage of electricity from  
2 photovoltaic cells; or

3 (F) the business commits to (i) make a minimum  
4 investment of \$500,000,000, which will be placed in  
5 service in a qualified property, (ii) create 125  
6 full-time equivalent jobs at a designated location in  
7 Illinois, (iii) establish a fertilizer plant at a  
8 designated location in Illinois that complies with the  
9 set-back standards as described in Table 1: Initial  
10 Isolation and Protective Action Distances in the 2012  
11 Emergency Response Guidebook published by the United  
12 States Department of Transportation, (iv) pay a  
13 prevailing wage for employees at that location who are  
14 engaged in construction activities, and (v) secure an  
15 appropriate level of general liability insurance to  
16 protect against catastrophic failure of the fertilizer  
17 plant or any of its constituent systems; in addition,  
18 the business must agree to enter into a construction  
19 project labor agreement including provisions  
20 establishing wages, benefits, and other compensation  
21 for employees performing work under the project labor  
22 agreement at that location; for the purposes of this  
23 Section, "fertilizer plant" means a newly constructed  
24 or upgraded plant utilizing gas used in the production  
25 of anhydrous ammonia and downstream nitrogen  
26 fertilizer products for resale; for the purposes of

1           this Section, "prevailing wage" means the hourly cash  
2           wages plus fringe benefits for training and  
3           apprenticeship programs approved by the U.S.  
4           Department of Labor, Bureau of Apprenticeship and  
5           Training, health and welfare, insurance, vacations and  
6           pensions paid generally, in the locality in which the  
7           work is being performed, to employees engaged in work  
8           of a similar character on public works; this paragraph  
9           (F) applies only to businesses that submit an  
10          application to the Department within 60 days after  
11          July 25, 2013 (the effective date of Public Act  
12          98-109); or

13           (G) the business intends to establish a new  
14          cultured cell material food production facility at a  
15          designated location in Illinois. As used in this  
16          paragraph (G):

17           "Cultured cell material food production facility"  
18          means a facility (i) at which cultured animal cell  
19          food is developed using animal cell culture  
20          technology, (ii) at which production processes occur  
21          that include the establishment of cell lines and cell  
22          banks, manufacturing controls, and all components and  
23          inputs, and (iii) that complies with all existing  
24          registrations, inspections, licensing, and approvals  
25          from all applicable and participating State and  
26          federal food agencies, including the Department of

1 Agriculture, the Department of Public Health, and the  
2 United States Food and Drug Administration, to ensure  
3 that all food production is safe and lawful under  
4 provisions of the Federal Food, Drug and Cosmetic Act  
5 related to the development, production, and storage of  
6 cultured animal cell food.

7 "New cultured cell material food production  
8 facility" means a newly constructed cultured cell  
9 material food production facility that is placed in  
10 service on or after June 7, 2023 (the effective date of  
11 Public Act 103-9) or a newly constructed expansion of  
12 an existing cultured cell material food production  
13 facility, in a controlled environment, when the  
14 improvements are placed in service on or after June 7,  
15 2023 (the effective date of Public Act 103-9); or

16 (H) the business is an existing or planned grocery  
17 store, as that term is defined in Section 5 of the  
18 Grocery Initiative Act, and receives financial support  
19 under that Act within the 10 years before submitting  
20 its application under this Act; or

21 (I) the business intends to establish a new  
22 battery energy storage solution facility at a  
23 designated location in Illinois. As used in this  
24 paragraph (I):

25 "New battery energy storage solution facility"  
26 means a newly constructed battery energy storage

1 facility, a newly constructed expansion of an existing  
2 battery energy storage facility, or the replacement of  
3 an existing battery energy storage facility that  
4 stores electricity using battery devices and other  
5 means. "New battery energy storage solution facility"  
6 includes any permanent structures associated with the  
7 new battery energy storage facility and all associated  
8 transmission lines, substations, and other equipment  
9 that is related to the storage and transmission of  
10 electric power and that has a capacity of not less than  
11 20 megawatt and storage capability of not less than 40  
12 megawatt hours of energy; or

13 (J) the business intends to construct a new high  
14 voltage direct current converter station at a  
15 designated location in Illinois. As used in this  
16 paragraph, "high voltage direct current converter  
17 station" has the same meaning given to that term in  
18 Section 1-10 of the Illinois Power Agency Act; or

19 (K) the business intends to construct a new high  
20 voltage direct current converter station facility at a  
21 designated location in Illinois. As used in this  
22 paragraph, "high voltage direct current converter  
23 station" has the same meaning given to that term in  
24 Section 1-10 of the Illinois Power Agency Act; and

25 (4) no later than 90 days after an application is  
26 submitted, the Department shall notify the applicant of

1 the Department's determination of the qualification of the  
2 proposed High Impact Business under this Section.

3 (b) Businesses designated as High Impact Businesses  
4 pursuant to subdivision (a)(3)(A) of this Section shall  
5 qualify for the credits and exemptions described in the  
6 following Acts: Section 9-222 and Section 9-222.1A of the  
7 Public Utilities Act, subsection (h) of Section 201 of the  
8 Illinois Income Tax Act, and Section 1d of the Retailers'  
9 Occupation Tax Act; provided that these credits and exemptions  
10 described in these Acts shall not be authorized until the  
11 minimum investments set forth in subdivision (a)(3)(A) of this  
12 Section have been placed in service in qualified properties  
13 and, in the case of the exemptions described in the Public  
14 Utilities Act and Section 1d of the Retailers' Occupation Tax  
15 Act, the minimum full-time equivalent jobs or full-time  
16 retained jobs set forth in subdivision (a)(3)(A) of this  
17 Section have been created or retained. Businesses designated  
18 as High Impact Businesses under this Section shall also  
19 qualify for the exemption described in Section 51 of the  
20 Retailers' Occupation Tax Act. The credit provided in  
21 subsection (h) of Section 201 of the Illinois Income Tax Act  
22 shall be applicable to investments in qualified property as  
23 set forth in subdivision (a)(3)(A) of this Section.

