



Rep. Reginald Phillips

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10000HB1848ham001

LRB100 04546 RJF 23846 a

1 AMENDMENT TO HOUSE BILL 1848

2 AMENDMENT NO. _____. Amend House Bill 1848 by replacing
3 everything after the enacting clause with the following:

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

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

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

21 (A) direct previous experience assembling
22 large-scale power supply plans or portfolios for
23 end-use customers;

24 (B) an advanced degree in economics, mathematics,
25 engineering, risk management, or a related area of
26 study;

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

3 (D) expertise in wholesale electricity market
4 rules, including those established by the Federal
5 Energy Regulatory Commission and regional transmission
6 organizations;

7 (E) expertise in credit protocols and familiarity
8 with contract protocols;

9 (F) adequate resources to perform and fulfill the
10 required functions and responsibilities; and

11 (G) the absence of a conflict of interest and
12 inappropriate bias for or against potential bidders or
13 the affected electric utilities.

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

20 (A) direct previous experience administering a
21 large-scale competitive procurement process;

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

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

26 (D) expertise in wholesale electricity market

1 rules, including those established by the Federal
2 Energy Regulatory Commission and regional transmission
3 organizations;

4 (E) expertise in credit and contract protocols;

5 (F) adequate resources to perform and fulfill the
6 required functions and responsibilities; and

7 (G) the absence of a conflict of interest and
8 inappropriate bias for or against potential bidders or
9 the affected electric utilities.

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

25 (A) failure to satisfy qualification criteria;

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

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

3 The Agency shall remove experts or expert consulting
4 firms from the lists within 10 days if there is a
5 reasonable basis for an objection and provide the updated
6 lists to the affected utilities and other interested
7 parties. If the Agency fails to remove an expert or expert
8 consulting firm from a list, an objecting party may seek
9 review by the Commission within 5 days thereafter by filing
10 a petition, and the Commission shall render a ruling on the
11 petition within 10 days. There is no right of appeal of the
12 Commission's ruling.

13 (4) The Agency shall issue requests for proposals to
14 the qualified experts or expert consulting firms to develop
15 a procurement plan for the affected utilities and to serve
16 as procurement administrator.

17 (5) The Agency shall select an expert or expert
18 consulting firm to develop procurement plans based on the
19 proposals submitted and shall award contracts of up to 5
20 years to those selected.

21 (6) The Agency shall select an expert or expert
22 consulting firm, with approval of the Commission, to serve
23 as procurement administrator based on the proposals
24 submitted. If the Commission rejects, within 5 days, the
25 Agency's selection, the Agency shall submit another
26 recommendation within 3 days based on the proposals

1 submitted. The Agency shall award a 5-year contract to the
2 expert or expert consulting firm so selected with
3 Commission approval.

4 (b) The experts or expert consulting firms retained by the
5 Agency shall, as appropriate, prepare procurement plans, and
6 conduct a competitive procurement process as prescribed in
7 Section 16-111.5 of the Public Utilities Act, to ensure
8 adequate, reliable, affordable, efficient, and environmentally
9 sustainable electric service at the lowest total cost over
10 time, taking into account any benefits of price stability, for
11 eligible retail customers of electric utilities that on
12 December 31, 2005 provided electric service to at least 100,000
13 customers in the State of Illinois, and for eligible Illinois
14 retail customers of small multi-jurisdictional electric
15 utilities that (i) on December 31, 2005 served less than
16 100,000 customers in Illinois and (ii) request a procurement
17 plan for their Illinois jurisdictional load.

18 (c) Renewable portfolio standard.

19 (1) The procurement plans shall include cost-effective
20 renewable energy resources. A minimum percentage of each
21 utility's total supply to serve the load of eligible retail
22 customers, as defined in Section 16-111.5(a) of the Public
23 Utilities Act, procured for each of the following years
24 shall be generated from cost-effective renewable energy
25 resources: at least 2% by June 1, 2008; at least 4% by June
26 1, 2009; at least 5% by June 1, 2010; at least 6% by June 1,

1 2011; at least 7% by June 1, 2012; at least 8% by June 1,
2 2013; at least 9% by June 1, 2014; at least 10% by June 1,
3 2015; and increasing by at least 1.5% each year thereafter
4 to at least 25% by June 1, 2025. To the extent that it is
5 available, at least 75% of the renewable energy resources
6 used to meet these standards shall come from wind
7 generation and, beginning on June 1, 2011, at least the
8 following percentages of the renewable energy resources
9 used to meet these standards shall come from photovoltaics
10 on the following schedule: 0.5% by June 1, 2012, 1.5% by
11 June 1, 2013; 3% by June 1, 2014; and 6% by June 1, 2015 and
12 thereafter. Of the renewable energy resources procured
13 pursuant to this Section, at least the following
14 percentages shall come from distributed renewable energy
15 generation devices: 0.5% by June 1, 2013, 0.75% by June 1,
16 2014, and 1% by June 1, 2015 and thereafter. To the extent
17 available, half of the renewable energy resources procured
18 from distributed renewable energy generation shall come
19 from devices of less than 25 kilowatts in nameplate
20 capacity. Renewable energy resources procured from
21 distributed generation devices may also count towards the
22 required percentages for wind and solar photovoltaics.
23 Procurement of renewable energy resources from distributed
24 renewable energy generation devices shall be done on an
25 annual basis through multi-year contracts of no less than 5
26 years, and shall consist solely of renewable energy

1 credits.

2 The Agency shall create credit requirements for
3 suppliers of distributed renewable energy. In order to
4 minimize the administrative burden on contracting
5 entities, the Agency shall solicit the use of third-party
6 organizations to aggregate distributed renewable energy
7 into groups of no less than one megawatt in installed
8 capacity. These third-party organizations shall administer
9 contracts with individual distributed renewable energy
10 generation device owners. An individual distributed
11 renewable energy generation device owner shall have the
12 ability to measure the output of his or her distributed
13 renewable energy generation device.

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

24 (2) For purposes of this subsection (c), the required
25 procurement of cost-effective renewable energy resources
26 for a particular year shall be measured as a percentage of

1 the actual amount of electricity (megawatt-hours) supplied
2 by the electric utility to eligible retail customers in the
3 planning year ending immediately prior to the procurement.
4 For purposes of this subsection (c), the amount paid per
5 kilowatthour means the total amount paid for electric
6 service expressed on a per kilowatthour basis. For purposes
7 of this subsection (c), the total amount paid for electric
8 service includes without limitation amounts paid for
9 supply, transmission, distribution, surcharges, and add-on
10 taxes.

11 Notwithstanding the requirements of this subsection
12 (c), the total of renewable energy resources procured
13 pursuant to the procurement plan for any single year shall
14 be reduced by an amount necessary to limit the annual
15 estimated average net increase due to the costs of these
16 resources included in the amounts paid by eligible retail
17 customers in connection with electric service to:

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

21 (B) in 2009, the greater of an additional 0.5% of
22 the amount paid per kilowatthour by those customers
23 during the year ending May 31, 2008 or 1% of the amount
24 paid per kilowatthour by those customers during the
25 year ending May 31, 2007;

26 (C) in 2010, the greater of an additional 0.5% of

1 the amount paid per kilowatthour by those customers
2 during the year ending May 31, 2009 or 1.5% of the
3 amount paid per kilowatthour by those customers during
4 the year ending May 31, 2007;

5 (D) in 2011, the greater of an additional 0.5% of
6 the amount paid per kilowatthour by those customers
7 during the year ending May 31, 2010 or 2% of the amount
8 paid per kilowatthour by those customers during the
9 year ending May 31, 2007; and

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

21 No later than June 30, 2011, the Commission shall
22 review the limitation on the amount of renewable energy
23 resources procured pursuant to this subsection (c) and
24 report to the General Assembly its findings as to
25 whether that limitation unduly constrains the
26 procurement of cost-effective renewable energy

1 resources.

