AMENDMENT TO SENATE BILL 1100

AMENDMENT NO. ______. Amend Senate Bill 1100 by replacing everything after the enacting clause with the following:

"Article 5. Energy Community Reinvestment Act

Section 5-1. Short title. This Article may be cited as the Energy Community Reinvestment Act. References in this Article to "this Act" mean this Article.

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

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

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

Section 5-10. Definitions. As used in this Act, unless the
context otherwise requires:

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

"Board" means the Empowerment Zone Board created in Section 5-20.

"Commission" means the Energy Transition Workforce Commission created in Section 5-45.

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

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

"Empowerment Zone" means an area of the State certified by the Department as an Empowerment Zone under this Act.

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

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

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

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

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

Section 5-15. Designation of Empowerment Zones.

(a) Purpose. It is the intent of the General Assembly that designation of a community as an Empowerment Zone shall be reserved for communities that have experienced economic or environmental hardship due to the transition to clean and renewable energy, including closure of fossil fuel power generation, reduction in coal mining and extraction, and the
failure to timely recognize the value of the clean attributes of nuclear generation. The purpose of this Section 5-15 is to establish an efficient and equitable process by which the Department and communities across the State may seek the designation of Empowerment Zones. The process conducted by the Department, the Board, and participating units of local government shall be as transparent and inclusive as is reasonably practical.

(b) Notification of local governments. Within 30 days after the effective date of this Act, the Department shall publish a notice on its website stating its intention to begin the review of potential locations for Empowerment Zone regional designations, and solicit information from the public on this topic. Within 45 days after the effective date of this Act, the Department shall submit a notice to the county board of each jurisdiction in which a fossil fuel power plant, coal mine, or nuclear power plant is, or was, within 30 years of the effective date of this Act, located, informing the local governments of their intention to develop a list of Empowerment Zones, providing a basic explanation of the benefits of designation as an Empowerment Zone, and informing them of participation opportunities in the designation process. The Department may notify other persons or local government units of this process at any time.

(c) Proposed list of Empowerment Zones. Within 120 days after the effective date of this Act, the Department shall
develop a proposed list of geographic regions in Illinois that qualify as Empowerment Zones. The Department shall work with the Illinois Environmental Protection Agency, the Commission on Environmental Justice, the Department of Labor, the Department of Natural Resources, and community organizations to identify regions impacted by the decline of coal generation, gas generation, nuclear generation, and coal mining to develop the recommended list of regions that qualify for Empowerment Zone designations. The Department shall furnish maps that identify the proposed boundaries of proposed Empowerment Zones, and include justification for the inclusion or exclusion of certain locations or regions. The proposed list shall be subject to the notice and comment process established in subsection (e).

(d) Criteria for designation as an Empowerment Zone. A region shall be proposed by the Department, and certified by the Board as an Empowerment Zone if it meets all of the following characteristics:

(1) the region is a contiguous area, provided that a Zone area may exclude wholly surrounded territory within its boundaries;

(2) the region satisfies any additional criteria established by the Department consistent with the purposes of this Act; and

(3) the region meets one or more of the following:

(A) the area contains a fossil fuel or nuclear
power plant that was retired from service or has significantly reduced service within 10 years before the application for designation or will be retired or have service significantly reduced within 5 years following the application for designation;

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

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

(e) Review and comment process. After developing the proposed list of regions to be designated as Empowerment Zones, or proposing additions to the list, the Department shall conduct a 60-day public comment process, in partnership with the other agencies, departments, and units of local government where beneficial for the purposes of this Section. The public comment process shall include, at a minimum, 2 public hearings that are accessible to working residents, shall prioritize the solicitation of feedback from environmental justice communities and communities directly impacted by the Empowerment Zone designation, and shall provide for the submission of written comments through the
Within 30 days after concluding the public comment process, the Department shall modify or finalize the proposed list of geographic regions that qualify as Empowerment Zones and submit the list to the Empowerment Zone Board for approval or modification as described in Section 5-20.

(f) Local government self-designation. After the Department submits its first list of proposed Empowerment Zones to the Board, units of local government may, on an ongoing basis, submit applications to the Department to designate an area wholly or partially in their jurisdiction as an Empowerment Zone if the Department has not proposed the region as a potential Empowerment Zone to the Board. Multiple units of local government may submit a joint application for designation if the proposed region or regions fall partially or wholly within their combined jurisdictions. A unit of local government may submit an application to the Department if:

(1) the area meets the criteria for designation as an Empowerment Zone established in subsection (d); and

(2) the unit of local government has conducted at least one public hearing within the proposed Zone area considering all of the following questions: (A) whether to create the Zone; (B) what local plans, tax incentives, and other programs should be established in connection with the zone; and (C) what the boundaries of the Zone should be; public notice of the hearing shall be published in at
least one newspaper of general circulation within the Zone area, not more than 21 days nor less than 7 days before the hearing.

An application submitted under this subsection (f) shall include a certified copy of the ordinance designating the proposed Zone; a map of the proposed Empowerment Zone, showing existing streets and highways; an analysis, and any appropriate supporting documents and statistics, demonstrating that the proposed zone area is qualified in accordance with subsection (d); a statement detailing any tax, grant, and other financial incentives or benefits, and any programs, to be provided by the municipality or county to business enterprises within the Zone, which are not otherwise provided throughout the municipality or county; a statement setting forth the economic development and planning objectives for the Zone; an estimate of the economic impact of the Zone, considering all of the tax incentives, financial benefits and programs contemplated, upon the revenues of the municipality or county; a specific definition of the applicant's local labor market area; a transcript of all public hearings on the Zone; and any additional information as the Department may by rule require.

Within 60 days after receiving an application from a unit of local government, the Department shall review the application to determine whether the designated area qualifies as an Empowerment Zone under this Section, and submit its
recommendation to the Empowerment Zone Board including all necessary information and records for the Board to review, as described in Section 5-20. Within 7 days after submitting the recommendation to the Board, the Department shall provide a copy of its recommendation to the applicant, including all supporting documents and information submitted to the Board.

(g) Application process. The Department shall develop an ongoing application process for Empowerment Zone applications by units of local government. The application process shall be open through January 1, 2050. The Department, or any predecessor of the Department, may extend the application process beyond that date if it deems it is necessary or prudent to accomplish the purpose of this Act.

(h) Length of designation. An Empowerment Zone designation lasts for 10 years from the effective date of the designation and shall be subject to review by the Board after 10 years for an additional 10-year designation beginning on the expiration date of the Empowerment Zone. During the review process, the Board shall consider the costs incurred by the State and units of local government as a result of benefits received by the Empowerment Zone.

(i) Emergency rulemaking. The Department has emergency rulemaking authority for the purpose of implementation of this Section until 12 months after the effective date of this Act as provided under Section 5-45 of the Illinois Administrative Procedure Act.
Section 5-20. Empowerment Zone Board.

(a) An Empowerment Zone Board is hereby created within the Department.

(b) The Board shall consist of 9 voting members, one of whom shall be the Director of the Department, or his or her designee, who shall serve as chairperson; one of whom shall be the Director of Revenue, or his or her designee; 3 of whom shall be members appointed by the Governor, with the advice and consent of the Senate; one of whom shall be appointed by the Speaker of the House of Representatives; one of whom shall be appointed by the President of the Senate; one of whom shall be appointed by the Minority Leader of the House; and one of whom shall be appointed by the Minority Leader of the Senate. Designees shall be appointed within 60 days after a vacancy. No fewer than 2 of the members shall consist of low-income residents or residents of environmental justice communities. At least 2 of the Board members shall be representatives of organized labor. At least one member shall be a representative of a community with a generation or mine closure. At least one member shall be a representative of the owner or operator of a coal plant that either closed in the past 3 years or has announced a closure. At least one member shall be a representative of the owner or operator of a nuclear plant that either closed or has announced a closure. All meetings shall be accessible, with rotating locations, call-in options,
and materials and agendas circulated well in advance, and there shall also be opportunities for input outside of meetings from those with limited capacity and ability to attend, via one-on-one meetings, surveys, and calls.

Board members shall serve without compensation, but may be reimbursed for necessary expenses incurred in the performance of their duties from funds appropriated for that purpose. Each member appointed shall have at least 5 years of experience in business development, economic development, or workforce training. The Department shall provide administrative support to the Board, including the selection of a Department staff member to serve as a Board Liaison between the Department and the Advisory Board.

(c) All final actions by the Board pursuant to this subsection (c) shall require approval by a simple majority of the Board. The Board shall have the following duties:

(1) reviewing applications and extensions for designation as an Empowerment Zone, including Department recommendations, testimony from public hearings, public comment, and supporting materials;

(2) voting to approve, disapprove, or modify applications for designation and extensions as an Empowerment Zone;

(3) the approval of tax credits under the Empowerment Zone Tax Credit Act; and

(4) modifying applications for designation or
extensions as an Empowerment Zone before approval.

(d) Within 60 days after submission of applications or tax credits, pursuant to subsection (c) of this Section, to the Board by the Department, the Board shall approve, disapprove, or modify applications for certification of regions as Empowerment Zones. If the Board does not take final action on a submission within 60 days after the submission, the application submitted by the Department shall be considered approved, and the regions proposed in the application shall be certified as Empowerment Zones.

Section 5-25. Incentives for business enterprises located within an Empowerment Zone.

(a) Business enterprises located in Empowerment Zones are eligible to receive an investment credit subject to the requirements of paragraph (1) of subsection (f) of Section 201 of the Illinois Income Tax Act.

(b) Business enterprises are eligible to purchase building materials exempt from use and occupation taxes to be incorporated into their development projects within the Empowerment Zone when purchased from a retailer within the Empowerment Zone under Section 5k-5 of the Retailers' Occupation Tax Act.

(c) Business enterprises located in an Empowerment Zone that meet the qualifications of Section 9-222.1B of the Public Utilities Act are exempt, in part or in whole, from State and
local taxes on gas and electricity.

Section 5-30. State incentives regarding public services and physical infrastructure.

(a) The State Treasurer is authorized and encouraged to place deposits of State funds with financial institutions doing business in an Empowerment Zone.

(b) This Act does not restrict tax incentive financing under Division 74.4 of Article 11 of the Illinois Municipal Code.

Section 5-35. Supporting impacted communities.

(a) No later than December 1, 2021, the Department shall develop a process for accepting applications from units of local government included in Empowerment Zones to mitigate the impact of an annual reduction of 30% or more in property tax revenue or other direct payments, or both, from fossil fuel power plants, nuclear power plants, or coal mines to local governments due to the retirement, or reduced operation, of the power plant or mine that occurred after January 1, 2016. In the case of reduced operation, the proposal may only be accepted if the reduction in operation is reasonably expected to be permanent. The Department shall accept applications on an ongoing basis after beginning the program. Local government units may submit applications jointly.

(b) The Department shall use available funds from the
Energy Community Reinvestment Fund, subject to the provisions of subsection (c) of Section 5-70, to provide payments to communities for a period of no longer than 5 years from the approval of their proposal, subject to the following restrictions:

1. Payments shall be assessed based on need, taking into consideration the net amount of any increase in payments from any other State source, including, but not limited to, funding provided based on an evidence-based funding formula developed by the Illinois State Board of Education.

2. The highest annual payment to the unit of local government cannot exceed the lower value of either (i) the average annual sum of property tax and other direct payments from the fossil fuel power plant, nuclear power plant, or coal mine to the unit of local government from the most recent 3 taxable years before the reduction or cessation of operation of the power plant or coal mine, or (ii) the difference between projected local government revenue for the years for which assistance is requested (taking into account reasonably anticipated new revenue sources) and the average local government revenue from the most recent 3 taxable years before the reduction or cessation of power plant or coal mine operation. The Department may choose to consider budget information from prior years if doing so allows the Department to better
measure the revenue impacts of the energy transition.

(3) The Department shall not provide funding under this Program that exceeds the amount specified in this paragraph (3) to any local government unit. Each unit of local government shall not be granted by the Department a total amount of funding over the lifetime of this Program, for each power plant or coal mine, that is greater than 5 times the average annual sum of property tax payments and other direct payments from the power plant or coal mine to the unit of local government, calculated based on the most recent 3 taxable years that occurred before the reduction or cessation of operation of the power plant or coal mine.

(4) The Department may develop a payment schedule that phases out support over time, based on its analysis of available present and anticipated future funding in the Energy Community Reinvestment Fund or other reasons consistent with the purposes of this Act.

(5) If the total amount of qualified proposals exceeds the available present and anticipated future funding in the Energy Community Reinvestment Fund, the Department may prorate payments to units of local government, or prioritize communities for investment based on severity of impact and environmental justice screens in coordination with the Commission on Environmental Justice, and input from stakeholders. The Department shall allocate funding in an equitable and effective manner. Nothing in this Act
shall be interpreted to infer that units of local
government have a right to revenue replacement from the
State.

(6) At least once every 2 years following the
allocation of funds for this program, the Department shall
publish a document available online detailing the
allocation of funds, including a map that shows the
geographic distribution of the funds and the locations of
Empowerment Zones.

(c) The Department shall contact all units of local
government in Empowerment Zones and provide information on the
application process for funding under this Section and a
reasonable estimate of total funding that will be available
for this program. The Department shall request that
applications for funding contain the information necessary for
the Department to evaluate the fiscal impact of the energy
transition on communities located in Empowerment Zones;
however the Department shall allow for reasonable flexibility
in the applications to accommodate local government units that
may have less resources available to prepare an application.
The Department shall, to the extent practical, assist local
government units in the application process.

(d) The Department shall develop rules to implement the
provisions of this Section.

Section 5-40. Empowerment Task Forces.
(a) The Department and the Board shall work with local stakeholders in Empowerment Zones to support the convening of local Empowerment Task Forces.

(b) Local Empowerment Task Forces shall include a broad range of local stakeholders to inform transition needs and include, at a minimum, elected representatives from municipal and State governments, operators of local power plants or mines, multiple representatives from community-based organizations, local environmental, fish, or wildlife groups, organized labor, and the Illinois Environmental Protection Agency.

(c) The Board shall put forward requests for proposals for third-party facilitators for Task Forces in prioritized Empowerment Zones based on need and those facing recent or near-term retirements of plants or mines.

(d) The Department shall work with local Task Forces to develop local transition plans that identify economic, workforce, and environmental health needs with strategies to mitigate energy transition impacts and any accompanying funding requests from the Energy Community Reinvestment Fund.

(e) As part of developing local transition plans, the Department shall work with third-party facilitators and Task Force members to gather and incorporate public comment and feedback into a finalized transition plan.

Section 5-45. Energy Transition Workforce Commission.
(a) The Energy Transition Workforce Commission is hereby created within the Department of Commerce and Economic Opportunity.

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

(1) the Director of Commerce and Economic Opportunity;

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

(3) 5 members appointed by the Governor, with the advice and consent of the Senate, of which at least one shall be a representative of a local labor organization, at least one shall be a resident of an environmental justice community, at least one shall be a representative of a national labor organization, and at least one shall be a representative of the administrator of the workforce training program described in subsection (b) of Section 16-108.13 of the Public Utilities Act. Designees shall be appointed within 60 days after a vacancy.

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

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

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

   (A) a comprehensive accounting of all employees who currently work in fossil fuel energy generation, nuclear energy generation, and coal mining in the State; this shall include information on their location, employer, salary ranges, full-time or part-time status, nature of their work, educational attainment, union status, and other factors the Commission finds relevant; the Commission shall keep a confidential list of these employees and the information necessary to identify them for the purpose of their eligibility to participate in programs designed for their benefit;

   (B) the anticipated schedule of closures of fossil fuel power plants, nuclear power plants, and coal mines across the State; when information is unavailable to provide exact data, the report shall include approximations based upon the best available information;
(C) an estimate of worker impacts due to scheduled closures, including layoffs, early retirements, salary changes, and other factors the Commission finds relevant; and

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

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

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

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

(C) economic impacts of the energy transition, including, but not limited to, the supply chain impacts of the energy transition shift toward new energy sources across the State.

(3) Information on emerging industries and State economic development opportunities in regions that have historically been the site of fossil fuel power plants, nuclear power plants, or coal mining.
(e) Following the completion of each report, or if the Department finds that it is prudent to begin before the completion of a report, the Department shall coordinate with the Commission to create a comprehensive draft plan for designing, maintaining, and funding programs established under this Act, including the Energy Workforce Development Program created under Section 5-50, the Energy Community Development Program created under Section 5-55, and the Displaced Energy Workers Bill of Rights provided under Section 5-60. The draft plan shall include, at a minimum, the following information:

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

(2) Information on the locations at which each program shall have services provided; if this information is not yet known by the Department at the time of the plan's drafting, the Department shall generally explain how they intend to determine the program locations.

Within 240 days after the effective date of this Act, the Department shall publish the draft plan online. The Department shall take public comments on the draft plan for a period of no less than 45 days and publish the final plan within 60 days after the closing of the comment period.

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

Section 5-50. Energy Workforce Development Program.

(a) The purpose of the Energy Workforce Development Program is to proactively assist energy workers in their search for economic opportunity.

(b) The Director of Commerce and Economic Opportunity shall design, develop, and administer the Energy Workforce Development Program. The Energy Workforce Development Program shall include the following elements:

(1) comprehensive career services for displaced energy workers, including advising displaced energy workers looking for new positions on finding new employment or preparing for retirement;

(2) communication services to provide displaced energy workers advance notice of any power plant or coal mine closures that are likely to result in a loss of employment for the energy worker;

(3) administrative assistance for displaced energy workers in applying for programs provided by the State, the federal government, nonprofit organizations, or other programs that are designed to offer career or financial
assistance;

(4) the creation and maintenance of a registry of all persons in Illinois who qualify as an energy worker to use for coordination with programs created under this Act or other benefits for those workers, including all information necessary or beneficial for the implementation of this Act;

(5) the management of funding for services outlined in this Section; and

(6) financial advice for displaced energy workers designed to assist workers with retirement, a change in positions, pursuing an education, or other goals that the energy worker has identified.

(c) In administering the Energy Workforce Development Program, the Department shall develop and implement the Program with the following goals:

(1) to use the recommendations and information contained in the report created under Section 5-45 to proactively plan for each phase of the energy transition in Illinois;

(2) to increase access to the services contained in this Program by locating services in different regions of the State as dictated by the anticipated schedule of power plant and coal mine closures and regional economic changes;

(3) to maximize the efficiency of resources used;
(4) to design the Energy Workforce Development Program to work in collaboration with the Displaced Energy Workers Bill of Rights; and

(5) any other goals identified by the Department.

Section 5-55. Energy Community Development Program.
(a) The purpose of the Energy Community Development Program is to proactively assist Empowerment Zone communities in their search for economic opportunities leading up to and after the closure of a fossil fuel power plant, nuclear power plant, or coal mine.

(b) The Director of Commerce and Economic Opportunity shall, subject to appropriation, administer the Energy Community Development Program. In administering the Energy Community Development Program, the Department shall:

(1) assist local governments in Empowerment Zones in finding private and public sector partners to invest in regional development;

(2) assist units of local government in finding and negotiating terms with businesses willing to relocate or open new enterprises in regions impacted;

(3) provide coordination services to connect organizations or persons seeking to use tax credits created under Act with units of local government;

(4) conduct outreach and educational events for private sector organizations for the purpose of attracting
investment in Empowerment Zones; and

(5) gather and incorporate public comment and feedback so that local knowledge, priorities, and strengths help shape and guide private and public development.

(c) In administering the Energy Community Development Program, the Department shall develop and implement the Program with the following goals:

(1) to increase private sector development in Empowerment Zones;

(2) to replace and improve employment opportunities in Empowerment Zones for community members;

(3) to provide resources for Empowerment Zone communities across the State, and avoid geographic preferences in the allocation of resources; and

(4) to create a healthful environment for community members in Empowerment Zones.

Section 5-60. Displaced Energy Workers Bill of Rights.

(a) The Department shall implement the Displaced Energy Workers Bill of Rights and shall be responsible for the implementation of the Displaced Energy Workers Bill of Rights programs and rights created under this Section. The Department shall provide the following benefits to displaced energy workers listed in paragraphs (1) through (4) of this subsection:

(1) Advance notice of power plant or coal mine
(A) The Department shall notify all energy workers of the upcoming closure of any qualifying facility as far in advance of the scheduled closing date as it can. (B) In providing the advance notice described in this paragraph (1), the Department shall take reasonable steps to ensure that all displaced energy workers are educated on the various programs available through the Department to assist with the energy transition. (2) Employment assistance and career services. The Department shall provide displaced energy workers with assistance in finding new sources of employment through the Energy Workforce Development Program established in this Act. (3) Full-tuition scholarship for Illinois institutions and trade schools. (A) The Department shall provide any displaced energy worker with a full-tuition scholarship to any of the following programs: (i) public universities in this State; (ii) trade schools in this State; (iii) community college programs in this State; or (iv) union training programs in this State. The Department may set cost caps on the maximum amount of tuition that may be funded. (B) The Department shall provide information and
consultation to displaced energy workers on the various educational opportunities available through this Program, and advise workers on which opportunities meet their needs and preferences.

(C) Displaced energy workers who are eligible for scholarships created under this Section by the date of their enrollment shall be considered eligible for scholarship funding for up to 4 years or until completion of their degree or certification, whichever is the shorter duration.

(4) Financial Planning Services. Displaced energy workers shall be entitled to services as described in the energy worker Programs in this subsection, including financial planning services.

(5) Insurance Alternatives. Displaced energy workers shall be entitled to 24 months of insurance coverage that (A) costs no more than the average monthly premium paid by the worker over the last 12 months and (B) offers the same level of benefits, including, but not limited to, coverage, in-network providers, deductibles, and copayments covered during the previous 12 months.

(b) The owners of power plants with a nameplate capacity of greater than 300 megawatts and the owners of coal mines located in Illinois shall be required to comply with the requirements set out in this subsection (b). The owners shall be required to take the following actions:
(1) provide employment information for energy workers; prior to the closure of an electric generating unit or mine, the owners of the power plant or mine shall provide energy workers information on whether there are employment opportunities provided by their employer; and

(2) maintain responsible retirement account portfolios; employees of qualifying facilities shall have their retirement funds backed by financial tools that are not economically dependent upon the success of their employer's business.

Section 5-65. Consideration of energy worker employment.

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

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

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

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

Section 5-70. Energy Community Reinvestment Fund.

(a) The General Assembly hereby declares that management of several economic development programs requires a consolidated funding source to improve resource efficiency. The General Assembly specifically recognizes that properly serving communities and workers impacted by the energy transition requires that the Department have access to the resources required for the execution of the programs in the Energy Community Reinvestment Act.

The intent of the General Assembly is that the Energy Community Reinvestment Fund is able to provide all funding for development programs created in the Energy Community Reinvestment Act, and that no additional charge is borne by the taxpayers or utility customers of Illinois absent a deficiency.

(b) The Energy Community Reinvestment Fund is created as a special fund in the State treasury to be used by the Department for purposes provided under this Section. The Fund shall be used to fund programs specified under subsection (c). The objective of the Fund is to provide transition benefits as described in this Act to displaced energy workers and to bring economic development to communities in this State in a manner that equitably maximizes economic opportunity in all communities by increasing efficiency of resource allocation.
across the programs listed in subsection (c). The Department shall include a description of its proposed approach to the design, administration, implementation, and evaluation of the Fund, as part of the Energy Transition Workforce Plan described in this Act. Contracts that will be paid with moneys in the Fund shall be executed by the Department.

(c) The Department shall be responsible for the administration of the Fund and shall allocate funding on the basis of priorities established in this Section. Each year, the Department shall determine the available amount of resources in the Fund that can be allocated to the programs identified in this Section, and allocate the funding accordingly. The Department shall, to the extent practical, consider both the short-term and long-term costs of the programs and allocate, save, or invest funding so that the Department is able to cover both the short-term and long-term costs of these programs using projected revenue.

The available funding for each year shall be allocated from the Fund in the following order of priority:

(1) for costs related to the Energy Community Development programs in this Act, up to $2,000,000;

(2) for costs related to the Energy Workforce Development programs and the Displaced Energy Workers Bill of Rights in this Act, including all programs created by the Energy Transition Workforce Commission, up to $13,000,000 annually; and
(3) for costs, up to $100,000,000 annually, to support units of local government in Empowerment Zones, as described in Section 5-35.

(d) The Department shall, on an ongoing basis, seek out and apply for funding from alternative sources to cover the costs of these programs. Alternative sources may include the federal government, other State programs, funding provided through subsection (d-16) of Section 1-75 of the Illinois Power Agency Act, private foundations, donors, or other opportunities for funding. The Department shall, as described in subsection (c), use any additional funding obtained for these programs to reduce or eliminate any costs borne by taxpayers and utility customers.

(e) Notwithstanding any other law to the contrary, the Energy Community Reinvestment Fund is not subject to sweeps, administrative chargebacks, or any other fiscal or budgetary maneuver that would in any way transfer any amounts from the Energy Community Reinvestment Fund into any other fund of the State.

(f) The Department is granted all powers necessary for the implementation of this Section.

Section 5-75. Administrative review. All final administrative decisions, including, but not limited to, funding allocation and rules issued by the Department under this Act are subject to judicial review under the
Administrative Review Law. No action may be commenced under this Section prior to 60 days after the complainant has given notice in writing of the action to the Department.

Article 10. Empowerment Zone Tax Credit Act

Section 10-1. Short title. This Article may be cited as the Empowerment Zone Tax Credit Act. References in this Article to "this Act" mean this Article.

Part 1.

Section 10-100. Definitions. As used in this Part 1:

"Applicant" means a person that is operating a business located within the State of Illinois and has applied for an income tax credit through a program under this Act.

"Basic wage" means compensation for employment that meets the prevailing wage standards as defined by the Department.

"Certificate" means the tax credit certificate issued by the Department under Section 10-125.

"Certificate of eligibility" means the certificate issued by the Department under Section 10-110.

"Credit" means the amount awarded by the Department to an applicant by issuance of a certificate under Section 10-125 for each new full-time equivalent employee hired or job created.
"Department" means the Department of Commerce and Economic Opportunity.

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

"Former energy worker" means an individual who is employed, or was employed, at a fossil fuel power plant, nuclear power plant, or coal mine, and is listed in the registry of energy workers developed by the Department of Commerce and Economic Opportunity pursuant to Section 5-50 of the Energy Community Reinvestment Act.

"Full-time employee" means an individual who is employed at a prevailing wage for at least 35 hours each week, and provided standard worker benefits, or who renders any other standard of service generally accepted by industry custom or practice as full-time employment. An individual for whom a W-2 is issued by a Professional Employer Organization is a full-time employee if he or she is employed in the service of the applicant for a basic wage for at least 35 hours each week or renders any other standard of service generally accepted by industry custom or practice as full-time employment. For the purposes of this Act, such an individual shall be considered a full-time employee of the applicant.

"Incentive period" means the period beginning on July 1 and ending on June 30 of the following year. The first incentive period shall begin on July 1, 2021 and the last incentive period shall end on June 30, 2040.
"New employee" means a full-time employee:

(1) who first became employed by an applicant within the incentive period whose hire results in a net increase in the applicant's full-time Illinois employees and who is receiving a prevailing wage as compensation; and

(2) who was previously employed in a fossil fuel power plant, nuclear power plant, or coal mine in the State of Illinois that has since closed.

"New employee" does not include:

(1) a person who was previously employed in Illinois by the applicant or a related member, unless the new employee is hired for site remediation work; or

(2) a person who has a direct or indirect ownership interest of at least 5% in the profits, capital, or value of the applicant or a related member; or

(3) a person who has been hired to assist in the production of fossil fuel derived energy directly or indirectly, unless that person has been hired to assist in the deconstruction of a fossil fuel power plant, the deconstruction of a coal mine, the remediation of a site formerly used for fossil fuel power production, or the remediation of a coal mine.

"Noncompliance date" means, in the case of an applicant that is not complying with the requirements of this Act, the day following the last date upon which the taxpayer was in compliance with the requirements of this Act, as determined by
the Director under Section 10-135.

"Professional Employer Organization" has the same meaning as ascribed to that term under Section 5-5 of the Economic Development for a Growing Economy Tax Credit Act. "Professional Employer Organization" does not include a day and temporary labor service agency regulated under the Day and Temporary Labor Services Act.

"Related member" means a person that, with respect to the applicant's annual incentive period, is any one of the following:

(1) An individual, if the individual and the members of the individual's family, as defined in Section 318 of the Internal Revenue Code, own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the outstanding profits, capital, stock, or other ownership interest in the applicant.

(2) A partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust and its partners or beneficiaries own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or other ownership interest in the applicant.

(3) A corporation, and any party related to the corporation, in a manner that would require an attribution of stock from the corporation under the attribution rules
of Section 318 of the Internal Revenue Code, if the applicant and any other related member own, in the aggregate, directly, indirectly, beneficially, or constructively, at least 50% of the value of the corporation's outstanding stock.

(4) A corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own, in the aggregate, at least 50% of the profits, capital, stock, or other ownership interest in the applicant.

(5) A person to or from whom there is attribution of stock ownership in accordance with subsection (e) of Section 1563 of the Internal Revenue Code, except that for purposes of determining whether a person is a related member under this paragraph (5):

(A) stock owned, directly or indirectly, by or for a partnership shall be considered as owned by any partner having an interest of 20% or more in either the capital or profits of the partnership in proportion to his or her interest in capital or profits, whichever such proportion is the greater;

(B) stock owned, directly or indirectly, by or for an estate or trust shall be considered as owned by any
beneficiary who has an actuarial interest of 20% or more in such stock, to the extent of such actuarial interest. For purposes of this subparagraph, the actuarial interest of each beneficiary shall be determined by assuming the maximum exercise of discretion by the fiduciary in favor of such beneficiary and the maximum use of such stock to satisfy his or her rights as a beneficiary; and

(C) stock owned, directly or indirectly, by or for a corporation shall be considered as owned by any person who owns 20% or more in value of its stock in that proportion which the value of the stock which the person so owns bears to the value of all the stock in the corporation.

Section 10-105. Powers of the Department. The Department, in addition to those powers granted under the Civil Administrative Code of Illinois, is granted and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including, but not limited to, power and authority to:

(1) Adopt rules deemed necessary and appropriate for the administration of this Act; establish forms for applications, notifications, contracts, or any other agreements; and accept applications at any time during the year and require that all applications be submitted
electronically through the Internet.

(2) Provide guidance and assistance to applicants under the provisions of this Act, and cooperate with applicants to promote, foster, and support job creation within this State.

(3) Enter into agreements and memoranda of understanding for participation of and engage in cooperation with agencies of the federal government, units of local government, universities, research foundations or institutions, regional economic development corporations, or other organizations for the purposes of this Act.

(4) Gather information and conduct inquiries, in the manner and by the methods it deems desirable, including, without limitation, gathering information with respect to applicants for the purpose of making any designations or certifications necessary or desirable or to gather information in furtherance of the purposes of this Act.

(5) Establish, negotiate, and effectuate any term, agreement, or other document with any person necessary or appropriate to accomplish the purposes of this Act, and consent, subject to the provisions of any agreement with another party, to the modification or restructuring of any agreement to which the Department is a party.

(6) Provide for sufficient personnel to permit administration, staffing, operation, and related support required to adequately discharge its duties and
responsibilities described in this Act from funds made available through charges to applicants or from funds as may be appropriated by the General Assembly for the administration of this Act.

(7) Require applicants, upon written request, to issue any necessary authorization to the appropriate federal, State, or local authority or any other person for the release to the Department of information requested by the Department, with the information requested to include, but not be limited to, financial reports, returns, or records relating to the applicant or to the amount of credit allowable under this Act.

(8) Require that an applicant shall at all times keep proper books of record and account in accordance with generally accepted accounting principles consistently applied, with the books, records, or papers related to the agreement in the custody or control of the applicant open for reasonable Department inspection and audits, and including, without limitation, the making of copies of the books, records, or papers.

(9) Take whatever actions are necessary or appropriate to protect the State's interest in the event of bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance or participation required under this Act, including the power to sell, dispose of, lease, or rent, upon terms and
conditions determined by the Director to be appropriate, real or personal property that the Department may recover as a result of these actions.

Section 10-110. Certificate of eligibility for tax credit.

(a) An applicant that has hired a former energy worker as a new employee during the incentive period may apply for a certificate of eligibility for the credit with respect to that position on or after the date of hire of the new employee. The date of hire shall be the first day on which the employee begins providing services for basic wage compensation.

(b) An applicant may apply for a certificate of eligibility for the credit for more than one new employee on or after the date of hire of each qualifying new employee.

(c) After receipt of an application under this Section, the Department shall issue a certificate of eligibility to the applicant that states the following:

(1) the date and time on which the application was received by the Department and an identifying number assigned to the applicant by the Department;

(2) the maximum amount of the credit the applicant could potentially receive under this Act with respect to the new employees listed on the application; and

(3) the maximum amount of the credit potentially allowable on certificates of eligibility issued for applications received prior to the application for which
Section 10-115. Tax credit.

(a) Subject to the conditions set forth in this Act, an applicant is entitled to a credit against payment of taxes withheld under Section 704A of the Illinois Income Tax Act:

   (1) for former energy workers hired as new employees who the applicant hires and retains for a minimum of one year; and

   (2) in the amount of:

      (A) 30% of the salary paid to the new employee for employees hired and retained for between the time of hiring and one year;

      (B) 25% of the salary paid to the new employee for employees hired and retained between one year and 2 years; and

      (C) 20% of the salary paid to the new employee for employees hired and retained between 2 years and 3 years.

(b) The Department shall make credit awards under this Act to further job creation.

(c) The credit shall be claimed for the first calendar year ending on or after the date on which the certificate is issued by the Department.

(d) The net increase in full-time Illinois employees, measured on an annual full-time equivalent basis, shall be the
total number of full-time Illinois employees of the applicant
on the final day of the incentive period, minus the number of
full-time Illinois employees employed by the employer on the
first day of that same incentive period. For purposes of the
calculation, an employer that begins doing business in this
State during the incentive period, as determined by the
Director, shall be treated as having zero Illinois employees
on the first day of the incentive period.

(e) The net increase in the number of full-time Illinois
employees of the applicant under subsection (d) must be
sustained continuously for at least 12 months, starting with
the date of hire of a new employee during the incentive period.
Eligibility for the credit does not depend on the continuous
employment of any particular individual. For purposes of this
subsection (e), if a new employee ceases to be employed before
the completion of the 12-month period for any reason, the net
increase in the number of full-time Illinois employees shall
be treated as continuous if a different new employee is hired
as a replacement within a reasonable time for the same
position. The new employees must be hired to fill positions
that the applicant reasonably anticipates will be available
for the new employee as a long-term position. For the purposes
of this subsection (e), "long-term position" means a position
that will be available for 3 years or longer.