24 (b-5) Businesses designated as High Impact Businesses  
25 pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C),  
26 (a)(3)(D), (a)(3)(G), (a)(3)(H), and (a)(3)(K) of this Section

1 shall qualify for the credits and exemptions described in the  
2 following Acts: Section 51 of the Retailers' Occupation Tax  
3 Act, Section 9-222 and Section 9-222.1A of the Public  
4 Utilities Act, and subsection (h) of Section 201 of the  
5 Illinois Income Tax Act; however, the credits and exemptions  
6 authorized under Section 9-222 and Section 9-222.1A of the  
7 Public Utilities Act, and subsection (h) of Section 201 of the  
8 Illinois Income Tax Act shall not be authorized until the new  
9 electric generating facility, the new gasification facility,  
10 the new transmission facility, the new, expanded, or reopened  
11 coal mine, the new cultured cell material food production  
12 facility, or the existing or planned grocery store is  
13 operational, except that a new electric generating facility  
14 whose primary fuel source is natural gas is eligible only for  
15 the exemption under Section 51 of the Retailers' Occupation  
16 Tax Act.

17 (b-6) Businesses designated as High Impact Businesses  
18 pursuant to subdivision (a) (3) (E), (a) (3) (E-5), (A) (3) (I), or  
19 (a) (3) (J) of this Section shall qualify for the exemptions  
20 described in Section 51 of the Retailers' Occupation Tax Act;  
21 any business so designated as a High Impact Business being,  
22 for purposes of this Section, a "Wind Energy Business".

23 (b-7) Beginning on January 1, 2021, businesses designated  
24 as High Impact Businesses by the Department shall qualify for  
25 the High Impact Business construction jobs credit under  
26 subsection (h-5) of Section 201 of the Illinois Income Tax Act

1 if the business meets the criteria set forth in subsection (i)  
2 of this Section. The total aggregate amount of credits awarded  
3 under the Blue Collar Jobs Act (Article 20 of Public Act 101-9)  
4 shall not exceed \$20,000,000 in any State fiscal year.

5 (c) High Impact Businesses located in federally designated  
6 foreign trade zones or sub-zones are also eligible for  
7 additional credits, exemptions and deductions as described in  
8 the following Acts: Section 9-221 and Section 9-222.1 of the  
9 Public Utilities Act; and subsection (g) of Section 201, and  
10 Section 203 of the Illinois Income Tax Act.

11 (d) Except for businesses contemplated under subdivision  
12 (a) (3) (E), (a) (3) (E-5), (a) (3) (G), (a) (3) (H), (A) (3) (I),  
13 (a) (3) (J), or (a) (3) (K) of this Section, existing Illinois  
14 businesses which apply for designation as a High Impact  
15 Business must provide the Department with the prospective plan  
16 for which 1,500 full-time retained jobs would be eliminated in  
17 the event that the business is not designated.

18 (e) Except for new businesses contemplated under  
19 subdivision (a) (3) (E), subdivision (a) (3) (G), subdivision  
20 (a) (3) (H), or subdivision (a) (3) (J) of this Section, new  
21 proposed facilities which apply for designation as High Impact  
22 Business must provide the Department with proof of alternative  
23 non-Illinois sites which would receive the proposed investment  
24 and job creation in the event that the business is not  
25 designated as a High Impact Business.

26 (f) Except for businesses contemplated under subdivision

1 (a) (3) (E), subdivision (a) (3) (G), subdivision (a) (3) (H),  
2 subdivision (a) (3) (J), or (a) (3) (K) of this Section, in the  
3 event that a business is designated a High Impact Business and  
4 it is later determined after reasonable notice and an  
5 opportunity for a hearing as provided under the Illinois  
6 Administrative Procedure Act, that the business would have  
7 placed in service in qualified property the investments and  
8 created or retained the requisite number of jobs without the  
9 benefits of the High Impact Business designation, the  
10 Department shall be required to immediately revoke the  
11 designation and notify the Director of the Department of  
12 Revenue who shall begin proceedings to recover all wrongfully  
13 exempted State taxes with interest.

14 (g) The Department shall revoke a High Impact Business  
15 designation if the participating business fails to comply with  
16 the terms and conditions of the designation.

17 (h) Prior to designating a business, the Department shall  
18 provide the members of the General Assembly and Commission on  
19 Government Forecasting and Accountability with a report  
20 setting forth the terms and conditions of the designation and  
21 guarantees that have been received by the Department in  
22 relation to the proposed business being designated.

23 (i) High Impact Business construction jobs credit.  
24 Beginning on January 1, 2021, a High Impact Business may  
25 receive a tax credit against the tax imposed under subsections  
26 (a) and (b) of Section 201 of the Illinois Income Tax Act in an

1 amount equal to 50% of the amount of the incremental income tax  
2 attributable to High Impact Business construction jobs credit  
3 employees employed in the course of completing a High Impact  
4 Business construction jobs project. However, the High Impact  
5 Business construction jobs credit may equal 75% of the amount  
6 of the incremental income tax attributable to High Impact  
7 Business construction jobs credit employees if the High Impact  
8 Business construction jobs credit project is located in an  
9 underserved area.

10 The Department shall certify to the Department of Revenue:  
11 (1) the identity of taxpayers that are eligible for the High  
12 Impact Business construction jobs credit; and (2) the amount  
13 of High Impact Business construction jobs credits that are  
14 claimed pursuant to subsection (h-5) of Section 201 of the  
15 Illinois Income Tax Act in each taxable year.

16 As used in this subsection (i):

17 "High Impact Business construction jobs credit" means an  
18 amount equal to 50% (or 75% if the High Impact Business  
19 construction project is located in an underserved area) of the  
20 incremental income tax attributable to High Impact Business  
21 construction job employees. The total aggregate amount of  
22 credits awarded under the Blue Collar Jobs Act (Article 20 of  
23 Public Act 101-9) shall not exceed \$20,000,000 in any State  
24 fiscal year

25 "High Impact Business construction job employee" means a  
26 laborer or worker who is employed by a contractor or

1 subcontractor in the actual construction work on the site of a  
2 High Impact Business construction job project.

3 "High Impact Business construction jobs project" means  
4 building a structure or building or making improvements of any  
5 kind to real property, undertaken and commissioned by a  
6 business that was designated as a High Impact Business by the  
7 Department. The term "High Impact Business construction jobs  
8 project" does not include the routine operation, routine  
9 repair, or routine maintenance of existing structures,  
10 buildings, or real property.