2 (3) Through June 1, 2011, renewable energy resources
3 shall be counted for the purpose of meeting the renewable
4 energy standards set forth in paragraph (1) of this
5 subsection (c) only if they are generated from facilities
6 located in the State, provided that cost-effective
7 renewable energy resources are available from those
8 facilities. If those cost-effective resources are not
9 available in Illinois, they shall be procured in states
10 that adjoin Illinois and may be counted towards compliance.
11 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. After June 1, 2011, cost-effective renewable
15 energy resources located in Illinois and in states that
16 adjoin Illinois may be counted towards compliance with the
17 standards set forth in paragraph (1) of this subsection
18 (c). If those cost-effective resources are not available in
19 Illinois or in states that adjoin Illinois, they shall be
20 purchased elsewhere and shall be counted towards
21 compliance.

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

24 (5) Beginning with the year commencing June 1, 2010, an
25 electric utility subject to this subsection (c) shall apply
26 the lesser of the maximum alternative compliance payment

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

22 (d) Clean coal portfolio standard.

23 (1) The procurement plans shall include electricity
24 generated using clean coal. Each utility shall enter into
25 one or more sourcing agreements with the initial clean coal
26 facility, as provided in paragraph (3) of this subsection

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

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

24 Utilities shall maintain adequate records documenting
25 the purchases under the sourcing agreement to comply with
26 this subsection (d) and shall file an accounting with the

1 load forecast that must be filed with the Agency by July 15
2 of each year, in accordance with subsection (d) of Section
3 16-111.5 of the Public Utilities Act.

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

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

22 Notwithstanding the requirements of this subsection
23 (d), the total amount paid under sourcing agreements with
24 clean coal facilities pursuant to the procurement plan for
25 any given year shall be reduced by an amount necessary to
26 limit the annual estimated average net increase due to the

1 costs of these resources included in the amounts paid by
2 eligible retail customers in connection with electric
3 service to:

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

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

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

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

22 (E) thereafter, the total amount paid under
23 sourcing agreements with clean coal facilities
24 pursuant to the procurement plan for any single year
25 shall be reduced by an amount necessary to limit the
26 estimated average net increase due to the cost of these

1 resources included in the amounts paid by eligible
2 retail customers in connection with electric service
3 to no more than the greater of (i) 2.015% of the amount
4 paid per kilowatthour by those customers during the
5 year ending May 31, 2009 or (ii) the incremental amount
6 per kilowatthour paid for these resources in 2013.
7 These requirements may be altered only as provided by
8 statute.

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

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

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

13 (A) a formula contractual price (the "contract
14 price") approved pursuant to paragraph (4) of this
15 subsection (d), which shall:

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

26 (ii) provide that all miscellaneous net

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

15 (B) power purchase provisions, which shall:

16 (i) provide that the utility party to such
17 sourcing agreement shall pay the contract price
18 for electricity delivered under such sourcing
19 agreement;

20 (ii) require delivery of electricity to the
21 regional transmission organization market of the
22 utility that is party to such sourcing agreement;

23 (iii) require the utility party to such
24 sourcing agreement to buy from the initial clean
25 coal facility in each hour an amount of energy
26 equal to all clean coal energy made available from

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

18 (iv) be considered pre-existing contracts in
19 such utility's procurement plans for eligible
20 retail customers;

21 (C) contract for differences provisions, which
22 shall:

23 (i) require the utility party to such sourcing
24 agreement to contract with the initial clean coal
25 facility in each hour with respect to an amount of
26 energy equal to all clean coal energy made

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

19 (ii) provide that the utility's payment
20 obligation in respect of the quantity of
21 electricity determined pursuant to the preceding
22 clause (i) shall be limited to an amount equal to
23 (1) the difference between the contract price
24 determined pursuant to subparagraph (A) of
25 paragraph (3) of this subsection (d) and the
26 day-ahead price for electricity delivered to the

1 regional transmission organization market of the
2 utility that is party to such sourcing agreement
3 (or any successor delivery point at which such
4 utility's supply obligations are financially
5 settled on an hourly basis) (the "reference
6 price") on the day preceding the day on which the
7 electricity is delivered to the initial clean coal
8 facility busbar, multiplied by (2) the quantity of
9 electricity determined pursuant to the preceding
10 clause (i); and

11 (iii) not require the utility to take physical
12 delivery of the electricity produced by the
13 facility;

14 (D) general provisions, which shall:

15 (i) specify a term of no more than 30 years,
16 commencing on the commercial operation date of the
17 facility;

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

26 (iii) provide that all costs associated with

1 the initial clean coal facility will be
2 periodically reported to the Federal Energy
3 Regulatory Commission and to purchasers in
4 accordance with applicable laws governing
5 cost-based wholesale power contracts;

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

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

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

1 specified in paragraph (3) of this subsection (d)
2 shall be reviewed annually by an independent
3 expert retained by the owner of the initial clean
4 coal facility, with the advance written approval
5 of the Attorney General. The Commission may, in the
6 course of the review specified in item (vii),
7 reduce the allowable return on equity for the
8 facility if the facility wilfully fails to comply
9 with the carbon capture and sequestration
10 requirements set forth in this item (v);

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

16 (vii) require Commission review: (1) to
17 determine the justness, reasonableness, and
18 prudence of the inputs to the formula referenced in
19 subparagraphs (A)(i) through (A)(iii) of paragraph
20 (3) of this subsection (d), prior to an adjustment
21 in those inputs including, without limitation, the
22 capital structure and return on equity, fuel
23 costs, and other operations and maintenance costs
24 and (2) to approve the costs to be passed through
25 to customers under the sourcing agreement by which
26 the utility satisfies its statutory obligations.

1 Commission review shall occur no less than every 3
2 years, regardless of whether any adjustments have
3 been proposed, and shall be completed within 9
4 months;

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

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

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

25 (xi) append documentation showing that the
26 formula rate and contract, insofar as they relate

1 to the power purchase provisions, have been
2 approved by the Federal Energy Regulatory
3 Commission pursuant to Section 205 of the Federal
4 Power Act;

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

11 (xiii) conform with customary lender
12 requirements in power purchase agreements used as
13 the basis for financing non-utility generators.

14 (4) Effective date of sourcing agreements with the
15 initial clean coal facility.

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

20 (i) Facility cost report. The owner of the initial
21 clean coal facility shall submit to the Commission, the
22 Agency, and the General Assembly a front-end
23 engineering and design study, a facility cost report,
24 method of financing (including but not limited to
25 structure and associated costs), and an operating and
26 maintenance cost quote for the facility (collectively

1 "facility cost report"), which shall be prepared in
2 accordance with the requirements of this paragraph (4)
3 of subsection (d) of this Section, and shall provide
4 the Commission and the Agency access to the work
5 papers, relied upon documents, and any other backup
6 documentation related to the facility cost report.