(f) The Department shall adopt rules to enable an
applicant for which a Professional Employer Organization has
been contracted to issue W-2s and make payment of taxes withheld under Section 704A of the Illinois Income Tax Act for new employees to retain the benefit of tax credits to which the applicant is otherwise entitled under this Act.

Section 10-120. Maximum amount of credits allowed. The Department shall limit the monetary amount of credits awarded under this Act to no more than $25,000,000 annually during the incentive period. If applications for a greater amount are received, credits shall be allowed on a first-come, first-served basis, based on the date on which each properly completed application for a certificate of eligibility is received by the Department. If more than one certificate of eligibility is received on the same day, the credits shall be awarded based on the time of submission for that particular day.

Section 10-125. Application for award of tax credit; tax credit certificate.

(a) On or after the conclusion of the 12-month period, or other period, after a new employee has been hired, for the purposes of subsection (a) of Section 10-115, an applicant shall file with the Department an application for award of a credit. The application shall include the following:

(1) the names, Social Security numbers, job descriptions, salary or wage rates, and dates of hire of
the new employees with respect to whom the credit is being requested;

(2) a certification that each new employee listed has been retained on the job for at least one year from the date of hire;

(3) the number of new employees hired by the applicant during the incentive period;

(4) the net increase in the number of full-time Illinois employees of the applicant, including the new employees listed in the request, between the beginning of the incentive period and the dates on which the new employees listed in the request were hired;

(5) an agreement that the Director is authorized to verify with the appropriate State agencies the information contained in the request before issuing a certificate to the applicant; and

(6) any other information the Department determines to be appropriate.

(b) Although an application may be filed at any time after the conclusion of the 12-month period after a new employee was hired, an application filed more than 90 days after the earliest date on which it could have been filed shall not be awarded any credit if, prior to the date it is filed, the Department has received applications under this Section for credits totaling more than $30,000,000.

(c) The Department shall issue a certificate to each
applicant awarded a credit under this Act. The certificate shall include the following:

(1) the name and taxpayer identification number of the applicant;

(2) the date on which the certificate is issued;

(3) the credit amount that will be allowed; and

(4) any other information the Department determines to be appropriate.

Section 10-130. Submission of tax credit certificate to the Department of Revenue. An applicant claiming a credit under this Act shall submit to the Department of Revenue a copy of each certificate issued under Section 10-125 with the first tax return for which the credit shown on the certificate is claimed. Failure to submit a copy of the certificate with the applicant's tax return shall not invalidate a claim for a credit.

Section 10-135. Administrative review.

(a) If the Director determines that an applicant who has received a credit under this Act is not complying with the requirements of this Act, the Director shall provide notice to the applicant of the alleged noncompliance, and allow the taxpayer a hearing under the provisions of the Illinois Administrative Procedure Act. If, after the notice and hearing, the Director determines that noncompliance exists,
the Director shall issue to the Department of Revenue notice 
to that effect, and state the date of noncompliance.

(b) All final administrative decisions, including, but not
limited to, funding allocation and rules issued by the
Department under this Act are subject to judicial review under
the Administrative Review Law. No action may be commenced
under this Section prior to 60 days after the complainant has
given notice in writing of the action to the Department.

Section 10-140. Rules. The Department may adopt rules
necessary to implement this Part 1. The rules may provide for
recipients of credits under this Part 1 to be charged fees to
cover administrative costs of the tax credit program.

Part 2.

Section 10-200. Definitions. As used in this Part 2:
"Agreement" means the agreement between a taxpayer and the
Department entered into for a tax credit awarded under Section
10-210.

"Applicant" means a taxpayer operating a business
enterprise, as determined under the Energy Community
Reinvestment Act, located within or that the business
enterprise plans to locate within an Empowerment Zone.
"Applicant" does not include a taxpayer who closes or
substantially reduces an operation at one location in this
State and relocates substantially the same operation to a location in an Empowerment Zone. A taxpayer is not prohibited from expanding its operations at a location in an Empowerment Zone, provided that existing operations of a similar nature located within the State are not closed or substantially reduced. A taxpayer is also not prohibited from moving operations from one location in this State to an Empowerment Zone for the purpose of expanding the operation provided that the Department determines that expansion cannot reasonably be accommodated within the municipality in which the business is located, or in the case of a business located in an incorporated area of the county, within the county in which the business is located, after conferring with the chief elected official of the municipality or county and taking into consideration any evidence offered by the municipality or county regarding the ability to accommodate expansion within the municipality or county.

"Board" means the Empowerment Zone Board created under Section 5-20 of the Illinois Energy Community Reinvestment Act.

"Credit" means the amount agreed to between the Department and the Applicant under this Act, but not to exceed the lesser of: (1) the sum of (i) 50% of the incremental income tax attributable to new employees at the applicant's project and (ii) 10% of the training costs of new employees; or (2) 100% of the incremental income tax attributable to new employees at
the applicant's project. If the project is located in an underserved area, then the amount of the credit may not exceed the lesser of: (1) the sum of (i) 75% of the incremental income tax attributable to new employees at the applicant's project and (ii) 10% of the training costs of new employees; or (2) 100% of the incremental income tax attributable to new employees at the applicant's project. If an applicant agrees to hire the required number of new employees, then the maximum amount of the credit for that applicant may be increased by an amount not to exceed 25% of the incremental income tax attributable to retained employees at the applicant's project; provided that, in order to receive the increase for retained employees, the applicant must provide the additional evidence required under paragraph (3) of subsection (c) of Section 10-215.

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

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

"Full-time employee" means an individual who is employed for consideration for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment. An individual for whom a W-2 is issued by a Professional Employer Organization is a full-time employee if employed in the service of the applicant for consideration for at least 35
hours each week or who renders any other standard of service
generally accepted by industry custom or practice as full-time
employment to the applicant.

"Incremental income tax" means the total amount withheld
during the taxable year from the compensation of new employees
and, if applicable, retained employees under Article 7 of the
Illinois Income Tax Act arising from employment at a project
that is the subject of an agreement.

"New employee" means a full-time employee first employed
by a taxpayer in the project that is the subject of an
agreement and who is hired after the taxpayer enters into the
agreement.

"New employee" does not include:

(1) an employee of the taxpayer who performs a job
that was previously performed by another employee, if that
job existed for at least 6 months before hiring the
employee;

(2) an employee of the taxpayer who was previously
employed in Illinois by a related member of the taxpayer
and whose employment was shifted to the taxpayer after the
taxpayer entered into the agreement; or

(3) a child, grandchild, parent, or spouse, other than
a spouse who is legally separated from the individual, of
any individual who has a direct or an indirect ownership
interest of at least 5% in the profits, capital, or value
of the taxpayer.
Notwithstanding any other provisions of this Section, an employee may be considered a new employee under the agreement if the employee performs a job that was previously performed by an employee who was: (i) treated under the agreement as a new employee; and (ii) promoted by the taxpayer to another job.

Notwithstanding any other provisions of this Section, the Department may award a credit to an applicant with respect to an employee hired prior to the date of the agreement if: (i) the applicant is in receipt of a letter from the Department stating an intent to enter into a credit agreement; (ii) the letter described in item (i) of this paragraph is issued by the Department not later than 15 days after the effective date of this Act; and (iii) the employee was hired after the date the letter described in item (i) of this paragraph was issued.

"Pass-through entity" means an entity that is exempt from the tax under subsection (b) or (c) of Section 205 of the Illinois Income Tax Act.

"Related member" means a person that, with respect to the taxpayer during any portion of the taxable year, is any one of the following:

(1) An individual stockholder, if the stockholder and the members of the stockholder's family, as defined in Section 318 of the Internal Revenue Code, own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the taxpayer's
outstanding stock.

(2) A partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust, and its partners or beneficiaries own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or value of the taxpayer.

(3) A corporation, and any party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the taxpayer owns directly, indirectly, beneficially, or constructively at least 50% of the value of the corporation's outstanding stock.

(4) A corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own in the aggregate at least 50% of the profits, capital, stock, or value of the taxpayer.

(5) A person to or from whom there is attribution of stock ownership in accordance with subsection (e) of Section 1563 of the Internal Revenue Code, except that for
purposes of determining whether a person is a related member under this paragraph (5):

(A) stock owned, directly or indirectly, by or for a partnership shall be considered as owned by any partner having an interest of 20% or more in either the capital or profits of the partnership in proportion to his or her interest in capital or profits, whichever such proportion is the greater;

(B) stock owned, directly or indirectly, by or for an estate or trust shall be considered as owned by any beneficiary who has an actuarial interest of 20% or more in such stock, to the extent of such actuarial interest. For purposes of this subparagraph, the actuarial interest of each beneficiary shall be determined by assuming the maximum exercise of discretion by the fiduciary in favor of such beneficiary and the maximum use of such stock to satisfy his or her rights as a beneficiary; and

(C) stock owned, directly or indirectly, by or for a corporation shall be considered as owned by any person who owns 20% or more in value of its stock in that proportion which the value of the stock which the person so owns bears to the value of all the stock in the corporation.

"Taxpayer" means an individual, corporation, partnership, or other entity that has any Illinois income tax liability.
"Underserved area" means a geographic area that meets one or more of the following conditions:

1. the area has a poverty rate of at least 20% according to the latest federal decennial census;
2. 75% or more of the children in the area participate in the federal free lunch program according to reported statistics from the State Board of Education;
3. at least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program; or
4. the area has an average unemployment rate, as determined by the Department of Employment Security, that is more than 120% of the national unemployment average, as determined by the United States Department of Labor, for a period of at least 2 consecutive calendar years preceding the date of the application.

Section 10-205. Powers of the Department. The Department, in addition to those powers granted under the Civil Administrative Code of Illinois and Part 1 of this Act, is granted and has all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including, but not limited to, power and authority to:

1. Adopt rules deemed necessary and appropriate for the administration of programs; establish forms for applications, notifications, contracts, or any other
agreements; and accept applications at any time during the year.

(2) Provide and assist taxpayers pursuant to the provisions of this Act, and cooperate with taxpayers that are parties to agreements to promote, foster, and support economic development, capital investment, and job creation or retention within the Empowerment Zone.

(3) Enter into agreements and memoranda of understanding for participation of and engage in cooperation with agencies of the federal government, units of local government, universities, research foundations or institutions, regional economic development corporations, or other organizations for the purposes of this Act.

(4) Gather information and conduct inquiries, in the manner and by the methods as it deems desirable, including, without limitation, gathering information with respect to applicants for the purpose of making any designations or certifications necessary or desirable or to gather information to assist the Board with any recommendation or guidance in the furtherance of the purposes of this Act.

(5) Establish, negotiate and effectuate any term, agreement or other document with any person, necessary or appropriate to accomplish the purposes of this Act, and consent, subject to the provisions of any agreement with another party, to the modification or restructuring of any
agreement to which the Department is a party.

(6) Fix, determine, charge, and collect any premiums, 
fees, charges, costs, and expenses from applicants, 
including, without limitation, any application fees, 
commitment fees, program fees, financing charges, or 
publication fees as deemed appropriate to pay expenses 
necessary or incident to the administration, staffing, or 
operation in connection with the Department's or Board's 
activities under this Act, or for preparation, 
implementation, and enforcement of the terms of the 
agreement, or for consultation, advisory and legal fees, 
and other costs. All fees and expenses incident thereto 
shall be the responsibility of the applicant.

(7) Provide for sufficient personnel to permit 
administration, staffing, operation, and related support 
required to adequately discharge its duties and 
responsibilities described in this Act from funds made 
available through charges to applicants or from funds as 
may be appropriated by the General Assembly for the 
administration of this Act.

(8) Require applicants, upon written request, to issue 
any necessary authorization to the appropriate federal, 
State, or local authority for the release of information 
concerning a project being considered under the provisions 
of this Act, with the information requested to include, 
but not be limited to, financial reports, returns, or
records relating to the taxpayer or its project.

(9) Require that a taxpayer shall at all times keep proper books of record and account in accordance with generally accepted accounting principles consistently applied, with the books, records, or papers related to the agreement in the custody or control of the taxpayer open for reasonable Department inspection and audits, and including, without limitation, the making of copies of the books, records, or papers, and the inspection or appraisal of any of the taxpayer or project assets.

(10) Take whatever actions are necessary or appropriate to protect the State's interest in the event of bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance or participation required under this Act, including the power to sell, dispose, lease, or rent, upon terms and conditions determined by the Director to be appropriate, real or personal property that the Department may receive as a result of these actions.

Section 10-210. Tax credit awards.

(a) Subject to the conditions set forth in this Act, a taxpayer is entitled to a credit against or, as described in subsection (g), a payment toward taxes imposed pursuant to subsections (a) and (b) of Section 201 of the Illinois Income Tax Act that may be imposed on the taxpayer for a taxable year
beginning on or after January 1, 2019, if the taxpayer is
awarded a credit by the Department under this Act for that
taxable year.

(b) The Department shall make credit awards under this Act
to foster job creation and the development of businesses in
Empowerment Zones.

(c) A person that proposes a project to create new jobs and
to invest in the development of a capital investment project
in an Empowerment Zone must enter into an agreement with the
Department for the credit under this Act.

(d) The credit shall be claimed for the taxable years
specified in the agreement.

(e) The credit shall not exceed the incremental income tax
attributable to the project that is the subject of the
agreement.

(f) Nothing herein shall prohibit a tax credit award to an
applicant that uses a Professional Employer Organization if
all other award criteria are satisfied.

(g) A pass-through entity that has been awarded a credit
under this Act, its shareholders, or its partners may treat
some or all of the credit awarded under this Act as a tax
payment for purposes of the Illinois Income Tax Act. In no
event shall the amount of the award credited under this Act
exceed the Illinois income tax liability of the pass-through
entity or its shareholders or partners for the taxable year.

For the purposes of this subsection (g), "tax payment"
means a payment as described in Article 6 or Article 8 of the Illinois Income Tax Act or a composite payment made by a pass-through entity on behalf of any of its shareholders or partners to satisfy such shareholders' or partners' taxes imposed pursuant to subsections (a) and (b) of Section 201 of the Illinois Income Tax Act.

Section 10-215. Application for a project to create and retain new jobs and to develop new business enterprises.

(a) Any business enterprise proposing a capital investment project located or planned to be located in an Empowerment Zone may request consideration for designation of its project, by formal written letter of request or by formal application to the Department, in which the applicant states its intent to make at least a specified level of investment and intends to hire or retain a specified number of full-time employees at a designated location in Illinois. As circumstances require, the Department may require a formal application from an applicant and a formal letter of request for assistance.

(b) In order to qualify for credits under this Act, an applicant's project must:

   (1) if the applicant has more than 100 employees, involve an investment of at least $2,500,000 in capital improvements to be placed in service within an Empowerment Zone as a direct result of the project. If the applicant has 100 or fewer employees, then there is no capital
investment requirement; and

(2) if the applicant has more than 100 employees, employ a number of new employees in the Empowerment Zone equal to the lesser of: (A) 10% of the number of full-time employees employed by the applicant world-wide on the date the application is filed with the Department; or (B) 50 new employees. If the applicant has 100 or fewer employees, employ a number of new employees in the State equal to the lesser of: (A) 5% of the number of full-time employees employed by the applicant world-wide on the date the application is filed with the Department; or (B) 50 new employees.

(c) After receipt of an application, the Department shall review the application, make inquiries, and conduct studies in the manner and by the methods as it deems desirable, and consult with and make a recommendation to the Empowerment Zone Board created under the Energy Community Reinvestment Act. The Department and the Board shall make its recommendations and approvals based on whether they determine that all of the following conditions exist:

(1) The applicant's project will make the required investment in the State and the applicant intends to hire the required number of new employees in Illinois as a result of that project, as described in this Act.

(2) The applicant's project is economically sound and will benefit the people of the State of Illinois by
increasing opportunities for employment and strengthening the economy of Illinois.

(3) That, if not for the credit, the project would not occur in Illinois or in the Empowerment Zone, which may be demonstrated by evidence that receipt of the credit is essential to the applicant's decision to create new jobs in the State, such as the magnitude of the cost differential between Illinois and a competing state.

(4) The political subdivisions affected by the project have committed local incentives or other support with respect to the project, considering local ability to assist.

(5) Awarding the credit will result in an overall positive fiscal impact to the State, as certified by the Board using the best available data.

(6) The credit is not prohibited by Section 10-220.

(d) After approval by the Board, the Department may enter into an agreement with the applicant.

Section 10-220. Relocation of jobs to Empowerment Zone. A taxpayer is not entitled to claim the credit provided by this Act with respect to any jobs that the taxpayer relocates from one site in Illinois to another site in an Empowerment Zone. A taxpayer with respect to a qualifying project certified under the Corporate Headquarters Relocation Act, however, is not subject to the requirements of this Section, but is
nevertheless considered an applicant for purposes of this Act. Moreover, any full-time employee of an eligible business enterprise relocated to an Empowerment Zone in connection with that qualifying project is deemed to be a new employee for purposes of this Act. Determinations under this Section shall be made by the Department.

Section 10-225. Determination of the amount of credit. In determining the amount of credit that should be awarded, the Board shall provide guidance on, and the Department shall take into consideration, all of the following factors:

1. the number and location of jobs created and retained in relation to the economy of the Empowerment Zone where the projected investment is to occur;
2. the potential impact on the economy of the Empowerment Zone;
3. the incremental payroll attributable to the project;
4. the capital investment attributable to the project;
5. the amount of the average wage and benefits paid by the applicant in relation to the wage and benefits of the Empowerment Zone;
6. the costs to Illinois and the affected political subdivisions with respect to the project; and
7. the financial assistance that is otherwise
provided by Illinois and the affected political subdivisions.

Section 10-230. Amount and duration of credit.

(a) The Department shall determine the amount and duration of the credit awarded under this Act. The duration of the credit may not exceed 10 taxable years. The credit may be stated as a percentage of the incremental income tax attributable to the applicant's project and may include a fixed dollar limitation. An agreement for the credit must be finalized and signed by all parties while the area in which the project is located is designated an Empowerment Zone. The credit may last longer than the applicable Empowerment Zone designation. Agreements entered into prior to the de-designation of an Empowerment Zone shall be honored for the length of the agreement.

(b) Notwithstanding subsection (a), and except as the credit may be applied in a carryover year as otherwise provided in this subsection (b), the credit may be applied against the State income tax liability in more than 10 taxable years, but not in more than 15 taxable years for an eligible green energy enterprise that: (i) qualifies under this Act and the Corporate Headquarters Relocation Act and has in fact undertaken a qualifying project within the time frame specified by the Department of Commerce and Economic Opportunity under that Act; and (ii) applies against its State
income tax liability, during the entire 15-year period, no
more than 60% of the maximum credit per year that would
otherwise be available under this Act.

Any credit that is unused in the year the credit is
computed may be carried forward and applied to the tax
liability of the 5 taxable years following the excess credit
year. The credit shall be applied to the earliest year for
which there is a tax liability. If there are credits from more
than one tax year that are available to offset a liability, the
earlier credit shall be applied first.

Section 10-235. Contents of agreements with applicants.
The Department shall enter into an agreement with an applicant
that is awarded a credit under this Act.

Section 10-240. Certificate of verification; submission to
the Department of Revenue. A taxpayer claiming a credit under
this Act shall submit to the Department of Revenue a copy of
the Director's certificate of verification under this Act for
the taxable year. Failure to submit a copy of the certificate
with the taxpayer's tax return shall not invalidate a claim
for a credit.

Section 10-245. Supplier diversity. Each taxpayer claiming
a credit under this Act shall, no later than April 15 of each
taxable year for which the taxpayer claims a credit under this
Act, submit to the Department of Commerce and Economic Opportunity an annual report containing the information described in subsections (b), (c), (d), and (e) of Section 5-117 of the Public Utilities Act. Those reports shall be submitted in the form and manner required by the Department of Commerce and Economic Opportunity.

Section 10-250. Pass-through entity. The shareholders or partners of a taxpayer that is a pass-through entity shall be entitled to the credit allowed under the agreement. The credit is in addition to any credit to which a shareholder or partner is otherwise entitled under a separate agreement under this Act. A pass-through entity and a shareholder or partner of the pass-through entity may not claim more than one credit under the same agreement.

Section 10-255. Rules. The Department may adopt rules necessary to implement this Part 2. The rules may provide for recipients of credits under this Part 2 to be charged fees to cover administrative costs of the tax credit program. Fees collected shall be deposited into the Energy Community Reinvestment Fund.

Section 10-260. Program terms and conditions.
(a) Any documentary materials or data made available or received by any member of a board or any agent or employee of
the Department shall be deemed confidential and shall not be
deemed public records to the extent that the materials or data
consists of trade secrets, commercial or financial information
regarding the operation of the business conducted by the
applicant for or recipient of any tax credit under this Act, or
any information regarding the competitive position of a
business in a particular field of endeavor.

(b) Nothing in this Act shall be construed as creating any
rights in any applicant to enter into an agreement or in any
person to challenge the terms of any agreement.

Article 90. Amendatory Provisions

Section 90-5. The Illinois Administrative Procedure Act is
amended by adding Section 45-8 as follows:

(5 ILCS 100/45-8 new)

Sec. 45-8. Emergency rulemaking; Energy Community
Reinvestment Act. To provide for the expeditious and timely
implementation of the Energy Community Reinvestment Act,
emergency rules may be adopted in accordance with Section 5-45
by the Department of Commerce and Economic Opportunity to
implement Section 5-15 of the Energy Community Reinvestment
Act with respect to applications for designation as
Empowerment Zones. The adoption of emergency rules authorized
by Section 5-45 and this Section is deemed to be necessary for
the public interest, safety, and welfare.

Section 90-10. The Illinois Power Agency Act is amended by changing Sections 1-20, 1-56, and 1-75 and by adding 1-76 as follows:

(20 ILCS 3855/1-20)

Sec. 1-20. General powers of the Agency.

(a) The Agency is authorized to do each of the following:

(1) Develop electricity procurement plans to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability, for electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois and for small multi-jurisdictional electric utilities that (A) on December 31, 2005 served less than 100,000 customers in Illinois and (B) request a procurement plan for their Illinois jurisdictional load. Except as provided in paragraph (1.5) of this subsection (a), the electricity procurement plans shall be updated on an annual basis and shall include electricity generated from renewable resources sufficient to achieve the standards specified in this Act. Beginning with the delivery year commencing June 1, 2017, develop procurement plans to include zero emission credits generated from zero
emission facilities sufficient to achieve the standards specified in this Act. If the Commission approves an electric utility's election pursuant to paragraph (6) of subsection (b) of Section 16-111.5 of the Public Utilities Act, then, beginning with the procurement for the first delivery year approved in such election, the Agency shall for each year develop a plan, as part of its procurement plan, to conduct a procurement of capacity from qualified resources needed to meet capacity requirements of all of the retail customers of the electric utility, subject to the open access tariff and manuals of PJM Interconnection, LLC, or its successor. The Capacity Procurement Plan shall be updated annually and shall include electricity generated from renewable resources sufficient to achieve the renewable portfolio standards as specified in this Act.

(1.5) Develop a long-term renewable resources procurement plan in accordance with subsection (c) of Section 1-75 of this Act for renewable energy credits in amounts sufficient to achieve the standards specified in this Act for delivery years commencing June 1, 2017 and for the programs and renewable energy credits specified in Section 1-56 of this Act. Electricity procurement plans for delivery years commencing after May 31, 2017, shall not include procurement of renewable energy resources.

(2) Conduct competitive procurement processes to
procure the supply resources identified in the electricity procurement plan, pursuant to Section 16-111.5 of the Public Utilities Act, and, for the delivery year commencing June 1, 2017, conduct procurement processes to procure zero emission credits from zero emission facilities, under subsection (d-5) of Section 1-75 of this Act.

(2.5) Beginning with the procurement for the 2017 delivery year, conduct competitive procurement processes and implement programs to procure renewable energy credits identified in the long-term renewable resources procurement plan developed and approved under subsection (c) of Section 1-75 of this Act and Section 16-111.5 of the Public Utilities Act.

(3) Develop electric generation and cogeneration facilities that use indigenous coal or renewable resources, or both, financed with bonds issued by the Illinois Finance Authority.

(4) Supply electricity from the Agency's facilities at cost to one or more of the following: municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois.

(b) Except as otherwise limited by this Act, the Agency has all of the powers necessary or convenient to carry out the purposes and provisions of this Act, including without limitation, each of the following:
(1) To have a corporate seal, and to alter that seal at pleasure, and to use it by causing it or a facsimile to be affixed or impressed or reproduced in any other manner.

(2) To use the services of the Illinois Finance Authority necessary to carry out the Agency's purposes.

(3) To negotiate and enter into loan agreements and other agreements with the Illinois Finance Authority.

(4) To obtain and employ personnel and hire consultants that are necessary to fulfill the Agency's purposes, and to make expenditures for that purpose within the appropriations for that purpose.

(5) To purchase, receive, take by grant, gift, devise, bequest, or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use, and otherwise deal in and with, real or personal property whether tangible or intangible, or any interest therein, within the State.

(6) To acquire real or personal property, whether tangible or intangible, including without limitation property rights, interests in property, franchises, obligations, contracts, and debt and equity securities, and to do so by the exercise of the power of eminent domain in accordance with Section 1-21; except that any real property acquired by the exercise of the power of eminent domain must be located within the State.

(7) To sell, convey, lease, exchange, transfer, abandon, or otherwise dispose of, or mortgage, pledge, or
create a security interest in, any of its assets, properties, or any interest therein, wherever situated.

(8) To purchase, take, receive, subscribe for, or otherwise acquire, hold, make a tender offer for, vote, employ, sell, lend, lease, exchange, transfer, or otherwise dispose of, mortgage, pledge, or grant a security interest in, use, and otherwise deal in and with, bonds and other obligations, shares, or other securities (or interests therein) issued by others, whether engaged in a similar or different business or activity.

(9) To make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the Agency under this Act, including contracts with any person, including personal service contracts, or with any local government, State agency, or other entity; and all State agencies and all local governments are authorized to enter into and do all things necessary to perform any such agreement, contract, or other instrument with the Agency. No such agreement, contract, or other instrument shall exceed 40 years.

(10) To lend money, invest and reinvest its funds in accordance with the Public Funds Investment Act, and take and hold real and personal property as security for the payment of funds loaned or invested.

(11) To borrow money at such rate or rates of interest as the Agency may determine, issue its notes, bonds, or
other obligations to evidence that indebtedness, and secure any of its obligations by mortgage or pledge of its real or personal property, machinery, equipment, structures, fixtures, inventories, revenues, grants, and other funds as provided or any interest therein, wherever situated.

(12) To enter into agreements with the Illinois Finance Authority to issue bonds whether or not the income therefrom is exempt from federal taxation.

(13) To procure insurance against any loss in connection with its properties or operations in such amount or amounts and from such insurers, including the federal government, as it may deem necessary or desirable, and to pay any premiums therefor.

(14) To negotiate and enter into agreements with trustees or receivers appointed by United States bankruptcy courts or federal district courts or in other proceedings involving adjustment of debts and authorize proceedings involving adjustment of debts and authorize legal counsel for the Agency to appear in any such proceedings.

(15) To file a petition under Chapter 9 of Title 11 of the United States Bankruptcy Code or take other similar action for the adjustment of its debts.

(16) To enter into management agreements for the operation of any of the property or facilities owned by
(17) To enter into an agreement to transfer and to transfer any land, facilities, fixtures, or equipment of the Agency to one or more municipal electric systems, governmental aggregators, or rural electric agencies or cooperatives, for such consideration and upon such terms as the Agency may determine to be in the best interest of the citizens of Illinois.

(18) To enter upon any lands and within any building whenever in its judgment it may be necessary for the purpose of making surveys and examinations to accomplish any purpose authorized by this Act.

(19) To maintain an office or offices at such place or places in the State as it may determine.

(20) To request information, and to make any inquiry, investigation, survey, or study that the Agency may deem necessary to enable it effectively to carry out the provisions of this Act.

(21) To accept and expend appropriations.

(22) To engage in any activity or operation that is incidental to and in furtherance of efficient operation to accomplish the Agency's purposes, including hiring employees that the Director deems essential for the operations of the Agency.

(23) To adopt, revise, amend, and repeal rules with respect to its operations, properties, and facilities as
may be necessary or convenient to carry out the purposes
of this Act, subject to the provisions of the Illinois
Administrative Procedure Act and Sections 1-22 and 1-35 of
this Act.

(24) To establish and collect charges and fees as
described in this Act.

(25) To conduct competitive gasification feedstock
procurement processes to procure the feedstocks for the
clean coal SNG brownfield facility in accordance with the
requirements of Section 1-78 of this Act.

(26) To review, revise, and approve sourcing
agreements and mediate and resolve disputes between gas
utilities and the clean coal SNG brownfield facility
pursuant to subsection (h-1) of Section 9-220 of the
Public Utilities Act.

(27) To request, review and accept proposals, execute
contracts, purchase renewable energy credits and otherwise
dedicate funds from the Illinois Power Agency Renewable
Energy Resources Fund to create and carry out the
objectives of the Illinois Solar for All program in
accordance with Section 1-56 of this Act.

(Source: P.A. 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-56)

Sec. 1-56. Illinois Power Agency Renewable Energy
Resources Fund; Illinois Solar for All Program.
(a) The Illinois Power Agency Renewable Energy Resources Fund is created as a special fund in the State treasury.

(b) The Illinois Power Agency Renewable Energy Resources Fund shall be administered by the Agency as described in this subsection (b), provided that the changes to this subsection (b) made by this amendatory Act of the 99th General Assembly shall not interfere with existing contracts under this Section.

(1) The Illinois Power Agency Renewable Energy Resources Fund shall be used to purchase renewable energy credits according to any approved procurement plan developed by the Agency prior to June 1, 2017.

(2) The Illinois Power Agency Renewable Energy Resources Fund shall also be used to create the Illinois Solar for All Program, which shall include incentives for low-income distributed generation and community solar projects, and other associated approved expenditures. The objectives of the Illinois Solar for All Program are to bring photovoltaics to low-income communities in this State in a manner that maximizes the development of new photovoltaic generating facilities, to create a long-term, low-income solar marketplace throughout this State, to integrate, through interaction with stakeholders, with existing energy efficiency initiatives, and to minimize administrative costs. The Agency shall include a description of its proposed approach to the design,
administration, implementation and evaluation of the Illinois Solar for All Program, as part of the long-term renewable resources procurement plan authorized by subsection (c) of Section 1-75 of this Act, and the program shall be designed to grow the low-income solar market. The Agency or utility, as applicable, shall purchase renewable energy credits from the (i) photovoltaic distributed renewable energy generation projects and (ii) community solar projects that are procured under procurement processes authorized by the long-term renewable resources procurement plans approved by the Commission.

The Illinois Solar for All Program shall include the program offerings described in subparagraphs (A) through (D) of this paragraph (2), which the Agency shall implement through contracts with third-party providers and, subject to appropriation, pay the approximate amounts identified using monies available in the Illinois Power Agency Renewable Energy Resources Fund. Each contract that provides for the installation of solar facilities shall provide that the solar facilities will produce energy and economic benefits, at a level determined by the Agency to be reasonable, for the participating low income customers. The monies available in the Illinois Power Agency Renewable Energy Resources Fund and not otherwise committed to contracts executed under subsection (i) of
this Section shall be allocated among the programs described in this paragraph (2), as follows: 22.5% of these funds shall be allocated to programs described in subparagraph (A) of this paragraph (2), 37.5% of these funds shall be allocated to programs described in subparagraph (B) of this paragraph (2), 15% of these funds shall be allocated to programs described in subparagraph (C) of this paragraph (2), and 25% of these funds, but in no event more than $50,000,000, shall be allocated to programs described in subparagraph (D) of this paragraph (2). The allocation of funds among subparagraphs (A), (B), or (C) of this paragraph (2) may be changed if the Agency or administrator, through delegated authority, determines incentives in subparagraphs (A), (B), or (C) of this paragraph (2) have not been adequately subscribed to fully utilize the Illinois Power Agency Renewable Energy Resources Fund. The determination shall include input through a stakeholder process. The Agency shall annually fund the program offerings described in subparagraphs (A) through (D) of this paragraph (2) in an amount of not less than $75,000,000 per year. If the moneys available in the Illinois Power Agency Renewable Energy Resources Fund are insufficient to meet this minimum funding requirement, the Agency shall also use be implemented through contracts funded from such additional amounts as are allocated to one or more of the programs in the long-term renewable
resources procurement plans as specified in subsection (c) of Section 1-75 of this Act and subparagraph (O) of paragraph (1) of such subsection (c). Beginning after the effective date of this amendatory Act of the 102nd General Assembly, the Agency's updates to its long-term renewable resources procurement plan under Section 16-111.5 of the Public Utilities Act shall set forth the Agency's detailed plan to ensure that at least 80% of the funding available to the Illinois Solar for All Program in a given delivery year will be used and spent on the programs set forth in this subsection (b).

Contracts that will be paid with funds in the Illinois Power Agency Renewable Energy Resources Fund shall be executed by the Agency. Contracts that will be paid with funds collected by an electric utility shall be executed by the electric utility.

Contracts under the Illinois Solar for All Program shall include an approach, as set forth in the long-term renewable resources procurement plans, to ensure the wholesale market value of the energy is credited to participating low-income customers or organizations and to ensure tangible economic benefits flow directly to program participants, except in the case of low-income multi-family housing where the low-income customer does not directly pay for energy. Priority shall be given to projects that demonstrate meaningful involvement of
low-income community members in designing the initial proposals. Acceptable proposals to implement projects must demonstrate the applicant's ability to conduct initial community outreach, education, and recruitment of low-income participants in the community. Projects must include job training opportunities if available, and shall endeavor to coordinate with the job training programs described in paragraph (1) of subsection (a) of Section 16-108.12 of the Public Utilities Act.

(A) Low-income distributed generation incentive. This program will provide incentives to low-income customers, either directly or through solar providers, to increase the participation of low-income households in photovoltaic on-site distributed generation. Companies participating in this program that install solar panels shall commit to hiring job trainees for a portion of their low-income installations, and an administrator shall facilitate partnering the companies that install solar panels with entities that provide solar panel installation job training. It is a goal of this program that a minimum of 25% of the incentives for this program be allocated to projects located within environmental justice communities. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program and shall also include
contracts for renewable energy credits from the photovoltaic distributed generation that is the subject of the program, as set forth in the long-term renewable resources procurement plan.

(B) Low-Income Community Solar Project Initiative. Incentives shall be offered to low-income customers, either directly or through developers, to increase the participation of low-income subscribers of community solar projects. The developer of each project shall identify its partnership with community stakeholders regarding the location, development, and participation in the project, provided that nothing shall preclude a project from including an anchor tenant that does not qualify as low-income. Incentives should also be offered to community solar projects that are 100% low-income subscriber owned, which includes low-income households, not-for-profit organizations, and affordable housing owners. It is a goal of this program that a minimum of 25% of the incentives for this program be allocated to community photovoltaic projects in environmental justice communities. Contracts entered into under this paragraph may be entered into with developers and shall also include contracts for renewable energy credits related to the program.