11 "Incremental income tax" means the total amount withheld  
12 during the taxable year from the compensation of High Impact  
13 Business construction job employees.

14 "Underserved area" means a geographic area that meets one  
15 or more of the following conditions:

16 (1) the area has a poverty rate of at least 20%  
17 according to the latest American Community Survey;

18 (2) 35% or more of the families with children in the  
19 area are living below 130% of the poverty line, according  
20 to the latest American Community Survey;

21 (3) at least 20% of the households in the area receive  
22 assistance under the Supplemental Nutrition Assistance  
23 Program (SNAP); or

24 (4) the area has an average unemployment rate, as  
25 determined by the Illinois Department of Employment  
26 Security, that is more than 120% of the national

1 unemployment average, as determined by the U.S. Department  
2 of Labor, for a period of at least 2 consecutive calendar  
3 years preceding the date of the application.

4 (j) (Blank).

5 (j-5) Annually, until construction is completed, a company  
6 seeking High Impact Business Construction Job credits shall  
7 submit a report that, at a minimum, describes the projected  
8 project scope, timeline, and anticipated budget. Once the  
9 project has commenced, the annual report shall include actual  
10 data for the prior year as well as projections for each  
11 additional year through completion of the project. The  
12 Department shall issue detailed reporting guidelines  
13 prescribing the requirements of construction-related reports.

14 In order to receive credit for construction expenses, the  
15 company must provide the Department with evidence that a  
16 certified third-party executed an Agreed-Upon Procedure (AUP)  
17 verifying the construction expenses or accept the standard  
18 construction wage expense estimated by the Department.

19 Upon review of the final project scope, timeline, budget,  
20 and AUP, the Department shall issue a tax credit certificate  
21 reflecting a percentage of the total construction job wages  
22 paid throughout the completion of the project.

23 (k) Upon 7 business days' notice, each taxpayer shall make  
24 available to each State agency and to federal, State, or local  
25 law enforcement agencies and prosecutors for inspection and  
26 copying at a location within this State during reasonable

1 hours, the report under subsection (j-5).

2 (1) The changes made to this Section by Public Act  
3 102-1125, other than the changes in subsection (a), apply to  
4 High Impact Businesses that submit applications on or after  
5 February 3, 2023 (the effective date of Public Act 102-1125).

6 (Source: P.A. 103-9, eff. 6-7-23; 103-561, eff. 1-1-24;  
7 103-595, eff. 6-26-24; 103-605, eff. 7-1-24; 103-1066, eff.  
8 2-20-25; 104-6, eff. 6-16-25; revised 12-12-25.)

9 Section 10. The Illinois Power Agency Act is amended by  
10 changing Section 1-10 as follows:

11 (20 ILCS 3855/1-10)

12 (Text of Section before amendment by P.A. 104-458)

13 Sec. 1-10. Definitions.

14 "Agency" means the Illinois Power Agency.

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

23 "Authority" means the Illinois Finance Authority.

24 "Brownfield site photovoltaic project" means photovoltaics

1 that are either:

2 (1) interconnected to an electric utility as defined  
3 in this Section, a municipal utility as defined in this  
4 Section, a public utility as defined in Section 3-105 of  
5 the Public Utilities Act, or an electric cooperative as  
6 defined in Section 3-119 of the Public Utilities Act,  
7 where at least 50% of the acreage occupied by the  
8 photovoltaics is located on the property regulated by one  
9 of the following entities under one of the following  
10 programs ~~and located at a site that is regulated by any of~~  
11 ~~the following entities under the following programs:~~

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

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

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

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

24 (2) located at the site of a coal mine that has  
25 permanently ceased coal production, permanently halted any  
26 re-mining operations, and is no longer accepting any coal

1 combustion residues; has both completed all clean-up and  
2 remediation obligations under the federal Surface Mining  
3 and Reclamation Act of 1977 and all applicable Illinois  
4 rules and any other clean-up, remediation, or ongoing  
5 monitoring to safeguard the health and well-being of the  
6 people of the State of Illinois, as well as demonstrated  
7 compliance with all applicable federal and State  
8 environmental rules and regulations, including, but not  
9 limited, to 35 Ill. Adm. Code Part 845 and any rules for  
10 historic fill of coal combustion residuals, including any  
11 rules finalized in Subdocket A of Illinois Pollution  
12 Control Board docket R2020-019.

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

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

12 "Clean coal SNG brownfield facility" means a facility that  
13 (1) has commenced construction by July 1, 2015 on an urban  
14 brownfield site in a municipality with at least 1,000,000  
15 residents; (2) uses a gasification process to produce  
16 substitute natural gas; (3) uses coal as at least 50% of the  
17 total feedstock over the term of any sourcing agreement with a  
18 utility and the remainder of the feedstock may be either  
19 petroleum coke or coal, with all such coal having a high  
20 bituminous rank and greater than 1.7 pounds of sulfur per  
21 million Btu content unless the facility reasonably determines  
22 that it is necessary to use additional petroleum coke to  
23 deliver additional consumer savings, in which case the  
24 facility shall use coal for at least 35% of the total feedstock  
25 over the term of any sourcing agreement; and (4) captures and  
26 sequesters at least 85% of the total carbon dioxide emissions

1 that the facility would otherwise emit.

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

15 "Clean energy" means energy generation that is 90% or  
16 greater free of carbon dioxide emissions.

17 "Commission" means the Illinois Commerce Commission.