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

1 or consultants prior to receipt of the facility cost
2 report.

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

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

25 The facility cost report shall be prepared as follows:

26 (A) The facility cost report shall be prepared by

1 duly licensed engineering and construction firms
2 detailing the estimated capital costs payable to one or
3 more contractors or suppliers for the engineering,
4 procurement and construction of the components
5 comprising the initial clean coal facility and the
6 estimated costs of operation and maintenance of the
7 facility. The facility cost report shall include:

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

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

25 The quoted construction costs shall be expressed
26 in nominal dollars as of the date that the quote is

1 prepared and shall include capitalized financing costs
2 during construction, taxes, insurance, and other
3 owner's costs, and an assumed escalation in materials
4 and labor beyond the date as of which the construction
5 cost quote is expressed.

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

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

1 operating agreements, or recognized third party plant
2 operator or operators.

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

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

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

23 (5) Re-powering and retrofitting coal-fired power
24 plants previously owned by Illinois utilities to qualify as
25 clean coal facilities. During the 2009 procurement
26 planning process and thereafter, the Agency and the

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

26 (6) Costs incurred under this subsection (d) or

1 pursuant to a contract entered into under this subsection
2 (d) shall be deemed prudently incurred and reasonable in
3 amount and the electric utility shall be entitled to full
4 cost recovery pursuant to the tariffs filed with the
5 Commission.

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

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

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

16 (h) The Agency shall assess fees to each bidder to recover
17 the costs incurred in connection with a competitive procurement
18 process.

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

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

21 Sec. 1-75. Planning and Procurement Bureau. The Planning
22 and Procurement Bureau has the following duties and
23 responsibilities:

24 (a) The Planning and Procurement Bureau shall each year,
25 beginning in 2008, develop procurement plans and conduct

1 competitive procurement processes in accordance with the
2 requirements of Section 16-111.5 of the Public Utilities Act
3 for the eligible retail customers of electric utilities that on
4 December 31, 2005 provided electric service to at least 100,000
5 customers in Illinois. Beginning with the delivery year
6 commencing on June 1, 2017, the Planning and Procurement Bureau
7 shall develop plans and processes for the procurement of zero
8 emission credits from zero emission facilities in accordance
9 with the requirements of subsection (d-5) of this Section. The
10 Planning and Procurement Bureau shall also develop procurement
11 plans and conduct competitive procurement processes in
12 accordance with the requirements of Section 16-111.5 of the
13 Public Utilities Act for the eligible retail customers of small
14 multi-jurisdictional electric utilities that (i) on December
15 31, 2005 served less than 100,000 customers in Illinois and
16 (ii) request a procurement plan for their Illinois
17 jurisdictional load. This Section shall not apply to a small
18 multi-jurisdictional utility until such time as a small
19 multi-jurisdictional utility requests the Agency to prepare a
20 procurement plan for their Illinois jurisdictional load. For
21 the purposes of this Section, the term "eligible retail
22 customers" has the same definition as found in Section
23 16-111.5(a) of the Public Utilities Act.

24 Beginning with the plan or plans to be implemented in the
25 2017 delivery year, the Agency shall no longer include the
26 procurement of renewable energy resources in the annual

1 procurement plans required by this subsection (a), except as
2 provided in subsection (q) of Section 16-111.5 of the Public
3 Utilities Act, and shall instead develop a long-term renewable
4 resources procurement plan in accordance with subsection (c) of
5 this Section and Section 16-111.5 of the Public Utilities Act.

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

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

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

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

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

24 (E) expertise in credit protocols and familiarity
25 with contract protocols;

26 (F) adequate resources to perform and fulfill the

1 required functions and responsibilities; and

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

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

11 (A) direct previous experience administering a
12 large-scale competitive procurement process;

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

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

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

21 (E) expertise in credit and contract protocols;

22 (F) adequate resources to perform and fulfill the
23 required functions and responsibilities; and

24 (G) the absence of a conflict of interest and
25 inappropriate bias for or against potential bidders or
26 the affected electric utilities.

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

16 (A) failure to satisfy qualification criteria;

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

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

20 The Agency shall remove experts or expert consulting
21 firms from the lists within 10 days if there is a
22 reasonable basis for an objection and provide the updated
23 lists to the affected utilities and other interested
24 parties. If the Agency fails to remove an expert or expert
25 consulting firm from a list, an objecting party may seek
26 review by the Commission within 5 days thereafter by filing

1 a petition, and the Commission shall render a ruling on the
2 petition within 10 days. There is no right of appeal of the
3 Commission's ruling.

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

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

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

21 (b) The experts or expert consulting firms retained by the
22 Agency shall, as appropriate, prepare procurement plans, and
23 conduct a competitive procurement process as prescribed in
24 Section 16-111.5 of the Public Utilities Act, to ensure
25 adequate, reliable, affordable, efficient, and environmentally
26 sustainable electric service at the lowest total cost over

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

9 (c) Renewable portfolio standard.

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

26 (B) Subject to subparagraph (F) of this paragraph (1),

1 the long-term renewable resources procurement plan shall
2 include the goals for procurement of renewable energy
3 credits to meet at least the following overall percentages:
4 13% by the 2017 delivery year; increasing by at least 1.5%
5 each delivery year thereafter to at least 25% by the 2025
6 delivery year; and continuing at no less than 25% for each
7 delivery year thereafter. In the event of a conflict
8 between these goals and the new wind and new photovoltaic
9 procurement requirements described in items (i) through
10 (iii) of subparagraph (C) of this paragraph (1), the
11 long-term plan shall prioritize compliance with the new
12 wind and new photovoltaic procurement requirements
13 described in items (i) through (iii) of subparagraph (C) of
14 this paragraph (1) over the annual percentage targets
15 described in this subparagraph (B).

16 For the delivery year beginning June 1, 2017, the
17 procurement plan shall include cost-effective renewable
18 energy resources equal to at least 13% of each utility's
19 load for eligible retail customers and 13% of the
20 applicable portion of each utility's load for retail
21 customers who are not eligible retail customers, which
22 applicable portion shall equal 50% of the utility's load
23 for retail customers who are not eligible retail customers
24 on February 28, 2017.

25 For the delivery year beginning June 1, 2018, the
26 procurement plan shall include cost-effective renewable

1 energy resources equal to at least 14.5% of each utility's
2 load for eligible retail customers and 14.5% of the
3 applicable portion of each utility's load for retail
4 customers who are not eligible retail customers, which
5 applicable portion shall equal 75% of the utility's load
6 for retail customers who are not eligible retail customers
7 on February 28, 2017.

8 For the delivery year beginning June 1, 2019, and for
9 each year thereafter, the procurement plans shall include
10 cost-effective renewable energy resources equal to a
11 minimum percentage of each utility's load for all retail
12 customers as follows: 16% by June 1, 2019; increasing by
13 1.5% each year thereafter to 25% by June 1, 2025; and 25%
14 by June 1, 2026 and each year thereafter.

15 For each delivery year, the Agency shall first
16 recognize each utility's obligations for that delivery
17 year under existing contracts. Any renewable energy
18 credits under existing contracts, including renewable
19 energy credits as part of renewable energy resources, shall
20 be used to meet the goals set forth in this subsection (c)
21 for the delivery year.