(C) Incentives for non-profits and public
facilities. Under this program funds shall be used to support on-site photovoltaic distributed renewable energy generation devices to serve the load associated with not-for-profit customers and to support photovoltaic distributed renewable energy generation that uses photovoltaic technology to serve the load associated with public sector customers taking service at public buildings. It is a goal of this program that at least 25% of the incentives for this program be allocated to projects located in environmental justice communities. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program or with developers and shall also include contracts for renewable energy credits related to the program.

(D) Low-Income Community Solar Pilot Projects. Under this program, persons, including, but not limited to, electric utilities, shall propose pilot community solar projects. Community solar projects proposed under this subparagraph (D) may exceed 2,000 kilowatts in nameplate capacity, but the amount paid per project under this program may not exceed $20,000,000. Pilot projects must result in economic benefits for the members of the community in which the project will be located. The proposed pilot project must include a partnership with at least one
community-based organization. Approved pilot projects shall be competitively bid by the Agency, subject to fair and equitable guidelines developed by the Agency. Funding available under this subparagraph (D) may not be distributed solely to a utility, and at least some funds under this subparagraph (D) must include a project partnership that includes community ownership by the project subscribers. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program or with developers and shall also include contracts for renewable energy credits related to the program. A project proposed by a utility that is implemented under this subparagraph (D) shall not be included in the utility's rate base.

The requirement that a qualified person, as defined in paragraph (1) of subsection (i) of this Section, install photovoltaic devices does not apply to the Illinois Solar for All Program described in this subsection (b).

(3) Costs associated with the Illinois Solar for All Program and its components described in paragraph (2) of this subsection (b), including, but not limited to, costs associated with procuring experts, consultants, and the program administrator referenced in this subsection (b) and related incremental costs, and costs related to the evaluation of the Illinois Solar for All Program, may be
paid for using monies in the Illinois Power Agency Renewable Energy Resources Fund, but the Agency or program administrator shall strive to minimize costs in the implementation of the program. The Agency shall purchase renewable energy credits from generation that is the subject of a contract under subparagraphs (A) through (D) of this paragraph (2) of this subsection (b), and may pay for such renewable energy credits through an upfront payment per installed kilowatt of nameplate capacity paid once the device is interconnected at the distribution system level of the utility and is energized. The payment shall be in exchange for an assignment of all renewable energy credits generated by the system during the first 15 years of operation and shall be structured to overcome barriers to participation in the solar market by the low-income community. The incentives provided for in this Section may be implemented through the pricing of renewable energy credits where the prices paid for the credits are higher than the prices from programs offered under subsection (c) of Section 1-75 of this Act to account for the incentives. The Agency shall ensure collaboration with community agencies, and allocate up to 5% of the funds available under the Illinois Solar for All Program to community-based groups to assist in grassroots education efforts related to the Illinois Solar for All Program. The Agency shall retire any renewable energy
credits purchased from this program and the credits shall count toward the obligation under subsection (c) of Section 1-75 of this Act for the electric utility to which the project is interconnected.

(4) The Agency shall, consistent with the requirements of this subsection (b), propose the Illinois Solar for All Program terms, conditions, and requirements, including the prices to be paid for renewable energy credits, and which prices may be determined through a formula, through the development, review, and approval of the Agency's long-term renewable resources procurement plan described in subsection (c) of Section 1-75 of this Act and Section 16-111.5 of the Public Utilities Act. In the course of the Commission proceeding initiated to review and approve the plan, including the Illinois Solar for All Program proposed by the Agency, a party may propose an additional low-income solar or solar incentive program, or modifications to the programs proposed by the Agency, and the Commission may approve an additional program, or modifications to the Agency's proposed program, if the additional or modified program more effectively maximizes the benefits to low-income customers after taking into account all relevant factors, including, but not limited to, the extent to which a competitive market for low-income solar has developed. Following the Commission's approval of the Illinois Solar for All Program, the Agency
or a party may propose adjustments to the program terms, conditions, and requirements, including the price offered to new systems, to ensure the long-term viability and success of the program. The Commission shall review and approve any modifications to the program through the plan revision process described in Section 16-111.5 of the Public Utilities Act.

(5) The Agency shall issue a request for qualifications for a third-party program administrator or administrators to administer all or a portion of the Illinois Solar for All Program. The third-party program administrator shall be chosen through a competitive bid process based on selection criteria and requirements developed by the Agency, including, but not limited to, experience in administering low-income energy programs and overseeing statewide clean energy or energy efficiency services. If the Agency retains a program administrator or administrators to implement all or a portion of the Illinois Solar for All Program, each administrator shall periodically submit reports to the Agency and Commission for each program that it administers, at appropriate intervals to be identified by the Agency in its long-term renewable resources procurement plan, provided that the reporting interval is at least quarterly.

(6) The long-term renewable resources procurement plan shall also provide for an independent evaluation of the
Illinois Solar for All Program. At least every 2 years, the Agency shall select an independent evaluator to review and report on the Illinois Solar for All Program and the performance of the third-party program administrator of the Illinois Solar for All Program. The evaluation shall be based on objective criteria developed through a public stakeholder process. The process shall include feedback and participation from Illinois Solar for All Program stakeholders, including participants and organizations in environmental justice and historically underserved communities. The report shall include a summary of the evaluation of the Illinois Solar for All Program based on the stakeholder developed objective criteria. The report shall include the number of projects installed; the total installed capacity in kilowatts; the average cost per kilowatt of installed capacity to the extent reasonably obtainable by the Agency; the number of jobs or job opportunities created; economic, social, and environmental benefits created; and the total administrative costs expended by the Agency and program administrator to implement and evaluate the program. The report shall be delivered to the Commission and posted on the Agency's website, and shall be used, as needed, to revise the Illinois Solar for All Program. The Commission shall also consider the results of the evaluation as part of its review of the long-term renewable resources procurement
plan under subsection (c) of Section 1-75 of this Act.

(7) If additional funding for the programs described in this subsection (b) is available under subsection (k) of Section 16-108 of the Public Utilities Act, then the Agency shall submit a procurement plan to the Commission no later than September 1, 2018, that proposes how the Agency will procure programs on behalf of the applicable utility. After notice and hearing, the Commission shall approve, or approve with modification, the plan no later than November 1, 2018.

As used in this subsection (b), "low-income households" means persons and families whose income does not exceed 80% of area median income, adjusted for family size and revised every 5 years.

For the purposes of this subsection (b), the Agency shall define "environmental justice community" as part of long-term renewable resources procurement plan development, to ensure, to the extent practicable, compatibility with other agencies' definitions and may, for guidance, look to the definitions used by federal, state, or local governments.

(b-5) After the receipt of all payments required by Section 16-115D of the Public Utilities Act, no additional funds shall be deposited into the Illinois Power Agency Renewable Energy Resources Fund unless directed by order of the Commission.

(b-10) After the receipt of all payments required by
Section 16-115D of the Public Utilities Act and payment in full of all contracts executed by the Agency under subsections (b) and (i) of this Section, if the balance of the Illinois Power Agency Renewable Energy Resources Fund is under $5,000, then the Fund shall be inoperative and any remaining funds and any funds submitted to the Fund after that date, shall be transferred to the Supplemental Low-Income Energy Assistance Fund for use in the Low-Income Home Energy Assistance Program, as authorized by the Energy Assistance Act.

(c) (Blank).

(d) (Blank).

(e) All renewable energy credits procured using monies from the Illinois Power Agency Renewable Energy Resources Fund shall be permanently retired.

(f) The selection of one or more third-party program managers or administrators, the selection of the independent evaluator, and the procurement processes described in this Section are exempt from the requirements of the Illinois Procurement Code, under Section 20-10 of that Code.

(g) All disbursements from the Illinois Power Agency Renewable Energy Resources Fund shall be made only upon warrants of the Comptroller drawn upon the Treasurer as custodian of the Fund upon vouchers signed by the Director or by the person or persons designated by the Director for that purpose. The Comptroller is authorized to draw the warrant upon vouchers so signed. The Treasurer shall accept all
warrants so signed and shall be released from liability for all payments made on those warrants.

(h) The Illinois Power Agency Renewable Energy Resources Fund shall not be subject to sweeps, administrative charges, or chargebacks, including, but not limited to, those authorized under Section 8h of the State Finance Act, that would in any way result in the transfer of any funds from this Fund to any other fund of this State or in having any such funds utilized for any purpose other than the express purposes set forth in this Section.

(h-5) The Agency may assess fees to each bidder to recover the costs incurred in connection with a procurement process held under this Section. Fees collected from bidders shall be deposited into the Renewable Energy Resources Fund.

(i) Supplemental procurement process.

(1) Within 90 days after the effective date of this amendatory Act of the 98th General Assembly, the Agency shall develop a one-time supplemental procurement plan limited to the procurement of renewable energy credits, if available, from new or existing photovoltaics, including, but not limited to, distributed photovoltaic generation. Nothing in this subsection (i) requires procurement of wind generation through the supplemental procurement.

Renewable energy credits procured from new photovoltaics, including, but not limited to, distributed photovoltaic generation, under this subsection (i) must be
procured from devices installed by a qualified person. In its supplemental procurement plan, the Agency shall establish contractually enforceable mechanisms for ensuring that the installation of new photovoltaics is performed by a qualified person.

For the purposes of this paragraph (1), "qualified person" means a person who performs installations of photovoltaics, including, but not limited to, distributed photovoltaic generation, and who: (A) has completed an apprenticeship as a journeyman electrician from a United States Department of Labor registered electrical apprenticeship and training program and received a certification of satisfactory completion; or (B) does not currently meet the criteria under clause (A) of this paragraph (1), but is enrolled in a United States Department of Labor registered electrical apprenticeship program, provided that the person is directly supervised by a person who meets the criteria under clause (A) of this paragraph (1); or (C) has obtained one of the following credentials in addition to attesting to satisfactory completion of at least 5 years or 8,000 hours of documented hands-on electrical experience: (i) a North American Board of Certified Energy Practitioners (NABCEP) Installer Certificate for Solar PV; (ii) an Underwriters Laboratories (UL) PV Systems Installer Certificate; (iii) an Electronics Technicians Association, International
(ETAI) Level 3 PV Installer Certificate; or (iv) an Associate in Applied Science degree from an Illinois Community College Board approved community college program in renewable energy or a distributed generation technology.

For the purposes of this paragraph (1), "directly supervised" means that there is a qualified person who meets the qualifications under clause (A) of this paragraph (1) and who is available for supervision and consultation regarding the work performed by persons under clause (B) of this paragraph (1), including a final inspection of the installation work that has been directly supervised to ensure safety and conformity with applicable codes.

For the purposes of this paragraph (1), "install" means the major activities and actions required to connect, in accordance with applicable building and electrical codes, the conductors, connectors, and all associated fittings, devices, power outlets, or apparatuses mounted at the premises that are directly involved in delivering energy to the premises' electrical wiring from the photovoltaics, including, but not limited to, to distributed photovoltaic generation.

The renewable energy credits procured pursuant to the supplemental procurement plan shall be procured using up to $30,000,000 from the Illinois Power Agency Renewable
Energy Resources Fund. The Agency shall not plan to use funds from the Illinois Power Agency Renewable Energy Resources Fund in excess of the monies on deposit in such fund or projected to be deposited into such fund. The supplemental procurement plan shall ensure adequate, reliable, affordable, efficient, and environmentally sustainable renewable energy resources (including credits) at the lowest total cost over time, taking into account any benefits of price stability.

To the extent available, 50% of the renewable energy credits procured from distributed renewable energy generation shall come from devices of less than 25 kilowatts in nameplate capacity. Procurement of renewable energy credits from distributed renewable energy generation devices shall be done through multi-year contracts of no less than 5 years. The Agency shall create credit requirements for counterparties. In order to minimize the administrative burden on contracting entities, the Agency shall solicit the use of third parties to aggregate distributed renewable energy. These third parties shall enter into and administer contracts with individual distributed renewable energy generation device owners. An individual distributed renewable energy generation device owner shall have the ability to measure the output of his or her distributed renewable energy generation device.
In developing the supplemental procurement plan, the Agency shall hold at least one workshop open to the public within 90 days after the effective date of this amendatory Act of the 98th General Assembly and shall consider any comments made by stakeholders or the public. Upon development of the supplemental procurement plan within this 90-day period, copies of the supplemental procurement plan shall be posted and made publicly available on the Agency's and Commission's websites. All interested parties shall have 14 days following the date of posting to provide comment to the Agency on the supplemental procurement plan. All comments submitted to the Agency shall be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the supplemental procurement plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Agency's and Commission's websites. Within 14 days following the end of the 14-day review period, the Agency shall revise the supplemental procurement plan as necessary based on the comments received and file its revised supplemental procurement plan with the Commission for approval.

(2) Within 5 days after the filing of the supplemental procurement plan at the Commission, any person objecting to the supplemental procurement plan shall file an objection with the Commission. Within 10 days after the
filing, the Commission shall determine whether a hearing is necessary. The Commission shall enter its order confirming or modifying the supplemental procurement plan within 90 days after the filing of the supplemental procurement plan by the Agency.

(3) The Commission shall approve the supplemental procurement plan of renewable energy credits to be procured from new or existing photovoltaics, including, but not limited to, distributed photovoltaic generation, if the Commission determines that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service in the form of renewable energy credits at the lowest total cost over time, taking into account any benefits of price stability.

(4) The supplemental procurement process under this subsection (i) shall include each of the following components:

(A) Procurement administrator. The Agency may retain a procurement administrator in the manner set forth in item (2) of subsection (a) of Section 1-75 of this Act to conduct the supplemental procurement or may elect to use the same procurement administrator administering the Agency's annual procurement under Section 1-75.

(B) Procurement monitor. The procurement monitor retained by the Commission pursuant to Section
16-111.5 of the Public Utilities Act shall:

(i) monitor interactions among the procurement administrator and bidders and suppliers;

(ii) monitor and report to the Commission on the progress of the supplemental procurement process;

(iii) provide an independent confidential report to the Commission regarding the results of the procurement events;

(iv) assess compliance with the procurement plan approved by the Commission for the supplemental procurement process;

(v) preserve the confidentiality of supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs;

(vi) provide expert advice to the Commission and consult with the procurement administrator regarding issues related to procurement process design, rules, protocols, and policy-related matters;

(vii) consult with the procurement administrator regarding the development and use of benchmark criteria, standard form contracts, credit policies, and bid documents; and

(viii) perform, with respect to the
supplemental procurement process, any other
procurement monitor duties specifically delineated
within subsection (i) of this Section.

(C) Solicitation, pre-qualification, and
registration of bidders. The procurement administrator
shall disseminate information to potential bidders to
promote a procurement event, notify potential bidders
that the procurement administrator may enter into a
post-bid price negotiation with bidders that meet the
applicable benchmarks, provide supply requirements,
and otherwise explain the competitive procurement
process. In addition to such other publication as the
procurement administrator determines is appropriate,
this information shall be posted on the Agency's and
the Commission's websites. The procurement
administrator shall also administer the
prequalification process, including evaluation of
credit worthiness, compliance with procurement rules,
and agreement to the standard form contract developed
pursuant to item (D) of this paragraph (4). The
procurement administrator shall then identify and
register bidders to participate in the procurement
event.

(D) Standard contract forms and credit terms and
instruments. The procurement administrator, in
consultation with the Agency, the Commission, and
other interested parties and subject to Commission oversight, shall develop and provide standard contract forms for the supplier contracts that meet generally accepted industry practices as well as include any applicable State of Illinois terms and conditions that are required for contracts entered into by an agency of the State of Illinois. Standard credit terms and instruments that meet generally accepted industry practices shall be similarly developed. Contracts for new photovoltaics shall include a provision attesting that the supplier will use a qualified person for the installation of the device pursuant to paragraph (1) of subsection (i) of this Section. The procurement administrator shall make available to the Commission all written comments it receives on the contract forms, credit terms, or instruments. If the procurement administrator cannot reach agreement with the parties as to the contract terms and conditions, the procurement administrator must notify the Commission of any disputed terms and the Commission shall resolve the dispute. The terms of the contracts shall not be subject to negotiation by winning bidders, and the bidders must agree to the terms of the contract in advance so that winning bids are selected solely on the basis of price.

(E) Requests for proposals; competitive
procurement process. The procurement administrator shall design and issue requests for proposals to supply renewable energy credits in accordance with the supplemental procurement plan, as approved by the Commission. The requests for proposals shall set forth a procedure for sealed, binding commitment bidding with pay-as-bid settlement, and provision for selection of bids on the basis of price, provided, however, that no bid shall be accepted if it exceeds the benchmark developed pursuant to item (F) of this paragraph (4).

(F) Benchmarks. Benchmarks for each product to be procured shall be developed by the procurement administrator in consultation with Commission staff, the Agency, and the procurement monitor for use in this supplemental procurement.

(G) A plan for implementing contingencies in the event of supplier default, Commission rejection of results, or any other cause.

(5) Within 2 business days after opening the sealed bids, the procurement administrator shall submit a confidential report to the Commission. The report shall contain the results of the bidding for each of the products along with the procurement administrator's recommendation for the acceptance and rejection of bids based on the price benchmark criteria and other factors.
observed in the process. The procurement monitor also shall submit a confidential report to the Commission within 2 business days after opening the sealed bids. The report shall contain the procurement monitor's assessment of bidder behavior in the process as well as an assessment of the procurement administrator's compliance with the procurement process and rules. The Commission shall review the confidential reports submitted by the procurement administrator and procurement monitor and shall accept or reject the recommendations of the procurement administrator within 2 business days after receipt of the reports.

(6) Within 3 business days after the Commission decision approving the results of a procurement event, the Agency shall enter into binding contractual arrangements with the winning suppliers using the standard form contracts.

(7) The names of the successful bidders and the average of the winning bid prices for each contract type and for each contract term shall be made available to the public within 2 days after the supplemental procurement event. The Commission, the procurement monitor, the procurement administrator, the Agency, and all participants in the procurement process shall maintain the confidentiality of all other supplier and bidding information in a manner consistent with all applicable
laws, rules, regulations, and tariffs. Confidential information, including the confidential reports submitted by the procurement administrator and procurement monitor pursuant to this Section, shall not be made publicly available and shall not be discoverable by any party in any proceeding, absent a compelling demonstration of need, nor shall those reports be admissible in any proceeding other than one for law enforcement purposes.

(8) The supplemental procurement provided in this subsection (i) shall not be subject to the requirements and limitations of subsections (c) and (d) of this Section.

(9) Expenses incurred in connection with the procurement process held pursuant to this Section, including, but not limited to, the cost of developing the supplemental procurement plan, the procurement administrator, procurement monitor, and the cost of the retirement of renewable energy credits purchased pursuant to the supplemental procurement shall be paid for from the Illinois Power Agency Renewable Energy Resources Fund. The Agency shall enter into an interagency agreement with the Commission to reimburse the Commission for its costs associated with the procurement monitor for the supplemental procurement process.

(Source: P.A. 98-672, eff. 6-30-14; 99-906, eff. 6-1-17.)
Sec. 1-75. Planning and Procurement Bureau. The Planning and Procurement Bureau has the following duties and responsibilities:

(a) The Planning and Procurement Bureau shall each year, beginning in 2008, develop procurement plans and conduct competitive procurement processes in accordance with the requirements of Section 16-111.5 of the Public Utilities Act for the eligible retail customers of electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois. Beginning with the delivery year commencing on June 1, 2017, the Planning and Procurement Bureau shall develop plans and processes for the procurement of zero emission credits from zero emission facilities in accordance with the requirements of subsection (d-5) of this Section. The Planning and Procurement Bureau shall also develop procurement plans and conduct competitive procurement processes in accordance with the requirements of Section 16-111.5 of the Public Utilities Act for the eligible retail customers of small multi-jurisdictional electric utilities that (i) on December 31, 2005 served less than 100,000 customers in Illinois and (ii) request a procurement plan for their Illinois jurisdictional load. This Section shall not apply to a small multi-jurisdictional utility until such time as a small multi-jurisdictional utility requests the Agency to prepare a procurement plan for their Illinois jurisdictional
load. For the purposes of this Section, the term "eligible retail customers" has the same definition as found in Section 16-111.5(a) of the Public Utilities Act.

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

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

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

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

(C) 10 years of experience in the electricity sector, including managing supply risk;
(D) expertise in wholesale electricity market rules, including those established by the Federal Energy Regulatory Commission and regional transmission organizations;

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

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

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

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

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

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

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

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

    (E) expertise in credit and contract protocols;

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

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

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

    (A) failure to satisfy qualification criteria;

    (B) identification of a conflict of interest; or

    (C) evidence of inappropriate bias for or against
potential bidders or the affected utilities.
The Agency shall remove experts or expert consulting firms from the lists within 10 days if there is a reasonable basis for an objection and provide the updated lists to the affected utilities and other interested parties. If the Agency fails to remove an expert or expert consulting firm from a list, an objecting party may seek review by the Commission within 5 days thereafter by filing a petition, and the Commission shall render a ruling on the petition within 10 days. There is no right of appeal of the Commission's ruling.

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

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

(6) The Agency shall select an expert or expert consulting firm, with approval of the Commission, to serve as procurement administrator based on the proposals submitted. If the Commission rejects, within 5 days, the Agency's selection, the Agency shall submit another recommendation within 3 days based on the proposals submitted. The Agency shall award a 5-year contract to the expert or expert consulting firm so selected with
(b) The experts or expert consulting firms retained by the Agency shall, as appropriate, prepare procurement plans, and conduct a competitive procurement process as prescribed in Section 16-111.5 of the Public Utilities Act, to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability, for eligible retail customers of electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in the State of Illinois, and for eligible Illinois retail customers of small multi-jurisdictional electric utilities that (i) on December 31, 2005 served less than 100,000 customers in Illinois and (ii) request a procurement plan for their Illinois jurisdictional load.

(c) Renewable portfolio standard.

(1)(A) The Agency shall develop a long-term renewable resources procurement plan that shall include procurement programs and competitive procurement events necessary to meet the goals set forth in this subsection (c). The initial long-term renewable resources procurement plan shall be released for comment no later than 160 days after June 1, 2017 (the effective date of Public Act 99-906). The Agency shall review, and may revise on an expedited basis, the long-term renewable resources procurement plan at least every 2 years, which shall be conducted in
conjunction with the procurement plan under Section 16-111.5 of the Public Utilities Act to the extent practicable to minimize administrative expense. The long-term renewable resources procurement plans shall be subject to review and approval by the Commission under Section 16-111.5 of the Public Utilities Act.

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

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

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

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

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

Notwithstanding the provisions of this subparagraph (B), the percentage goals identified in this subparagraph for the procurement of cost-effective renewable energy resources shall not apply after the delivery year ending May 31, 2022.

(B-5) Beginning after the effective date of this amendatory Act of the 102nd General Assembly, subject to subparagraph (F) of this paragraph (1), the long-term renewable resources procurement plan, as revised, shall include the goal of procuring a total of 35,000,000 additional annual renewable energy credits by the delivery year commencing June 1, 2030, which amount shall be procured in accordance with subparagraph (C-5) of this paragraph (1).

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

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

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

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

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

At least 3,000,000 renewable energy credits for each delivery year shall come from new photovoltaic projects; of that amount, to the extent possible, the Agency shall procure: at least 50% from solar photovoltaic projects using the program outlined in subparagraph (K) of this paragraph (1) from distributed renewable energy
devices or community renewable generation projects; at least 40% from utility-scale solar projects; at least 2% from brownfield site photovoltaic projects that are not community renewable generation projects; and the remainder shall be determined through the long-term planning process described in subparagraph (A) of this paragraph (1).

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

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

At least 4,000,000 renewable energy credits for each delivery year shall come from new photovoltaic projects; of that amount, to the extent possible, the Agency shall procure: at least 50% from solar photovoltaic projects using the program outlined in subparagraph (K) of this paragraph (1) from distributed renewable energy devices or community renewable generation projects; at least 40% from utility-scale solar projects; at least 2% from brownfield site photovoltaic projects that are not community renewable generation projects; and the remainder shall be determined through the long-term planning process described in subparagraph (A) of this
For purposes of this Section:

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

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

Notwithstanding the provisions of this subparagraph (C), the renewable energy credit procurement requirements and goals of this subparagraph shall not apply after the delivery year ending May 31, 2022.

(C-5) Beginning after the effective date of this amendatory Act of the 102nd General Assembly, the long-term renewable resources procurement plan described in subparagraph (A) of this paragraph (1), as revised, shall include the procurement of renewable energy credits in amounts equal to at least 35,000,000 renewable energy credits from wind and solar projects by the end of the delivery year commencing June 1, 2030. Of that amount:

(i) at least 25,000,000 of the renewable energy
credits shall be procured for electric utilities that
serve less than 3,000,000 retail customers but more
than 500,000 retail customers in the State; and
(ii) at least 10,000,000 of the renewable energy
credits shall be procured for electric utilities that
serve more than 3,000,000 retail customers in the
State.

The Agency's planning and procurement processes to
implement the provisions of this subparagraph (C-5) shall
conform to the requirements of subparagraph (I) of this
paragraph (1), and the Agency shall be permitted to use
those competitive procurement processes and programs
authorized by this paragraph (1) to effect such
implementation.

(D) Renewable energy credits shall be cost-effective.
"cost-effective" means that the costs of
procuring renewable energy resources do not cause the
limit stated in subparagraph (E) of this paragraph (1) to
be exceeded and, for renewable energy credits procured
through a competitive procurement event, do not exceed
benchmarks based on market prices for like products in the
region. For purposes of this subsection (c), "like
products" means contracts for renewable energy credits
from the same or substantially similar technology, same or
substantially similar vintage (new or existing), the same
or substantially similar quantity, and the same or substantially similar contract length and structure. Benchmarks shall be developed by the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor and shall be subject to Commission review and approval. If price benchmarks for like products in the region are not available, the procurement administrator shall establish price benchmarks based on publicly available data on regional technology costs and expected current and future regional energy prices. The benchmarks in this Section shall not be used to curtail or otherwise reduce contractual obligations entered into by or through the Agency prior to June 1, 2017 (the effective date of Public Act 99-906).

(E) For purposes of this subsection (c), the required procurement of cost-effective renewable energy resources for a particular year commencing prior to June 1, 2017 shall be measured as a percentage of the actual amount of electricity (megawatt-hours) supplied by the electric utility to eligible retail customers in the delivery year ending immediately prior to the procurement, and, for delivery years commencing on and after June 1, 2017, the required procurement of cost-effective renewable energy resources for a particular year shall be measured as a percentage of the actual amount of electricity
(megawatt-hours) delivered by the electric utility in the delivery year ending immediately prior to the procurement, to all retail customers in its service territory. For purposes of this subsection (c), the amount paid per kilowatthour means the total amount paid for electric service expressed on a per kilowatthour basis. For purposes of this subsection (c), the total amount paid for electric service includes without limitation amounts paid for supply, transmission, distribution, surcharges, and add-on taxes.

Notwithstanding the requirements of this subsection (c), the total of renewable energy resources procured under the procurement plan for any single year shall be subject to the limitations of this subparagraph (E). Such procurement shall be reduced for all retail customers based on the amount necessary to limit the annual estimated average net increase due to the costs of these resources included in the amounts paid by eligible retail customers in connection with electric service to no more than the greater of 2.015% of the amount paid per kilowatthour by those customers during the year ending May 31, 2007 or the incremental amount per kilowatthour paid for these resources in 2011. Beginning with the delivery year commencing June 1, 2022, the 2.015% of the amount paid per kilowatthour by those customers during the year ending May 31, 2022 is increased to 4.030%. To arrive at a
maximum dollar amount of renewable energy resources to be procured for the particular delivery year, the resulting per kilowatthour amount shall be applied to the actual amount of kilowatthours of electricity delivered, or applicable portion of such amount as specified in paragraph (1) of this subsection (c), as applicable, by the electric utility in the delivery year immediately prior to the procurement to all retail customers in its service territory. The calculations required by this subparagraph (E) shall be made only once for each delivery year at the time that the renewable energy resources are procured. Once the determination as to the amount of renewable energy resources to procure is made based on the calculations set forth in this subparagraph (E) and the contracts procuring those amounts are executed, no subsequent rate impact determinations shall be made and no adjustments to those contract amounts shall be allowed. All costs incurred under such contracts shall be fully recoverable by the electric utility as provided in this Section.

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

(i) renewable energy credits under existing contractual obligations;

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

(i-10) funding for the school solar program set forth in item (iv) of subparagraph (K) and subparagraph (K-10) of this paragraph (1):

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

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

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

(i) Notwithstanding whether a long-term renewable resources procurement plan has been approved, the Agency shall conduct an initial forward procurement for renewable energy credits from new utility-scale wind projects within 160 days after June 1, 2017 (the effective date of Public Act 99-906). For the purposes of this initial forward procurement, the Agency shall solicit 15-year contracts for delivery of 1,000,000
renewable energy credits delivered annually from new utility-scale wind projects to begin delivery on June 1, 2019, if available, but not later than June 1, 2021, unless the project has delays in the establishment of an operating interconnection with the applicable transmission or distribution system as a result of the actions or inactions of the transmission or distribution provider, or other causes for force majeure as outlined in the procurement contract, in which case, not later than June 1, 2022. Payments to suppliers of renewable energy credits shall commence upon delivery; however, for those contracts executed after the effective date of this amendatory Act of the 102nd General Assembly, payments to a supplier of renewable energy credits shall commence upon delivery and after the supplier submits proof of compliance with subsection (d-20) of this Section. Renewable energy credits procured under this initial procurement shall be included in the Agency's long-term plan and shall apply to all renewable energy goals in this subsection (c).

(ii) Notwithstanding whether a long-term renewable resources procurement plan has been approved, the Agency shall conduct an initial forward procurement for renewable energy credits from new utility-scale solar projects and brownfield site photovoltaic
projects within one year after June 1, 2017 (the
effective date of Public Act 99-906). For the purposes
of this initial forward procurement, the Agency shall
solicit 15-year contracts for delivery of 1,000,000
renewable energy credits delivered annually from new
utility-scale solar projects and brownfield site
photovoltaic projects to begin delivery on June 1,
2019, if available, but not later than June 1, 2021,
unless the project has delays in the establishment of
an operating interconnection with the applicable
transmission or distribution system as a result of the
actions or inactions of the transmission or
distribution provider, or other causes for force
majeure as outlined in the procurement contract, in
which case, not later than June 1, 2022. The Agency may
structure this initial procurement in one or more
discrete procurement events. Payments to suppliers of
renewable energy credits shall commence upon delivery;
however, for those contracts executed after the
effective date of this amendatory Act of the 102nd
General Assembly, payments to a supplier of renewable
energy credits shall commence upon delivery and after
the supplier submits proof of compliance with
subsection (d-20) of this Section. Renewable energy
credits procured under this initial procurement shall
be included in the Agency's long-term plan and shall
apply to all renewable energy goals in this subsection (c).

(iii) Subsequent forward procurements for utility-scale wind projects shall solicit at least 1,000,000 renewable energy credits delivered annually per procurement event and shall be planned, scheduled, and designed such that the cumulative amount of renewable energy credits delivered from all new wind projects in each delivery year shall not exceed the Agency's projection of the cumulative amount of renewable energy credits that will be delivered from all new photovoltaic projects, including utility-scale and distributed photovoltaic devices, in the same delivery year at the time scheduled for wind contract delivery.

(iv) If, at any time after the time set for delivery of renewable energy credits pursuant to the initial procurements in items (i) and (ii) of this subparagraph (G), the cumulative amount of renewable energy credits projected to be delivered from all new wind projects in a given delivery year exceeds the cumulative amount of renewable energy credits projected to be delivered from all new photovoltaic projects in that delivery year by 200,000 or more renewable energy credits, then the Agency shall within 60 days adjust the procurement programs in the
long-term renewable resources procurement plan to ensure that the projected cumulative amount of renewable energy credits to be delivered from all new wind projects does not exceed the projected cumulative amount of renewable energy credits to be delivered from all new photovoltaic projects by 200,000 or more renewable energy credits, provided that nothing in this Section shall preclude the projected cumulative amount of renewable energy credits to be delivered from all new photovoltaic projects from exceeding the projected cumulative amount of renewable energy credits to be delivered from all new wind projects in each delivery year and provided further that nothing in this item (iv) shall require the curtailment of an executed contract. The Agency shall update, on a quarterly basis, its projection of the renewable energy credits to be delivered from all projects in each delivery year. Notwithstanding anything to the contrary, the Agency may adjust the timing of procurement events conducted under this subparagraph (G). The long-term renewable resources procurement plan shall set forth the process by which the adjustments may be made.

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

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

(i) Within 45 days after June 1, 2017 (the effective date of Public Act 99-906), an alternative retail electric supplier or its successor shall submit an informational filing to the Illinois Commerce Commission certifying that, as of December 31, 2015, the alternative retail electric supplier owned one or more electric generating facilities that generates renewable energy resources as defined in Section 1-10 of this Act, provided that such facilities are not powered by wind or photovoltaics, and the facilities generate one renewable energy credit for each megawatt-hour of energy produced from the facility.

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

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

(iii) The alternative retail electric supplier shall notify the Agency and the applicable utility, no later than February 28 of the year preceding the applicable delivery year or 15 days after June 1, 2017 (the effective date of Public Act 99-906), whichever is later, of its election under item (ii) of this subparagraph (H) to supply renewable energy credits to retail customers of the utility. Such election shall identify the amount of renewable energy credits to be supplied by the alternative retail electric supplier to the utility's retail customers and the source of the renewable energy credits identified in the informational filing as described in item (i) of this subparagraph (H), subject to the following limitations:

For the delivery year beginning June 1, 2018, the maximum amount of renewable energy credits to be supplied by an alternative retail electric
supplier under this subparagraph (H) shall be 68% multiplied by 25% multiplied by 14.5% multiplied by the amount of metered electricity (megawatt-hours) delivered by the alternative retail electric supplier to Illinois retail customers during the delivery year ending May 31, 2016.

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

For each delivery year, the total amount of renewable energy credits supplied by all alternative retail electric suppliers under this subparagraph (H) shall not exceed 9% of the Illinois target renewable energy credit quantity. The Illinois target renewable energy credit quantity is...
energy credit quantity for the delivery year beginning
June 1, 2018 is 14.5% multiplied by the total amount of
metered electricity (megawatt-hours) delivered in the
delivery year immediately preceding that delivery
year, provided that the 14.5% shall increase by 1.5%
each delivery year thereafter to 25% by the delivery
year beginning June 1, 2025, and thereafter the 25%
value shall apply to each delivery year.