18 "Community renewable generation project" means an electric  
19 generating facility that:

20 (1) is powered by wind, solar thermal energy,  
21 photovoltaic cells or panels, biodiesel, crops and  
22 untreated and unadulterated organic waste biomass, and  
23 hydropower that does not involve new construction of dams;

24 (2) is interconnected at the distribution system level  
25 of an electric utility as defined in this Section, a  
26 municipal utility as defined in this Section that owns or

1 operates electric distribution facilities, a public  
2 utility as defined in Section 3-105 of the Public  
3 Utilities Act, or an electric cooperative, as defined in  
4 Section 3-119 of the Public Utilities Act;

5 (3) credits the value of electricity generated by the  
6 facility to the subscribers of the facility; and

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

9 "Costs incurred in connection with the development and  
10 construction of a facility" means:

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

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

18 (3) all origination, commitment, utilization,  
19 facility, placement, underwriting, syndication, credit  
20 enhancement, and rating agency fees;

21 (4) engineering, design, procurement, consulting,  
22 legal, accounting, title insurance, survey, appraisal,  
23 escrow, trustee, collateral agency, interest rate hedging,  
24 interest rate swap, capitalized interest, contingency, as  
25 required by lenders, and other financing costs, and other  
26 expenses for professional services; and

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

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

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

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

16          "Director" means the Director of the Illinois Power  
17          Agency.

18          "Demand-response" means measures that decrease peak  
19          electricity demand or shift demand from peak to off-peak  
20          periods.

21          "Distributed renewable energy generation device" means a  
22          device that is:

23                 (1) powered by wind, solar thermal energy,  
24                 photovoltaic cells or panels, biodiesel, crops and  
25                 untreated and unadulterated organic waste biomass, tree  
26                 waste, and hydropower that does not involve new

1 construction of dams, waste heat to power systems, or  
2 qualified combined heat and power systems;

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

9 (3) located on the customer side of the customer's  
10 electric meter and is primarily used to offset that  
11 customer's electricity load; and

12 (4) (blank).

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

22 "Electric utility" has the same definition as found in  
23 Section 16-102 of the Public Utilities Act.

24 "Equity investment eligible community" or "eligible  
25 community" are synonymous and mean the geographic areas  
26 throughout Illinois which would most benefit from equitable

1 investments by the State designed to combat discrimination.  
2 Specifically, the eligible communities shall be defined as the  
3 following areas:

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

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

14 "Equity eligible persons" or "eligible persons" means  
15 persons who would most benefit from equitable investments by  
16 the State designed to combat discrimination, specifically:

17 (1) persons who graduate from or are current or former  
18 participants in the Clean Jobs Workforce Network Program,  
19 the Clean Energy Contractor Incubator Program, the  
20 Illinois Climate Works Preapprenticeship Program,  
21 Returning Residents Clean Jobs Training Program, or the  
22 Clean Energy Primes Contractor Accelerator Program, and  
23 the solar training pipeline and multi-cultural jobs  
24 program created in paragraphs (a) (1) and (a) (3) of Section  
25 16-208.12 of the Public Utilities Act;

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

1 in the foster care system;

2 (3) persons who were formerly incarcerated;

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

5 "Equity eligible contractor" means a business that is  
6 majority-owned by eligible persons, or a nonprofit or  
7 cooperative that is majority-governed by eligible persons, or  
8 is a natural person that is an eligible person offering  
9 personal services as an independent contractor.

10 "Facility" means an electric generating unit or a  
11 co-generating unit that produces electricity along with  
12 related equipment necessary to connect the facility to an  
13 electric transmission or distribution system.

14 "General contractor" means the entity or organization with  
15 main responsibility for the building of a construction project  
16 and who is the party signing the prime construction contract  
17 for the project.

18 "Governmental aggregator" means one or more units of local  
19 government that individually or collectively procure  
20 electricity to serve residential retail electrical loads  
21 located within its or their jurisdiction.

22 "High voltage direct current converter station" means the  
23 collection of equipment that converts direct current energy  
24 from a high voltage direct current transmission line into  
25 alternating current using Voltage Source Conversion technology  
26 and that is interconnected with transmission or distribution

1 assets located in Illinois.

2 "High voltage direct current renewable energy credit"  
3 means a renewable energy credit associated with a renewable  
4 energy resource where the renewable energy resource has  
5 entered into a contract to transmit the energy associated with  
6 such renewable energy credit over high voltage direct current  
7 transmission facilities.

8 "High voltage direct current transmission facilities"  
9 means the collection of installed equipment that converts  
10 alternating current energy in one location to direct current  
11 and transmits that direct current energy to a high voltage  
12 direct current converter station using Voltage Source  
13 Conversion technology. "High voltage direct current  
14 transmission facilities" includes the high voltage direct  
15 current converter station itself and associated high voltage  
16 direct current transmission lines. Notwithstanding the  
17 preceding, after September 15, 2021 (the effective date of  
18 Public Act 102-662), an otherwise qualifying collection of  
19 equipment does not qualify as high voltage direct current  
20 transmission facilities unless its developer entered into a  
21 project labor agreement, is capable of transmitting  
22 electricity at 525kv with an Illinois converter station  
23 located and interconnected in the region of the PJM  
24 Interconnection, LLC, and the system does not operate as a  
25 public utility, as that term is defined in Section 3-105 of the  
26 Public Utilities Act.

1 "Hydropower" means any method of electricity generation or  
2 storage that results from the flow of water, including  
3 impoundment facilities, diversion facilities, and pumped  
4 storage facilities.

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

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

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

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

21 "Modernized" or "retooled" means the construction, repair,  
22 maintenance, or significant expansion of turbines and existing  
23 hydropower dams.

24 "Municipality" means a city, village, or incorporated  
25 town.

26 "Municipal utility" means a public utility owned and

1 operated by any subdivision or municipal corporation of this  
2 State.

3 "Nameplate capacity" means the aggregate inverter  
4 nameplate capacity in kilowatts AC.

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

10 "Project" means the planning, bidding, and construction of  
11 a facility.

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

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

18 (2) provisions establishing the benefits and other  
19 compensation for each class of labor organization  
20 employee;

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

23 (4) provisions establishing that no lockout or  
24 disputes will be engaged in by the general contractor  
25 building the project; and

26 (5) provisions for minorities and women, as defined

1 under the Business Enterprise for Minorities, Women, and  
2 Persons with Disabilities Act, setting forth goals for  
3 apprenticeship hours to be performed by minorities and  
4 women and setting forth goals for total hours to be  
5 performed by underrepresented minorities and women.

6 A labor organization and the general contractor building  
7 the project shall have the authority to include other terms  
8 and conditions as they deem necessary.

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

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

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

25 "Renewable energy credit" means a tradable credit that  
26 represents the environmental attributes of one megawatt hour

1 of energy produced from a renewable energy resource.