22 (C) Of the renewable energy credits procured under this
23 subsection (c), at least 75% shall come from wind and
24 photovoltaic projects. The long-term renewable resources
25 procurement plan described in subparagraph (A) of this
26 paragraph (1) shall include the procurement of renewable

1 energy credits in amounts equal to at least the following:

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

3 At least 2,000,000 renewable energy credits
4 for each delivery year shall come from new wind
5 projects; and

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

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

22 At least 3,000,000 renewable energy credits
23 for each delivery year shall come from new wind
24 projects; and

25 At least 3,000,000 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 devices or community renewable generation
7 projects; at least 40% from utility-scale solar
8 projects; at least 2% from brownfield site
9 photovoltaic projects that are not community
10 renewable generation projects; and the remainder
11 shall be determined through the long-term planning
12 process described in subparagraph (A) of this
13 paragraph (1).

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

15 At least 4,000,000 renewable energy credits
16 for each delivery year shall come from new wind
17 projects; and

18 At least 4,000,000 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 For purposes of this Section:

8 "New wind projects" means wind renewable
9 energy facilities that are energized after June 1,
10 2017 for the delivery year commencing June 1, 2017
11 or within 3 years after the date the Commission
12 approves contracts for subsequent delivery years.

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

19 (D) Renewable energy credits shall be cost effective.
20 For purposes of this subsection (c), "cost effective" means
21 that the costs of procuring renewable energy resources do
22 not cause the limit stated in subparagraph (E) of this
23 paragraph (1) to be exceeded and, for renewable energy
24 credits procured through a competitive procurement event,
25 do not exceed benchmarks based on market prices for like
26 products in the region. For purposes of this subsection

1 (c), "like products" means contracts for renewable energy
2 credits from the same or substantially similar technology,
3 same or substantially similar vintage (new or existing),
4 the same or substantially similar quantity, and the same or
5 substantially similar contract length and structure.
6 Benchmarks shall be developed by the procurement
7 administrator, in consultation with the Commission staff,
8 Agency staff, and the procurement monitor and shall be
9 subject to Commission review and approval. If price
10 benchmarks for like products in the region are not
11 available, the procurement administrator shall establish
12 price benchmarks based on publicly available data on
13 regional technology costs and expected current and future
14 regional energy prices. The benchmarks in this Section
15 shall not be used to curtail or otherwise reduce
16 contractual obligations entered into by or through the
17 Agency prior to the effective date of this amendatory Act
18 of the 99th General Assembly.

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

1 required procurement of cost-effective renewable energy
2 resources for a particular year shall be measured as a
3 percentage of the actual amount of electricity
4 (megawatt-hours) delivered by the electric utility in the
5 delivery year ending immediately prior to the procurement,
6 to all retail customers in its service territory. For
7 purposes of this subsection (c), the amount paid per
8 kilowatthour means the total amount paid for electric
9 service expressed on a per kilowatthour basis. For purposes
10 of this subsection (c), the total amount paid for electric
11 service includes without limitation amounts paid for
12 supply, transmission, distribution, surcharges, and add-on
13 taxes.

14 Notwithstanding the requirements of this subsection
15 (c), the total of renewable energy resources procured under
16 the procurement plan for any single year shall be subject
17 to the limitations of this subparagraph (E). Such
18 procurement shall be reduced for all retail customers based
19 on the amount necessary to limit the annual estimated
20 average net increase due to the costs of these resources
21 included in the amounts paid by eligible retail customers
22 in connection with electric service to no more than the
23 greater of 2.015% of the amount paid per kilowatthour by
24 those customers during the year ending May 31, 2007 or the
25 incremental amount per kilowatthour paid for these
26 resources in 2011. To arrive at a maximum dollar amount of

1 renewable energy resources to be procured for the
2 particular delivery year, the resulting per kilowatthour
3 amount shall be applied to the actual amount of
4 kilowatthours of electricity delivered, or applicable
5 portion of such amount as specified in paragraph (1) of
6 this subsection (c), as applicable, by the electric utility
7 in the delivery year immediately prior to the procurement
8 to all retail customers in its service territory. The
9 calculations required by this subparagraph (E) shall be
10 made only once for each delivery year at the time that the
11 renewable energy resources are procured. Once the
12 determination as to the amount of renewable energy
13 resources to procure is made based on the calculations set
14 forth in this subparagraph (E) and the contracts procuring
15 those amounts are executed, no subsequent rate impact
16 determinations shall be made and no adjustments to those
17 contract amounts shall be allowed. All costs incurred under
18 such contracts shall be fully recoverable by the electric
19 utility as provided in this Section.

20 (F) If the limitation on the amount of renewable energy
21 resources procured in subparagraph (E) of this paragraph
22 (1) prevents the Agency from meeting all of the goals in
23 this subsection (c), the Agency's long-term plan shall
24 prioritize compliance with the requirements of this
25 subsection (c) regarding renewable energy credits in the
26 following order:

1 (i) renewable energy credits under existing
2 contractual obligations;

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

6 (ii) renewable energy credits necessary to comply
7 with the new wind and new photovoltaic procurement
8 requirements described in items (i) through (iii) of
9 subparagraph (C) of this paragraph (1); and

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

12 (G) The following provisions shall apply to the
13 Agency's procurement of renewable energy credits under
14 this subsection (c):

15 (i) Notwithstanding whether a long-term renewable
16 resources procurement plan has been approved, the
17 Agency shall conduct an initial forward procurement
18 for renewable energy credits from new utility-scale
19 wind projects within 160 days after the effective date
20 of this amendatory Act of the 99th General Assembly.
21 For the purposes of this initial forward procurement,
22 the Agency shall solicit 15-year contracts for
23 delivery of 1,000,000 renewable energy credits
24 delivered annually from new utility-scale wind
25 projects to begin delivery on June 1, 2019, if
26 available, but not later than June 1, 2021. Payments to

1 suppliers of renewable energy credits shall commence
2 upon delivery. Renewable energy credits procured under
3 this initial procurement shall be included in the
4 Agency's long-term plan and shall apply to all
5 renewable energy goals in this subsection (c).

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

26 (iii) Subsequent forward procurements for

1 utility-scale wind projects shall solicit at least
2 1,000,000 renewable energy credits delivered annually
3 per procurement event and shall be planned, scheduled,
4 and designed such that the cumulative amount of
5 renewable energy credits delivered from all new wind
6 projects in each delivery year shall not exceed the
7 Agency's projection of the cumulative amount of
8 renewable energy credits that will be delivered from
9 all new photovoltaic projects, including utility-scale
10 and distributed photovoltaic devices, in the same
11 delivery year at the time scheduled for wind contract
12 delivery.