If the requirements set forth in items (i) through
(iii) of this subparagraph (H) are met, the charges
that would otherwise be applicable to the retail
customers of the alternative retail electric supplier
under paragraph (6) of this subsection (c) for the
applicable delivery year shall be reduced by the ratio
of the quantity of renewable energy credits supplied
by the alternative retail electric supplier compared
to that supplier's target renewable energy credit
quantity. The supplier's target renewable energy
credit quantity for the delivery year beginning June
1, 2018 is 14.5% multiplied by the total amount of
metered electricity (megawatt-hours) delivered by the
alternative retail supplier in that delivery year,
provided that the 14.5% shall increase by 1.5% each
delivery year thereafter to 25% by the delivery year
beginning June 1, 2025, and thereafter the 25% value
shall apply to each delivery year.
On or before April 1 of each year, the Agency shall annually publish a report on its website that identifies the aggregate amount of renewable energy credits supplied by alternative retail electric suppliers under this subparagraph (H).

(I) The Agency shall design its long-term renewable energy procurement plan to maximize the State's interest in the health, safety, and welfare of its residents, including but not limited to ensuring that the renewable energy credits procured match the load of each utility consistent with subsection (j) of this Section and in a least-cost manner, which will advance the State's goals of minimizing sulfur dioxide, nitrogen oxide, particulate matter and other pollution that adversely affects public health in this State, increasing fuel and resource diversity in this State, enhancing the reliability and resiliency of the electricity distribution system in this State, meeting goals to limit carbon dioxide emissions under federal or State law, and contributing to a cleaner and healthier environment for the citizens of this State. Therefore, in order to further these legislative purposes, renewable energy credits shall be eligible to be counted toward the renewable energy requirements of this subsection (c) if they are generated from facilities that can deliver to the purchasing utility located in this state. The Agency may qualify renewable energy credits
from facilities located in states adjacent to Illinois if
the generator demonstrates and the Agency determines that
the operation of such facility or facilities will help
promote the State's interest in the health, safety, and
welfare of its residents based on the public interest
criteria described above. To ensure that the public
interest criteria are applied to the procurement and given
full effect, the Agency's long-term procurement plan shall
describe in detail how each public interest factor shall
be considered and weighted for facilities located in
states adjacent to Illinois.

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

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

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

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

The Adjustable Block program shall include at least
the following block groups in at least the following
amounts, which may be adjusted upon review by the Agency
and approval by the Commission as described in this
subparagraph (K), all of which are subject to the
prioritization of the school solar program described in
subparagraph (K-10) of this paragraph (1):

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

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

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

(iv) Until the effective date of this amendatory Act of the 102nd General Assembly, the remaining 25% shall be allocated as specified by the Agency in the long-term renewable resources procurement plan; after the effective date of this amendatory Act of the 102nd General Assembly, such remaining 25% shall be allocated to the school solar program described in subparagraph (K-10) of this paragraph (1).

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

(K-5) Beginning immediately after the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall develop and implement a scoring system to evaluate and rank those new photovoltaic community renewable energy generation projects that are submitted under subparagraph (K) of this paragraph (1) when the number of such submissions exceeds the applicable block capacity under the Adjustable Block program. The scoring system shall be designed to ensure that renewable energy credits are procured from new photovoltaic community renewable energy generation projects in diverse geographic
locations while also maximizing the number of subscribers that can subscribe to the projects. For each such project, the Agency's scoring system shall consider, and assign a numerical point value to, each of the following factors, provided that factors (i) and (vi) shall be accorded the most weight:

(i) Population Density: This factor shall consider the population density of the township in which the project will be located and award the highest point value to those projects to be sited in townships with the highest development density.

(ii) Subscriber Proximity: This factor shall award a point value to those projects that have committed to only serve subscribers located in the same township as the project; for townships with fewer than 50,000 residents, subscribers from adjacent townships can be included to satisfy this factor.

(iii) Community Impact: This factor shall award a point value to those projects to be located in environmental justice communities, as defined by the Agency in its Long-Term Renewable Resources Procurement Plan; low-income communities, where consideration shall be given to the percentage of households that earn an income of 80% or less of the area median with projects to be located in communities where greater than 50% of households earn 80% or less
of the area median income shall be awarded the highest
point value; and Disproportionately Impacted Areas, as
defined by and identified under the Business
 Interruption Grant program offered by the Department
of Commerce and Economic Opportunity to provide
economic relief to those small businesses most
impacted by the COVID-19 pandemic.

(iv) Workforce Equity: This factor shall account
for workforce equity achievements that are reflected
in the project's workforce, including, but not limited
to, employees who are or were foster children,
 veterans, returning citizens, attendees of a Tier 1 or
Tier 2 school, as defined by subparagraph (K-10) of
this paragraph (1) or residents of a
Disproportionately Impacted Area as defined in factor
(vi) of this subparagraph (K-5). The employers of such
employees may include, but shall not be limited to,
the following: the Agency-approved entity that submits
the project application; the project's engineering,
procurement and construction firm; a supplier of the
project's components, materials and supplies; and the
project entity itself. The Agency shall award point
values based on the extent to which the project's
workforce reflects such equity achievements.

(v) Participant Savings: This factor shall account
for the extent to which the project will pass along its
savings to low-income participants, and award the highest point value to those projects that will pass along 100% of the savings to such customers. For purposes of this item (viii), "low-income" means households whose income does not exceed 80% of area median income.

(vi) Redevelopment Site: This factor shall award a point value to those projects that will be located on the site of a current or former conventional electric generating facility, which, for purposes of this subparagraph (K-5), includes coal-fired electric generating facilities, gas-fired electric generating facilities, and nuclear-fueled electric generating facilities.

(vii) Preapprenticeship Program: This factor shall account for the extent to which the project's workforce and employees include graduates of the preapprenticeship program set forth in subsection (d-20) of this Section 1-75. The employers of such employees may include, but shall not be limited to, the following: the Agency-approved entity that submits the project application; the project's engineering, procurement and construction firm; a supplier of the project's components, materials and supplies; and the project entity itself. The Agency shall award point values based on the number of such graduates that are
employed through the project's workforce.

The Agency shall assign at least one point that may be awarded under each factor, and the total point value to be awarded under the factors shall be at least 7 points. In order to be eligible to participate in an Adjustable Block program procurement for new photovoltaic community renewable energy generation projects held under subparagraph (K) of this paragraph (1), the project must receive a total score of at least 5 points from no fewer than 3 separate factors. If 2 or more projects have the same score, the Agency shall use a pay-as-bid auction among such projects to fill any remaining block capacity. However, if the size of the remaining block capacity is constrained such that it can only accommodate one or more projects below a certain size threshold, then the Agency may only consider those projects that would not exceed the remaining block capacity.

To the extent feasible and consistent with State and federal law, the Agency's implementation of this subparagraph (K-5) shall be designed to ensure that the projects selected provide employment opportunities for all segments of the population and workforce, including minority-owned, female-owned, veteran-owned, and disability-owned business enterprises, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.
(K-10) School Solar Program. Beginning on the effective date of this amendatory Act of the 102nd General Assembly, and notwithstanding anything to the contrary, the Agency's updates to its long-term renewable resources procurement plan pursuant to item (ii) of subparagraph (B) of paragraph (5) of subsection (b) of Section 16-111.5 of the Public Utilities Act shall allocate, for each applicable delivery year, at least 25% of the Adjustable Block program's available funding to the procurement of renewable energy credits from photovoltaic distributed renewable energy generation devices installed at public schools throughout the State. Such procurements shall be designed to support the installation of at least 2.5 gigawatts of photovoltaic distributed renewable energy generation devices at public schools by 2030. To ensure that the State remains on track to achieve this goal, and to relieve oversubscriptions to this program, the Agency shall allocate to a given delivery year or years more than 25% of the funding available for the Adjustable Block program for such delivery year or years. If the Agency finds that a procurement under this subparagraph (K-10) is oversubscribed such that the number of eligible projects exceeds the available funding, the Agency shall prioritize the procurement of renewable energy credits from photovoltaic distributed renewable energy generation devices installed at public schools based on a scoring
system that takes into account, and gives the highest prioritization to, the following factors:

(i) projects located within environmental justice communities or within Organizational Units that fall within Tier 1 or Tier 2, which criteria shall be given the highest of all priorities;

(ii) projects that serve greater than 90% of a school facility's electricity usage;

(iii) projects that are done in coordination with significant energy efficiency efforts; and

(iv) projects that support decarbonization of heating systems and transportation.

The Agency shall also include in such a scoring system those additional criteria from items (i) through (vii) of subparagraph (K-5) of this paragraph (1) that are reasonably helpful in advancing the goals of this subparagraph (K-10).

For purposes of this subparagraph (K-10):

"Distributed renewable energy generation device" shall have the meaning set forth in Section 1-10 of this Act, except that the 2,000 kilowatts limitation on nameplate capacity imposed by paragraph (4) of such definition shall be increased to 5,000 kilowatts;

"Environmental justice communities" shall have the meaning set forth in the Agency's Long-Term Renewable Resources Procurement Plan;
"Organization Unit", "Tier 1", and "Tier 2" shall have the meanings set forth in Section 18-8.15 of the School Code; and "Public schools" shall have the meaning set forth in Section 1-3 of the School Code.

The Agency's update to its long-term renewable resources procurement plan to incorporate the procurement described in this subparagraph (K-10) shall also include the proposed quantities or blocks, pricing, and contract terms applicable to the procurement; however, the price shall not be set at an amount that is less than $60 per renewable energy credit and the contract length shall be for 25 years. The Agency shall establish pricing and payment terms for the renewable energy credits procured pursuant to this subparagraph (K-10) that make it feasible and affordable for public schools to install photovoltaic distributed renewable energy devices on their premises, including, but not limited to, those public schools subject to the prioritization provisions of this subparagraph. In no event shall the contract payment term period extend beyond the period set forth in item (iii) of subparagraph (L) of this paragraph (1), and the Agency shall be permitted to shorten this period in order to achieve the objectives identified in this subparagraph (K-10).

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

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

(ii) For those renewable energy credits that qualify and are procured under item (i) of subparagraph (K) of this paragraph (1), the renewable energy credit purchase price shall be paid in full by the contracting utilities at the time that the facility producing the renewable energy credits is interconnected at the distribution system level of the utility and energized; however, for those contracts executed after the effective date of this amendatory Act of the 102nd General Assembly, such purchase price shall be paid in full by the contracting utilities at the time that the facility producing the renewable energy credits is interconnected at the distribution system level of the utility and energized and after the supplier submits proof of compliance with subsection (d-20) of this Section. The electric utility shall receive and retire all renewable energy credits generated by the project for the first 15 years of operation.

(iii) For those renewable energy credits that qualify and are procured under item (ii) and (iii) of
subparagraph (K) of this paragraph (1) and any
additional categories of distributed generation
included in the long-term renewable resources
procurement plan and approved by the Commission, 20
percent of the renewable energy credit purchase price
shall be paid by the contracting utilities at the time
that the facility producing the renewable energy
credits is interconnected at the distribution system
level of the utility and energized; however, for those
contracts executed after the effective date of this
amendatory Act of the 102nd General Assembly, such
purchase price shall be paid by the contracting
utilities at the time that the facility producing the
renewable energy credits is interconnected at the
distribution system level of the utility and energized
and after the supplier submits proof of compliance
with subsection (d-20) of this Section. The remaining
portion shall be paid ratably over the subsequent
4-year period. The electric utility shall receive and
retire all renewable energy credits generated by the
project for the first 15 years of operation.

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

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

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

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

The procurement of renewable energy credits under subparagraph (K-10) of this paragraph (1) shall also be subject to the contract and payment terms set forth in items (i) through (vii) of this subparagraph (L) to the
extent the terms do not conflict with the provisions or intent of subparagraph (K-10).

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

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

(N) The long-term renewable resources procurement plan required by this subsection (c) shall include a community renewable generation program. The Agency shall establish the terms, conditions, and program requirements for community renewable generation projects with a goal to expand renewable energy generating facility access to a broader group of energy consumers, to ensure robust participation opportunities for residential and small commercial customers and those who cannot install renewable energy on their own properties. Any plan approved by the Commission shall allow subscriptions to community renewable generation projects to be portable and transferable. For purposes of this subparagraph (N), "portable" means that subscriptions may be retained by the
subscriber even if the subscriber relocates or changes its address within the same utility service territory; and "transferable" means that a subscriber may assign or sell subscriptions to another person within the same utility service territory.

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

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

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

(O) For the delivery year beginning June 1, 2018, the
long-term renewable resources procurement plan required by
this subsection (c) shall provide for the Agency to
procure contracts to continue offering the Illinois Solar
for All Program described in subsection (b) of Section
1-56 of this Act, and the contracts approved by the
Commission shall be executed by the utilities that are
subject to this subsection (c). The long-term renewable
resources procurement plan shall allocate $75,000,000 5%
of the funds available under the plan for the applicable
delivery year, or $10,000,000 per delivery year, whichever
is greater, to fund the programs, and the plan shall
determine the amount of funding to be apportioned to the
programs identified in subsection (b) of Section 1-56 of
this Act; provided that for the delivery years beginning
June 1, 2017, June 1, 2021, and June 1, 2025, the long-term
renewable resources procurement plan shall allocate
$85,000,000 10% of the funds available under the plan for
the applicable delivery year, or $20,000,000 per delivery
year, whichever is greater, and $10,000,000 of such funds
in such year shall be used by an electric utility that
serves more than 3,000,000 retail customers in the State
to implement a Commission-approved plan under Section 16-108.12 of the Public Utilities Act. In making the determinations required under this subparagraph (O), the Commission shall consider the experience and performance under the programs and any evaluation reports. The Commission shall also provide for an independent evaluation of those programs on a periodic basis that are funded under this subparagraph (O).

The Agency shall be permitted to revise its long-term renewable resources procurement plan to conform its provisions to the changes made by this amendatory Act of the 102nd General Assembly and shall submit the revised plan to the Commission as a compliance filing.

(2) (Blank).

(3) (Blank).

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

(5) Beginning with the 2010 delivery year and ending June 1, 2017, an electric utility subject to this subsection (c) shall apply the lesser of the maximum alternative compliance payment rate or the most recent estimated alternative compliance payment rate for its service territory for the corresponding compliance period, established pursuant to subsection (d) of Section 16-115D of the Public Utilities Act to its retail customers that take service pursuant to the electric utility's hourly
pricing tariff or tariffs. The electric utility shall retain all amounts collected as a result of the application of the alternative compliance payment rate or rates to such customers, and, beginning in 2011, the utility shall include in the information provided under item (1) of subsection (d) of Section 16-111.5 of the Public Utilities Act the amounts collected under the alternative compliance payment rate or rates for the prior year ending May 31. Notwithstanding any limitation on the procurement of renewable energy resources imposed by item (2) of this subsection (c), the Agency shall increase its spending on the purchase of renewable energy resources to be procured by the electric utility for the next plan year by an amount equal to the amounts collected by the utility under the alternative compliance payment rate or rates in the prior year ending May 31.

(6) The electric utility shall be entitled to recover all of its costs associated with the procurement of renewable energy credits under plans approved under this Section and Section 16-111.5 of the Public Utilities Act. These costs shall include associated reasonable expenses for implementing the procurement programs, including, but not limited to, the costs of administering and evaluating the Adjustable Block program, through an automatic adjustment clause tariff in accordance with subsection (k) of Section 16-108 of the Public Utilities Act.
(7) Renewable energy credits procured from new photovoltaic projects or new distributed renewable energy generation devices under this Section after June 1, 2017 (the effective date of Public Act 99-906) must be procured from devices installed by a qualified person in compliance with the requirements of Section 16-128A of the Public Utilities Act and any rules or regulations adopted thereunder. Beginning after the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall require, prior to participating in a procurement held under this Section, that each proposed new photovoltaic project or new distributed renewable energy generation device demonstrate that the installer of such project or device is a qualified person under and in compliance with Section 16-128A and any rules adopted thereunder. Each such project or device that is selected in a procurement shall be required to certify to the Agency that it was installed by such qualified person, and the Agency shall notify the applicable electric utility of whether the project or device provided the certification. The electric utility's contract with each such project or device shall require that the utility receive notice from the Agency that the certification requirement has been met prior to the utility initiating any payment to the project or device under the contract. No payment shall be due under the contract if the project or device was not
installed by a qualified person under Section 16-128A and any rules adopted thereunder.

In meeting the renewable energy requirements of this subsection (c), to the extent feasible and consistent with State and federal law, the renewable energy credit procurements, Adjustable Block solar program, and community renewable generation program shall provide employment opportunities for all segments of the population and workforce, including minority-owned businesses, women-owned businesses, veteran-owned businesses, and businesses owned by a person with a disability and female-owned business enterprises, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.

(d) Clean coal portfolio standard.

(1) The procurement plans shall include electricity generated using clean coal. Each utility shall enter into one or more sourcing agreements with the initial clean coal facility, as provided in paragraph (3) of this subsection (d), covering electricity generated by the initial clean coal facility representing at least 5% of each utility's total supply to serve the load of eligible retail customers in 2015 and each year thereafter, as described in paragraph (3) of this subsection (d), subject to the limits specified in paragraph (2) of this subsection (d). It is the goal of the State that by January
1, 2025, 25% of the electricity used in the State shall be generated by cost-effective clean coal facilities. For purposes of this subsection (d), "cost-effective" means that the expenditures pursuant to such sourcing agreements do not cause the limit stated in paragraph (2) of this subsection (d) to be exceeded and do not exceed cost-based benchmarks, which shall be developed to assess all expenditures pursuant to such sourcing agreements covering electricity generated by clean coal facilities, other than the initial clean coal facility, by the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor and shall be subject to Commission review and approval.

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

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

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

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

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

(A) in 2010, no more than 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009;
(B) in 2011, the greater of an additional 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2010 or 1% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009;

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

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

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

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

(3) Initial clean coal facility. In order to promote development of clean coal facilities in Illinois, each electric utility subject to this Section shall execute a sourcing agreement to source electricity from a proposed clean coal facility in Illinois (the "initial clean coal facility") that will have a nameplate capacity of at least 500 MW when commercial operation commences, that has a final Clean Air Act permit on June 1, 2009 (the effective date of Public Act 95-1027), and that will meet the definition of clean coal facility in Section 1-10 of this Act when commercial operation commences. The sourcing agreements with this initial clean coal facility shall be subject to both approval of the initial clean coal facility by the General Assembly and satisfaction of the requirements of paragraph (4) of this subsection (d) and shall be executed within 90 days after any such approval.
by the General Assembly. The Agency and the Commission shall have authority to inspect all books and records associated with the initial clean coal facility during the term of such a sourcing agreement. A utility's sourcing agreement for electricity produced by the initial clean coal facility shall include:

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

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

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

(B) power purchase provisions, which shall:

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

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

(iii) require the utility party to such
sourcing agreement to buy from the initial clean
clean coal facility in each hour an amount of energy
equal to all clean coal energy made available from
the initial clean coal facility during such hour
times a fraction, the numerator of which is such
utility's retail market sales of electricity
(expressed in kilowatthours sold) in the State
during the prior calendar month and the
denominator of which is the total retail market sales of electricity (expressed in kilowatthours sold) in the State by utilities during such prior month and the sales of electricity (expressed in kilowatthours sold) in the State by alternative retail electric suppliers during such prior month that are subject to the requirements of this subsection (d) and paragraph (5) of subsection (d) of Section 16-115 of the Public Utilities Act, provided that the amount purchased by the utility in any year will be limited by paragraph (2) of this subsection (d); and

(iv) be considered preexisting contracts in such utility's procurement plans for eligible retail customers;

(C) contract for differences provisions, which shall:

(i) require the utility party to such sourcing agreement to contract with the initial clean coal facility in each hour with respect to an amount of energy equal to all clean coal energy made available from the initial clean coal facility during such hour times a fraction, the numerator of which is such utility's retail market sales of electricity (expressed in kilowatthours sold) in the utility's service territory in the State
during the prior calendar month and the
denominator of which is the total retail market
sales of electricity (expressed in kilowatthours
sold) in the State by utilities during such prior
month and the sales of electricity (expressed in
kilowatthours sold) in the State by alternative
retail electric suppliers during such prior month
that are subject to the requirements of this
subsection (d) and paragraph (5) of subsection (d)
of Section 16-115 of the Public Utilities Act,
provided that the amount paid by the utility in
any year will be limited by paragraph (2) of this
subsection (d);

(ii) provide that the utility's payment
obligation in respect of the quantity of
electricity determined pursuant to the preceding
clause (i) shall be limited to an amount equal to
(1) the difference between the contract price
determined pursuant to subparagraph (A) of
paragraph (3) of this subsection (d) and the
day-ahead price for electricity delivered to the
regional transmission organization market of the
utility that is party to such sourcing agreement
(or any successor delivery point at which such
utility's supply obligations are financially
settled on an hourly basis) (the "reference
price") on the day preceding the day on which the
electricity is delivered to the initial clean coal
facility busbar, multiplied by (2) the quantity of
electricity determined pursuant to the preceding
clause (i); and

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

(D) general provisions, which shall:

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

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

(iii) provide that all costs associated with
the initial clean coal facility will be
periodically reported to the Federal Energy
Regulatory Commission and to purchasers in
accordance with applicable laws governing
cost-based wholesale power contracts;
(iv) permit the Illinois Power Agency to assume ownership of the initial clean coal facility, without monetary consideration and otherwise on reasonable terms acceptable to the Agency, if the Agency so requests no less than 3 years prior to the end of the stated contract term;

(v) require the owner of the initial clean coal facility to provide documentation to the Commission each year, starting in the facility's first year of commercial operation, accurately reporting the quantity of carbon emissions from the facility that have been captured and sequestered and report any quantities of carbon released from the site or sites at which carbon emissions were sequestered in prior years, based on continuous monitoring of such sites. If, in any year after the first year of commercial operation, the owner of the facility fails to demonstrate that the initial clean coal facility captured and sequestered at least 50% of the total carbon emissions that the facility would otherwise emit or that sequestration of emissions from prior years has failed, resulting in the release of carbon dioxide into the atmosphere, the owner of the facility must offset excess emissions. Any
such carbon offsets must be permanent, additional, verifiable, real, located within the State of Illinois, and legally and practically enforceable. The cost of such offsets for the facility that are not recoverable shall not exceed $15 million in any given year. No costs of any such purchases of carbon offsets may be recovered from a utility or its customers. All carbon offsets purchased for this purpose and any carbon emission credits associated with sequestration of carbon from the facility must be permanently retired. The initial clean coal facility shall not forfeit its designation as a clean coal facility if the facility fails to fully comply with the applicable carbon sequestration requirements in any given year, provided the requisite offsets are purchased. However, the Attorney General, on behalf of the People of the State of Illinois, may specifically enforce the facility's sequestration requirement and the other terms of this contract provision. Compliance with the sequestration requirements and offset purchase requirements specified in paragraph (3) of this subsection (d) shall be reviewed annually by an independent expert retained by the owner of the initial clean coal facility, with the advance written approval
of the Attorney General. The Commission may, in
the course of the review specified in item (vii),
reduce the allowable return on equity for the
facility if the facility willfully fails to comply
with the carbon capture and sequestration
requirements set forth in this item (v);

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

(vii) require Commission review: (1) to
determine the justness, reasonableness, and
prudence of the inputs to the formula referenced
in subparagraphs (A)(i) through (A)(iii) of
paragraph (3) of this subsection (d), prior to an
adjustment in those inputs including, without
limitation, the capital structure and return on
equity, fuel costs, and other operations and
maintenance costs and (2) to approve the costs to
be passed through to customers under the sourcing
agreement by which the utility satisfies its
statutory obligations. Commission review shall
occur no less than every 3 years, regardless of
whether any adjustments have been proposed, and
shall be completed within 9 months;
(viii) limit the utility's obligation to such amount as the utility is allowed to recover through tariffs filed with the Commission, provided that neither the clean coal facility nor the utility waives any right to assert federal preemption or any other argument in response to a purported disallowance of recovery costs;

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

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

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

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

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

(4) Effective date of sourcing agreements with the initial clean coal facility. Any proposed sourcing agreement with the initial clean coal facility shall not become effective unless the following reports are prepared and submitted and authorizations and approvals obtained:

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

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

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

(iv) Commission review. If the General Assembly enacts authorizing legislation pursuant to subparagraph (iii) approving a sourcing agreement, the Commission shall, within 90 days of such enactment, complete a review of such sourcing agreement. During such time period, the Commission shall implement any directive of the General Assembly, resolve any disputes between the parties to the sourcing agreement concerning the terms of such agreement, approve the form of such agreement, and issue an order finding that the sourcing agreement is prudent and reasonable. The facility cost report shall be prepared as follows:

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

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

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

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

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

(C) The facility cost report shall also include an
operating and maintenance cost quote that will provide
the estimated cost of delivered fuel, personnel,
maintenance contracts, chemicals, catalysts,
consumables, spares, and other fixed and variable
operations and maintenance costs. The delivered fuel
cost estimate will be provided by a recognized third
party expert or experts in the fuel and transportation
industries. The balance of the operating and
maintenance cost quote, excluding delivered fuel
costs, will be developed based on the inputs provided
by duly licensed engineering and construction firms
performing the construction cost quote, potential
vendors under long-term service agreements and plant
operating agreements, or recognized third party plant
operator or operators.
The operating and maintenance cost quote (including the cost of the front end engineering and design study) shall be expressed in nominal dollars as of the date that the quote is prepared and shall include taxes, insurance, and other owner's costs, and an assumed escalation in materials and labor beyond the date as of which the operating and maintenance cost quote is expressed.

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

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

(5) Re-powering and retrofitting coal-fired power plants previously owned by Illinois utilities to qualify as clean coal facilities. During the 2009 procurement planning process and thereafter, the Agency and the Commission shall consider sourcing agreements covering electricity generated by power plants that were previously
owned by Illinois utilities and that have been or will be
converted into clean coal facilities, as defined by
Section 1-10 of this Act. Pursuant to such procurement
planning process, the owners of such facilities may
propose to the Agency sourcing agreements with utilities
and alternative retail electric suppliers required to
comply with subsection (d) of this Section and item (5) of
subsection (d) of Section 16-115 of the Public Utilities
Act, covering electricity generated by such facilities. In
the case of sourcing agreements that are power purchase
agreements, the contract price for electricity sales shall
be established on a cost of service basis. In the case of
sourcing agreements that are contracts for differences,
the contract price from which the reference price is
subtracted shall be established on a cost of service
basis. The Agency and the Commission may approve any such
utility sourcing agreements that do not exceed cost-based
benchmarks developed by the procurement administrator, in
consultation with the Commission staff, Agency staff and
the procurement monitor, subject to Commission review and
approval. The Commission shall have authority to inspect
all books and records associated with these clean coal
facilities during the term of any such contract.

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

(d-5) Zero emission standard.

(1) Beginning with the delivery year commencing on
June 1, 2017, the Agency shall, for electric utilities
that serve at least 100,000 retail customers in this
State, procure contracts with zero emission facilities
that are reasonably capable of generating cost-effective
zero emission credits in an amount approximately equal to
16% of the actual amount of electricity delivered by each
electric utility to retail customers in the State during
calendar year 2014. For an electric utility serving fewer
than 100,000 retail customers in this State that
requested, under Section 16-111.5 of the Public Utilities
Act, that the Agency procure power and energy for all or a
portion of the utility's Illinois load for the delivery
year commencing June 1, 2016, the Agency shall procure
contracts with zero emission facilities that are
reasonably capable of generating cost-effective zero
emission credits in an amount approximately equal to 16%
of the portion of power and energy to be procured by the
Agency for the utility. The duration of the contracts
procured under this subsection (d-5) shall be for a term
of 10 years ending May 31, 2027. The quantity of zero
emission credits to be procured under the contracts shall
be all of the zero emission credits generated by the zero
emission facility in each delivery year; however, if the
zero emission facility is owned by more than one entity,
then the quantity of zero emission credits to be procured
under the contracts shall be the amount of zero emission
credits that are generated from the portion of the zero
emission facility that is owned by the winning supplier.

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

The procurement process shall be subject to the
following provisions:

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

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

(ii) the amount of power generated annually
for each of the years 2005 through 2015, and the
projected zero emission credits to be generated
over the remaining useful life of the zero
emission facility, which shall be used to
determine the capability of each facility;
(iii) the annual zero emission facility cost projections, expressed on a per megawatthour basis, over the next 6 delivery years, which shall include the following: operation and maintenance expenses; fully allocated overhead costs, which shall be allocated using the methodology developed by the Institute for Nuclear Power Operations; fuel expenditures; non-fuel capital expenditures; spent fuel expenditures; a return on working capital; the cost of operational and market risks that could be avoided by ceasing operation; and any other costs necessary for continued operations, provided that "necessary" means, for purposes of this item (iii), that the costs could reasonably be avoided only by ceasing operations of the zero emission facility; and

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

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

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

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

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

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

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

   (bb) Projected capacity prices:

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

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

For purposes of this subsection (d-5):

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

"RTO" means regional transmission organization.

(C) No later than 45 days after June 1, 2017 (the effective date of Public Act 99-906), the Agency shall publish its proposed zero emission standard procurement plan. The plan shall be consistent with the provisions of this paragraph (1) and shall provide that winning bids shall be selected based on public interest criteria that include, but are not limited to, minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the citizens of this State. In particular, the selection of winning bids shall take into account the incremental environmental benefits resulting from the procurement, such as any existing environmental benefits that are preserved by the procurements held under Public Act 99-906 and would cease to exist if the procurements were not held, including the preservation of zero emission
facilities. The plan shall also describe in detail how each public interest factor shall be considered and weighted in the bid selection process to ensure that the public interest criteria are applied to the procurement and given full effect.

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

Upon publishing of the zero emission standard procurement plan, copies of the plan shall be posted and made publicly available on the Agency's website. All interested parties shall have 10 days following the date of posting to provide comment to the Agency on the plan. All comments shall be posted to the Agency's website. Following the end of the comment period, but no more than 60 days later than June 1, 2017 (the effective date of Public Act 99-906), the Agency shall revise the plan as necessary based on the comments received and file its zero emission standard procurement plan with the Commission.

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

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

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

(ii) specifically address how the selection of
winning bids takes into account the incremental
environmental benefits resulting from the
procurement, including any existing environmental
benefits that are preserved by the procurements held under Public Act 99-906 and would have ceased to exist if the procurements had not been held, such as the preservation of zero emission facilities;

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

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

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

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

(II) the price, or if there is more than one price, the average of the prices, paid for renewable energy credits from new utility-scale solar projects and brownfield site photovoltaic projects in the procurement events specified in item (ii) of subparagraph (G) of paragraph (1) of subsection (c) of this Section and, after January 1, 2015, renewable energy credits from photovoltaic distributed generation projects in procurement events held under subsection (c) of this Section.

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

The procurement described in this subsection (d-5), including, but not limited to, the execution of all contracts procured, shall be completed no later than May 10, 2017. Based on the effective date of Public Act 99-906, the Agency and Commission may, as appropriate, modify the various dates and timelines under this subparagraph and subparagraphs (C) and (D) of this paragraph (1). The procurement and plan
approval processes required by this subsection (d-5) shall be conducted in conjunction with the procurement and plan approval processes required by subsection (c) of this Section and Section 16-111.5 of the Public Utilities Act, to the extent practicable. Notwithstanding whether a procurement event is conducted under Section 16-111.5 of the Public Utilities Act, the Agency shall immediately initiate a procurement process on June 1, 2017 (the effective date of Public Act 99-906).

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

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

   (i) A zero emission facility shall be excuse from its performance under the contract for any
cause beyond the control of the resource, including, but not restricted to, acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, acts of public enemy, explosions, orders, regulations or restrictions imposed by governmental, military, or lawfully established civilian authorities, which, in any of the foregoing cases, by exercise of commercially reasonable efforts the zero emission facility could not reasonably have been expected to avoid, and which, by the exercise of commercially reasonable efforts, it has been unable to overcome. In such event, the zero emission facility shall be excused from performance for the duration of the event, including, but not limited to, delivery of zero emission credits, and no payment shall be due to the zero emission facility during the duration of the event.

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

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

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

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

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

Notwithstanding the requirements of this subsection (d-5), the contracts executed under this subsection (d-5) shall provide that the total of zero emission credits procured under a procurement plan shall be subject to the limitations of this paragraph (2). For each delivery year, the contractual volume receiving payments in such year shall be reduced for all retail customers based on the amount necessary to limit the net increase that delivery year to the costs of those credits included in the amounts paid by eligible retail customers in connection with electric service to no more than 1.65% of the amount paid per kilowatthour by eligible retail customers during the year ending May 31, 2009. The result of this computation shall apply to and reduce the procurement for all retail customers, and all those customers shall pay the same single, uniform cents per kilowatthour charge under subsection (k) of Section 16-108 of the Public Utilities Act. To arrive at a maximum dollar amount of zero emission
credits to be paid for the particular delivery year, the resulting per kilowatthour amount shall be applied to the actual amount of kilowatthours of electricity delivered by the electric utility in the delivery year immediately prior to the procurement, to all retail customers in its service territory. Unpaid contractual volume for any delivery year shall be paid in any subsequent delivery year in which such payments can be made without exceeding the amount specified in this paragraph (2). The calculations required by this paragraph (2) shall be made only once for each procurement plan year. Once the determination as to the amount of zero emission credits to be paid is made based on the calculations set forth in this paragraph (2), no subsequent rate impact determinations shall be made and no adjustments to those contract amounts shall be allowed. All costs incurred under those contracts and in implementing this subsection (d-5) shall be recovered by the electric utility as provided in this Section.

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

(3) Six years after the execution of a contract under
this subsection (d-5), the Agency shall determine whether
the actual zero emission credit payments received by the
supplier over the 6-year period exceed the Average ZEC
Payment. In addition, at the end of the term of a contract
executed under this subsection (d-5), or at the time, if
any, a zero emission facility's contract is terminated
under subparagraph (E) of paragraph (1) of this subsection
(d-5), then the Agency shall determine whether the actual
zero emission credit payments received by the supplier
over the term of the contract exceed the Average ZEC
Payment, after taking into account any amounts previously
credited back to the utility under this paragraph (3). If
the Agency determines that the actual zero emission credit
payments received by the supplier over the relevant period
exceed the Average ZEC Payment, then the supplier shall
credit the difference back to the utility. The amount of
the credit shall be remitted to the applicable electric
utility no later than 120 days after the Agency's
determination, which the utility shall reflect as a credit
on its retail customer bills as soon as practicable; howeover, the credit remitted to the utility shall not
exceed the total amount of payments received by the
facility under its contract.

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

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

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

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

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

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

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

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

(d-9) Findings related to changes made by this amendatory Act of the 102nd General Assembly.