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

1 "Retail customer" has the same definition as found in  
2 Section 16-102 of the Public Utilities Act.

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

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

16 "Service area" has the same definition as found in Section  
17 16-102 of the Public Utilities Act.

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

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

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

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

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

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

26 "Substitute natural gas" or "SNG" means a gas manufactured

1 by gasification of hydrocarbon feedstock, which is  
2 substantially interchangeable in use and distribution with  
3 conventional natural gas.

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

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

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

11 (1) generates electricity using photovoltaic cells;

12 and

13 (2) has a nameplate capacity that is greater than  
14 5,000 kilowatts.

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

17 (1) generates electricity using wind; and

18 (2) has a nameplate capacity that is greater than  
19 5,000 kilowatts.

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

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

26 "Zero emission facility" means a facility that: (1) is

1 fueled by nuclear power; and (2) is interconnected with PJM  
2 Interconnection, LLC or the Midcontinent Independent System  
3 Operator, Inc., or their successors.

4 (Source: P.A. 102-662, eff. 9-15-21; 103-154, eff. 6-28-23;  
5 103-380, eff. 1-1-24.)

6 (Text of Section after amendment by P.A. 104-458)

7 Sec. 1-10. Definitions.

8 "Agency" means the Illinois Power Agency.

9 "Agency loan agreement" means any agreement pursuant to  
10 which the Illinois Finance Authority agrees to loan the  
11 proceeds of revenue bonds issued with respect to a project to  
12 the Agency upon terms providing for loan repayment  
13 installments at least sufficient to pay when due all principal  
14 of, interest and premium, if any, on those revenue bonds, and  
15 providing for maintenance, insurance, and other matters in  
16 respect of the project.

17 "Authority" means the Illinois Finance Authority.

18 "Brownfield site photovoltaic project" means photovoltaics  
19 that are either:

20 (1) interconnected to an electric utility as defined  
21 in this Section, a municipal utility as defined in this  
22 Section, a public utility as defined in Section 3-105 of  
23 the Public Utilities Act, or an electric cooperative as  
24 defined in Section 3-119 of the Public Utilities Act,  
25 where at least 50% of the acreage occupied by the

1 photovoltaics is located on the property regulated by one  
2 of the following entities under one of the following  
3 programs and located at a site that is regulated by any of  
4 the following entities under the following programs:

5 (A) the United States Environmental Protection  
6 Agency under the federal Comprehensive Environmental  
7 Response, Compensation, and Liability Act of 1980, as  
8 amended;

9 (B) the United States Environmental Protection  
10 Agency under the Corrective Action Program of the  
11 federal Resource Conservation and Recovery Act, as  
12 amended;

13 (C) the Illinois Environmental Protection Agency  
14 under the Illinois Site Remediation Program; or

15 (D) the Illinois Environmental Protection Agency  
16 under the Illinois Solid Waste Program; or

17 (2) located at the site of a coal mine that has  
18 permanently ceased coal production, permanently halted any  
19 re-mining operations, and is no longer accepting any coal  
20 combustion residues; has both completed all clean-up and  
21 remediation obligations under the federal Surface Mining  
22 and Reclamation Act of 1977 and all applicable Illinois  
23 rules and any other clean-up, remediation, or ongoing  
24 monitoring to safeguard the health and well-being of the  
25 people of the State of Illinois, as well as demonstrated  
26 compliance with all applicable federal and State

1 environmental rules and regulations, including, but not  
2 limited, to 35 Ill. Adm. Code Part 845 and any rules for  
3 historic fill of coal combustion residuals, including any  
4 rules finalized in Subdocket A of Illinois Pollution  
5 Control Board docket R2020-019.

6 "Clean coal facility" means an electric generating  
7 facility that uses primarily coal as a feedstock and that  
8 captures and sequesters carbon dioxide emissions at the  
9 following levels: at least 50% of the total carbon dioxide  
10 emissions that the facility would otherwise emit if, at the  
11 time construction commences, the facility is scheduled to  
12 commence operation before 2016, at least 70% of the total  
13 carbon dioxide emissions that the facility would otherwise  
14 emit if, at the time construction commences, the facility is  
15 scheduled to commence operation during 2016 or 2017, and at  
16 least 90% of the total carbon dioxide emissions that the  
17 facility would otherwise emit if, at the time construction  
18 commences, the facility is scheduled to commence operation  
19 after 2017. The power block of the clean coal facility shall  
20 not exceed allowable emission rates for sulfur dioxide,  
21 nitrogen oxides, carbon monoxide, particulates and mercury for  
22 a natural gas-fired combined-cycle facility the same size as  
23 and in the same location as the clean coal facility at the time  
24 the clean coal facility obtains an approved air permit. All  
25 coal used by a clean coal facility shall have high volatile  
26 bituminous rank and greater than 1.7 pounds of sulfur per

1 million Btu content, unless the clean coal facility does not  
2 use gasification technology and was operating as a  
3 conventional coal-fired electric generating facility on June  
4 1, 2009 (the effective date of Public Act 95-1027).

5 "Clean coal SNG brownfield facility" means a facility that  
6 (1) has commenced construction by July 1, 2015 on an urban  
7 brownfield site in a municipality with at least 1,000,000  
8 residents; (2) uses a gasification process to produce  
9 substitute natural gas; (3) uses coal as at least 50% of the  
10 total feedstock over the term of any sourcing agreement with a  
11 utility and the remainder of the feedstock may be either  
12 petroleum coke or coal, with all such coal having a high  
13 bituminous rank and greater than 1.7 pounds of sulfur per  
14 million Btu content unless the facility reasonably determines  
15 that it is necessary to use additional petroleum coke to  
16 deliver additional consumer savings, in which case the  
17 facility shall use coal for at least 35% of the total feedstock  
18 over the term of any sourcing agreement; and (4) captures and  
19 sequesters at least 85% of the total carbon dioxide emissions  
20 that the facility would otherwise emit.