13 (iv) If, at any time after the time set for
14 delivery of renewable energy credits pursuant to the
15 initial procurements in items (i) and (ii) of this
16 subparagraph (G), the cumulative amount of renewable
17 energy credits projected to be delivered from all new
18 wind projects in a given delivery year exceeds the
19 cumulative amount of renewable energy credits
20 projected to be delivered from all new photovoltaic
21 projects in that delivery year by 200,000 or more
22 renewable energy credits, then the Agency shall within
23 60 days adjust the procurement programs in the
24 long-term renewable resources procurement plan to
25 ensure that the projected cumulative amount of
26 renewable energy credits to be delivered from all new

1 wind projects does not exceed the projected cumulative
2 amount of renewable energy credits to be delivered from
3 all new photovoltaic projects by 200,000 or more
4 renewable energy credits, provided that nothing in
5 this Section shall preclude the projected cumulative
6 amount of renewable energy credits to be delivered from
7 all new photovoltaic projects from exceeding the
8 projected cumulative amount of renewable energy
9 credits to be delivered from all new wind projects in
10 each delivery year and provided further that nothing in
11 this item (iv) shall require the curtailment of an
12 executed contract. The Agency shall update, on a
13 quarterly basis, its projection of the renewable
14 energy credits to be delivered from all projects in
15 each delivery year. Notwithstanding anything to the
16 contrary, the Agency may adjust the timing of
17 procurement events conducted under this subparagraph
18 (G). The long-term renewable resources procurement
19 plan shall set forth the process by which the
20 adjustments may be made.

21 (v) All procurements under this subparagraph (G)
22 shall comply with the geographic requirements in
23 subparagraph (I) of this paragraph (1) and shall follow
24 the procurement processes and procedures described in
25 this Section and Section 16-111.5 of the Public
26 Utilities Act to the extent practicable, and these

1 processes and procedures may be expedited to
2 accommodate the schedule established by this
3 subparagraph (G).

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

8 (i) Within 45 days after the effective date of this
9 amendatory Act of the 99th General Assembly, an
10 alternative retail electric supplier or its successor
11 shall submit an informational filing to the Illinois
12 Commerce Commission certifying that, as of December
13 31, 2015, the alternative retail electric supplier
14 owned one or more electric generating facilities that
15 generates renewable energy resources as defined in
16 Section 1-10 of this Act, provided that such facilities
17 are not powered by wind or photovoltaics, and the
18 facilities generate one renewable energy credit for
19 each megawatthour of energy produced from the
20 facility.

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

26 (ii) For a given delivery year, the alternative

1 retail electric supplier may elect to supply its retail
2 customers with renewable energy credits from the
3 facility or facilities described in item (i) of this
4 subparagraph (H) that continue to be owned by the
5 alternative retail electric supplier.

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

21 For the delivery year beginning June 1, 2018,
22 the maximum amount of renewable energy credits to
23 be supplied by an alternative retail electric
24 supplier under this subparagraph (H) shall be 68%
25 multiplied by 25% multiplied by 14.5% multiplied
26 by the amount of metered electricity

1 (megawatt-hours) delivered by the alternative
2 retail electric supplier to Illinois retail
3 customers during the delivery year ending May 31,
4 2016.

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

19 For each delivery year, the total amount of
20 renewable energy credits supplied by all alternative
21 retail electric suppliers under this subparagraph (H)
22 shall not exceed 9% of the Illinois target renewable
23 energy credit quantity. The Illinois target renewable
24 energy credit quantity for the delivery year beginning
25 June 1, 2018 is 14.5% multiplied by the total amount of
26 metered electricity (megawatt-hours) delivered in the

1 delivery year immediately preceding that delivery
2 year, provided that the 14.5% shall increase by 1.5%
3 each delivery year thereafter to 25% by the delivery
4 year beginning June 1, 2025, and thereafter the 25%
5 value shall apply to each delivery year.

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

24 On or before April 1 of each year, the Agency shall
25 annually publish a report on its website that
26 identifies the aggregate amount of renewable energy

1 credits supplied by alternative retail electric
2 suppliers under this subparagraph (H).

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

1 plan shall describe in detail how each public interest
2 factor shall be considered and weighted for facilities
3 located in states adjacent to Illinois.

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

1 procurement event.

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

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

23 The Adjustable Block program shall include for each
24 category of eligible projects: a schedule of standard block
25 purchase prices to be offered; a series of steps, with
26 associated nameplate capacity and purchase prices that

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

25 The Adjustable Block program shall include at least the
26 following block groups in at least the following amounts,

1 which may be adjusted upon review by the Agency and
2 approval by the Commission as described in this
3 subparagraph (K):

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

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

15 (iii) At least 25% from photovoltaic community
16 renewable generation projects.

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

20 The Adjustable Block program shall be designed to
21 ensure that renewable energy credits are procured from
22 photovoltaic distributed renewable energy generation
23 devices and new photovoltaic community renewable energy
24 generation projects in diverse locations and are not
25 concentrated in a few geographic areas.

26 (L) The procurement of photovoltaic renewable energy

1 credits under items (i) through (iv) of subparagraph (K) of
2 this paragraph (1) shall be subject to the following
3 contract and payment terms:

4 (i) The Agency shall procure contracts of at least
5 15 years in length.

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

16 (iii) For those renewable energy credits that
17 qualify and are procured under item (ii) and (iii) of
18 subparagraph (K) of this paragraph (1) and any
19 additional categories of distributed generation
20 included in the long-term renewable resources
21 procurement plan and approved by the Commission, 20
22 percent of the renewable energy credit purchase price
23 shall be paid by the contracting utilities at the time
24 that the facility producing the renewable energy
25 credits is interconnected at the distribution system
26 level of the utility and energized. The remaining

1 portion shall be paid ratably over the subsequent
2 4-year period. The electric utility shall receive and
3 retire all renewable energy credits generated by the
4 project for the first 15 years of operation.

5 (iv) Each contract shall include provisions to
6 ensure the delivery of the renewable energy credits for
7 the full term of the contract.

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

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

25 (vii) Nothing in this Section shall require the
26 utility to advance any payment or pay any amounts that

1 exceed the actual amount of revenues collected by the
2 utility under paragraph (6) of this subsection (c) and
3 subsection (k) of Section 16-108 of the Public
4 Utilities Act, and contracts executed under this
5 Section shall expressly incorporate this limitation.

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

21 The Agency and its consultant or consultants shall
22 monitor block activity, share program activity with
23 stakeholders and conduct regularly scheduled meetings to
24 discuss program activity and market conditions. If
25 necessary, the Agency may make prospective administrative
26 adjustments to the Adjustable Block program design, such as

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

15 (N) The long-term renewable resources procurement plan
16 required by this subsection (c) shall include a community
17 renewable generation program. The Agency shall establish
18 the terms, conditions, and program requirements for
19 community renewable generation projects with a goal to
20 expand renewable energy generating facility access to a
21 broader group of energy consumers, to ensure robust
22 participation opportunities for residential and small
23 commercial customers and those who cannot install
24 renewable energy on their own properties. Any plan approved
25 by the Commission shall allow subscriptions to community
26 renewable generation projects to be portable and

1 transferable. For purposes of this subparagraph (N),
2 "portable" means that subscriptions may be retained by the
3 subscriber even if the subscriber relocates or changes its
4 address within the same utility service territory; and
5 "transferable" means that a subscriber may assign or sell
6 subscriptions to another person within the same utility
7 service territory.

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

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

24 The owners of and any subscribers to a community
25 renewable generation project shall not be considered
26 public utilities or alternative retail electricity

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

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

1 electric utility that serves more than 3,000,000 retail
2 customers in the State to implement a Commission-approved
3 plan under Section 16-108.12 of the Public Utilities Act.
4 In making the determinations required under this
5 subparagraph (O), the Commission shall consider the
6 experience and performance under the programs and any
7 evaluation reports. The Commission shall also provide for
8 an independent evaluation of those programs on a periodic
9 basis that are funded under this subparagraph (O).