(1) Findings. The General Assembly finds that:

(A) the health, welfare, and prosperity of all Illinois citizens require that the State of Illinois act to avoid and not increase carbon emissions from electric generation sources while continuing to ensure affordable, stable, and reliable electricity to all citizens;

(B) climate changes threaten all of Illinois' residents and communities, due to effects ranging from more frequent flooding to rising temperatures and increasingly severe weather;

(C) in light of those challenges, the State must transition to a clean energy future and put itself on a path toward 100% clean energy by 2030;

(D) in furtherance of this target, it is also a goal of the State that 100% of the capacity procured
for retail customers shall be sourced from clean energy resources by 2035;

(E) to ensure that Illinois' clean energy investments are designed to achieve the State's clean energy goals while maximizing the environmental and health benefits to Illinoisans, it is critical that the State procure clean energy attributes from clean energy resources capable of producing clean energy at times of day that correspond to the pattern of retail electric consumption; otherwise, production by clean energy resources will not replace production by fossil generation, contrary to Illinois' environmental goals;

(F) Illinois' clean energy goals, plans, and procurements must account for the differences between the northern and southern regions of the State, including, but not limited to, geography, population density, patterns of electric usage, and the mix of generation resources in the respective regions;

(G) no regional or nationwide program currently imposes a carbon price on all electricity consumed by Illinois's retail electric customers, resulting in economic incentives that are inadequate to preserve existing clean energy resources or construct new clean energy resources on the scale that is required for the State to meet its climate change and environmental goals in either region of the State;
(H) a State level carbon price is worthy of further study but its efficacy may be limited;

(I) although a regional or nationwide carbon pricing regime may be enacted in the future, the urgency of the clean energy and carbon emissions challenge requires action now to recognize the carbon mitigation value that existing and new clean energy resources provide to the State;

(J) existing zero emission facilities are among the most reliable sources of clean energy and, because they do not depend on intermittent weather conditions to produce, these facilities can reliably generate carbon-free electricity during all hours of the day, resulting in a close correspondence with the pattern of retail electric consumption;

(K) existing clean energy resources currently provide the northern region of the State the ability to achieve greater than a 90% match between customer load and clean generation on an hourly basis;

(L) absent immediate action by the State to preserve existing clean energy resources, those resources may retire, new clean energy resources may not be built, and the electric generation needs of Illinois' retail customers may be met instead by facilities that emit significant amounts of carbon pollution and other harmful air pollutants at a high
social and economic cost;

(M) these outcomes would create a significant and imminent risk that the State will materially regress from its current ability to achieve greater than a 90% match between customer load and clean generation, and further halt any progress toward achieving the State's 100% clean energy goals by 2030;

(N) the State can avoid the health, environmental, economic risks to Illinois families and businesses that would result from inaction while still taking steps to ensure that the electric retail rates paid by Illinois customers are affordable and stable;

(O) the State has successfully balanced the objectives of environmental and climate progress with retail-rate affordability and stability in its implementation of existing clean energy and emissions avoidance programs such as the zero emission credit program and renewable portfolio standard program set forth in Section 1-75 of the Illinois Power Agency Act;

(P) the zero emission credit program is presently limited to an amount approximately equal to 16% of the power and energy to be procured by the Illinois Power Agency for electric utilities that serve at least 100,000 retail customers in this State and the renewable portfolio standard is presently limited to
procuring cost-effective renewable energy resources equal to a minimum of 25% of electric utility retail load by June 1, 2025, which are inadequate in size to meet the State's present challenges;

(Q) building upon the example and success of these programs, implementing a carbon mitigation credit program is necessary in advance of any regional or national action on carbon pricing; and

(R) it is in the immediate interest of the People of the State of Illinois for the State to exercise its rights under federal and State law to preserve existing clean energy resources and encourage the development of new clean energy resources while protecting electric retail customers from future increases in retail rates and retail-rate instability that will result in the absence of State action.

(2) Policy. Consistent with its findings, the General Assembly declares that it is the policy of the State of Illinois that:

(A) the carbon emissions resulting from retail electric service in Illinois should not increase while efforts to form a regional or nationwide carbon pricing regime continue;

(B) the State should act to avoid a major setback to its climate and environmental goals that would result from the retirement of existing clean energy
facilities;

(C) the State should preserve and build upon the successes of the zero emission credit program and renewable portfolio standard program set forth in Section 1-75 of the Illinois Power Agency Act;

(D) the State should encourage the continued operation of clean and zero emission electric generation resources that minimize the carbon dioxide emissions that result from electricity consumed in Illinois and minimize sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the citizens of this State;

(E) the State's programs and procurements to mitigate carbon emissions, such as the carbon mitigation credit program, should prioritize the preservation of those existing clean energy resources that are most capable of reliably generating power consistently throughout all hours of the day to best match the customers' usage patterns reflected in each electric utility's load shape so that the resources that are preserved are resources that are capable of operating at the time that customers' load occurs;

(F) the retail customer protection mechanisms implemented as part of the carbon mitigation credit program should protect retail customers against retail price increases that may result from the
implementation of a regional or nationwide carbon
price, and should promote electric retail-rate
stability, predictability, and affordability for the
benefit of the State's retail customers;

(G) the State should also ensure that its carbon
mitigation credit program, as well as other
initiatives to reduce carbon emissions, are designed
to provide retail customers with the most benefits and
value at the lowest cost, which includes, but is not
limited to, ensuring that generation resources
receiving State support are capable of meeting
customer demand reliably throughout all hours of the
day;

(H) the State should require that carbon
mitigation credits be cost-effective and that their
cost not exceed price benchmarks for like products or
the amounts paid by eligible retail customers for
renewable energy resource procurements; and

(I) the carbon mitigation credit program should
work in harmony with all State and federal
requirements imposed on electric utilities and
electric generating facilities.

(d-10)(1) In order to promote the State's transition to a
clean energy economy while also mitigating the potential for
retail-rate instability associated with initiating the
regulation of carbon emissions, and notwithstanding any other
provision of this Act or the Public Utilities Act, each electric utility that serves more than 3,000,000 retail customers in this State shall enter into contracts with clean energy resources that are procured by the Agency and approved by the Commission pursuant to this subsection (d-10). The Agency shall conduct procurement events to procure contracts with clean energy resources that are reasonably capable of generating cost-effective carbon mitigation credits in the amounts identified in this subsection (d-10). Such contracts shall also include the retail customer protections described in this subsection (d-10), including, but not limited to, those set forth in paragraphs (3), (3.5), and (8) of this subsection (d-10) to mitigate retail-rate increases that may otherwise result from the regulation of carbon emissions. The contracts shall be entered into as the result of a competitive procurement event or events, and, to the extent that any provisions of this Act or Section 16-111.5 of the Public Utilities Act do not conflict with this subsection (d-10), such provisions shall apply to the procurement event or events.

Beginning with the delivery year commencing June 1, 2022, the Agency shall seek to procure approximately 74,000,000 cost-effective carbon mitigation credits, which is needed to maintain current levels of clean energy generation and to ensure 100% clean energy by 2030.

For purposes of this Section:
"Carbon mitigation credit" means a tradable credit that represents the carbon emission reduction attributes of one megawatt-hour of energy produced from a clean energy resource.

"Clean energy resource" means renewable energy resources interconnected to PJM Interconnection, LLC, and zero emission facilities interconnected to PJM Interconnection, LLC.

(1.5) This paragraph (1.5) applies to each electric utility that serves more than 3,000,000 retail customers in the State. No later than 36 months prior to the termination date of the contract or contracts executed by such electric utility for the purchase of zero emission credits under subsection (d-5) of this Section, the Agency shall be permitted to timely conduct an additional procurement or procurements under this subsection (d-10) to procure approximately 11,600,000 carbon mitigation credits. Such procurement or procurements for carbon mitigation credits shall be subject to the requirements of this subsection (d-10) to the extent practicable, and the contracts for such carbon mitigation credits shall be designed to commence, and require delivery beginning, immediately after the termination date of the contracts executed pursuant to subsection (d-5) of this Section.

(2) Each clean energy resource that intends to participate in a procurement shall be required to demonstrate financial need, which shall be accomplished by submitting to the Agency the following information for the resource on or before the
date established by the Agency:

(A) the in-service date and remaining useful life of the clean energy resource;

(B) the amount of power generated annually for each of the past 10 years, which shall be used to determine the capability of each facility;

(C) the clean energy resource's annual cost projections, expressed on a per megawatt-hour basis, over the next 4 delivery years, which shall include the following, as applicable: operation and maintenance expenses; fully allocated overhead costs, which, for clean energy resources that are zero emission facilities, shall be allocated using the methodology developed by the Institute for Nuclear Power Operations; fuel expenditures; nonfuel capital expenditures; spent fuel expenditures; a return on working capital; the cost of operational and market risks that could be avoided by ceasing operation; and any other costs necessary for continued operations, provided that "necessary" means, for purposes of this subparagraph (C), that the costs could reasonably be avoided only by ceasing operations of the clean energy resource;

(D) the clean energy resource's annual revenue projections, expressed on a per megawatt-hour basis, over the next 4 delivery years, which shall include the following categories, as applicable: energy; capacity;
ancillary services; renewable energy credits; zero
emission credits; and the benefits of production tax
credits and investment tax credits; and

(E) a commitment to continue operating, for the
duration of the contract or contracts executed under the
procurement held under this subsection (d-10), the clean
energy resource that is the subject of the contract,
except in the event of force majeure or catastrophic
equipment failure.

Eligible resources must have an in-service date no later
than the date established by the Agency for the data
submission required by this paragraph (2).

The information described in subparagraph (C) of this
paragraph (2) may be submitted on a confidential basis and
shall be treated and maintained by the Agency, the procurement
administrator, and the Commission as confidential and
proprietary and exempt from disclosure under subparagraphs (a)
and (g) of paragraph (1) of Section 7 of the Freedom of
Information Act. The Office of Attorney General shall have
access to, and maintain the confidentiality of, such
information pursuant to Section 6.5 of the Attorney General
Act.

No later than 14 days after a clean energy resource
submits the information required by subparagraphs (A) through
(E) of this paragraph (2), the Agency shall notify the
resource of whether it is eligible to participate in the
procurement based on the requisite showing of financial need.

(3) The Agency shall solicit bids for the contracts described in this subsection (d-10) from clean energy resources authorized to participate in a procurement as determined under paragraph (2) of this subsection (d-10). The contracts procured pursuant to a procurement event shall reflect, and be subject to, the following terms, requirements, and limitations:

(A) Except as provided in paragraph (8) or (9) of this subsection (d-10), contracts shall extend for a term of 10 delivery years.

(B) The contracts are not energy or capacity sales contracts requiring physical delivery; contracts shall only require delivery of carbon mitigation credits.

(C)(i) The price-per-megawatt-hour to be paid under a contract for a given delivery year shall be equal to an accepted bid price less the sum of:

(aa) the energy price for the PJM Interconnection, LLC, Northern Illinois Hub; and

(bb) the Base Residual Auction capacity price for the ComEd zone as determined by PJM Interconnection, LLC, divided by 24 hours per day.

(ii) However, after the first 2 delivery years under the contract, the value used in subitem (bb) of item (i) of this subparagraph (C) shall be zero for any delivery year in which the following 2 conditions are met during that
delivery year:

(aa) PJM Interconnection, LLC applies the Minimum Offer Price Rule to state-subsidized resources that are selling environmental attributes; and

(bb) the State has not adopted and implemented a PJM Interconnection, LLC Fixed Resource Requirement Alternative.

(D) If the price-per-megawatt-hour calculation performed under subparagraph (C) of this paragraph (3) for a given delivery month results in a net positive value, then the electric utility counterparty to the contract shall multiply such net value by the applicable contract quantity and remit the amount to the supplier. If such calculation does not result in a net positive value, the contract payment or payments will be determined according to paragraph (8) of this subsection (d-10).

(3.5) Notwithstanding the provisions of this subsection (d-10), the Agency shall calculate a price-per-megawatt-hour value that reflects, and is derived from, the current forecasted market price of energy plus a portion of the societal costs and harms borne by Illinoisans as a result of carbon and other harmful emissions, and the Agency shall not accept bids for the first delivery year of contracts executed pursuant to paragraph (3) of this subsection (d-10) that exceed such value. Following the first delivery year of the contract, the calculation performed under this paragraph (3.5)
shall be subject to a 2% price escalator for each subsequent year of the contract term.

(4) Costs incurred by the electric utility pursuant to a contract authorized by this subsection (d-10) shall be deemed prudently incurred and reasonable in amount, and the electric utility shall be entitled to full cost recovery pursuant to a tariff or tariffs filed with the Commission.

(5) No later than 45 days after the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall publish its proposed carbon mitigation procurement plan. The Plan shall provide that winning bids shall be selected by taking into consideration which resources best match customers' usage patterns as reflected in the utility's load shape and based on public interest criteria that include, but are not limited to, minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the citizens of this State. The selection of winning bids shall also take into account the incremental environmental benefits resulting from the procurement or procurements, such as any existing environmental benefits that are preserved by a procurement held under this subsection (d-10) and would cease to exist if the procurement were not held, including the preservation of clean energy resources. For those bidders having the same public interest criteria score, the relative ranking of such
bidders shall be determined by price. The plan shall describe in detail how each public interest factor shall be considered and weighted in the bid selection process to ensure that the public interest criteria are applied to the procurement.

Upon publishing of the carbon mitigation procurement plan, copies of the plan shall be posted and made publicly available on the Agency's website. All interested parties shall have 10 days following the date of posting to provide comment to the Agency on the plan. All comments shall be posted to the Agency's website. Following the end of the comment period, but no more than 60 days later than the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall revise the plan as necessary based on the comments received and file its carbon mitigation procurement plan with the Commission.

If the Commission determines that the plan is likely to result in the procurement of cost-effective carbon mitigation credits, then the Commission shall, after notice and hearing, but no later than 45 days after the Agency filed the plan, approve the plan or approve it with modification. For purposes of this subsection (d-10), "cost-effective" means carbon mitigation credits that are procured from clean energy resources at prices that are within the limits specified in paragraphs (3) and (3.5) of this subsection.

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

(A) identify how the winning bids match customers' usage patterns as reflected in the utility's load shape and satisfy the public interest criteria of minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the citizens of this State;

(B) identify how the winning bids provide incremental environmental benefits resulting from the procurement, including any existing environmental benefits that are preserved by a procurement held under this amendatory Act of the 102nd General Assembly and would have ceased to exist if the procurement had not been held, such as the preservation of clean energy resources;

(C) quantify the environmental benefit of preserving the resources identified in subparagraph (B) of this paragraph (6), including the following:

   (i) the value of avoided greenhouse gas emissions measured as the product of the clean energy resources' output over the contract term multiplied by the U.S. Environmental Protection Agency eGrid subregion carbon dioxide emission rate and the U.S. Interagency Working Group on Social Cost of Carbon's price in the August 2016 Technical Update using a 3% discount rate, adjusted for inflation for each delivery year; and
(ii) the costs of replacement with other clean energy resources, including wind, photovoltaic, and storage.

(7) The initial procurement described in this subsection (d-10) for the delivery year commencing June 1, 2022, including, but not limited to, the execution of all contracts procured, shall be completed no later than November 20, 2021. Based on the effective date of this amendatory Act of the 102nd General Assembly, the Agency and Commission may, as appropriate, modify the various dates and timelines under this subsection (d-10) to ensure compliance with the contract execution deadline set forth in this paragraph (7). The procurement and plan approval processes required by this subsection (d-10) shall be conducted in conjunction with the procurement and plan approval processes required by subsection (c) of this Section and Section 16-111.5 of the Public Utilities Act, to the extent practicable. Notwithstanding whether a procurement event is conducted under Section 16-111.5 of the Public Utilities Act, the Agency shall immediately initiate a procurement process on the effective date of this amendatory Act of the 102nd General Assembly.

(8) To protect retail customers from retail-rate instability that may arise upon the initiation of carbon emissions regulation, if the price-per-megawatt-hour calculation performed under subparagraph (C) of paragraph (3) of this subsection (d-10) for a given delivery month results
in a net negative value, then the supplier counterparty to the contract shall multiply such net value by the applicable contract quantity and remit such amount to the electric utility counterparty. The electric utility shall reflect such amounts remitted by suppliers as a credit on its retail customer bills as soon as practicable.

Prior to May 31 of the ninth delivery year of a given contract, the Agency shall determine, for each contract, if retail customers have received cumulative bill credits under this paragraph (8) in an amount that is at least equal to the cumulative payments such customers have funded under subparagraph (D) of paragraph (3) of this subsection (d-10). If the amount of such bill credits is at least equal to the amount of such payments, then the contract will terminate after May 31 of the tenth delivery year, pursuant to its terms. If the amount of such bill credits is less than the amount of such payments and the contract price is expected to be less than the amounts subtracted under subitems (aa) and (bb) of item (i) of subparagraph (C) of paragraph (3) of this subsection (d-10) for the subsequent delivery year, then the contract term will automatically be extended for one delivery year, and the Agency shall again perform the calculations described in this paragraph (8) prior to May 31 of the tenth delivery year in order to determine whether such bill credits are at least equal to such costs. This one-year extension process shall continue until such time that the bill credits
are at least equal to such costs, at which time the contract will terminate at the end of the one-year extension period. Notwithstanding the provisions of this paragraph (8), in no event shall the total contract term exceed 15 years or, in the case of a zero emission facility, the duration of its operating license from the Nuclear Regulatory Commission.

(9) No later than 24 months prior to the Base Residual Auction for the delivery year commencing June 1, 2030, the Agency shall review and assess the current state of law, policy, and the economics of new clean energy resources to evaluate whether an extension of the contract term for those contracts procured in the first procurement event held under this subsection (d-10) would be the most cost-effective way to achieve Illinois' carbon reduction and cost reduction goals for subsequent delivery years. Should the Agency determine an extension is its preferred way to achieve the goals, the Agency shall propose such extension to the Commission in its annual procurement plan and, if approved, shall direct the utility to offer contract extensions.

(10) The provisions of this paragraph (10) apply to each electric utility that serves less than 3,000,000 retail customers but more than 100,000 retail customers in the State. Beginning 24 months prior to the termination date of the contract or contracts executed by such electric utility for the purchase of zero emission credits under subsection (d-5) of this Section, the Agency shall be permitted to timely
conduct an additional procurement or procurements under this subsection (d-10) to procure approximately 9,000,000 carbon mitigation credits. Such procurement or procurements for carbon mitigation credits shall be subject to the requirements of this subsection (d-10) to the extent practicable, and the contracts for such carbon mitigation credits shall be designed to commence, and require delivery beginning, immediately after the termination date of the contracts executed pursuant to subsection (d-5) of this Section. The Agency shall procure contracts for carbon mitigation credits pursuant to this paragraph (10) if it concludes, after review and assessment of the current state of law, policy, and the economics of new clean energy resources, that such procurement would be a cost-effective way to achieve Illinois' carbon reduction and cost reduction goals for subsequent delivery years. For purposes of this paragraph (10), and notwithstanding anything to the contrary, "carbon mitigation credit" means a tradable credit that represents the carbon emission reduction attributes of one megawatt-hour of energy produced from a renewable energy resource interconnected to Midcontinent Independent System Operator, Inc. or a zero emission facility interconnected to Midcontinent Independent System Operator, Inc.

(d-15)(1) The General Assembly finds and declares that all citizens of the State should benefit from the implementation and achievement of the State's clean energy policies, goals,
and procurements described in this amendatory Act of the 102nd
General Assembly. The General Assembly recognizes that
although the transition to a clean energy future will benefit
all Illinoisans, the transition has required, and will
continue to require, investment from Illinoisans, which is
typically made through the payment of various charges included
on their electric utility bills. The General Assembly further
recognizes that this investment has increased over the past
decade in step with the State's escalating clean energy
targets, which are reflected in Illinois' energy efficiency
portfolio standard, renewable energy portfolio standard, zero
emission portfolio standard, and any other procurements of
clean energy attributes conducted by the Agency on behalf of
electric utilities.

Because monthly utility bills often comprise a higher
percentage of low-income and moderate-income households' monthly budgets compared to other households, the General Assembly further finds that the increased costs associated with the transition to clean energy can be particularly difficult for these households to absorb. To ensure that Illinois' transition to a clean energy future does not adversely impact the State's low-income and moderate-income citizens in a disproportionate manner, the General Assembly finds and declares that electric utilities should be permitted to implement measures designed to address that inequity.

(2) Each electric utility that serves more than 500,000
retail customers in the State shall be permitted, at the utility's election, to prepare and administer a clean energy equity plan that conforms to the requirements of this paragraph (2). Each plan shall be implemented on a calendar year basis, and shall be designed to use 95% of the funds projected to be deposited into the account established pursuant to paragraph (5) of this subsection (d-15) and available during the applicable year to provide the following assistance:

(A) 75% of the funds shall be used to provide assistance to residential retail customers as follows:

   (i) The funds shall first be used by the electric utility to assist low-income and moderate-income retail customers through the Supplemental Arrearage Reduction Program authorized under paragraph (5.5) of subsection (c) of Section 18 of the Energy Assistance Act. Notwithstanding the provisions of such paragraph, the electric utility shall be permitted to modify and expand the eligibility and participation terms set forth in such paragraph for the purposes of using the additional funding available pursuant to this paragraph (2) and maximizing the Program's reach and effectiveness, including, but not limited to, an expansion of assistance that would increase the number of low-income and moderate-income families receiving bill credits that reduce or eliminate their utility
bill arrearages. These credits will provide a path for the utility's most vulnerable customers to become current on their utility bills, which also benefits all of the utility's customers through the reduction of uncollectible expense associated with unpaid arrearages.

(ii) If a portion of the funds allocated to item (i) of this subparagraph (A) remains unspent after the close of a calendar year, then the utility shall remit such portion to the Department of Revenue for deposit in the Supplemental Low-Income Energy Assistance Fund, which shall be used to provide additional funding to the utility's Percentage of Income Payment Plan implemented pursuant to Section 18 of the Energy Assistance Act.

(B) 25% of the funds shall be used for small commercial retail customers and retail customers that are not-for-profit organizations, as follows:

(i) The utility may establish general assistance programs, including, but not limited to, arrearage reduction programs, and the details of the program or programs shall be set forth in one or more tariffs filed with the Commission.

(ii) If a portion of the funds allocated to item (i) of this subparagraph (B) remains unspent after the close of a calendar year, then the utility shall use
such portion to increase the funding under item (i) of
subparagraph (A) of this paragraph (2).

For purposes of this subsection (d-15), "small commercial
retail customer" means a nonresidential retail customer of an
electric utility that has a maximum demand of no more than 100
kilowatts; however, if the utility projects, by August 31 of a
given year, that the annual funding available under this
subparagraph (B) will not be fully used, then the utility may
increase such maximum demand limitation to no more than 400
kilowatts.

The utility may coordinate with Local Administrative
Agencies, as defined in Section 18 of the Energy Assistance
Act, to notify and enroll customers in the programs and
funding described in this paragraph (2).

(3) An electric utility that elects to develop and
implement the plan described in paragraph (2) of this
subsection (d-15) shall be permitted to establish the amount
of funding to be available under the plan during a given year,
provided that such amount does not exceed $30,000,000 per year
for a utility that serves more than 3,000,000 retail customers
in the State and $15,000,000 per year for a utility that serves
less than 3,000,000 retail customers but more than 500,000
retail customers in the State.

(4)(A) Nothing in this Act, the Public Utilities Act, or
any other law of this State shall preclude or prevent an
electric utility that is subject to the procurement required
by subsection (d-10) of this Section from negotiating or
requiring terms in new contracts executed with winning bidders
under which those winning bidder counterparties fund the plans
described in paragraph (2) of this subsection (d-15) in an
amount up to $0.32 per megawatt-hour procured from clean
energy resources; however, the generation resource that is the
subject of the contract must have a nameplate capacity that is
greater than 2,000 kilowatts.

(B) If an electric utility elects to include the contract
terms described in subparagraph (A) of this paragraph (4),
then the contracts shall specify that the money owed by
winning bidder counterparties pursuant to such terms shall be
allocated, on an annual basis, to those electric utilities
that elect to administer a clean energy equity plan pursuant
to paragraph (2) of this subsection (d-15). The electric
utility counterparty to the contracts shall also specify in
such contracts an equitable allocation methodology to be used
for annually apportioning such money to those electric
utilities administering plans pursuant to such paragraph (2)
based on the number of retail customers served by each utility
that elects to administer a clean energy equity plan pursuant
to such paragraph (2).

(C) If an electric utility elects to include the contract
terms described in subparagraph (A) of this paragraph (4),
then the contracts shall also address the mechanism or
mechanisms by which the money allocated to funding the plans
will be transferred or deposited into the account or accounts of each utility established pursuant to paragraph (5) of this subsection (d-15). For an electric utility that is the counterparty to a contract, this mechanism may include, but is not limited to, the utility depositing the plan funding amounts due, and allocated to it, under the contract and reducing, by the same amount, the payments otherwise due to the winning bidder under the contract. The mechanism selected for a given contract, including, but not limited to, any transfers, deposits, or reductions in payments thereunder, shall not reduce, or otherwise impact, the total contract cost to be recovered from retail customers.

(D) It shall not be imprudent or unreasonable for an electric utility to include the plan funding contract terms authorized by subparagraph (A) of this paragraph (4) in contracts executed pursuant to subsection (d-10) of this Section, and such inclusion shall not be a basis for the Commission to disallow the recovery of any or all of the contract cost from retail customers, even though such a contract term may result in a higher cost than the electric utility or customers otherwise would pay.

Notwithstanding the provisions of this paragraph (4), nothing in this Section prohibits the utility from seeking Commission approval to also recover amounts that exceed the values set forth in subparagraph (A) of this paragraph (4).

(E) If an electric utility elects to require the contract
term or terms authorized by this paragraph (4), it shall notify the Agency to include the term or terms in the applicable request for proposals. The electric utility and Agency shall coordinate expeditiously to implement the utility's elections, and the Agency shall not impede such implementation.

(5) Each electric utility shall deposit into a separate interest bearing account of a financial institution the amounts allocated or received under this subsection (d-15) for the purpose of funding and administering the plan described in paragraph (2) of this subsection (d-15). The electric utility shall be reimbursed from the account for the administrative costs that it incurs to administer and manage the account. Any taxes due on the funds in the account, or the interest earned on it, will be paid from the account. The money in this account shall not be subject to appropriation.

(6) No later than 90 days after the close of each year during which a plan authorized by paragraph (2) of this subsection (d-15) was in effect and implemented, each electric utility subject to the requirements of this subsection (d-15) shall submit a report to the Commission identifying the following for the immediately preceding year: (i) the total funds available to fund the plan, including the amounts deposited into the account established under paragraph (5) of this subsection (d-15); (ii) the interest earned on the account; (iii) the administrative fees and taxes paid from the
account; (iv) descriptions of the programs offered, and
amounts disbursed, under paragraph (2) of this subsection
(d-15); and (v) the planned disposition of any funds not fully
disbursed during the year and, if applicable, any prior years.

(7) If any provision within this subsection (d-15) is
found by a court of competent jurisdiction to be invalid,
illegal or unenforceable, the remaining provisions of this
amendatory Act of the 102nd General Assembly shall not in any
way be affected or impaired.

(d-16)(1) The General Assembly finds and declares that it
is critical that the State provide support for the transition
of Illinois' communities and workers impacted or displaced by
the implementation and achievement of clean energy policies,
goals, and procurements, including those described in this
amendatory Act of the 102nd General Assembly. While this
transition to a clean energy future is vital to protecting the
health, safety, and economic security of all Illinoisans, the
General Assembly recognizes that it is necessary to implement
a variety of measures to attract new businesses to these
communities, offer training for impacted workers, and provide
economic support for impacted communities and workers during
this transition period. These new measures are set forth in
the Energy Community Reinvestment Act and Empowerment Zone Tax
Credit Act of this amendatory Act of the 102nd General
Assembly, and the General Assembly finds and declares that
electric utilities should be permitted to implement the
provisions of this subsection (d-16) to support these efforts.

(2)(A) Nothing in this Act, the Public Utilities Act, or any other law of this State shall preclude or prevent an electric utility that is subject to the procurements required by subsection (c) of this Section from negotiating or requiring terms in new contracts executed with winning bidders under which those winning bidder counterparties fund the Energy Community Reinvestment Fund in amounts to be determined in coordination with the Agency and Department of Commerce and Economic Opportunity; however, those renewable energy resources that are the subject of the contracts, other than community renewable generation projects, must have a nameplate capacity that is greater than 2,000 kilowatts, and the provisions of this subsection (d-16) shall not apply to contracts for renewable energy credits that are procured under subparagraph (K-10) of paragraph (1) of subsection (c) of this Section.

(B) If an electric utility elects to include the contract terms described in subparagraph (A) of this paragraph (2), then the contracts shall also address the mechanism or mechanisms by which the money allocated to funding the Energy Community Reinvestment Fund will be transferred or deposited into the Fund. This mechanism may include, but is not limited to, the utility depositing the funding amounts due under the contract and reducing, by the same amount, the payments otherwise due to the winning bidder under the contract. The
mechanism selected for a given contract, including, but not limited to, any transfers, deposits, or reductions in payments thereunder, shall not reduce, or otherwise impact, the total contract cost to be recovered from retail customers.

(C) It shall not be imprudent or unreasonable for an electric utility to include the Energy Community Reinvestment Fund funding contract terms authorized by subparagraph (A) of this paragraph (2) in contracts executed pursuant to subsection (c) of this Section, and such inclusion shall not be a basis for the Commission to disallow the recovery of any or all of the contract cost from retail customers, even though such a contract term may result in a higher cost than the electric utility or customers otherwise would pay.

Notwithstanding the provisions of this paragraph (2), nothing in this Section prohibits the utility from seeking Commission approval to also recover amounts that exceed the funding amounts established pursuant to subparagraph (A) of this paragraph (2).

(D) If an electric utility elects to require the contract term or terms authorized by this paragraph (2), it shall notify the Agency to include the term or terms in the applicable request for proposals. The electric utility and Agency shall coordinate expeditiously to implement the utility's elections, and the Agency shall not impede such implementation.

(3) If any provision within this subsection (d-16) is
found by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining provisions of this amendatory Act of the 102nd General Assembly shall not in any way be affected or impaired.

(d-20)(1) Definitions. For purposes of this subsection (d-20):

"Construction" means any constructing, altering, reconstructing, repairing, rehabilitating, refinishing, refurbishing, remodeling, remediating, renovating, custom fabricating, maintaining, securing, landscaping, improving, drilling, testing, moving, wrecking, painting, decorating, demolishing, and adding to or subtracting from any building, structure, highway, roadway, street, bridge, alley, sewer, ditch, water works, parking facility, railroad, excavation or other structure, project, development, other real improvement, or any part thereof, whether or not the performance of the work herein described involves the addition to, or fabrication into, any structure, project, development, real property or improvement herein described.

"Construction Employee" means persons performing construction.

"Subsidized facility" means a planned or existing facility that is selected to receive a subsidy through the Agency programs and procurements under Section 1-56 of this Act, subsection (c) of this Section, or subsection (d-10) of this Section.
"Subsidized supplier" means a supplier whose planned or existing facility is selected to receive a subsidy through the Agency programs and procurements under Section 1-56 of this Act, subsection (c) of this Section, or subsection (d-10) of this Section.

(2) All construction performed on a subsidized facility shall be subject to the requirements for public works in accordance with the Illinois Prevailing Wage Act and as set forth in this subsection.

(3) Each subsidized supplier shall require that all construction performed by the supplier, its contractors, or its subcontractors relating to a subsidized facility is performed by construction employees receiving an amount for that work equal to or greater than the general prevailing rate of hourly wages and benefits, as that term is defined in Section 3 of the Illinois Prevailing Wage Act.

Each subsidized supplier shall, and shall require its contractors or subcontractors that perform construction at any subsidized facility to:

(A) make and keep, for a period of not less than 5 years from the date of the last payment on a contract or subcontract for construction, records of all construction employees employed by them for work on or within the subsidized facility; the records shall include each employee's name, address, race, gender, telephone number when available, if applicable years of residency in
Illinois, classification or classifications of labor, the
rate of hourly wages paid in each pay period for work at
the subsidized facility, the number of hours worked each
day, and the starting and ending times of work each day, at
the subsidized facility; and

(B) no later than the fifteenth day of each calendar
month file a certified payroll for work at the subsidized
facility for the immediately preceding month with the
Department of Labor and provide an informational copy to
the Agency.

(4) Each subsidized supplier shall require any contractors
and subcontractors performing construction at a subsidized
facility to comply with the responsible bidder requirements of
Section 30-22 of the Illinois Procurement Code.

(5) Except for those construction projects related to
facilities described in item (i) of subparagraph (K) of
paragraph (1) of subsection (c) of this Section, a subsidized
supplier shall require any contractors and subcontractors
performing a construction project at a subsidized facility to
enter into a project labor agreement with the building and
construction trades council or multiple labor organizations
with geographic jurisdiction over the location of the project.

(6)(A) Each subsidized supplier shall participate in an
apprenticeship program, registered with and recognized by the
United States Department of Labor, related to all construction
at a subsidized facility. Each subsidized supplier shall
additionally require its contractors or subcontractors that perform construction at a subsidized facility to participate in such an apprenticeship program related to all construction at that facility.

(B) The apprenticeship program shall have a goal that apprentices will perform the lesser of 10% of the total labor hours actually worked in each prevailing wage classification or 10% of the estimated labor hours in each prevailing wage classification.

(C) The Agency may reduce or waive the goals set forth in item (B) of paragraph (5) of subsection (d-20) of this Section before or during the term of the contract under Section 1-56 of this Act or subsections (c) or (d-10) of this Section if the Agency, after public hearing, finds that insufficient apprentices are available or the reasonable and necessary requirements of the contract or subcontract do not allow the goal to be met.

(D) Each supplier shall submit, and shall require contractors and subcontractors to submit, a certification to the Department of Labor that such entity has either met the apprentice labor hours goal set forth in item (B) of paragraph (5) of subsection (d-20) of this Section or received a reduction or waiver pursuant to item (C) of paragraph (5) of subsection (d-20) of this Section.

(7) Contractors and subcontractors of subsidized suppliers are subject to the rules and regulations established by the
Department of Commerce and Economic Opportunity in accordance
with Section 20-15 of the Illinois Works Jobs Program Act for
construction at subsidized facilities.

(8)(A) Workforce Diversity. The Agency shall require each
subsidized supplier to report monthly on the diversity of its
workforce within each of its subsidized facilities. The report
shall also present the diversity of the community in which a
subsidized facility is located and shall outline the efforts
the supplier is taking to achieve a workforce that reflects
the diversity of the community for each such facility. If a
supplier fails to meet or maintain compliance with the
reporting requirements of this subparagraph (A) and
subparagraph (A) of paragraph (3) of this subsection (d-20)
the supplier is not eligible to receive payment during the
period of noncompliance. The Agency shall notify the
contracting utility, at such time, that the supplier is not
eligible to receive payment. Contracts entered into pursuant
to Section 1-56 of this Act, subsection (c) of this Section or
subsection (d-10) of this Section shall reflect that payments
shall be suspended upon any noncompliance notice from the
Agency until the Agency notifies the utility that the period
of noncompliance has ended.