21 "Clean coal SNG facility" means a facility that uses a  
22 gasification process to produce substitute natural gas, that  
23 sequesters at least 90% of the total carbon dioxide emissions  
24 that the facility would otherwise emit, that uses at least 90%  
25 coal as a feedstock, with all such coal having a high  
26 bituminous rank and greater than 1.7 pounds of sulfur per

1 million Btu content, and that has a valid and effective permit  
2 to construct emission sources and air pollution control  
3 equipment and approval with respect to the federal regulations  
4 for Prevention of Significant Deterioration of Air Quality  
5 (PSD) for the plant pursuant to the federal Clean Air Act;  
6 provided, however, a clean coal SNG brownfield facility shall  
7 not be a clean coal SNG facility.

8 "Clean energy" means energy generation that is 90% or  
9 greater free of carbon dioxide emissions.

10 "Commission" means the Illinois Commerce Commission.

11 "Community renewable generation project" means an electric  
12 generating facility that:

13 (1) is powered by wind, solar thermal energy,  
14 photovoltaic cells or panels, biodiesel, crops and  
15 untreated and unadulterated organic waste biomass, and  
16 hydropower that does not involve new construction of dams;

17 (2) is interconnected at the distribution system level  
18 of an electric utility as defined in this Section, a  
19 municipal utility as defined in this Section that owns or  
20 operates electric distribution facilities, a public  
21 utility as defined in Section 3-105 of the Public  
22 Utilities Act, or an electric cooperative, as defined in  
23 Section 3-119 of the Public Utilities Act;

24 (3) credits the value of electricity generated by the  
25 facility to the subscribers of the facility; and

26 (4) is limited in nameplate capacity to less than or

1 equal to 10,000 kilowatts.

2 "Costs incurred in connection with the development and  
3 construction of a facility" means:

4 (1) the cost of acquisition of all real property,  
5 fixtures, and improvements in connection therewith and  
6 equipment, personal property, and other property, rights,  
7 and easements acquired that are deemed necessary for the  
8 operation and maintenance of the facility;

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

11 (3) all origination, commitment, utilization,  
12 facility, placement, underwriting, syndication, credit  
13 enhancement, and rating agency fees;

14 (4) engineering, design, procurement, consulting,  
15 legal, accounting, title insurance, survey, appraisal,  
16 escrow, trustee, collateral agency, interest rate hedging,  
17 interest rate swap, capitalized interest, contingency, as  
18 required by lenders, and other financing costs, and other  
19 expenses for professional services; and

20 (5) the costs of plans, specifications, site study and  
21 investigation, installation, surveys, other Agency costs  
22 and estimates of costs, and other expenses necessary or  
23 incidental to determining the feasibility of any project,  
24 together with such other expenses as may be necessary or  
25 incidental to the financing, insuring, acquisition, and  
26 construction of a specific project and starting up,

1           commissioning, and placing that project in operation.

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

4           "Delivery year" means the consecutive 12-month period  
5 beginning June 1 of a given year and ending May 31 of the  
6 following year.

7           "Department" means the Department of Commerce and Economic  
8 Opportunity.

9           "Director" means the Director of the Illinois Power  
10 Agency.

11           "Demand response" means measures that decrease peak  
12 electricity demand or shift demand from peak to off-peak  
13 periods.

14           "Distributed renewable energy generation device" means a  
15 device that is:

16           (1) powered by wind, solar thermal energy,  
17 photovoltaic cells or panels, biodiesel, crops and  
18 untreated and unadulterated organic waste biomass, tree  
19 waste, and hydropower that does not involve new  
20 construction of dams, waste heat to power systems, or  
21 qualified combined heat and power systems;

22           (2) interconnected at the distribution system level of  
23 either an electric utility as defined in this Section, a  
24 municipal utility as defined in this Section that owns or  
25 operates electric distribution facilities, or a rural  
26 electric cooperative as defined in Section 3-119 of the

1 Public Utilities Act;

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

5 (4) (blank).

6 "Energy efficiency" means measures that reduce the amount  
7 of electricity or natural gas consumed in order to achieve a  
8 given end use. "Energy efficiency" includes voltage  
9 optimization measures that optimize the voltage at points on  
10 the electric distribution voltage system and thereby reduce  
11 electricity consumption by electric customers' end use  
12 devices. "Energy efficiency" also includes measures that  
13 reduce the total Btus of electricity, natural gas, and other  
14 fuels needed to meet the end use or uses.

15 "Energy storage system" has the meaning given to that term  
16 in Section 16-135 of the Public Utilities Act. "Energy storage  
17 system" does not include technologies that require combustion.

18 "Energy storage resources" means the operational output or  
19 capabilities of energy storage systems. "Energy storage  
20 resources" includes, but is not limited to, energy, capacity,  
21 and energy storage credits.

22 "Electric utility" has the same definition as found in  
23 Section 16-102 of the Public Utilities Act.

24 "Equity investment eligible community" or "eligible  
25 community" are synonymous and mean the geographic areas  
26 throughout Illinois which would most benefit from equitable

1 investments by the State designed to combat discrimination.  
2 Specifically, the eligible communities shall be defined as the  
3 following areas:

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

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

14 "Equity eligible persons" or "eligible persons" means  
15 persons who would most benefit from equitable investments by  
16 the State designed to combat discrimination, specifically:

17 (1) persons who graduate from or are current or former  
18 participants in the Clean Jobs Workforce Network Program,  
19 the Clean Energy Contractor Incubator Program, the  
20 Illinois Climate Works Preapprenticeship Program,  
21 Returning Residents Clean Jobs Training Program, or the  
22 Clean Energy Primes Contractor Accelerator Program, and  
23 the solar training pipeline and multi-cultural jobs  
24 program created in paragraphs (1) and (3) of subsection  
25 (a) of Section 16-108.12 of the Public Utilities Act;

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

1 in the foster care system;

2 (3) persons who were formerly incarcerated;

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

5 "Equity eligible contractor" means a business that is  
6 majority-owned by eligible persons, or a nonprofit or  
7 cooperative that is majority-governed by eligible persons, or  
8 is a natural person that is an eligible person offering  
9 personal services as an independent contractor.

10 "Facility" means an electric generating unit or a  
11 co-generating unit that produces electricity along with  
12 related equipment necessary to connect the facility to an  
13 electric transmission or distribution system.