10 (2) (Blank).

11 (3) (Blank).

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

14 (5) Beginning with the 2010 delivery year and ending
15 June 1, 2017, an electric utility subject to this
16 subsection (c) shall apply the lesser of the maximum
17 alternative compliance payment rate or the most recent
18 estimated alternative compliance payment rate for its
19 service territory for the corresponding compliance period,
20 established pursuant to subsection (d) of Section 16-115D
21 of the Public Utilities Act to its retail customers that
22 take service pursuant to the electric utility's hourly
23 pricing tariff or tariffs. The electric utility shall
24 retain all amounts collected as a result of the application
25 of the alternative compliance payment rate or rates to such
26 customers, and, beginning in 2011, the utility shall

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

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

23 (7) Renewable energy credits procured from new
24 photovoltaic projects or new distributed renewable energy
25 generation devices under this Section after the effective
26 date of this amendatory Act of the 99th General Assembly

1 must be procured from devices installed by a qualified
2 person in compliance with the requirements of Section
3 16-128A of the Public Utilities Act and any rules or
4 regulations adopted thereunder.

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

15 (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 (5.5) Other clean coal facilities. In order to promote
20 the development of clean coal power generation, and in
21 furtherance of the State's goal of having at least 25% of
22 the State's electricity generated by cost-effective clean
23 coal facilities by January 1, 2025 as provided in paragraph
24 (1) of this subsection (d), the Agency and Commission shall
25 include sourcing agreements covering power produced by (i)
26 clean coal facilities, as defined in Section 1-10 of this

1 Act, and (ii) facilities specified in paragraphs (3) and
2 (5) of this subsection (d), in each annual power
3 procurement plan.

4 The Agency and Commission shall require utilities and
5 alternative retail electric suppliers to enter into such
6 sourcing agreements as part of the annual power procurement
7 process.

8 The Agency and Commission shall establish a
9 competitive procedure to solicit and receive proposed
10 sourcing terms from producers of clean coal power
11 interested in selection for sourcing agreements. The
12 competitive procedure shall include a method of selection
13 for inclusion in those agreements.

14 These sourcing agreements shall be subject to the
15 limits contained in items (A) through (E) of paragraph (2)
16 of this subsection (d), the benchmarks as set forth by
17 paragraph (1) of this subsection (d), and the requirements
18 for sourcing agreements contained in paragraph (3) of this
19 subsection (d). As part of the annual procurement planning
20 process, the owners of clean coal facilities may offer
21 proposals to the Agency sourcing agreements with utilities
22 and alternate retail electric suppliers required to comply
23 with this subsection (d), as well as item (5) of subsection
24 (d) of Section 16-115 of the Public Utilities Act, covering
25 electricity generated by such facilities. In the case of
26 sourcing agreements that are power purchase agreements,

1 the contract price for electricity sales shall be
2 established on a cost-of-service basis. In the case of
3 sourcing agreements that are contracts for differences,
4 the contract price from which the reference price is
5 subtracted shall be established on a cost-of-service
6 basis. The sourcing agreements shall be included under and
7 governed by provisions of the Public Utilities Act.

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

14 (d-5) Zero emission standard.

15 (1) Beginning with the delivery year commencing on June
16 1, 2017, the Agency shall, for electric utilities that
17 serve at least 100,000 retail customers in this State,
18 procure contracts with zero emission facilities that are
19 reasonably capable of generating cost-effective zero
20 emission credits in an amount approximately equal to 16% of
21 the actual amount of electricity delivered by each electric
22 utility to retail customers in the State during calendar
23 year 2014. For an electric utility serving fewer than
24 100,000 retail customers in this State that requested,
25 under Section 16-111.5 of the Public Utilities Act, that
26 the Agency procure power and energy for all or a portion of

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

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

22 The procurement process shall be subject to the
23 following provisions:

24 (A) Those zero emission facilities that intend to
25 participate in the procurement shall submit to the
26 Agency the following eligibility information for each

1 zero emission facility on or before the date
2 established by the Agency:

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

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

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

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

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

17 (B) The price for each zero emission credit
18 procured under this subsection (d-5) for each delivery
19 year shall be in an amount that equals the Social Cost
20 of Carbon, expressed on a price per megawatthour basis.
21 However, to ensure that the procurement remains
22 affordable to retail customers in this State if
23 electricity prices increase, the price in an
24 applicable delivery year shall be reduced below the
25 Social Cost of Carbon by the amount ("Price
26 Adjustment") by which the market price index for the

1 applicable delivery year exceeds the baseline market
2 price index for the consecutive 12-month period ending
3 May 31, 2016. If the Price Adjustment is greater than
4 or equal to the Social Cost of Carbon in an applicable
5 delivery year, then no payments shall be due in that
6 delivery year. The components of this calculation are
7 defined as follows:

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

19 (ii) Baseline market price index: The baseline
20 market price index for the consecutive 12-month
21 period ending May 31, 2016 is \$31.40 per
22 megawatthour, which is based on the sum of (aa) the
23 average day-ahead energy price across all hours of
24 such 12-month period at the PJM Interconnection
25 LLC Northern Illinois Hub, (bb) 50% multiplied by
26 the Base Residual Auction, or its successor,

1 capacity price for the rest of the RTO zone group
2 determined by PJM Interconnection LLC, divided by
3 24 hours per day, and (cc) 50% multiplied by the
4 Planning Resource Auction, or its successor,
5 capacity price for Zone 4 determined by the
6 Midcontinent Independent System Operator, Inc.,
7 divided by 24 hours per day.

8 (iii) Market price index: The market price
9 index for a delivery year shall be the sum of
10 projected energy prices and projected capacity
11 prices determined as follows:

12 (aa) Projected energy prices: the
13 projected energy prices for the applicable
14 delivery year shall be calculated once for the
15 year using the forward market price for the PJM
16 Interconnection, LLC Northern Illinois Hub.
17 The forward market price shall be calculated as
18 follows: the energy forward prices for each
19 month of the applicable delivery year averaged
20 for each trade date during the calendar year
21 immediately preceding that delivery year to
22 produce a single energy forward price for the
23 delivery year. The forward market price
24 calculation shall use data published by the
25 Intercontinental Exchange, or its successor.

26 (bb) Projected capacity prices:

1 (I) For the delivery years commencing
2 June 1, 2017, June 1, 2018, and June 1,
3 2019, the projected capacity price shall
4 be equal to the sum of (1) 50% multiplied
5 by the Base Residual Auction, or its
6 successor, price for the rest of the RTO
7 zone group as determined by PJM
8 Interconnection LLC, divided by 24 hours
9 per day and, (2) 50% multiplied by the
10 resource auction price determined in the
11 resource auction administered by the
12 Midcontinent Independent System Operator,
13 Inc., in which the largest percentage of
14 load cleared for Local Resource Zone 4,
15 divided by 24 hours per day, and where such
16 price is determined by the Midcontinent
17 Independent System Operator, Inc.