(B) Subsidized suppliers shall strive with respect to any
subsidized facility to achieve a workforce at that facility
that reflects the diversity of the community in which such
facility is located. In each reporting period, the supplier
shall outline the efforts it is taking to achieve for each such facility a workforce that reflects the diversity of the community.

(9) Where not otherwise prohibited by applicable law, each subsidized supplier shall, with respect to such employees assigned to work on the premises of a subsidized facility who are not otherwise members of an existing bargaining unit cognizable under the National Labor Relations Act, agree to labor neutrality and card check procedures with any union that seeks to represent such employees. The supplier shall also only use on-site contractors or subcontractors who agree to be bound by similar provisions, if requested by any union that seeks to represent the on-site contractor or subcontractor's employees who are assigned to work on the premises of a subsidized facility.

(10) The requirements of this subsection (d-20) of this Section shall be construed to avoid preemption under federal law. The primary purpose of Sections 1-56 of this Act, subsection (c) of this Section, and subsection (d-10) of this Section is to advance the State's clean energy goals. Accordingly, the invalidity of any provision in this subsection (d-20) shall not affect the validity of the remaining provisions in this subsection (d-20), nor the validity of Sections 1-56 of this Act, subsection (c) of this Section, or subsection (d-10) of this Section.

(d-25) To ensure that the State's policy goals set forth
in subsection (d-9) of this Section are achieved, the Governor, on behalf of the State, shall be authorized to join, and execute agreements with, one or more regional, national or international market-based programs designed to reduce carbon emissions.

(d-30) As set forth in subsection (d-9) of this Section, this amendatory Act of the 102nd General Assembly is designed to mitigate increases in carbon emissions and preserve existing clean energy resources during this current period of uncertainty regarding a future transition to a regional or national carbon pricing regime. To ensure that the State's implementation of the policies articulated in such subsection (d-9) remain on track during this period, the Agency, in consultation with the Commission and Illinois Environmental Protection Agency, shall prepare a study analyzing additional least-cost means of achieving the State's carbon reduction goals that are incremental to those required by this amendatory Act of the 102nd General Assembly.

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

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

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

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

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

(j) Each electric utility subject to the procurement requirements set forth in subsection (c), (d-5), or (d-10) of this Section shall perform an analysis, updated annually for each delivery year, of the extent to which the renewable energy credits, zero emission credits, and carbon mitigation credits it has purchased under contracts procured by the Agency pursuant to such subsection or subsections, as applicable, are generated during those times that correspond
to the pattern of retail electric consumption in the utility's service territory. Each electric utility's analysis shall also identify the characteristics of additional renewable energy resources whose generation of renewable energy credits would best match, and increase the level of correlation to, the pattern of retail electric consumption in the utility's service territory. The Agency shall identify the date by which each electric utility must submit such analysis to the Agency each year.

Based on the analyses submitted by electric utilities pursuant to this subsection (j), the Agency's planning and procurement processes conducted for those procurements authorized and held under this Section shall include an analysis, updated annually for each delivery year, that identifies, as applicable, the renewable energy resources, zero emission facilities, and clean energy resources that are capable of producing clean energy during those times that correspond to the pattern of retail electric consumption.

(k) Capacity procurement.

(1) Beginning no earlier than the delivery year commencing June 1, 2023, and insofar as permitted under federal law, this subsection (k) grants the Agency authority to procure capacity for an electric utility that serves more than 3,000,000 retail customers in the State, is a member of PJM Interconnection, LLC, and elects to use the Fixed Resource Requirement Alternative as provided for
in the Open Access Transmission Tariff, Reliability Assurance Agreement, and manuals of PJM Interconnection, LLC or its successors, provided that such election is approved by the Commission pursuant to paragraph (6) of subsection (b) of Section 16-111.5 of the Public Utilities Act. Upon the Commission's approval of such election, the Agency shall develop a procurement plan consistent with the requirements of this subsection (k) and paragraph (7) of such subsection (b) for the procurement of capacity in amounts necessary to ensure the electric utility's resource adequacy pursuant to PJM Interconnection LLC's federally mandated requirements. The Agency shall, for each such utility, conduct Capacity Procurement auctions as necessary to meet the electric utility's resource obligations for all of its retail customers. Such auctions shall also be designed to achieve the objectives set forth in this subsection (k) for the duration of the electric utility's election of the Fixed Resource Requirement Alternative.

In this subsection (k):

"Fixed Resource Requirement", "Fixed Resource Requirement Alternative", "Fixed Resource Requirement Service Area" (or "FRR Service Area"), "Load Serving Entities", and "Open Access Transmission Tariff" shall have the meanings as provided for in the Open Access Transmission Tariff, Reliability Assurance Agreement, and
"Obligation Peak Load" shall have the meaning set forth in PJM Manual 18: PJM Capacity Market, of PJM Interconnection, LLC, or its successor, as such Manual may be updated from time to time.

(2) The draft procurement plan is subject to public comment, as required by Section 16-111.5 of the Public Utilities Act.

(3) The Agency shall design the Capacity Procurement Plan to achieve the following objectives:

(A) Through one or more auctions that procure capacity for one or more years, meet the electric utility's resource obligation under the Fixed Resource Requirement Alternative as provided for in the Open Access Transmission Tariff, Reliability Assurance Agreement, and manuals of PJM Interconnection, LLC or its successors for all of its retail customers while maximizing benefits that meet the State's public interest in the health, safety and welfare of its residents, including, but not limited to: significantly reduced emissions in the State from power generation sources; consumer savings; and those interests described in subparagraph (I) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act.
(B) At least 80% of the capacity procured should be carbon emission-free by 2030 and 100% of the capacity procured should be carbon emission-free by 2035 but the Agency should always work toward the goal of including as much carbon emission-free capacity as it reasonably can procure.

(4) As part of its Capacity Procurement Plans, the Agency may implement an auction for an optional bundled product which includes payments to resources that provide both capacity and renewable energy credits. Renewable energy resources are eligible to participate in auctions conducted to implement Capacity Procurement Plans only if they are eligible to participate in auctions pursuant to subparagraph (J) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act.

(4.5) Notwithstanding the provisions of subsection (i) of this Section, a generating facility that has executed a contract to supply renewable energy credits, zero emission credits, or carbon mitigation credits pursuant to a procurement conducted under this Section shall not be precluded from participating in a capacity auction conducted by the Agency under this subsection (k) and paragraph (6) of subsection (b) of Section 16-111.5 of the Public Utilities Act. To ensure that zero emission facilities and clean energy resources are not paid twice for the environmental attributes reflected in any zero
emission credits and carbon mitigation credits supplied
under contracts previously executed pursuant to subsection
(d-5) and (d-10) of this Section, respectively, the
capacity price paid to such facilities and resources under
contracts executed pursuant to this subsection (k) and
such paragraph (6) shall, for the applicable delivery
year, be the Base Residual Auction capacity price
calculated under subitem (bb) of item (i) of subparagraph
(C) of paragraph (3) of such subsection (d-10), divided by
24 hours per day.

(5) The Capacity Procurement Plans shall address load
forecasting, billing, and settlement as follows:

(A) The Plan shall identify whether PJM
Interconnection, LLC or the electric utility for which
the capacity is being procured shall serve as the
administrator for billing and settlement purposes. PJM
Interconnection, LLC, or its successor, shall be given
the right of first refusal to serve as the
administrator for billing and settlement purposes. The
administrator for billing and settlement purposes
shall perform its role in a competitively neutral
manner.

(B) Each Load Serving Entity shall provide to the
electric utility or the administrator for billing and
settlement purposes, as applicable, information needed
by the electric utility or administrator to perform
its responsibilities. This information shall be provided, and shall be maintained by the electric utility or the administrator, as applicable, on a confidential basis, including maintaining the information so that it cannot be accessed by personnel of the electric utility or administrator responsible for wholesale or retail power marketing or sales.

(C) The administrator for billing and settlement purposes shall apportion the total procured capacity among each of the Load Serving Entities. For each Load Serving Entity, this apportionment shall be calculated as the ratio of the Load Serving Entity's daily Obligation Peak Load in the applicable FRR Service Area divided by the sum of the daily Obligation Peak Loads for all Load Serving Entities in the applicable FRR Service Area, after reducing each Load Serving Entity's daily Obligation Peak Load in the applicable FRR Service Area by the quantity of its preexisting capacity commitments. The administrator for billing and settlement purposes shall bill each Load Serving Entity daily for its apportioned share of the purchased capacity, using the weighted average of the capacity prices specified in the capacity contracts. The Capacity Procurement Plan shall provide for the transfer of revenues collected from each Load Serving Entity to the electric utility that is the
counterparty to the capacity contract entered into as a result of the procurement. Nothing in this subsection (k) shall impair the ability of the Load Serving Entity to allocate, bill, and collect the capacity costs billed to it under this subparagraph (C) in the manner of its own choosing from the retail customers it serves.

(D) If a Load Serving Entity elects to self-supply its capacity obligation for its customers pursuant to Schedule 8.1.D(9) of the PJM Reliability Assurance Agreement or its successor, the capacity plan that the Load Serving Entity is required to provide to the electric utility shall include capacity that meets the PJM Minimum Internal Resource Requirement and such other Capacity Procurement Plan requirements that are not inconsistent with the Minimum Internal Resource Requirement, including, but not limited to, a requirement that all, or a specific portion, of the capacity be carbon-free capacity, as specified in the Capacity Procurement Plan.

(6) The provisions of this subsection (k) are not intended to conflict with federal rules, regulations, or laws. If any part of this subsection (k) conflicts with federal rules, regulations, or laws, the federal provisions shall control to the extent of the conflict.

(Source: P.A. 100-863, eff. 8-14-18; 101-81, eff. 7-12-19;
Sec. 1-76. Coal Plant Retirement Advisory Committee. Within 60 days after the effective date of this amendatory Act of the 102nd General Assembly, the Coal Plant Retirement Advisory Committee shall be established, which shall consist of 11 total members, with each member possessing either technical, business or workforce training expertise related to the displacement of employees of coal-fired electric generating facilities that are closing. Of the 11 members, 5 shall be appointed by the Governor, one shall be appointed by the Speaker of the House, one shall be appointed by the Minority Leader of the House, one shall be appointed by the President of the Senate, one shall be appointed by the Minority Leader of the Senate, one shall be appointed by the Director of the Illinois Department of Labor, and one shall be appointed by the Chair of the Illinois Community College Board. Of the Governor's 5 appointments, at least one must represent a local labor organization that represents employees impacted by a coal-fired electric generating facility closure, at least one must represent a national labor organization, at least one must represent a local chamber of commerce impacted by a coal-fired electric generating facility closure, and at least one must represent a municipality that is impacted by a coal-fired electric generating facility closure.
The Governor shall designate one of the members of the Committee to serve as chairman, and that person shall serve as the chairman at the pleasure of the Governor. The members shall not be compensated for serving on the Coal Plant Retirement Advisory Committee. The Committee shall have the following duties:

(1) Investigate how the closure of coal-fired electric generating facilities in the State will impact the employees of those facilities, including, but not limited to, the following:

   (A) the potential for such employees to secure future employment at a level of compensation that is commensurate with, or higher than, the compensation paid by the closing coal-fired electric generating facilities; such future employment may include, but is not limited to, the clean energy industry;

   (B) the need for such employees to obtain additional training in order to secure the future employment and compensation levels described in subparagraph (A) of this paragraph (1) and the cost, availability, accessibility and duration of such additional training;

   (C) the potential that the future employment and compensation levels described in subparagraph (A) of this paragraph (1) could be obtained in the same communities where the employees live at the time of
the plant closure;

(D) the impact on the local community of the loss
of the tax revenues from the coal-fired electric
generating facility and the men and women employed
there; and

(E) the impact on the local community if the
employees and their families are required to leave to
find suitable alternative employment at acceptable
compensation levels.

(2) Submit a report to the Governor, Speaker of the
House, Minority Leader of the House, President of the
Senate, and Minority Leader of the Senate that sets forth
the Committee's findings regarding the matters
investigated pursuant to paragraph (1) of this Section.

Section 90-15. The State Finance Act is amended by adding
Section 5.935 as follows:

(30 ILCS 105/5.935 new)

Sec. 5.935. The Energy Community Reinvestment Fund.

Section 90-20. The Illinois Works Jobs Program Act is
amended by changing Sections 20-10 and 20-15 as follows:

(30 ILCS 559/20-10)

Sec. 20-10. Definitions.
"Apprentice" means a participant in an apprenticeship program approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.

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

"Bid credit" means a virtual dollar for a contractor or subcontractor to use toward future bids on contracts with the State for public works projects.

"Community-based organization" means a nonprofit organization, including an accredited public college or university, selected by the Department to participate in the Illinois Works Preapprenticeship Program. To qualify as a "community-based organization", the organization must demonstrate the following:

1. the ability to effectively serve diverse and underrepresented populations, including by providing employment services to such populations;
2. knowledge of the construction and building trades or, as applicable, trades supporting public utility projects and operations;
3. the ability to recruit, prescreen, and provide preapprenticeship training to prepare workers for employment in the construction and building trades or, as applicable, trades supporting public utility projects and
operations; and

(4) a plan to provide the following:

(A) preparatory classes;

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

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

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

"Contractor" means a person, corporation, partnership, limited liability company, or joint venture entering into a contract to construct a public work.

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

"Labor hours" means the total hours for workers who are receiving an hourly wage and who are directly employed for the public works project. "Labor hours" includes hours performed by workers employed by the contractor and subcontractors on the public works project. "Labor hours" does not include hours worked by the forepersons, superintendents, owners, and workers who are not subject to prevailing wage requirements.

"Minorities" means minority persons as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Public utility" has the meaning set forth in Section 3-105 of the Public Utilities Act.
"Public works" means all projects, contracted or funded by the State or any agency of the State, in whole or in part, from appropriated capital funds, that constitute public works under the Prevailing Wage Act.

"Subcontractor" means a person, corporation, partnership, limited liability company, or joint venture that has contracted with the contractor to perform all or part of the work to construct a public work by a contractor.

"Underrepresented populations" means populations identified by the Department that historically have had barriers to entry or advancement in the workforce. "Underrepresented populations" includes, but is not limited to, minorities, women, and veterans.

(Source: P.A. 101-31, eff. 6-28-19; 101-601, eff. 12-10-19.)
careers in the construction and building trades and, as provided in subsection (f) of this Section, trades supporting public utility projects and operations. Upon completion of the Illinois Works Preapprenticeship Program, the candidates will be skilled and work-ready.

(b) There is created the Illinois Works Fund, a special fund in the State treasury. The Illinois Works Fund shall be administered by the Department. The Illinois Works Fund shall be used to provide funding for community-based organizations throughout the State. In addition to any other transfers or deposits that may be provided for by law, on and after July 1, 2019 at the direction of the Director of the Governor's Office of Management and Budget, the State Comptroller shall direct and the State Treasurer shall transfer amounts not exceeding a total of $25,000,000 from the Rebuild Illinois Projects Fund to the Illinois Works Fund.

(c) Each community-based organization that receives funding from the Illinois Works Fund shall provide an annual report to the Illinois Works Review Panel by April 1 of each calendar year. The annual report shall include the following information:

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

(2) the number of individuals who apply to, participate in, and complete the community-based
organization's program, broken down by race, gender, age, and veteran status; and

(3) the number of the individuals referenced in item (2) of this subsection who are initially accepted and placed into apprenticeship programs in the construction and building trades or, as applicable, trades supporting public utility projects and operations.

(d) The Department shall create and administer the Illinois Works Bid Credit Program that shall provide economic incentives, through bid credits, to encourage contractors and subcontractors to provide contracting and employment opportunities to historically underrepresented populations in the construction industry.

The Illinois Works Bid Credit Program shall allow contractors and subcontractors to earn bid credits for use toward future bids for public works projects contracted by the State or an agency of the State in order to increase the chances that the contractor and the subcontractors will be selected.

Contractors or subcontractors may be eligible for bid credits for employing apprentices who have completed the Illinois Works Preapprenticeship Program on public works projects contracted by the State or any agency of the State. Contractors or subcontractors shall earn bid credits at a rate established by the Department and based on labor hours worked on State-contracted public works projects by apprentices who
have completed the Illinois Works Preapprenticeship Program. The Department shall establish the rate by rule and shall publish it on the Department's website. The rule may include maximum bid credits allowed per contractor, per subcontractor, per apprentice, per bid, or per year.

The Illinois Works Credit Bank is hereby created and shall be administered by the Department. The Illinois Works Credit Bank shall track the bid credits.

A contractor or subcontractor who has been awarded bid credits under any other State program for employing apprentices who have completed the Illinois Works Preapprenticeship Program is not eligible to receive bid credits under the Illinois Works Bid Credit Program relating to the same contract.

The Department shall report to the Illinois Works Review Panel the following: (i) the number of bid credits awarded by the Department; (ii) the number of bid credits submitted by the contractor or subcontractor to the agency administering the public works contract; and (iii) the number of bid credits accepted by the agency for such contract. Any agency that awards bid credits pursuant to the Illinois Works Credit Bank Program shall report to the Department the number of bid credits it accepted for the public works contract.

Upon a finding that a contractor or subcontractor has reported falsified records to the Department in order to fraudulently obtain bid credits, the Department may bar the
contractor or subcontractor from participating in the Illinois Works Bid Credit Program and may suspend the contractor or subcontractor from bidding on or participating in any public works project. False or fraudulent claims for payment relating to false bid credits may be subject to damages and penalties under applicable law.

(e) The Department shall adopt any rules deemed necessary to implement this Section. In order to provide for the expeditious and timely implementation of this Act, the Department may adopt emergency rules. The adoption of emergency rules authorized by this subsection is deemed to be necessary for the public interest, safety, and welfare.

(f) Notwithstanding the provisions of this Act, the $5,000,000 deposited into the Illinois Works Fund pursuant to subsection (k) of Section 16-108 of the Public Utilities Act shall be used solely for the purpose of funding activities to recruit, prescreen, and provide preapprenticeship skills training, which participants may attend free of charge and receive a stipend, to create a qualified, diverse pipeline of workers who are prepared for careers in trades supporting public utility projects and operations.

(Source: P.A. 101-31, eff. 6-28-19; 101-601, eff. 12-10-19.)

Section 90-25. The School Construction Law is amended by changing Section 5-40 as follows:
Sec. 5-40. Supervision of school construction projects; green projects. The Capital Development Board shall exercise general supervision over school construction projects financed pursuant to this Article. School districts, however, must be allowed to choose the architect and engineer for their school construction projects, and no project may be disapproved by the State Board of Education or the Capital Development Board solely due to a school district's selection of an architect or engineer.

With respect to those school construction projects for which a school district first applies for a grant on or after July 1, 2007, the school construction project must receive certification from the United States Green Building Council's Leadership in Energy and Environmental Design Green Building Rating System or the Green Building Initiative's Green Globes Green Building Rating System or must meet green building standards of the Capital Development Board and its Green Building Advisory Committee. With respect to those school construction projects for which a school district applies for a grant on or after July 1, 2009, the school construction project must receive silver certification from the United States Green Building Council's Leadership in Energy and Environmental Design Green Building Rating System unless all of the following are met:

(1) the application submitted can be categorized as a
capital need prioritized under item (1) of Section 5-30 of
this Law;

(2) the renovation or replacement school construction
project is less than 40% replacement cost, or the project
has been granted a waiver by the Capital Development Board
in consultation with the State Board of Education in
accordance with rules promulgated pursuant to this Law;

(3) the school construction project is located in a
county that borders the Mississippi River with a
population of more than 33,000 and less than 34,000,
according to the 2010 decennial census;

(4) the school district for which the school
construction grant will be issued has no more than 1,100
students, with the relevant school facility housing no
more than 700 students;

(5) the facilities for which the school construction
grant will be used have been condemned as of July 23, 2012;
and

(6) the application for the school construction grant
has been approved prior to the effective date of this
amendatory Act of the 98th General Assembly.

With respect to those public school construction projects
for public schools as defined by Section 1-3 of the School Code
that are within the service territory of an electric utility
as defined by Section 16-102 of the Public Utilities Act that
is serving over 500,000 retail customers in this State, and
for which a public school district applies for a grant under this Section 5-40 on or after June 1, 2023, the district must submit a copy of the applicable Public Schools Carbon-Free Assessment report as provided for in Section 8-402.2 of the Public Utilities Act or, if no such Public Schools Carbon-Free Assessment has been performed, request the applicable utility to perform such a Public Schools Carbon-Free Assessment and submit a copy of the Public Schools Carbon-Free Assessment report promptly when it becomes available. The Public Schools Carbon-Free Assessment report shall include a mechanical insulation evaluation inspection and inspection of the building envelope. The district must demonstrate how the construction project is designed and managed to achieve the goals that all public elementary and secondary school facilities in the State are able to be powered by clean energy by 2030 and for such facilities to achieve carbon-free energy sources for space heat, water heat, and transportation by 2050.

(Source: P.A. 98-623, eff. 1-7-14.)

Section 90-30. The Public Utilities Act is amended by changing Sections 8-103B, 9-222.1, 16-108, 16-111.5, 16-122, and 16-123 and by adding Sections 8-106, 8-107, 8-108, 8-218, 8-402.2, 8-411, 8-511.1, 8-512, 8-514, 9-201.1, 9-201.2, 9-232, 9-247, 16-108.13, and 16-140 as follows:
Sec. 8-103B. Energy efficiency and demand-response measures.

(a) It is the policy of the State that electric utilities are required to use cost-effective energy efficiency and demand-response measures to reduce delivery load. Requiring investment in cost-effective energy efficiency and demand-response measures will reduce direct and indirect costs to consumers by decreasing environmental impacts and by avoiding or delaying the need for new generation, transmission, and distribution infrastructure. It serves the public interest to allow electric utilities to recover costs for reasonably and prudently incurred expenditures for energy efficiency and demand-response measures. As used in this Section, "cost-effective" means that the measures satisfy the total resource cost test. The low-income measures described in subsection (c) of this Section shall not be required to meet the total resource cost test. For purposes of this Section, the terms "energy-efficiency", "demand-response", "electric utility", and "total resource cost test" have the meanings set forth in the Illinois Power Agency Act.

(a-5) This Section applies to electric utilities serving more than 500,000 retail customers in the State for those multi-year plans commencing after December 31, 2017.

(b) For purposes of this Section, electric utilities subject to this Section that serve more than 3,000,000 retail
customers in the State shall be deemed to have achieved a cumulative persisting annual savings of 6.6% from energy efficiency measures and programs implemented during the period beginning January 1, 2012 and ending December 31, 2017, which percent is based on the deemed average weather normalized sales of electric power and energy during calendar years 2014, 2015, and 2016 of 88,000,000 MWhs. For the purposes of this subsection (b) and subsection (b-5), the 88,000,000 MWhs of deemed electric power and energy sales shall be reduced by the number of MWhs equal to the sum of the annual consumption of customers that are exempt from subsections (a) through (j) of this Section under subsection (l) of this Section, as averaged across the calendar years 2014, 2015, and 2016. After 2017, the deemed value of cumulative persisting annual savings from energy efficiency measures and programs implemented during the period beginning January 1, 2012 and ending December 31, 2017, shall be reduced each year, as follows, and the applicable value shall be applied to and count toward the utility's achievement of the cumulative persisting annual savings goals set forth in subsection (b-5):

1. 5.8% deemed cumulative persisting annual savings for the year ending December 31, 2018;
2. 5.2% deemed cumulative persisting annual savings for the year ending December 31, 2019;
3. 4.5% deemed cumulative persisting annual savings for the year ending December 31, 2020;
(4) 4.0% deemed cumulative persisting annual savings for the year ending December 31, 2021;
(5) 3.5% deemed cumulative persisting annual savings for the year ending December 31, 2022;
(6) 3.1% deemed cumulative persisting annual savings for the year ending December 31, 2023;
(7) 2.8% deemed cumulative persisting annual savings for the year ending December 31, 2024;
(8) 2.5% deemed cumulative persisting annual savings for the year ending December 31, 2025;
(9) 2.3% deemed cumulative persisting annual savings for the year ending December 31, 2026;
(10) 2.1% deemed cumulative persisting annual savings for the year ending December 31, 2027;
(11) 1.8% deemed cumulative persisting annual savings for the year ending December 31, 2028;
(12) 1.7% deemed cumulative persisting annual savings for the year ending December 31, 2029; and
(13) 1.5% deemed cumulative persisting annual savings for the year ending December 31, 2030.

For purposes of this Section, "cumulative persisting annual savings" means the total electric energy savings in a given year from measures installed in that year or in previous years, but no earlier than January 1, 2012, that are still operational and providing savings in that year because the measures have not yet reached the end of their useful lives.
(b-5) Beginning in 2018, electric utilities subject to this Section that serve more than 3,000,000 retail customers in the State shall achieve the following cumulative persisting annual savings goals, as modified by subsection (f) of this Section and as compared to the deemed baseline of 88,000,000 MWhs of electric power and energy sales set forth in subsection (b), as reduced by the number of MWhs equal to the sum of the annual consumption of customers that are exempt from subsections (a) through (j) of this Section under subsection (l) of this Section as averaged across the calendar years 2014, 2015, and 2016, through the implementation of energy efficiency measures during the applicable year and in prior years, but no earlier than January 1, 2012:

(1) 7.8% cumulative persisting annual savings for the year ending December 31, 2018;
(2) 9.1% cumulative persisting annual savings for the year ending December 31, 2019;
(3) 10.4% cumulative persisting annual savings for the year ending December 31, 2020;
(4) 11.8% cumulative persisting annual savings for the year ending December 31, 2021;
(5) 13.1% cumulative persisting annual savings for the year ending December 31, 2022;
(6) 14.4% cumulative persisting annual savings for the year ending December 31, 2023;
(7) 15.7% cumulative persisting annual savings for the
year ending December 31, 2024;

(8) 17% cumulative persisting annual savings for the
year ending December 31, 2025;

(9) 17.9% cumulative persisting annual savings for the
year ending December 31, 2026;

(10) 18.8% cumulative persisting annual savings for
the year ending December 31, 2027;

(11) 19.7% cumulative persisting annual savings for
the year ending December 31, 2028;

(12) 20.6% cumulative persisting annual savings for
the year ending December 31, 2029; and

(13) 21.5% cumulative persisting annual savings for
the year ending December 31, 2030.

(b-10) For purposes of this Section, electric utilities
subject to this Section that serve less than 3,000,000 retail
customers but more than 500,000 retail customers in the State
shall be deemed to have achieved a cumulative persisting
annual savings of 6.6% from energy efficiency measures and
programs implemented during the period beginning January 1,
2012 and ending December 31, 2017, which is based on the deemed
average weather normalized sales of electric power and energy
during calendar years 2014, 2015, and 2016 of 36,900,000 MWhs.
For the purposes of this subsection (b-10) and subsection
(b-15), the 36,900,000 MWhs of deemed electric power and
energy sales shall be reduced by the number of MWhs equal to
the sum of the annual consumption of customers that are exempt
from subsections (a) through (j) of this Section under subsection (l) of this Section, as averaged across the calendar years 2014, 2015, and 2016. After 2017, the deemed value of cumulative persisting annual savings from energy efficiency measures and programs implemented during the period beginning January 1, 2012 and ending December 31, 2017, shall be reduced each year, as follows, and the applicable value shall be applied to and count toward the utility's achievement of the cumulative persisting annual savings goals set forth in subsection (b-15):

(1) 5.8% deemed cumulative persisting annual savings for the year ending December 31, 2018;
(2) 5.2% deemed cumulative persisting annual savings for the year ending December 31, 2019;
(3) 4.5% deemed cumulative persisting annual savings for the year ending December 31, 2020;
(4) 4.0% deemed cumulative persisting annual savings for the year ending December 31, 2021;
(5) 3.5% deemed cumulative persisting annual savings for the year ending December 31, 2022;
(6) 3.1% deemed cumulative persisting annual savings for the year ending December 31, 2023;
(7) 2.8% deemed cumulative persisting annual savings for the year ending December 31, 2024;
(8) 2.5% deemed cumulative persisting annual savings for the year ending December 31, 2025;
(9) 2.3% deemed cumulative persisting annual savings for the year ending December 31, 2026;
(10) 2.1% deemed cumulative persisting annual savings for the year ending December 31, 2027;
(11) 1.8% deemed cumulative persisting annual savings for the year ending December 31, 2028;
(12) 1.7% deemed cumulative persisting annual savings for the year ending December 31, 2029; and
(13) 1.5% deemed cumulative persisting annual savings for the year ending December 31, 2030.

(b-15) Beginning in 2018, electric utilities subject to this Section that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall achieve the following cumulative persisting annual savings goals, as modified by subsection (b-20) and subsection (f) of this Section and as compared to the deemed baseline as reduced by the number of MWhs equal to the sum of the annual consumption of customers that are exempt from subsections (a) through (j) of this Section under subsection (l) of this Section as averaged across the calendar years 2014, 2015, and 2016, through the implementation of energy efficiency measures during the applicable year and in prior years, but no earlier than January 1, 2012:

(1) 7.4% cumulative persisting annual savings for the year ending December 31, 2018;
(2) 8.2% cumulative persisting annual savings for the
year ending December 31, 2019;
(3) 9.0% cumulative persisting annual savings for the year ending December 31, 2020;
(4) 9.8% cumulative persisting annual savings for the year ending December 31, 2021;
(5) 10.6% cumulative persisting annual savings for the year ending December 31, 2022;
(6) 11.4% cumulative persisting annual savings for the year ending December 31, 2023;
(7) 12.2% cumulative persisting annual savings for the year ending December 31, 2024;
(8) 13% cumulative persisting annual savings for the year ending December 31, 2025;
(9) 13.6% cumulative persisting annual savings for the year ending December 31, 2026;
(10) 14.2% cumulative persisting annual savings for the year ending December 31, 2027;
(11) 14.8% cumulative persisting annual savings for the year ending December 31, 2028;
(12) 15.4% cumulative persisting annual savings for the year ending December 31, 2029; and
(13) 16% cumulative persisting annual savings for the year ending December 31, 2030.
The difference between the cumulative persisting annual savings goal for the applicable calendar year and the cumulative persisting annual savings goal for the immediately
preceding calendar year is 0.8% for the period of January 1, 2018 through December 31, 2025 and 0.6% for the period of January 1, 2026 through December 31, 2030.

(b-20) Each electric utility subject to this Section may include cost-effective voltage optimization measures in its plans submitted under subsections (f) and (g) of this Section, and the costs incurred by a utility to implement the measures under a Commission-approved plan shall be recovered under the provisions of Article IX or Section 16-108.5 of this Act. For purposes of this Section, the measure life of voltage optimization measures shall be 15 years. The measure life period is independent of the depreciation rate of the voltage optimization assets deployed.

Within 270 days after June 1, 2017 (the effective date of Public Act 99-906), an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall file a plan with the Commission that identifies the cost-effective voltage optimization investment the electric utility plans to undertake through December 31, 2024. The Commission, after notice and hearing, shall approve or approve with modification the plan within 120 days after the plan's filing and, in the order approving or approving with modification the plan, the Commission shall adjust the applicable cumulative persisting annual savings goals set forth in subsection (b-15) to reflect any amount of cost-effective energy savings approved by the Commission that
is greater than or less than the following cumulative persisting annual savings values attributable to voltage optimization for the applicable year:

(1) 0.0% of cumulative persisting annual savings for the year ending December 31, 2018;

(2) 0.17% of cumulative persisting annual savings for the year ending December 31, 2019;

(3) 0.17% of cumulative persisting annual savings for the year ending December 31, 2020;

(4) 0.33% of cumulative persisting annual savings for the year ending December 31, 2021;

(5) 0.5% of cumulative persisting annual savings for the year ending December 31, 2022;

(6) 0.67% of cumulative persisting annual savings for the year ending December 31, 2023;

(7) 0.83% of cumulative persisting annual savings for the year ending December 31, 2024; and

(8) 1.0% of cumulative persisting annual savings for the year ending December 31, 2025.

(b-25) In the event an electric utility jointly offers an energy efficiency measure or program with a gas utility under plans approved under this Section and Section 8-104 of this Act, the electric utility may continue offering the program, including the gas energy efficiency measures, in the event the gas utility discontinues funding the program. In that event, the energy savings value associated with such other fuels
shall be converted to electric energy savings on an equivalent
Btu basis for the premises. However, the electric utility
shall prioritize programs for low-income residential customers
to the extent practicable. An electric utility may recover the
costs of offering the gas energy efficiency measures under
this subsection (b-25).

For those energy efficiency measures or programs that save
both electricity and other fuels but are not jointly offered
with a gas utility under plans approved under this Section and
Section 8-104 or not offered with an affiliated gas utility
under paragraph (6) of subsection (f) of Section 8-104 of this
Act, the electric utility may count savings of fuels other
than electricity toward the achievement of its annual savings
goal, and the energy savings value associated with such other
fuels shall be converted to electric energy savings on an
equivalent Btu basis at the premises.

In no event shall more than 10% of each year's applicable
annual incremental goal as defined in paragraph (7) of
subsection (g) of this Section be met through savings of fuels
other than electricity.

(c) Electric utilities shall be responsible for overseeing
the design, development, and filing of energy efficiency plans
with the Commission and may, as part of that implementation,
outsource various aspects of program development and
implementation. A minimum of 10%, for electric utilities that
serve more than 3,000,000 retail customers in the State, and a
minimum of 7%, for electric utilities that serve less than
3,000,000 retail customers but more than 500,000 retail
customers in the State, of the utility's entire portfolio
funding level for a given year shall be used to procure
cost-effective energy efficiency measures from units of local
government, municipal corporations, school districts, public
housing, and community college districts, provided that a
minimum percentage of available funds shall be used to procure
energy efficiency from public housing, which percentage shall
be equal to public housing's share of public building energy
consumption.

The utilities shall also implement energy efficiency
measures targeted at low-income households, which, for
purposes of this Section, shall be defined as households at or
below 80% of area median income, and expenditures to implement
the measures shall be no less than $25,000,000 per year for
electric utilities that serve more than 3,000,000 retail
customers in the State and no less than $8,350,000 per year for
electric utilities that serve less than 3,000,000 retail
customers but more than 500,000 retail customers in the State.
Beginning with the multi-year plan commencing January 1, 2022,
such minimum annual expenditures shall be increased to
$50,000,000 and $16,700,000, respectively. Each electric
utility subject to the requirements of this Section shall be
permitted, as necessary, to revise its multi-year plan that
was filed with the Commission prior to the effective date of
this amendatory Act of the 102nd General Assembly but has not yet been approved by the Commission on the effective date of this amendatory Act of the 102nd General Assembly; if the utility's plan was already approved by the Commission before such effective date, or it is impractical to revise the plan prior to the deadline for Commission approval due to insufficient time, the utility shall be permitted, as necessary, to submit a compliance filing that modifies the plan and its programs as needed to implement the increase in low-income expenditures required by this amendatory Act of the 102nd General Assembly.