14 "General contractor" means the entity or organization with  
15 main responsibility for the building of a construction project  
16 and who is the party signing the prime construction contract  
17 for the project.

18 "Governmental aggregator" means one or more units of local  
19 government that individually or collectively procure  
20 electricity to serve residential retail electrical loads  
21 located within its or their jurisdiction.

22 "High voltage direct current converter station" means the  
23 collection of equipment that converts direct current energy  
24 from a high voltage direct current transmission line into  
25 alternating current using Voltage Source Conversion technology  
26 and that is interconnected with transmission or distribution

1 assets located in Illinois.

2 "High voltage direct current renewable energy credit"  
3 means a renewable energy credit associated with a renewable  
4 energy resource where the renewable energy resource has  
5 entered into a contract to transmit the energy associated with  
6 such renewable energy credit over high voltage direct current  
7 transmission facilities.

8 "High voltage direct current transmission facilities"  
9 means the collection of installed equipment that converts  
10 alternating current energy in one location to direct current  
11 and transmits that direct current energy to a high voltage  
12 direct current converter station using Voltage Source  
13 Conversion technology. "High voltage direct current  
14 transmission facilities" includes the high voltage direct  
15 current converter station itself and associated high voltage  
16 direct current transmission lines. Notwithstanding the  
17 preceding, after September 15, 2021 (the effective date of  
18 Public Act 102-662), an otherwise qualifying collection of  
19 equipment does not qualify as high voltage direct current  
20 transmission facilities unless (1) its developer entered into  
21 a project labor agreement, is capable of transmitting  
22 electricity at 525kv with an Illinois converter station  
23 located and interconnected in the region of the PJM  
24 Interconnection, LLC, and the system does not operate as a  
25 public utility, as that term is defined in Section 3-105 of the  
26 Public Utilities Act, serving more than 100,000 customers as

1 of January 1, 2021; or (2) its developer has entered into a  
2 project labor agreement prior to construction, the project is  
3 capable of transmitting electricity at 525 kilovolts or above,  
4 and the project has a converter station that is located in this  
5 State or in a state adjacent to this State and is  
6 interconnected to PJM Interconnection, LLC, the Midcontinent  
7 Independent System Operator, Inc., or their successor.

8 "Hydropower" means any method of electricity generation or  
9 storage that results from the flow of water, including  
10 impoundment facilities, diversion facilities, and pumped  
11 storage facilities.

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

15 "Indexed renewable energy credit" means a tradable credit  
16 that represents the environmental attributes of one megawatt  
17 hour of energy produced from a renewable energy resource, the  
18 price of which shall be calculated by subtracting the strike  
19 price offered by a new utility-scale wind project or a new  
20 utility-scale photovoltaic project from the index price in a  
21 given settlement period.

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

25 "Local government" means a unit of local government as  
26 defined in Section 1 of Article VII of the Illinois

1 Constitution.

2 "Modernized" or "retooled" means the construction, repair,  
3 maintenance, or significant expansion of turbines and existing  
4 hydropower dams.

5 "Municipality" means a city, village, or incorporated  
6 town.

7 "Municipal utility" means a public utility owned and  
8 operated by any subdivision or municipal corporation of this  
9 State.

10 "Nameplate capacity" means the aggregate inverter  
11 nameplate capacity in kilowatts AC.

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

17 "Project" means the planning, bidding, and construction of  
18 a facility.

19 "Project labor agreement" means a pre-hire collective  
20 bargaining agreement that covers all terms and conditions of  
21 employment on a specific construction project and must include  
22 the following:

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

25 (2) provisions establishing the benefits and other  
26 compensation for each class of labor organization

1 employee;

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

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

7 (5) provisions for minorities and women, as defined  
8 under the Business Enterprise for Minorities, Women, and  
9 Persons with Disabilities Act, setting forth goals for  
10 apprenticeship hours to be performed by minorities and  
11 women and setting forth goals for total hours to be  
12 performed by underrepresented minorities and women.

13 A labor organization and the general contractor building  
14 the project shall have the authority to include other terms  
15 and conditions as they deem necessary.

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

18 "Qualified combined heat and power systems" means systems  
19 that, either simultaneously or sequentially, produce  
20 electricity and useful thermal energy from a single fuel  
21 source. Such systems are eligible for "renewable energy  
22 credits" in an amount equal to its total energy output where a  
23 renewable fuel is consumed or in an amount equal to the net  
24 reduction in nonrenewable fuel consumed on a total energy  
25 output basis.

26 "Real property" means any interest in land together with

1 all structures, fixtures, and improvements thereon, including  
2 lands under water and riparian rights, any easements,  
3 covenants, licenses, leases, rights-of-way, uses, and other  
4 interests, together with any liens, judgments, mortgages, or  
5 other claims or security interests related to real property.

6 "Renewable energy credit" means a tradable credit that  
7 represents the environmental attributes of one megawatt hour  
8 of energy produced from a renewable energy resource.

9 "Renewable energy resources" includes energy and its  
10 associated renewable energy credit or renewable energy credits  
11 from wind, solar thermal energy, photovoltaic cells and  
12 panels, biodiesel, anaerobic digestion, crops and untreated  
13 and unadulterated organic waste biomass, and hydropower that  
14 does not involve new construction of dams, waste heat to power  
15 systems, qualified combined heat and power systems, or  
16 geothermal heating and cooling systems that qualify for the  
17 Geothermal Homes and Businesses Program. For purposes of this  
18 Act, landfill gas produced in the State is considered a  
19 renewable energy resource. "Renewable energy resources" does  
20 not include the incineration or burning of tires, garbage,  
21 general household, institutional, and commercial waste,  
22 industrial lunchroom or office waste, landscape waste,  
23 railroad crossties, utility poles, or construction or  
24 demolition debris, other than untreated and unadulterated  
25 waste wood. "Renewable energy resources" also includes high  
26 voltage direct current renewable energy credits and the

1 associated energy converted to alternating current by a high  
2 voltage direct current converter station to the extent that:  
3 (1) the generator of such renewable energy resource contracted  
4 with a third party to transmit the energy over the high voltage  
5 direct current transmission facilities, and (2) the  
6 third-party contracting for delivery of renewable energy  
7 resources over the high voltage direct current transmission  
8 facilities have ownership rights over the unretired associated  
9 high voltage direct current renewable energy credit.