18 (II) For the delivery year commencing
19 June 1, 2020, and each year thereafter, the
20 projected capacity price shall be equal to
21 the sum of (1) 50% multiplied by the Base
22 Residual Auction, or its successor, price
23 for the ComEd zone as determined by PJM
24 Interconnection LLC, divided by 24 hours
25 per day, and (2) 50% multiplied by the
26 resource auction price determined in the

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

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

9 "Rest of the RTO" and "ComEd Zone" shall have
10 the meaning ascribed to them by PJM
11 Interconnection, LLC.

12 "RTO" means regional transmission
13 organization.

14 (C) No later than 45 days after the effective date
15 of this amendatory Act of the 99th General Assembly,
16 the Agency shall publish its proposed zero emission
17 standard procurement plan. The plan shall be
18 consistent with the provisions of this paragraph (1)
19 and shall provide that winning bids shall be selected
20 based on public interest criteria that include, but are
21 not limited to, minimizing carbon dioxide emissions
22 that result from electricity consumed in Illinois and
23 minimizing sulfur dioxide, nitrogen oxide, and
24 particulate matter emissions that adversely affect the
25 citizens of this State. In particular, the selection of
26 winning bids shall take into account the incremental

1 environmental benefits resulting from the procurement,
2 such as any existing environmental benefits that are
3 preserved by the procurements held under this
4 amendatory Act of the 99th General Assembly and would
5 cease to exist if the procurements were not held,
6 including the preservation of zero emission
7 facilities. The plan shall also describe in detail how
8 each public interest factor shall be considered and
9 weighted in the bid selection process to ensure that
10 the public interest criteria are applied to the
11 procurement and given full effect.

12 For purposes of developing the plan, the Agency
13 shall consider any reports issued by a State agency,
14 board, or commission under House Resolution 1146 of the
15 98th General Assembly and paragraph (4) of subsection
16 (d) of Section 1-75 of this Act, as well as publicly
17 available analyses and studies performed by or for
18 regional transmission organizations that serve the
19 State and their independent market monitors.

20 Upon publishing of the zero emission standard
21 procurement plan, copies of the plan shall be posted
22 and made publicly available on the Agency's website.
23 All interested parties shall have 10 days following the
24 date of posting to provide comment to the Agency on the
25 plan. All comments shall be posted to the Agency's
26 website. Following the end of the comment period, but

1 no more than 60 days later than the effective date of
2 this amendatory Act of the 99th General Assembly, the
3 Agency shall revise the plan as necessary based on the
4 comments received and file its zero emission standard
5 procurement plan with the Commission.

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

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

20 (i) identify how the winning bids satisfy the
21 public interest criteria described in subparagraph
22 (C) of this paragraph (1) of minimizing carbon
23 dioxide emissions that result from electricity
24 consumed in Illinois and minimizing sulfur
25 dioxide, nitrogen oxide, and particulate matter
26 emissions that adversely affect the citizens of

1 this State;

2 (ii) specifically address how the selection of
3 winning bids takes into account the incremental
4 environmental benefits resulting from the
5 procurement, including any existing environmental
6 benefits that are preserved by the procurements
7 held under this amendatory Act of the 99th General
8 Assembly and would have ceased to exist if the
9 procurements had not been held, such as the
10 preservation of zero emission facilities;

11 (iii) quantify the environmental benefit of
12 preserving the resources identified in item (ii)
13 of this subparagraph (C-5), including the
14 following:

15 (aa) the value of avoided greenhouse gas
16 emissions measured as the product of the zero
17 emission facilities' output over the contract
18 term multiplied by the U.S. Environmental
19 Protection Agency eGrid subregion carbon
20 dioxide emission rate and the U.S. Interagency
21 Working Group on Social Cost of Carbon's price
22 in the August 2016 Technical Update using a 3%
23 discount rate, adjusted for inflation for each
24 delivery year; and

25 (bb) the costs of replacement with other
26 zero carbon dioxide resources, including wind

1 and photovoltaic, based upon the simple
2 average of the following:

3 (I) the price, or if there is more than
4 one price, the average of the prices, paid
5 for renewable energy credits from new
6 utility-scale wind projects in the
7 procurement events specified in item (i)
8 of subparagraph (G) of paragraph (1) of
9 subsection (c) of Section 1-75 of this Act;
10 and

11 (II) the price, or if there is more
12 than one price, the average of the prices,
13 paid for renewable energy credits from new
14 utility-scale solar projects and
15 brownfield site photovoltaic projects in
16 the procurement events specified in item
17 (ii) of subparagraph (G) of paragraph (1)
18 of subsection (c) of Section 1-75 of this
19 Act and, after January 1, 2015, renewable
20 energy credits from photovoltaic
21 distributed generation projects in
22 procurement events held under subsection
23 (c) of Section 1-75 of this Act.

24 Each utility shall enter into binding contractual
25 arrangements with the winning suppliers.

26 The procurement described in this subsection

1 (d-5), including, but not limited to, the execution of
2 all contracts procured, shall be completed no later
3 than May 10, 2017. Based on the effective date of this
4 amendatory Act of the 99th General Assembly, the Agency
5 and Commission may, as appropriate, modify the various
6 dates and timelines under this subparagraph and
7 subparagraphs (C) and (D) of this paragraph (1). The
8 procurement and plan approval processes required by
9 this subsection (d-5) shall be conducted in
10 conjunction with the procurement and plan approval
11 processes required by subsection (c) of this Section
12 and Section 16-111.5 of the Public Utilities Act, to
13 the extent practicable. Notwithstanding whether a
14 procurement event is conducted under Section 16-111.5
15 of the Public Utilities Act, the Agency shall
16 immediately initiate a procurement process on the
17 effective date of this amendatory Act of the 99th
18 General Assembly.

19 (D) Following the procurement event described in
20 this paragraph (1) and consistent with subparagraph
21 (B) of this paragraph (1), the Agency shall calculate
22 the payments to be made under each contract for the
23 next delivery year based on the market price index for
24 that delivery year. The Agency shall publish the
25 payment calculations no later than May 25, 2017 and
26 every May 25 thereafter.

1 (E) Notwithstanding the requirements of this
2 subsection (d-5), the contracts executed under this
3 subsection (d-5) shall provide that the zero emission
4 facility may, as applicable, suspend or terminate
5 performance under the contracts in the following
6 instances:

7 (i) A zero emission facility shall be excused
8 from its performance under the contract for any
9 cause beyond the control of the resource,
10 including, but not restricted to, acts of God,
11 flood, drought, earthquake, storm, fire,
12 lightning, epidemic, war, riot, civil disturbance
13 or disobedience, labor dispute, labor or material
14 shortage, sabotage, acts of public enemy,
15 explosions, orders, regulations or restrictions
16 imposed by governmental, military, or lawfully
17 established civilian authorities, which, in any of
18 the foregoing cases, by exercise of commercially
19 reasonable efforts the zero emission facility
20 could not reasonably have been expected to avoid,
21 and which, by the exercise of commercially
22 reasonable efforts, it has been unable to
23 overcome. In such event, the zero emission
24 facility shall be excused from performance for the
25 duration of the event, including, but not limited
26 to, delivery of zero emission credits, and no

1 payment shall be due to the zero emission facility
2 during the duration of the event.