Each electric utility shall assess opportunities to implement cost-effective energy efficiency measures and programs through a public housing authority or authorities located in its service territory. If such opportunities are identified, the utility shall propose such measures and programs to address the opportunities. Expenditures to address such opportunities shall be credited toward the minimum procurement and expenditure requirements set forth in this subsection (c).

Implementation of energy efficiency measures and programs targeted at low-income households should be contracted, when it is practicable, to independent third parties that have demonstrated capabilities to serve such households, with a preference for not-for-profit entities and government agencies that have existing relationships with or experience serving
Each electric utility shall develop and implement reporting procedures that address and assist in determining the amount of energy savings that can be applied to the low-income procurement and expenditure requirements set forth in this subsection (c).

The electric utilities shall also convene a low-income energy efficiency advisory committee to assist in the design and evaluation of the low-income energy efficiency programs. The committee shall be comprised of the electric utilities subject to the requirements of this Section, the gas utilities subject to the requirements of Section 8-104 of this Act, the utilities' low-income energy efficiency implementation contractors, and representatives of community-based organizations.

(d) Notwithstanding any other provision of law to the contrary, a utility providing approved energy efficiency measures and, if applicable, demand-response measures in the State shall be permitted to recover all reasonable and prudently incurred costs of those measures from all retail customers, except as provided in subsection (l) of this Section, as follows, provided that nothing in this subsection (d) permits the double recovery of such costs from customers:

(1) The utility may recover its costs through an automatic adjustment clause tariff filed with and approved by the Commission. The tariff shall be established outside...
the context of a general rate case. Each year the Commission shall initiate a review to reconcile any amounts collected with the actual costs and to determine the required adjustment to the annual tariff factor to match annual expenditures. To enable the financing of the incremental capital expenditures, including regulatory assets, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, the utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital structure shall be deemed reasonable and used to set rates.

(2) A utility may recover its costs through an energy efficiency formula rate approved by the Commission under a filing under subsections (f) and (g) of this Section, which shall specify the cost components that form the basis of the rate charged to customers with sufficient specificity to operate in a standardized manner and be updated annually with transparent information that reflects the utility's actual costs to be recovered during the applicable rate year, which is the period beginning with the first billing day of January and extending through the last billing day of the following December. The energy efficiency formula rate shall be implemented through a tariff filed with the Commission under
subsections (f) and (g) of this Section that is consistent with the provisions of this paragraph (2) and that shall be applicable to all delivery services customers. The Commission shall conduct an investigation of the tariff in a manner consistent with the provisions of this paragraph (2), subsections (f) and (g) of this Section, and the provisions of Article IX of this Act to the extent they do not conflict with this paragraph (2). The energy efficiency formula rate approved by the Commission shall remain in effect at the discretion of the utility and shall do the following:

(A) Provide for the recovery of the utility's actual costs incurred under this Section that are prudently incurred and reasonable in amount consistent with Commission practice and law. The sole fact that a cost differs from that incurred in a prior calendar year or that an investment is different from that made in a prior calendar year shall not imply the imprudence or unreasonableness of that cost or investment.

(B) Reflect the utility's actual year-end capital structure for the applicable calendar year, excluding goodwill, subject to a determination of prudence and reasonableness consistent with Commission practice and law. To enable the financing of the incremental capital expenditures, including regulatory assets, for
electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, a participating electric utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital structure shall be deemed reasonable and used to set rates.

(C) Include a cost of equity, which shall be calculated as the sum of the following:

(i) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication; and

(ii) 580 basis points.

At such time as the Board of Governors of the Federal Reserve System ceases to include the monthly average yields of 30-year U.S. Treasury bonds in its weekly H.15 Statistical Release or successor publication, the monthly average yields of the U.S. Treasury bonds then having the longest duration published by the Board of Governors in its weekly H.15 Statistical Release or successor publication shall instead be used for purposes of this paragraph (2).

(D) Permit and set forth protocols, subject to a determination of prudence and reasonableness
consistent with Commission practice and law, for the following:

(i) recovery of incentive compensation expense that is based on the achievement of operational metrics, including metrics related to budget controls, outage duration and frequency, safety, customer service, efficiency and productivity, and environmental compliance; however, this protocol shall not apply if such expense related to costs incurred under this Section is recovered under Article IX or Section 16-108.5 of this Act;

(ii) recovery of pension and other post-employment benefits expense, provided that such costs are supported by an actuarial study; however, this protocol shall not apply if such expense related to costs incurred under this Section is recovered under Article IX or Section 16-108.5 of this Act;

(iii) recovery of existing regulatory assets over the periods previously authorized by the Commission;

(iv) as described in subsection (e),
amortization of costs incurred under this Section;
and

(v) projected, weather normalized billing
determinants for the applicable rate year.

(E) Provide for an annual reconciliation, as
described in paragraph (3) of this subsection (d),
less any deferred taxes related to the reconciliation,
with interest at an annual rate of return equal to the
utility's weighted average cost of capital, including
a revenue conversion factor calculated to recover or
refund all additional income taxes that may be payable
or receivable as a result of that return, of the energy
efficiency revenue requirement reflected in rates for
each calendar year, beginning with the calendar year
in which the utility files its energy efficiency
formula rate tariff under this paragraph (2), with
what the revenue requirement would have been had the
actual cost information for the applicable calendar
year been available at the filing date.

The utility shall file, together with its tariff, the
projected costs to be incurred by the utility during the
rate year under the utility's multi-year plan approved
under subsections (f) and (g) of this Section, including,
but not limited to, the projected capital investment costs
and projected regulatory asset balances with
correspondingly updated depreciation and amortization
reserves and expense, that shall populate the energy efficiency formula rate and set the initial rates under the formula.

The Commission shall review the proposed tariff in conjunction with its review of a proposed multi-year plan, as specified in paragraph (5) of subsection (g) of this Section. The review shall be based on the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, the Commission applies in a hearing to review a filing for a general increase in rates under Article IX of this Act. The initial rates shall take effect beginning with the January monthly billing period following the Commission's approval.

The tariff's rate design and cost allocation across customer classes shall be consistent with the utility's automatic adjustment clause tariff in effect on June 1, 2017 (the effective date of Public Act 99-906); however, the Commission may revise the tariff's rate design and cost allocation in subsequent proceedings under paragraph (3) of this subsection (d).

If the energy efficiency formula rate is terminated, the then current rates shall remain in effect until such time as the energy efficiency costs are incorporated into new rates that are set under this subsection (d) or Article IX of this Act, subject to retroactive rate
adjustment, with interest, to reconcile rates charged with actual costs.

(3) The provisions of this paragraph (3) shall only apply to an electric utility that has elected to file an energy efficiency formula rate under paragraph (2) of this subsection (d). Subsequent to the Commission's issuance of an order approving the utility's energy efficiency formula rate structure and protocols, and initial rates under paragraph (2) of this subsection (d), the utility shall file, on or before June 1 of each year, with the Chief Clerk of the Commission its updated cost inputs to the energy efficiency formula rate for the applicable rate year and the corresponding new charges, as well as the information described in paragraph (9) of subsection (g) of this Section. Each such filing shall conform to the following requirements and include the following information:

(A) The inputs to the energy efficiency formula rate for the applicable rate year shall be based on the projected costs to be incurred by the utility during the rate year under the utility's multi-year plan approved under subsections (f) and (g) of this Section, including, but not limited to, projected capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense.
The filing shall also include a reconciliation of the energy efficiency revenue requirement that was in effect for the prior rate year (as set by the cost inputs for the prior rate year) with the actual revenue requirement for the prior rate year (determined using a year-end rate base) that uses amounts reflected in the applicable FERC Form 1 that reports the actual costs for the prior rate year. Any over-collection or under-collection indicated by such reconciliation shall be reflected as a credit against, or recovered as an additional charge to, respectively, with interest calculated at a rate equal to the utility's weighted average cost of capital approved by the Commission for the prior rate year, the charges for the applicable rate year. Such over-collection or under-collection shall be adjusted to remove any deferred taxes related to the reconciliation, for purposes of calculating interest at an annual rate of return equal to the utility's weighted average cost of capital approved by the Commission for the prior rate year, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return. Each reconciliation shall be certified by the participating utility in the same manner that FERC Form 1 is certified. The filing shall also include the
charge or credit, if any, resulting from the
calculation required by subparagraph (E) of paragraph
(2) of this subsection (d).

Notwithstanding any other provision of law to the
contrary, the intent of the reconciliation is to
ultimately reconcile both the revenue requirement
reflected in rates for each calendar year, beginning
with the calendar year in which the utility files its
energy efficiency formula rate tariff under paragraph
(2) of this subsection (d), with what the revenue
requirement determined using a year-end rate base for
the applicable calendar year would have been had the
actual cost information for the applicable calendar
year been available at the filing date.

For purposes of this Section, "FERC Form 1" means
the Annual Report of Major Electric Utilities,
Licensees and Others that electric utilities are
required to file with the Federal Energy Regulatory
Commission under the Federal Power Act, Sections 3,
4(a), 304 and 209, modified as necessary to be
consistent with 83 Ill. Admin. Code Part 415 as of May
1, 2011. Nothing in this Section is intended to allow
costs that are not otherwise recoverable to be
recoverable by virtue of inclusion in FERC Form 1.

(B) The new charges shall take effect beginning on
the first billing day of the following January billing
period and remain in effect through the last billing
day of the next December billing period regardless of
whether the Commission enters upon a hearing under
this paragraph (3).

(C) The filing shall include relevant and
necessary data and documentation for the applicable
rate year. Normalization adjustments shall not be
required.

Within 45 days after the utility files its annual
update of cost inputs to the energy efficiency formula
rate, the Commission shall with reasonable notice,
initiate a proceeding concerning whether the projected
costs to be incurred by the utility and recovered during
the applicable rate year, and that are reflected in the
inputs to the energy efficiency formula rate, are
consistent with the utility's approved multi-year plan
under subsections (f) and (g) of this Section and whether
the costs incurred by the utility during the prior rate
year were prudent and reasonable. The Commission shall
also have the authority to investigate the information and
data described in paragraph (9) of subsection (g) of this
Section, including the proposed adjustment to the
utility's return on equity component of its weighted
average cost of capital. During the course of the
proceeding, each objection shall be stated with
particularity and evidence provided in support thereof,
after which the utility shall have the opportunity to rebut the evidence. Discovery shall be allowed consistent with the Commission's Rules of Practice, which Rules of Practice shall be enforced by the Commission or the assigned administrative law judge. The Commission shall apply the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, during the proceeding as it would apply in a proceeding to review a filing for a general increase in rates under Article IX of this Act. The Commission shall not, however, have the authority in a proceeding under this paragraph (3) to consider or order any changes to the structure or protocols of the energy efficiency formula rate approved under paragraph (2) of this subsection (d). In a proceeding under this paragraph (3), the Commission shall enter its order no later than the earlier of 195 days after the utility's filing of its annual update of cost inputs to the energy efficiency formula rate or December 15. The utility's proposed return on equity calculation, as described in paragraphs (7) through (9) of subsection (g) of this Section, shall be deemed the final, approved calculation on December 15 of the year in which it is filed unless the Commission enters an order on or before December 15, after notice and hearing, that modifies such calculation consistent with this Section. The Commission's
determinations of the prudence and reasonableness of the costs incurred, and determination of such return on equity calculation, for the applicable calendar year shall be final upon entry of the Commission's order and shall not be subject to reopening, reexamination, or collateral attack in any other Commission proceeding, case, docket, order, rule, or regulation; however, nothing in this paragraph (3) shall prohibit a party from petitioning the Commission to rehear or appeal to the courts the order under the provisions of this Act.

(e) Beginning on June 1, 2017 (the effective date of Public Act 99-906), a utility subject to the requirements of this Section may elect to defer, as a regulatory asset, up to the full amount of its expenditures incurred under this Section for each annual period, including, but not limited to, any expenditures incurred above the funding level set by subsection (f) of this Section for a given year. The total expenditures deferred as a regulatory asset in a given year shall be amortized and recovered over a period that is equal to the weighted average of the energy efficiency measure lives implemented for that year that are reflected in the regulatory asset. The unamortized balance shall be recognized as of December 31 for a given year. The utility shall also earn a return on the total of the unamortized balances of all of the energy efficiency regulatory assets, less any deferred taxes related to those unamortized balances, at an annual rate equal
to the utility's weighted average cost of capital that includes, based on a year-end capital structure, the utility's actual cost of debt for the applicable calendar year and a cost of equity, which shall be calculated as the sum of the (i) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication; and (ii) 580 basis points, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return. Capital investment costs shall be depreciated and recovered over their useful lives consistent with generally accepted accounting principles. The weighted average cost of capital shall be applied to the capital investment cost balance, less any accumulated depreciation and accumulated deferred income taxes, as of December 31 for a given year.

When an electric utility creates a regulatory asset under the provisions of this Section, the costs are recovered over a period during which customers also receive a benefit which is in the public interest. Accordingly, it is the intent of the General Assembly that an electric utility that elects to create a regulatory asset under the provisions of this Section shall recover all of the associated costs as set forth in this Section. After the Commission has approved the prudence and reasonableness of the costs that comprise the regulatory
asset, the electric utility shall be permitted to recover all such costs, and the value and recoverability through rates of the associated regulatory asset shall not be limited, altered, impaired, or reduced.

(f) Beginning in 2017, each electric utility shall file an energy efficiency plan with the Commission to meet the energy efficiency standards for the next applicable multi-year period beginning January 1 of the year following the filing, according to the schedule set forth in paragraphs (1) through (3) of this subsection (f). If a utility does not file such a plan on or before the applicable filing deadline for the plan, it shall face a penalty of $100,000 per day until the plan is filed.

(1) No later than 30 days after June 1, 2017 (the effective date of Public Act 99-906), each electric utility shall file a 4-year energy efficiency plan commencing on January 1, 2018 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (1) through (4) of subsection (b-5) of this Section or in paragraphs (1) through (4) of subsection (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if the utility's expenditures are limited pursuant to subsection (m) of this Section or, for a utility that serves less than 3,000,000 retail customers, if each of the following conditions are met:
(A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate that achievement of such goals is not cost-effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

(2) No later than March 1, 2021, each electric utility shall file a 4-year energy efficiency plan commencing on January 1, 2022 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (5) through (8) of subsection (b-5) of this Section or in paragraphs (5) through (8) of subsection (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if
the utility's expenditures are limited pursuant to subsection (m) of this Section or, each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate that achievement of such goals is not \textit{cost-effective}; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be \textit{cost-effectively} achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

(3) No later than March 1, 2025, each electric utility shall file a 5-year energy efficiency plan commencing on January 1, 2026 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (9) through (13) of subsection (b-5) of this Section or in paragraphs (9) through (13) of subsection (b-15) of this
Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if the utility's expenditures are limited pursuant to subsection (m) of this Section or, each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate that achievement of such goals is not cost-effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 5-year plan period. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 5-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 5-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

Each utility's plan shall set forth the utility's proposals to meet the energy efficiency standards identified in subsection (b-5) or (b-15), as applicable and as such standards may have been modified under this subsection (f),
taking into account the unique circumstances of the utility's service territory. For those plans commencing on January 1, 2018, the Commission shall seek public comment on the utility's plan and shall issue an order approving or disapproving each plan no later than 105 days after June 1, 2017 (the effective date of Public Act 99-906). For those plans commencing after December 31, 2021, the Commission shall seek public comment on the utility's plan and shall issue an order approving or disapproving each plan within 6 months after its submission. If the Commission disapproves a plan, the Commission shall, within 30 days, describe in detail the reasons for the disapproval and describe a path by which the utility may file a revised draft of the plan to address the Commission's concerns satisfactorily. If the utility does not refile with the Commission within 60 days, the utility shall be subject to penalties at a rate of $100,000 per day until the plan is filed. This process shall continue, and penalties shall accrue, until the utility has successfully filed a portfolio of energy efficiency and demand-response measures. Penalties shall be deposited into the Energy Efficiency Trust Fund.

(g) In submitting proposed plans and funding levels under subsection (f) of this Section to meet the savings goals identified in subsection (b-5) or (b-15) of this Section, as applicable, the utility shall:

(1) Demonstrate that its proposed energy efficiency
measures will achieve the applicable requirements that are identified in subsection (b-5) or (b-15) of this Section, as modified by subsection (f) of this Section.

(2) Present specific proposals to implement new building and appliance standards that have been placed into effect.

(3) Demonstrate that its overall portfolio of measures, not including low-income programs described in subsection (c) of this Section, is cost-effective using the total resource cost test or complies with paragraphs (1) through (3) of subsection (f) of this Section and represents a diverse cross-section of opportunities for customers of all rate classes, other than those customers described in subsection (l) of this Section, to participate in the programs. Individual measures need not be cost-effective.

(4) Present a third-party energy efficiency implementation program subject to the following requirements:

(A) beginning with the year commencing January 1, 2019, electric utilities that serve more than 3,000,000 retail customers in the State shall fund third-party energy efficiency programs in an amount that is no less than $25,000,000 per year, and electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail
customers in the State shall fund third-party energy
efficiency programs in an amount that is no less than
$8,350,000 per year;

(B) during 2018, the utility shall conduct a
solicitation process for purposes of requesting
proposals from third-party vendors for those
third-party energy efficiency programs to be offered
during one or more of the years commencing January 1,
2019, January 1, 2020, and January 1, 2021; for those
multi-year plans commencing on January 1, 2022 and
January 1, 2026, the utility shall conduct a
solicitation process during 2021 and 2025,
respectively, for purposes of requesting proposals
from third-party vendors for those third-party energy
efficiency programs to be offered during one or more
years of the respective multi-year plan period; for
each solicitation process, the utility shall identify
the sector, technology, or geographical area for which
it is seeking requests for proposals;

(C) the utility shall propose the bidder
qualifications, performance measurement process, and
contract structure, which must include a performance
payment mechanism and general terms and conditions;
the proposed qualifications, process, and structure
shall be subject to Commission approval; and

(D) the utility shall retain an independent third
party to score the proposals received through the solicitation process described in this paragraph (4), rank them according to their cost per lifetime kilowatt-hours saved, and assemble the portfolio of third-party programs.

The electric utility shall recover all costs associated with Commission-approved, third-party administered programs regardless of the success of those programs.

(4.5) Implement cost-effective demand-response measures to reduce peak demand by 0.1% over the prior year for eligible retail customers, as defined in Section 16-111.5 of this Act, and for customers that elect hourly service from the utility pursuant to Section 16-107 of this Act, provided those customers have not been declared competitive. This requirement continues until December 31, 2026.

(5) Include a proposed or revised cost-recovery tariff mechanism, as provided for under subsection (d) of this Section, to fund the proposed energy efficiency and demand-response measures and to ensure the recovery of the prudently and reasonably incurred costs of Commission-approved programs.

(6) Provide for an annual independent evaluation of the performance of the cost-effectiveness of the utility's portfolio of measures, as well as a full review of the
multi-year plan results of the broader net program impacts
and, to the extent practical, for adjustment of the
measures on a going-forward basis as a result of the
evaluations. The resources dedicated to evaluation shall
not exceed 3% of portfolio resources in any given year.

(7) For electric utilities that serve more than
3,000,000 retail customers in the State:

(A) Through December 31, 2025, provide for an
adjustment to the return on equity component of the
utility's weighted average cost of capital calculated
under subsection (d) of this Section:

(i) If the independent evaluator determines
that the utility achieved a cumulative persisting
annual savings that is less than the applicable
annual incremental goal, then the return on equity
component shall be reduced by a maximum of 200
basis points in the event that the utility
achieved no more than 75% of such goal. If the
utility achieved more than 75% of the applicable
annual incremental goal but less than 100% of such
goal, then the return on equity component shall be
reduced by 8 basis points for each percent by
which the utility failed to achieve the goal.

(ii) If the independent evaluator determines
that the utility achieved a cumulative persisting
annual savings that is more than the applicable
annual incremental goal, then the return on equity component shall be increased by a maximum of 200 basis points in the event that the utility achieved at least 125% of such goal. If the utility achieved more than 100% of the applicable annual incremental goal but less than 125% of such goal, then the return on equity component shall be increased by 8 basis points for each percent by which the utility achieved above the goal. If the applicable annual incremental goal was reduced under paragraphs (1) or (2) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in this item (ii):

(aa) the calculation for determining achievement that is at least 125% of the applicable annual incremental goal shall use the unreduced applicable annual incremental goal to set the value; and

(bb) the calculation for determining achievement that is less than 125% but more than 100% of the applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125%
achievement. The 8 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% achievement.

(B) For the period January 1, 2026 through December 31, 2030, provide for an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section:

(i) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is less than the applicable annual incremental goal, then the return on equity component shall be reduced by a maximum of 200 basis points in the event that the utility achieved no more than 66% of such goal. If the utility achieved more than 66% of the applicable annual incremental goal but less than 100% of such goal, then the return on equity component shall be reduced by 6 basis points for each percent by which the utility failed to achieve the goal.

(ii) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is more than the applicable annual incremental goal, then the return on equity
component shall be increased by a maximum of 200
basis points in the event that the utility
achieved at least 134% of such goal. If the
utility achieved more than 100% of the applicable
annual incremental goal but less than 134% of such
goal, then the return on equity component shall be
increased by 6 basis points for each percent by
which the utility achieved above the goal. If the
applicable annual incremental goal was reduced
under paragraph (3) of subsection (f) of this
Section, then the following adjustments shall be
made to the calculations described in this item
(ii):

(aa) the calculation for determining
achievement that is at least 134% of the
applicable annual incremental goal shall use
the unreduced applicable annual incremental
goal to set the value; and

(bb) the calculation for determining
achievement that is less than 134% but more
than 100% of the applicable annual incremental
goal shall use the reduced applicable annual
incremental goal to set the value for 100%
achievement of the goal and shall use the
unreduced goal to set the value for 134%
achievement. The 6 basis point value shall
also be modified, as necessary, so that the
200 basis points are evenly apportioned among
each percentage point value between 100% and
134% achievement.

(7.5) For purposes of this Section, the term
"applicable annual incremental goal" means the difference
between the cumulative persisting annual savings goal for
the calendar year that is the subject of the independent
evaluator's determination and the cumulative persisting
annual savings goal for the immediately preceding calendar
year, as such goals are defined in subsections (b-5) and
(b-15) of this Section and as these goals may have been
modified as provided for under subsection (b-20) and
paragraphs (1) through (3) of subsection (f) of this
Section. Under subsections (b), (b-5), (b-10), and (b-15)
of this Section, a utility must first replace energy
savings from measures that have reached the end of their
measure lives and would otherwise have to be replaced to
meet the applicable savings goals identified in subsection
(b-5) or (b-15) of this Section before any progress toward
achievement of its applicable annual incremental
goal may be counted. Notwithstanding anything else set
forth in this Section, the difference between the actual
annual incremental savings achieved in any given year,
including the replacement of energy savings from measures
that have expired, and the applicable annual incremental
goal shall not affect adjustments to the return on equity for subsequent calendar years under this subsection (g).

(8) For electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State:

(A) Through December 31, 2025, the applicable annual incremental goal shall be compared to the annual incremental savings as determined by the independent evaluator.

(i) The return on equity component shall be reduced by 8 basis points for each percent by which the utility did not achieve 84.4% of the applicable annual incremental goal.

(ii) The return on equity component shall be increased by 8 basis points for each percent by which the utility exceeded 100% of the applicable annual incremental goal.

(iii) The return on equity component shall not be increased or decreased if the annual incremental savings as determined by the independent evaluator is greater than 84.4% of the applicable annual incremental goal and less than 100% of the applicable annual incremental goal.

(iv) The return on equity component shall not be increased or decreased by an amount greater than 200 basis points pursuant to this
subparagraph (A).

(B) For the period of January 1, 2026 through December 31, 2030, the applicable annual incremental goal shall be compared to the annual incremental savings as determined by the independent evaluator.

(i) The return on equity component shall be reduced by 6 basis points for each percent by which the utility did not achieve 100% of the applicable annual incremental goal.

(ii) The return on equity component shall be increased by 6 basis points for each percent by which the utility exceeded 100% of the applicable annual incremental goal.

(iii) The return on equity component shall not be increased or decreased by an amount greater than 200 basis points pursuant to this subparagraph (B).

(C) If the applicable annual incremental goal was reduced under paragraphs (1), (2) or (3) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in subparagraphs (A) and (B) of this paragraph (8):

(i) The calculation for determining achievement that is at least 125% or 134%, as applicable, of the applicable annual incremental goal shall use the unreduced applicable annual
incremental goal to set the value.

(ii) For the period through December 31, 2025, the calculation for determining achievement that is less than 125% but more than 100% of the applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 8 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% achievement.

(iii) For the period of January 1, 2026 through December 31, 2030, the calculation for determining achievement that is less than 134% but more than 100% of the applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 6 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 134% achievement.
(9) The utility shall submit the energy savings data to the independent evaluator no later than 30 days after the close of the plan year. The independent evaluator shall determine the cumulative persisting annual savings for a given plan year no later than 120 days after the close of the plan year. The utility shall submit an informational filing to the Commission no later than 160 days after the close of the plan year that attaches the independent evaluator's final report identifying the cumulative persisting annual savings for the year and calculates, under paragraph (7) or (8) of this subsection (g), as applicable, any resulting change to the utility's return on equity component of the weighted average cost of capital applicable to the next plan year beginning with the January monthly billing period and extending through the December monthly billing period. However, if the utility recovers the costs incurred under this Section under paragraphs (2) and (3) of subsection (d) of this Section, then the utility shall not be required to submit such informational filing, and shall instead submit the information that would otherwise be included in the informational filing as part of its filing under paragraph (3) of such subsection (d) that is due on or before June 1 of each year.

For those utilities that must submit the informational filing, the Commission may, on its own motion or by
petition, initiate an investigation of such filing, provided, however, that the utility's proposed return on equity calculation shall be deemed the final, approved calculation on December 15 of the year in which it is filed unless the Commission enters an order on or before December 15, after notice and hearing, that modifies such calculation consistent with this Section.

The adjustments to the return on equity component described in paragraphs (7) and (8) of this subsection (g) shall be applied as described in such paragraphs through a separate tariff mechanism, which shall be filed by the utility under subsections (f) and (g) of this Section.

(h) No more than 6% of energy efficiency and demand-response program revenue may be allocated for research, development, or pilot deployment of new equipment or measures.

(i) When practicable, electric utilities shall incorporate advanced metering infrastructure data into the planning, implementation, and evaluation of energy efficiency measures and programs, subject to the data privacy and confidentiality protections of applicable law.

(j) The independent evaluator shall follow the guidelines and use the savings set forth in Commission-approved energy efficiency policy manuals and technical reference manuals, as each may be updated from time to time. Until such time as measure life values for energy efficiency measures implemented for low-income households under subsection (c) of this Section
are incorporated into such Commission-approved manuals, the
low-income measures shall have the same measure life values
that are established for same measures implemented in
households that are not low-income households.

(k) Notwithstanding any provision of law to the contrary,
an electric utility subject to the requirements of this
Section may file a tariff cancelling an automatic adjustment
clause tariff in effect under this Section or Section 8-103,
which shall take effect no later than one business day after
the date such tariff is filed. Thereafter, the utility shall
be authorized to defer and recover its expenditures incurred
under this Section through a new tariff authorized under
subsection (d) of this Section or in the utility's next rate
case under Article IX or Section 16-108.5 of this Act, with
interest at an annual rate equal to the utility's weighted
average cost of capital as approved by the Commission in such
case. If the utility elects to file a new tariff under
subsection (d) of this Section, the utility may file the
tariff within 10 days after June 1, 2017 (the effective date of
Public Act 99-906), and the cost inputs to such tariff shall be
based on the projected costs to be incurred by the utility
during the calendar year in which the new tariff is filed and
that were not recovered under the tariff that was cancelled as
provided for in this subsection. Such costs shall include
those incurred or to be incurred by the utility under its
multi-year plan approved under subsections (f) and (g) of this
Section, including, but not limited to, projected capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense. The Commission shall, after notice and hearing, approve, or approve with modification, such tariff and cost inputs no later than 75 days after the utility filed the tariff, provided that such approval, or approval with modification, shall be consistent with the provisions of this Section to the extent they do not conflict with this subsection (k). The tariff approved by the Commission shall take effect no later than 5 days after the Commission enters its order approving the tariff.

No later than 60 days after the effective date of the tariff cancelling the utility's automatic adjustment clause tariff, the utility shall file a reconciliation that reconciles the moneys collected under its automatic adjustment clause tariff with the costs incurred during the period beginning June 1, 2016 and ending on the date that the electric utility's automatic adjustment clause tariff was cancelled. In the event the reconciliation reflects an under-collection, the utility shall recover the costs as specified in this subsection (k). If the reconciliation reflects an over-collection, the utility shall apply the amount of such over-collection as a one-time credit to retail customers' bills.

(l) For the calendar years covered by a multi-year plan
commencing after December 31, 2017, subsections (a) through (j) of this Section do not apply to any retail customers of an electric utility that serves more than 3,000,000 retail customers in the State and whose total highest 30 minute demand was more than 10,000 kilowatts, or any retail customers of an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State and whose total highest 15 minute demand was more than 10,000 kilowatts. For purposes of this subsection (l), "retail customer" has the meaning set forth in Section 16-102 of this Act. A determination of whether this subsection is applicable to a customer shall be made for each multi-year plan beginning after December 31, 2017. The criteria for determining whether this subsection (l) is applicable to a retail customer shall be based on the 12 consecutive billing periods prior to the start of the first year of each such multi-year plan.

(m) Notwithstanding the requirements of this Section, as part of a proceeding to approve a multi-year plan under subsections (f) and (g) of this Section, the Commission shall reduce the amount of energy efficiency measures implemented for any single year, and whose costs are recovered under subsection (d) of this Section, by an amount necessary to limit the estimated average net increase due to the cost of the measures to no more than

(1) 3.5% for each of the 4 years beginning January 1, 2018,
(2) 3.75% for each of the 4 years beginning January 1, 2022, and
(3) 4% for each of the 5 years beginning January 1, 2026,
of the average amount paid per kilowatthour by residential
eligible retail customers during calendar year 2015. To
determine the total amount that may be spent by an electric
utility in any single year, the applicable percentage of the
average amount paid per kilowatthour shall be multiplied by
the total amount of energy delivered by such electric utility
in the calendar year 2015, adjusted to reflect the proportion
of the utility's load attributable to customers who are exempt
from subsections (a) through (j) of this Section under
subsection (l) of this Section. For purposes of this
subsection (m), the amount paid per kilowatthour includes,
without limitation, estimated amounts paid for supply,
transmission, distribution, surcharges, and add-on taxes. For
purposes of this Section, "eligible retail customers" shall
have the meaning set forth in Section 16-111.5 of this Act.
Once the Commission has approved a plan under subsections (f)
and (g) of this Section, no subsequent rate impact
determinations shall be made.
(Source: P.A. 100-840, eff. 8-13-18; 101-81, eff. 7-12-19.)

(220 ILCS 5/8-106 new)

Sec. 8-106. Beneficial Electrification Portfolio Standard.
(a) It is the policy of the State that electric utilities serving more than 3,000,000 retail customers in the State should develop and implement beneficial electrification portfolios to use and subsidize cost-effective carbon reduction measures to reduce carbon dioxide emissions in the State.

Requiring investment in cost-effective carbon reduction measures will reduce direct and indirect costs to consumers by decreasing environmental impacts. It also serves the public interest to allow electric utilities subject to the requirements of this Section to recover costs for reasonably and prudently incurred expenditures for carbon reduction measures.

The potential scope of beneficial electrification measures is broad, but transportation electrification and related infrastructure should be the primary initial focus.

Emissions of carbon dioxide and other source pollutants from the transportation sector have, in 2016, surpassed the electric generation sector, and constitute a grave threat to the health and well-being of citizens of Illinois.

Widespread transportation electrification across all vehicle types, including light-duty vehicles, medium-duty vehicles, and heavy-duty vehicles, is necessary to reduce such emissions and to improve air quality, and at the same time provide benefits to consumers and optimize the utilization of the electric grid.
The lack of adequate electric vehicle infrastructure, including publicly available charging stations, is one of the biggest impediments to the further adoption of electric vehicles in Illinois.

It is the goal of the State to have at least 1,500,000 internal combustion engine vehicles replaced with electric vehicles by 2030.

Electric utilities play a central role in enabling vehicle market transformation, providing electric vehicle programs and associated infrastructure, and delivering electricity.

A broad ecosystem of stakeholders must play a critical role in advancing beneficial electrification to meet the State's carbon, equity, and economic goals, including competitive third-party market providers including electric vehicle service providers, technology companies, other private businesses, local governments, and nonprofits. Together, this group can foster innovation at all levels of the State to ensure Illinois' place as a national and global leader on electrification.

Public health, and especially respiratory health issues, should be adequately considered in any beneficial electrification plan.

The needs of low-income households, disproportionately impacted communities, and environmental justice communities throughout the State, including, but not limited to, rural communities, also need to be considered in any beneficial
electrification plan.

As used in this Section:

"Cost-effective" means that the measures satisfy the total resource cost test. The low-income measures described in subsection (c) of this Section, as well as those measures described in Section 8-107 and 8-108 of this Act, shall not be required to meet the total resource cost test.

"Carbon reduction measures" means measures that reduce the amount of carbon dioxide emitted in order to achieve a given end use.

"Electric utility" has the meaning given to that term in Section 16-102 of the Public Utilities Act.

"Total resource cost test" or "TRC test" means a standard that is met if, for an investment in carbon reduction measures, the benefit-cost ratio is greater than one. The benefit-cost ratio is the ratio of the net present value of the total benefits of the measure to the net present value of the total costs as calculated over the lifetime of the measure. A total resource cost test compares the sum of the avoided Social Cost of Carbon, reductions in healthcare costs, and fuel savings, as well as other quantifiable societal benefits, to the sum of all incremental costs of the end-use measure that is implemented due to the Beneficial Electrification Portfolio Standard (including both utility and participant contributions), plus costs to administer, deliver, and evaluate the carbon reduction measure, to quantify the net
savings obtained by substituting the carbon reduction measure for the baseline measure. The analysis shall take reasonably effective steps to seek to quantify societal benefits. As used in this Section, the "Social Cost of Carbon" equals $62 per ton for the year ending December 31, 2022, which is based on the U.S. Interagency Working Group on Social Cost of Carbon's price in the August 2016 Technical Update using a 2.5% discount rate. For each year of the Beneficial Electrification Portfolio Standard commencing after December 31, 2022, the Social Cost of Carbon shall be adjusted for inflation for each year of the Portfolio at the rate of 2% per annum.