10 "Retail customer" has the same definition as found in  
11 Section 16-102 of the Public Utilities Act.

12 "Revenue bond" means any bond, note, or other evidence of  
13 indebtedness issued by the Authority, the principal and  
14 interest of which is payable solely from revenues or income  
15 derived from any project or activity of the Agency.

16 "Sequester" means permanent storage of carbon dioxide by  
17 injecting it into a saline aquifer, a depleted gas reservoir,  
18 or an oil reservoir, directly or through an enhanced oil  
19 recovery process that may involve intermediate storage,  
20 regardless of whether these activities are conducted by a  
21 clean coal facility, a clean coal SNG facility, a clean coal  
22 SNG brownfield facility, or a party with which a clean coal  
23 facility, clean coal SNG facility, or clean coal SNG  
24 brownfield facility has contracted for such purposes.

25 "Service area" has the same definition as found in Section  
26 16-102 of the Public Utilities Act.

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

4 "Sourcing agreement" means (i) in the case of an electric  
5 utility, an agreement between the owner of a clean coal  
6 facility and such electric utility, which agreement shall have  
7 terms and conditions meeting the requirements of paragraph (3)  
8 of subsection (d) of Section 1-75, (ii) in the case of an  
9 alternative retail electric supplier, an agreement between the  
10 owner of a clean coal facility and such alternative retail  
11 electric supplier, which agreement shall have terms and  
12 conditions meeting the requirements of Section 16-115(d) (5) of  
13 the Public Utilities Act, and (iii) in case of a gas utility,  
14 an agreement between the owner of a clean coal SNG brownfield  
15 facility and the gas utility, which agreement shall have the  
16 terms and conditions meeting the requirements of subsection  
17 (h-1) of Section 9-220 of the Public Utilities Act.

18 "Strike price" means a contract price for energy and  
19 renewable energy credits from a new utility-scale wind project  
20 or a new utility-scale photovoltaic project.

21 "Subscriber" means a person who (i) takes delivery service  
22 from an electric utility, and (ii) has a subscription of no  
23 less than 200 watts to a community renewable generation  
24 project that is located in the electric utility's service  
25 area. No subscriber's subscriptions may total more than 40% of  
26 the nameplate capacity of an individual community renewable

1 generation project. Entities that are affiliated by virtue of  
2 a common parent shall not represent multiple subscriptions  
3 that total more than 40% of the nameplate capacity of an  
4 individual community renewable generation project.

5 "Subscription" means an interest in a community renewable  
6 generation project expressed in kilowatts, which is sized  
7 primarily to offset part or all of the subscriber's  
8 electricity usage.

9 "Substitute natural gas" or "SNG" means a gas manufactured  
10 by gasification of hydrocarbon feedstock, which is  
11 substantially interchangeable in use and distribution with  
12 conventional natural gas.

13 "Total resource cost test" or "TRC test" means a standard  
14 that is met if, for an investment in energy efficiency or  
15 demand-response measures, the benefit-cost ratio is greater  
16 than one. The benefit-cost ratio is the ratio of the net  
17 present value of the total benefits of the program to the net  
18 present value of the total costs as calculated over the  
19 lifetime of the measures. A total resource cost test compares  
20 the sum of avoided electric utility costs, representing the  
21 benefits that accrue to the system and the participant in the  
22 delivery of those efficiency measures and including avoided  
23 costs associated with reduced use of natural gas or other  
24 fuels, avoided costs associated with reduced water  
25 consumption, avoided costs associated with reduced operation  
26 and maintenance costs, and avoided societal costs associated

1 with reductions in greenhouse gas emissions, as well as other  
2 quantifiable societal benefits, to the sum of all incremental  
3 costs of end-use measures that are implemented due to the  
4 program (including both utility and participant  
5 contributions), plus costs to administer, deliver, and  
6 evaluate each demand-side program, to quantify the net savings  
7 obtained by substituting the demand-side program for supply  
8 resources. The societal costs associated with greenhouse gas  
9 emissions shall be \$200 per short ton, expressed in 2025  
10 dollars or the most recently approved estimate developed by  
11 the federal government using a real discount rate consistent  
12 with long-term Treasury bond yields, whichever is greater.  
13 Changes in greenhouse gas emissions due to changes in  
14 electricity consumption shall be estimated using long-run  
15 marginal emissions rates developed by the National Renewable  
16 Energy Laboratory's Cambium model or other Illinois-specific  
17 modeling of comparable analytical rigor. In discounting future  
18 costs and benefits for the purpose of calculating net present  
19 values, a societal discount rate based on actual, long-term  
20 Treasury bond yields should be used. Notwithstanding anything  
21 to the contrary, the TRC test shall not include or take into  
22 account a calculation of market price suppression effects or  
23 demand reduction induced price effects.

24 "Utility-scale solar project" means an electric generating  
25 facility that:

- 26 (1) generates electricity using photovoltaic cells;

1 and

2 (2) has a nameplate capacity that is greater than  
3 5,000 kilowatts alternating current (AC).

4 "Utility-scale wind project" means an electric generating  
5 facility that:

6 (1) generates electricity using wind; and

7 (2) has a nameplate capacity that is greater than  
8 5,000 kilowatts.

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

12 "Zero emission credit" means a tradable credit that  
13 represents the environmental attributes of one megawatt hour  
14 of energy produced from a zero emission facility.

15 "Zero emission facility" means a facility that: (1) is  
16 fueled by nuclear power; and (2) is interconnected with PJM  
17 Interconnection, LLC or the Midcontinent Independent System  
18 Operator, Inc., or their successors.

19 (Source: P.A. 103-154, eff. 6-28-23; 103-380, eff. 1-1-24;  
20 104-458, eff. 6-1-26.)

21 Section 95. No acceleration or delay. Where this Act makes  
22 changes in a statute that is represented in this Act by text  
23 that is not yet or no longer in effect (for example, a Section  
24 represented by multiple versions), the use of that text does  
25 not accelerate or delay the taking effect of (i) the changes

1 made by this Act or (ii) provisions derived from any other  
2 Public Act.