3 (ii) A zero emission facility shall be
4 permitted to terminate the contract if legislation
5 is enacted into law by the General Assembly that
6 imposes or authorizes a new tax, special
7 assessment, or fee on the generation of
8 electricity, the ownership or leasehold of a
9 generating unit, or the privilege or occupation of
10 such generation, ownership, or leasehold of
11 generation units by a zero emission facility.
12 However, the provisions of this item (ii) do not
13 apply to any generally applicable tax, special
14 assessment or fee, or requirements imposed by
15 federal law.

16 (iii) A zero emission facility shall be
17 permitted to terminate the contract in the event
18 that the resource requires capital expenditures in
19 excess of \$40,000,000 that were neither known nor
20 reasonably foreseeable at the time it executed the
21 contract and that a prudent owner or operator of
22 such resource would not undertake.

23 (iv) A zero emission facility shall be
24 permitted to terminate the contract in the event
25 the Nuclear Regulatory Commission terminates the
26 resource's license.

1 (F) If the zero emission facility elects to
2 terminate a contract under this subparagraph (E, of
3 this paragraph (1), then the Commission shall reopen
4 the docket in which the Commission approved the zero
5 emission standard procurement plan under subparagraph
6 (C) of this paragraph (1) and, after notice and
7 hearing, enter an order acknowledging the contract
8 termination election if such termination is consistent
9 with the provisions of this subsection (d-5).

10 (2) For purposes of this subsection (d-5), the amount
11 paid per kilowatthour means the total amount paid for
12 electric service expressed on a per kilowatthour basis. For
13 purposes of this subsection (d-5), the total amount paid
14 for electric service includes, without limitation, amounts
15 paid for supply, transmission, distribution, surcharges,
16 and add-on taxes.

17 Notwithstanding the requirements of this subsection
18 (d-5), the contracts executed under this subsection (d-5)
19 shall provide that the total of zero emission credits
20 procured under a procurement plan shall be subject to the
21 limitations of this paragraph (2). For each delivery year,
22 the contractual volume receiving payments in such year
23 shall be reduced for all retail customers based on the
24 amount necessary to limit the net increase that delivery
25 year to the costs of those credits included in the amounts
26 paid by eligible retail customers in connection with

1 electric service to no more than 1.65% of the amount paid
2 per kilowatthour by eligible retail customers during the
3 year ending May 31, 2009. The result of this computation
4 shall apply to and reduce the procurement for all retail
5 customers, and all those customers shall pay the same
6 single, uniform cents per kilowatthour charge under
7 subsection (k) of Section 16-108 of the Public Utilities
8 Act. To arrive at a maximum dollar amount of zero emission
9 credits to be paid for the particular delivery year, the
10 resulting per kilowatthour amount shall be applied to the
11 actual amount of kilowatthours of electricity delivered by
12 the electric utility in the delivery year immediately prior
13 to the procurement, to all retail customers in its service
14 territory. Unpaid contractual volume for any delivery year
15 shall be paid in any subsequent delivery year in which such
16 payments can be made without exceeding the amount specified
17 in this paragraph (2). The calculations required by this
18 paragraph (2) shall be made only once for each procurement
19 plan year. Once the determination as to the amount of zero
20 emission credits to be paid is made based on the
21 calculations set forth in this paragraph (2), no subsequent
22 rate impact determinations shall be made and no adjustments
23 to those contract amounts shall be allowed. All costs
24 incurred under those contracts and in implementing this
25 subsection (d-5) shall be recovered by the electric utility
26 as provided in this Section.

1 No later than June 30, 2019, the Commission shall
2 review the limitation on the amount of zero emission
3 credits procured under this subsection (d-5) and report to
4 the General Assembly its findings as to whether that
5 limitation unduly constrains the procurement of
6 cost-effective zero emission credits.

7 (3) Six years after the execution of a contract under
8 this subsection (d-5), the Agency shall determine whether
9 the actual zero emission credit payments received by the
10 supplier over the 6-year period exceed the Average ZEC
11 Payment. In addition, at the end of the term of a contract
12 executed under this subsection (d-5), or at the time, if
13 any, a zero emission facility's contract is terminated
14 under subparagraph (E) of paragraph (1) of this subsection
15 (d-5), then the Agency shall determine whether the actual
16 zero emission credit payments received by the supplier over
17 the term of the contract exceed the Average ZEC Payment,
18 after taking into account any amounts previously credited
19 back to the utility under this paragraph (3). If the Agency
20 determines that the actual zero emission credit payments
21 received by the supplier over the relevant period exceed
22 the Average ZEC Payment, then the supplier shall credit the
23 difference back to the utility. The amount of the credit
24 shall be remitted to the applicable electric utility no
25 later than 120 days after the Agency's determination, which
26 the utility shall reflect as a credit on its retail

1 customer bills as soon as practicable; however, the credit
2 remitted to the utility shall not exceed the total amount
3 of payments received by the facility under its contract.

4 For purposes of this Section, the Average ZEC Payment
5 shall be calculated by multiplying the quantity of zero
6 emission credits delivered under the contract times the
7 average contract price. The average contract price shall be
8 determined by subtracting the amount calculated under
9 subparagraph (B) of this paragraph (3) from the amount
10 calculated under subparagraph (A) of this paragraph (3), as
11 follows:

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

15 (B) The average of the market price indices, as
16 defined in subparagraph (B) of paragraph (1) of this
17 subsection (d-5), during the term of the contract,
18 minus the baseline market price index, as defined in
19 subparagraph (B) of paragraph (1) of this subsection
20 (d-5).

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

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

26 (5) The electric utility shall retire all zero emission

1 credits used to comply with the requirements of this
2 subsection (d-5).

3 (6) Electric utilities shall be entitled to recover all
4 of the costs associated with the procurement of zero
5 emission credits through an automatic adjustment clause
6 tariff in accordance with subsection (k) and (m) of Section
7 16-108 of the Public Utilities Act, and the contracts
8 executed under this subsection (d-5) shall provide that the
9 utilities' payment obligations under such contracts shall
10 be reduced if an adjustment is required under subsection
11 (m) of Section 16-108 of the Public Utilities Act.

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

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

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

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

24 (h) The Agency shall assess fees to each bidder to recover
25 the costs incurred in connection with a competitive procurement
26 process.

1 (i) A renewable energy credit, carbon emission credit, or
2 zero emission credit can only be used once to comply with a
3 single portfolio or other standard as set forth in subsection
4 (c), subsection (d), or subsection (d-5) of this Section,
5 respectively. A renewable energy credit, carbon emission
6 credit, or zero emission credit cannot be used to satisfy the
7 requirements of more than one standard. If more than one type
8 of credit is issued for the same megawatt hour of energy, only
9 one credit can be used to satisfy the requirements of a single
10 standard. After such use, the credit must be retired together
11 with any other credits issued for the same megawatt hour of
12 energy.

13 (Source: P.A. 98-463, eff. 8-16-13; 99-536, eff. 7-8-16;
14 99-906, eff. 6-1-17.)

15 Section 95. No acceleration or delay. Where this Act makes
16 changes in a statute that is represented in this Act by text
17 that is not yet or no longer in effect (for example, a Section
18 represented by multiple versions), the use of that text does
19 not accelerate or delay the taking effect of (i) the changes
20 made by this Act or (ii) provisions derived from any other
21 Public Act.

22 Section 99. Effective date. This Act takes effect June 1,
23 2017."