(a-5) This Section applies to electric utilities serving more than 3,000,000 retail customers in this State.

(b) Beginning in 2023, each plan shall be designed to achieve the following cumulative persisting annual carbon reduction goals through the implementation of carbon reduction measures during the applicable year and in prior years:

(1) 20,000 cumulative persisting annual tons of avoided carbon for the year ending December 31, 2023;

(2) 50,000 cumulative persisting annual tons of avoided carbon for the year ending December 31, 2024;

(3) 125,000 cumulative persisting annual tons of avoided carbon for the year ending December 31, 2025;

(4) 250,000 cumulative persisting annual tons of avoided carbon for the year ending December 31, 2026;

(5) 400,000 cumulative persisting annual tons of
avoided carbon for the year ending December 31, 2027;
(6) 650,000 cumulative persisting annual tons of
avoided carbon for the year ending December 31, 2028;
(7) 1,100,000 cumulative persisting annual tons of
avoided carbon for the year ending December 31, 2029;
(8) 1,650,000 cumulative persisting annual tons of
avoided carbon for the year ending December 31, 2030;
(9) 2,300,000 cumulative persisting annual tons of
avoided carbon for the year ending December 31, 2031;
(10) 3,000,000 cumulative persisting annual tons of
avoided carbon for the year ending December 31, 2032;
(11) 4,000,000 cumulative persisting annual tons of
avoided carbon for the year ending December 31, 2033; and
(12) 5,000,000 cumulative persisting annual tons of
avoided carbon for the year ending December 31, 2034.

As used in this Section, "cumulative persisting annual
carbon reduction" and "cumulative persisting annual tons of
avoided carbon" means the total reduction in carbon emissions
in a given year from measures installed in that year or in
previous years, but no earlier than January 1, 2023, that are
still operational and providing reductions in that year
because the measures have not yet reached the end of their
useful lives.

(c) Electric utilities shall be responsible for overseeing
the design, development, and filing of beneficial
electrification plans with the Commission, plan
implementation, and may, as part of that implementation, outsource various aspects of program development and implementation. A minimum of 30% of the utility's entire portfolio funding level for a given year shall be used to implement carbon reduction measures targeted at low-income households, disproportionately impacted communities, and environmental justice communities, and expenditures to implement those measures shall be no less than $30,000,000 per year. A minimum of 10% of the utility's entire portfolio funding level for a given year shall be used to procure cost-effective carbon reduction measures from units of local government, municipal corporations, school districts, public housing, and community college districts, provided that a minimum percentage of available funds shall be used to procure carbon reduction measures from public housing and public schools, which percentage shall be equal to public housing's and public schools' share of public building energy consumption.

As used in this Section, "low-income households" means households whose income does not exceed 80% of the area median income, and "environmental justice communities" has the meaning set forth in Section 1-56 of the Illinois Power Agency Act and defined by the most recent Commission-approved Long-Term Renewable Resources Procurement Plan of the Illinois Power Agency.

The amount of the subsidy paid to a retail customer for a
carbon reduction measure shall equal the avoided Social Cost of Carbon as calculated and discounted over the life of the measure.

(d) Notwithstanding any other provision of law to the contrary, a utility providing approved carbon reduction measures in the State under this Section shall be permitted to recover all reasonable and prudently incurred costs of those measures from all retail customers, provided that nothing in this subsection (d) permits the double recovery of such costs from customers:

(1) The utility may recover its costs through an automatic adjustment clause tariff filed with and approved by the Commission. The tariff shall be established outside the context of a general rate case. Each year the Commission shall initiate a review to reconcile any amounts collected with the actual costs and to determine the required adjustment to the annual tariff factor to match annual expenditures.

(2) A utility, alternatively, may recover its costs through a beneficial electrification formula rate approved by the Commission under a filing under subsections (f) and (g) of this Section or under a separate filing, which shall specify the cost components that form the basis of the rate charged to customers with sufficient specificity to operate in a standardized manner and be updated annually with transparent information that reflects the
utility's actual costs to be recovered during the applicable rate year, which is the period beginning with the first billing day of January and extending through the last billing day of the following December. The beneficial electrification formula rate shall be implemented through a tariff filed with the Commission under subsections (f) and (g) of this Section that is consistent with the provisions of this paragraph (2) and that applies to all delivery services customers. The Commission shall conduct an investigation of the tariff in a manner consistent with the provisions of this paragraph (2), subsections (f) and (g) of this Section, and the provisions of Article IX of this Act to the extent they do not conflict with this paragraph (2). The beneficial electrification formula rate approved by the Commission shall remain in effect at the discretion of the utility and shall do the following:

(A) Provide for the recovery of the utility's actual costs incurred under this Section that are prudently incurred and reasonable in amount consistent with Commission practice and law. The sole fact that a cost differs from that incurred in a prior calendar year or that an investment is different from that made in a prior calendar year shall not imply the imprudence or unreasonableness of that cost or investment.

(B) Reflect the utility's actual year-end capital
structure for the applicable calendar year, excluding
goodwill, subject to a determination of prudence and
reasonableness consistent with Commission practice and
law.

(C) Include a cost of equity, which shall be
calculated as the sum of the following:

(i) the average for the applicable calendar
year of the monthly average yields of 30-year U.S.
Treasury bonds published by the Board of Governors
of the Federal Reserve System in its weekly H.15
Statistical Release or successor publication; and

(ii) 580 basis points.

However, if the cost of equity as calculated under
this subparagraph (C) is greater than the national
average cost of equity for the rate year by 50 basis
points or more, then the Illinois Commerce Commission
shall include a cost of equity at a rate equal to the
national average cost of equity as calculated under
this subparagraph (C) plus 50 basis points. For
purposes of this paragraph (2), the national average
cost of equity for a rate year shall be the simple
average of the cost of equity approved in each order of
a state regulatory commission, other than the
Commission, issued during that rate year that applies
to retail electric service provided by an
investor-owned public utility company operating in the
United States. No order shall be excluded from the national average cost of equity calculated under this subparagraph (C) on the grounds that it is subject to rehearing or appeal. If, for any rate year, there are fewer than 15 applicable orders of state regulatory commissions with which to compute the average cost of equity, the Commission shall include in the calculation of the national average the number of state regulatory orders from the prior year or years necessary to reach a total of 15, beginning with the most recently issued and proceeding in reverse chronological order. Notwithstanding anything to the contrary, the Commission shall not be permitted to approve a cost of equity that is more than 100 basis points below the national average cost of equity for the rate year.

At such time as the Board of Governors of the Federal Reserve System ceases to include the monthly average yields of 30-year U.S. Treasury bonds in its weekly H.15 Statistical Release or successor publication, the monthly average yields of the U.S. Treasury bonds then having the longest duration published by the Board of Governors in its weekly H.15 Statistical Release or successor publication shall instead be used for purposes of this paragraph (2).

(D) Permit and set forth protocols, subject to a
determination of prudence and reasonableness consistent with Commission practice and law, for the following:

(i) recovery of incentive compensation expense that is based on the achievement of operational metrics, including metrics related to budget controls, outage duration and frequency, safety, customer service, efficiency and productivity, and environmental compliance; however, this protocol shall not apply if such expense related to costs incurred under this Section is recovered under Article IX or Section 16-108.5 of this Act;

(ii) recovery of pension and other post-employment benefits expense, provided that such costs are supported by an actuarial study; however, this protocol shall not apply if such expense related to costs incurred under this Section is recovered under Article IX or Section 16-108.5 of this Act;

(iii) recovery of existing regulatory assets over the periods previously authorized by the Commission;
(iv) as described in subsection (e), amortization of costs incurred under this Section; and

(v) projected, weather normalized billing determinants for the applicable rate year.

(E) Provide for an annual reconciliation, as described in paragraph (3) of this subsection (d), less any deferred taxes related to the reconciliation, with interest at an annual rate of return equal to the utility's weighted average cost of capital, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return, of the beneficial electrification revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its beneficial electrification formula rate tariff under this paragraph (2), with what the revenue requirement would have been had the actual cost information for the applicable calendar year been available at the filing date.

The utility shall file, together with its tariff, the projected costs to be incurred by the utility during the rate year under the utility's multi-year plan approved under subsections (f) and (g) of this Section, including, but not limited to, the projected
capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense, that shall populate the beneficial electrification formula rate and set the initial rates under the formula.

The Commission shall, as applicable, review the proposed tariff in conjunction with its review of a proposed multi-year plan, as specified in subsections (f) and (g) of this Section. The review shall be based on the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, the Commission applies in a hearing to review a filing for a general increase in rates under Article IX of this Act. The initial rates shall take effect beginning with the January monthly billing period following the Commission's approval.

The tariff's rate design and cost allocation across customer classes shall be consistent with the utility's tariff in effect pursuant to subsection (d) of Section 8 103B of this Act on the effective date of this amendatory Act of the 102nd General Assembly; however, the Commission may revise the tariff's rate design and cost allocation in subsequent proceedings under paragraph (3) of this subsection (d).
If the beneficial electrification formula rate is terminated, the then-current rates shall remain in effect until the carbon reduction costs are incorporated into new rates that are set under this subsection (d) or Article IX of this Act, subject to retroactive rate adjustment, with interest, to reconcile rates charged with actual costs.

(3) This paragraph (3) applies only to an electric utility that has elected to file a beneficial electrification formula rate under paragraph (2) of this subsection (d). Subsequent to the Commission's issuance of an order approving the utility's beneficial electrification formula rate structure and protocols, and initial rates, the utility shall file, on or before June 1 of each year, with the Chief Clerk of the Commission its updated cost inputs to the beneficial electrification formula rate for the applicable rate year and the corresponding new charges. Each such filing shall conform to the following requirements and include the following information:

(A) The inputs to the beneficial electrification formula rate for the applicable rate year shall be based on the projected costs to be incurred by the utility during the rate year under the utility's multi-year plan approved under subsections (f) and (g) of this Section, including, but not limited to,
projected capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense. The filing shall also include a reconciliation of the beneficial electrification revenue requirement that was in effect for the prior rate year (as set by the cost inputs for the prior rate year) with the actual revenue requirement for the prior rate year (determined using a year-end rate base) that uses amounts reflected in the applicable Federal Energy Regulatory Commission (FERC) Form 1 that reports the utility's actual costs for the prior rate year. Any over-collection or under-collection indicated by such reconciliation shall be reflected as a credit against, or recovered as an additional charge to, respectively, with interest calculated at a rate equal to the utility's weighted average cost of capital approved by the Commission for the prior rate year, the charges for the applicable rate year. Such over-collection or under-collection shall be adjusted to remove any deferred taxes related to the reconciliation, for purposes of calculating interest at an annual rate of return equal to the utility's weighted average cost of capital approved by the Commission for the prior rate year, including a revenue conversion factor calculated to recover or refund all additional income taxes that
may be payable or receivable as a result of that return. Each reconciliation shall be certified by the participating utility in the same manner that FERC Form 1 is certified. The filing shall also include the charge or credit, if any, resulting from the calculation required by subparagraph (E) of paragraph (2) of this subsection (d).

Except as provided in paragraph (4) of this subsection (d), and notwithstanding any other provision of law to the contrary, the intent of the reconciliation is to ultimately reconcile both the revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its beneficial electrification formula rate tariff under paragraph (2) of this subsection (d), with what the revenue requirement determined using a year-end rate base for the applicable calendar year would have been had the actual cost information for the applicable calendar year been available at the filing date.

For purposes of this Section, "FERC Form 1" means the Annual Report of Major Electric Utilities, Licensees and Others that electric utilities are required to file with the Federal Energy Regulatory Commission under the Federal Power Act, Sections 3, 4(a), 304 and 209, modified as necessary to be
consistent with 83 Ill. Adm. Code Part 415 as of May 1, 2011. Nothing in this Section is intended to allow costs that are not otherwise recoverable to be recoverable by virtue of inclusion in FERC Form 1.

(B) The new charges shall take effect beginning on the first billing day of the following January billing period and remain in effect through the last billing day of the next December billing period regardless of whether the Commission enters upon a hearing under this paragraph (3).

(C) The filing shall include relevant and necessary data and documentation for the applicable rate year. Normalization adjustments shall not be required.

Within 45 days after the utility files its annual update of cost inputs to the beneficial electrification formula rate, the Commission shall with reasonable notice, initiate a proceeding concerning whether the projected costs to be incurred by the utility and recovered during the applicable rate year, and that are reflected in the inputs to the beneficial electrification formula rate, are consistent with the utility's approved multi-year plan under subsections (f) and (g) of this Section and whether the costs incurred by the utility during the prior rate year were prudent and reasonable. During the course of the proceeding, each objection shall be stated with
particularity and evidence provided in support thereof, after which the utility shall have the opportunity to rebut the evidence. Discovery shall be allowed consistent with the Commission's Rules of Practice, which Rules of Practice shall be enforced by the Commission or the assigned hearing examiner. The Commission shall apply the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, during the proceeding as it would apply in a proceeding to review a filing for a general increase in rates under Article IX of this Act. The Commission shall not, however, have the authority in a proceeding under this paragraph (3) to consider or order any changes to the structure or protocols of the beneficial electrification formula rate approved under paragraph (2) of this subsection (d). In a proceeding under this paragraph (3), the Commission shall enter its order no later than the earlier of 195 days after the utility's filing of its annual update of cost inputs to the beneficial electrification formula rate or December 15. The Commission's determinations of the prudence and reasonableness of the costs incurred, and determination of such return on equity calculation, for the applicable calendar year shall be final upon entry of the Commission's order and shall not be subject to reopening, reexamination, or collateral attack in any other
Commission proceeding, case, docket, order, rule, or regulation; however, nothing in this paragraph (3) shall prohibit a party from petitioning the Commission to rehear or appeal to the courts the order under the provisions of this Act.

(4) Notwithstanding the provisions of paragraphs (2) and (3) of this subsection (d), an electric utility shall be authorized to retain funds collected but not spent during a given year for the purpose of using the unspent funds during the subsequent 2-year period. If unspent funds related to a given year still remain after the passage of such 2-year period, then the utility may transfer such funds to one of the following programs: the Public Transportation Electrification Subsidies Program set forth in Section 8-108 of this Act; an electric car sharing program that serves primarily low-income customers; or an electric vehicle program that benefits low-income customers. If the funds are not so transferred or a portion otherwise remains after such transfer, then such funds shall be included, and credited back to customers, in the next annual update filing submitted under paragraph (3) of this subsection (d).

If an electric utility elects to retain funds as authorized by this paragraph (4), the utility's tariff and annual update filing under paragraphs (2) and (3) of this subsection (d) shall conform to the provisions of this
paragraph (4). In addition, the electric utility shall deposit into a separate interest bearing account of a financial institution the retained funds. Any interest earned shall be credited back to retail customers under the reconciliation proceeding provided for in this subsection (d), provided that the electric utility shall first be reimbursed from the interest for the administrative costs that it incurs to administer and manage the account. Any taxes due on the funds in the account, or interest earned on it, will be paid from the account or, if insufficient moneys are available in the account, from the money collected under the tariffed charges authorized by this Section.

(e) Beginning on the effective date of this amendatory Act of the 102nd General Assembly, a utility subject to this Section may elect to defer, as a regulatory asset, up to the full amount of its expenditures incurred under this Section for each annual period, including, but not limited to, any expenditures incurred above the funding level set by subsection (f) of this Section for a given year. The total expenditures deferred as a regulatory asset in a given year shall be amortized and recovered over a period that is equal to the weighted average of the carbon reduction measure lives implemented for that year that are reflected in the regulatory asset. The unamortized balance shall be recognized as of December 31 for a given year. The utility shall also earn a
return on the total of the unamortized balances of all of the beneficial electrification regulatory assets, less any deferred taxes related to those unamortized balances, at an annual rate equal to the utility's weighted average cost of capital that includes, based on a year-end capital structure, the utility's actual cost of debt for the applicable calendar year and a cost of equity, which shall be calculated in accordance with the calculations set forth in subparagraph (C) of paragraph (2) of subsection (d) of this Section. Capital investments shall be depreciated and recovered over their useful lives consistent with generally accepted accounting principles. The weighted average cost of capital shall be applied to the capital investment cost balance, less any accumulated depreciation and accumulated deferred income taxes, as of December 31 for a given year.

When an electric utility creates a regulatory asset under the provisions of this Section, the costs are recovered over a period during which customers also receive a benefit which is in the public interest. Accordingly, it is the intent of the General Assembly that an electric utility that elects to create a regulatory asset under the provisions of this Section shall recover all of the associated costs as set forth in this Section. After the Commission has approved the prudence and reasonableness of the costs that comprise the regulatory asset, the electric utility shall be permitted to recover all such costs, and the value and recoverability through rates of
the associated regulatory asset shall not be limited, altered, impaired, or reduced.

(f) By no later than March 31, 2022, each electric utility subject to this Section shall file a beneficial electrification plan with the Commission that is designed to achieve the carbon reduction standards for the next applicable multi-year period beginning January 1 of the year following the filing, according to the schedule set forth in paragraphs (1) through (3) of this subsection (f).

(1) No later than March 31, 2022, each electric utility shall file a 4-year beneficial electrification plan commencing on January 1, 2023, that is designed to achieve the cumulative persisting annual carbon reduction goals specified in paragraphs (1) through (4) of subsection (b) of this Section through implementation of carbon reduction measures. Cost-effective subsidies shall be the primary means of implementation of the plan. The utility, in developing such a plan, shall conduct a stakeholder input process. The utility, in developing such a plan, shall consider, but not be limited to, the following subjects: transportation electrification measures including, but not limited to, electric vehicle and electric vehicle infrastructure and services market development; end-use cases such as vehicle fleets, transportation network companies, residential, multifamily dwelling, low-income households,
environmental justice communities, public transportation (including school buses), and level 2 and direct current fast charging sites; flexibility mechanisms such as banking; infrastructure interoperability and open protocols; and education and outreach.

(2) No later than March 1, 2026, each electric utility shall file a 4-year beneficial electrification plan commencing on January 1, 2027, that is designed to achieve the cumulative persisting annual carbon reduction goals specified in paragraphs (5) through (8) of subsection (b) of this Section through implementation of carbon reduction measures.

(3) No later than March 1, 2030, each electric utility shall file a 4-year beneficial electrification plan commencing on January 1, 2031, that is designed to achieve the cumulative persisting annual carbon reduction goals specified in paragraphs (9) through (12) of subsection (b) of this Section through implementation of carbon reduction measures.

Each utility's plan shall set forth the utility's proposals to meet the carbon reduction standards identified in subsection (b), taking into account the unique circumstances of the utility's service territory. For those plans commencing on January 1, 2023, the Commission shall seek public comment and comments of other applicable State agencies on the utility's plan and shall issue an order approving or modifying
each plan no later than October 31, 2022. The electric utility shall bear the burden of proof that its plan complies with this Section in such Commission review. The Commission, in making its determination on the utility's plan, shall consider, along with all other applicable factors and principles, the prudence and reasonability of the design and likely effectiveness of the plan to meet the cumulative persisting annual carbon reduction goals of subsection (b) of this Section; the reliability, resilience, safety, and use (including optimization of use) of the distribution grid; reliability and resilience needs of customers, electric vehicle electrification infrastructure, and electric vehicle service providers; economic development benefits of measures, such as job creation; and the needs of low-income households, disproportionately impacted communities and environmental justice communities throughout the State, including, but not limited to, rural communities.

For those plans commencing after December 31, 2026, the Commission shall seek public comment on each utility's plan, and shall issue an order approving, modifying, or disapproving each plan within 6 months after its submission. If the Commission disapproves a plan, the Commission shall, within 30 days, describe in detail the reasons for the disapproval and describe a path by which the utility may file a revised draft of the plan to address the Commission's concerns satisfactorily.
(g) In submitting proposed plans and funding levels under subsection (f) of this Section to meet the carbon reduction goals identified in subsection (b), the utility shall:

(1) Demonstrate that its proposed carbon reduction measures will achieve the applicable requirements that are identified in subsection (b) of this Section.

(2) Rank the proposed carbon reduction measures based on their total resource cost test benefit-cost ratio values.

(3) Demonstrate that its overall portfolio of measures, not including low-income programs described in subsection (c) of this Section and in Sections 8-107 and 8-108 of this Act, is cost-effective using the total resource cost test and represents a diverse cross-section of opportunities for customers of all rate classes to participate in the programs. Individual measures need not be cost-effective. The low-income measures described in subsection (c) of this Section, as well as those described in Section 8-107 and 8-108 of this Act, shall not be required to meet the total resource cost test.

(4) Be authorized, at its election, to include a proposed or revised cost-recovery tariff mechanism, as provided for under subsection (d) of this Section, to fund the proposed carbon reduction measures and to ensure the recovery of the prudently and reasonably incurred costs of Commission-approved programs.
(h) No more than 6% of beneficial electrification program revenue may be allocated for research, development, or pilot deployment of new equipment or measures.

(i) When practicable, electric utilities shall incorporate advanced metering infrastructure data into the planning, implementation, and evaluation of carbon reduction measures and programs, subject to the data privacy and confidentiality protections of applicable law.

(j)(1) Definitions. For purposes of this subsection (j):

(A) "Construction" means any constructing, altering, reconstructing, repairing, rehabilitating, refinishing, refurbishing, remodeling, remediating, renovating, custom fabricating, maintaining, securing, landscaping, improving, drilling, testing, moving, wrecking, painting, decorating, demolishing, and adding to or subtracting from any building, structure, highway, roadway, street, bridge, alley, sewer, ditch, water works, parking facility, railroad, excavation or other structure, project, development, other real improvement, or any part thereof, whether or not the performance of the work herein described involves the addition to, or fabrication into, any structure, project, development, real property or improvement herein described.

(B) "Construction Employee" means persons performing construction.

(C) "Subsidized provider" means a participant in a
measure or program offered under an approved beneficial electrification plan that engages in construction in the course of the measure or program. For purposes of this subsection (j), a "measure or program offered under an approved beneficial electrification plan" includes measures and programs offered under this Section and Sections 8-107 and 8-108 of this Act pursuant to a plan approved under this Section, and electric vehicle charging station programs offered under a plan approved pursuant to Section 8-218 of this Act.

(2) All construction performed by a subsidized provider in the course of a measure or program offered under an approved beneficial electrification plan shall be subject to the requirements for public works in accordance with the Illinois Prevailing Wage Act and as set forth in this subsection (j).

(3) Each subsidized provider shall require that all construction performed by the provider, its contractors, or its subcontractors in the course of a measure or program offered under an approved beneficial electrification plan is performed by construction employees receiving an amount for that work equal to or greater than the general prevailing rate of hourly wages and benefits, as that term is defined in Section 3 of the Illinois Prevailing Wage Act.

Each subsidized provider shall, and shall require its contractors or subcontractors that perform construction in the course of a measure or program offered under an approved
beneficial electrification plan to:

(A) make and keep, for a period of not less than 5 years from the date of the last payment on a contract or subcontract for construction, records of all construction employees employed by them for work on or within the subsidized facility; the records shall include each employee's name, address, race, gender, telephone number when available, if applicable years of residency in Illinois, classification or classifications of labor, the rate of hourly wages paid in each pay period for work at the subsidized facility, the number of hours worked each day, and the starting and ending times of work each day, at the subsidized facility; and

(B) no later than the fifteenth day of each calendar month file a certified payroll for work at the subsidized facility for the immediately preceding month with the Department of Labor and provide an informational copy to the Commission.

(4) Each subsidized provider shall require any contractors and subcontractors performing construction in the course of a measure or program offered under an approved beneficial electrification plan to comply with the responsible bidder requirements of Section 30-22 of the Illinois Procurement Code.

(5) A subsidized provider shall require any contractors and subcontractors performing a construction project in the
course of a measure or program offered under an approved beneficial electrification plan to enter into a project labor agreement with the building and construction trades council or relevant labor organization with geographic jurisdiction over the location of the project.

(6)(A) Each subsidized provider shall participate in an apprenticeship program, registered with and recognized by the United States Department of Labor, related to all construction in the course of a measure or program offered under an approved beneficial electrification plan. Each subsidized provider shall additionally require its contractors or subcontractors that perform construction in the course of a measure or program offered under an approved beneficial electrification plan to participate in such an apprenticeship program related to all construction at that facility.

(B) The apprenticeship program shall have a goal of that apprentices will perform the lesser of 10% of the total labor hours actually worked in each prevailing wage classification or 10% of the estimated labor hours in each prevailing wage classification.

(C) The Commission may reduce or waive the goals set forth in subparagraph (B) of this paragraph (6) before or during the term of the contract under this Section if the Commission, after public hearing, finds that insufficient apprentices are available or the reasonable and necessary requirements of the contract or subcontract do not allow the goal to be met.
(D) Each supplier shall submit, and shall require contractors and subcontractors to submit, a certification to the Department of Labor that such entity has either met the apprentice labor hours goal set forth in subparagraph (B) of this paragraph (6) or received a reduction or waiver pursuant to subparagraph (C) of this paragraph (6).

(7) Contractors and subcontractors of subsidized providers are subject to the rules and regulations established by the Department of Commerce and Economic Opportunity in accordance with Section 20-15 of the Illinois Works Jobs Program Act for construction at subsidized facilities.

(8)(A) Workforce Diversity. The Commission shall require each subsidized provider to report monthly on the diversity of its workforce as related to the applicable measure or program offered under an approved beneficial electrification plan. The report shall also present the diversity of the community in which a subsidized provider is located and shall outline the efforts the provider is taking to achieve a workforce that reflects the diversity of the community. If a provider fails to meet or maintain compliance with the reporting requirements of this subparagraph (A) and subparagraph (A) of paragraph (3) of this subsection (j) the provider is not eligible to receive payment during the period of noncompliance. The Commission shall notify the utility, at such time, that the supplier is not eligible to receive payment. Contracts entered into pursuant this Section, Sections 8-107 and 8-108 of this Act,
and electric vehicle charging station programs offered under a plan approved pursuant to Section 8-218 of this Act shall reflect that payments shall be suspended upon any noncompliance notice from the Commission until the Commission notifies the utility that the period of noncompliance has ended.

(B) Subsidized providers shall strive with respect to any measure or program offered under an approved beneficial electrification plan to achieve a workforce at that facility that reflects the diversity of the community in which such facility is located. In each reporting period, the supplier shall outline the efforts it is taking to achieve a workforce that reflects the diversity of the community.

(9) Where not otherwise prohibited by applicable law, each subsidized provider shall, with respect to such employees assigned to work on a measure or program offered under an approved beneficial electrification plan who are not otherwise members of an existing bargaining unit cognizable under the National Labor Relations Act, agree to labor neutrality and card check procedures with any union that seeks to represent such employees. The provider shall also only use on-site contractors or subcontractors who agree to be bound by similar provisions, if requested by any union that seeks to represent the on-site contractor or subcontractor's employees who are assigned to work on the measure or program offered under an approved beneficial electrification plan.
(10) The requirements of this subsection (j) of this Section shall be construed to avoid preemption under federal law. The primary purpose of this Section is to advance the State's clean energy goals. Accordingly, the invalidity of any provision in this subsection (j) shall not affect the validity of the remaining provisions in this Section.

(11) To the extent feasible and consistent with State and federal law, the implementation of this Section should provide opportunities for all segments of the population and workforce to participate, including minority-owned, female-owned, veteran-owned, and disability-owned business enterprises, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.

(220 ILCS 5/8-107 new)

Sec. 8-107. Supplemental Low-Income Transportation Electrification Subsidy Program.

(a) The General Assembly finds that the transportation sector is the leading source of carbon pollution in Illinois and is responsible for roughly one-third of all carbon emissions in the State. The General Assembly further finds that the provisions of this amendatory Act of the 102nd General Assembly will transform the Illinois transportation sector by subsidizing electrification and drive the State toward a carbon-free future. The General Assembly also finds and declares that these benefits should be accessible to all
citizens of this State, and therefore authorizes electric utilities to offer to eligible low-income households the transportation electrification subsidies described in this Section.

For purposes of this Section, "low-income household" shall have the meaning set forth in Section 8-106 of this Act.

(b) Electric utilities subject to the requirements of Section 8-106 of this Act shall offer the following subsidies to low-income households during each year of the beneficial electrification portfolio standard mandated by Section 8-106 of this Act:

(1) a subsidy for the purchase of a new or pre-owned electric vehicle or new or pre-owned hybrid vehicle that is powered by both electricity and gasoline; and

(2) a subsidy for a pre-owned internal combustion engine vehicle propelled by gasoline or diesel fuel that is turned in at the time of the purchase of a vehicle described in paragraph (1) of this subsection (b) that will also receive a subsidy pursuant to such paragraph (1).

The amount of each subsidy identified in this subsection (b) shall be equal to the avoided social cost of carbon associated with the vehicle that is the subject of the subsidy, discounted over the life of the vehicle, and must be issued to a retail customer of the utility. To be eligible for a subsidy under paragraph (2) of this subsection (b), the
vehicle to be turned in must be registered to the same retail
customer that is purchasing a vehicle and receiving a subsidy
under paragraph (1) of this subsection (b).

(c)(1) An electric utility subject to the requirements of
this Section shall include its proposal for implementing the
requirements of this Section, including, but not limited to,
its methodology or methodologies for calculating the subsidies
described in paragraphs (1) and (2) of subsection (b) of this
Section, as part of its proposed beneficial electrification
plan submitted pursuant to Section 8-106 of this Act. For each
year of such a plan, the electric utility shall be authorized
to issue subsidies under this Section in an amount that is
equal to up to 20% of the funds allocated under the plan during
that year for subsidies associated with new or pre-owned
electric vehicles and new or pre-owned hybrid vehicles powered
by both electricity and gasoline. The utility's administrative
and implementation costs incurred under this Section shall not
be subject to or included in such 20% limitation, and shall be
recovered pursuant to subsection (d) of this Section.

(2) If the electric utility did not issue the maximum
amount of subsidies for a given year, as calculated under
paragraph (1) of this subsection (c), then the utility shall
be authorized to use the unspent funds during the subsequent
2-year period for purposes of issuing additional subsidies. If
the unspent funds related to a given year still remain after
the passage of such 2-year period, then the utility may
transfer such funds to one of the following programs: the Public Transportation Electrification Program set forth in Section 8-108 of this Act; an electric car sharing program that serves primarily low-income customers; or an electric vehicle program that benefits low-income customers. The application of unspent funds during a future year shall not reduce the maximum amount of subsidies that may be issued for such year, as calculated under paragraph (1) of this subsection (c), or otherwise limit the utility's ability to issue subsidies in an amount equal to the maximum amount calculated under such paragraph (1) notwithstanding whether unspent funds are also available to issue additional subsidies.

(d) An electric utility subject to the requirements of this Section shall be permitted, under subsection (e) of Section 8-106 of this Act, to defer, as a regulatory asset, all of the costs it incurs under this Section. The utility shall be permitted to recover such costs through the cost-recovery tariff established under subsection (d) of Section 8-106 of this Act.

(e) To the extent feasible and consistent with State and federal law, the implementation of this Section should provide opportunities for all segments of the population and workforce to participate, including minority-owned, female-owned, veteran-owned, and disability-owned business enterprises, and shall not, consistent with State and federal law, discriminate
based on race or socioeconomic status.

(220 ILCS 5/8-108 new)

Sec. 8-108. Public Transportation Electrification Subsidy Program.

(a) Electric utilities subject to the requirements of Section 8-106 of this Act shall also offer subsidies to governmental entity retail customers for their purchase of all-electric buses that provide service on routes primarily serving low-income households or environmental justice communities. The amount of the subsidy for each all-electric bus shall be $300,000 and may be applied toward the purchase price of the bus, costs associated with the purchase, installation, and interconnection of electric vehicle charging station infrastructure, or costs associated with the ownership or operation of such all-electric bus or such electric vehicle charging station infrastructure. Each electric utility subject to the requirements of this Section shall issue a maximum total of $150,000,000 in such subsidies during a 5-year period commencing on January 1, 2023, and the program shall be designed to issue, on average, $30,000,000 in subsidies during each year of the 5-year period. The utility's administrative and implementation costs incurred under this Section shall not be subject to or included in this maximum total amount and shall be recovered pursuant to subsection (c) of this Section.

As used in this Section:
"Governmental entity" includes municipalities and units of local government, as defined in Section 1 of Article VII of the Illinois Constitution, and school districts, as that term is used in the School Code.

"Low-income households" has the meaning set forth in Section 8-106 of this Act.

"Environmental justice communities" has the meaning given that term in Section 1-56 of the Illinois Power Agency Act and the most recent Commission-approved long-term renewable resources procurement plans of the Illinois Power Agency.

(b) An electric utility subject to the requirements of this Section shall include its proposal for implementing the requirements of this Section as part of each proposed beneficial electrification plan submitted pursuant to Section 8-106 that will be in effect during the 5-year period that the public transportation electrification program described in this Section will be in effect.

(c) An electric utility subject to the requirements of this Section shall be permitted, under subsection (e) of Section 8-106 of this Act, to defer, as a regulatory asset, all of the costs it incurs under this Section, and the costs shall be amortized over a 10-year period. The utility shall be permitted to recover such costs through the cost-recovery tariff established under subsection (d) of Section 8-106 of this Act.

(d) To the extent feasible and consistent with State and
federal law, the implementation of this Section should provide
opportunities for all segments of the population and workforce
to participate, including minority-owned, female-owned,
veteran-owned, and disability-owned business enterprises, and
shall not, consistent with State and federal law, discriminate
based on race or socioeconomic status.

(220 ILCS 5/8-218 new)
Sec. 8-218. Clean Energy Integrated Distribution Plan.
(a) The General Assembly finds and declares that the
citizens and businesses of this State of Illinois would be
well served by the development of electric vehicle charging
infrastructure and other investments in distribution
infrastructure in this State, which would bring economic
benefits and environmental benefits and further expand access
to electric vehicle charging infrastructure and other
distribution system upgrades at an affordable cost to Illinois
residents. To that end, the General Assembly seeks to
courage efficient and cost-effective development of and
investment in electric vehicle charging infrastructure and
identification of investment opportunities on the utility
distribution system. Accordingly, the General Assembly finds
that, notwithstanding other provisions of this Act to the
contrary, the State of Illinois would be well served by
prudent and reasonable electric utility investments in, and
ownership, management and operation of, energy storage
facilities, electric vehicle charging infrastructure, and other potential distribution system upgrades.

(b) In this Section:

"Electric utility" has the meaning given to that term in Section 16-102 of this Act.

"Electric vehicle charging station" has the meaning given to that term in 83 Ill. Adm. Code 469.10.

"Governmental entity" has the meaning given to that term in Section 1-5 of the State Officials and Employees Ethics Act.

"Interconnection equipment" means a group of components or an integrated system that connects an electric vehicle charging station with the electric utility's distribution system. Interconnection equipment also includes make-ready investments, which include, but are not limited to, investments in (i) all interface equipment, including switchgear, protective devices, inverters or other interface devices required to connect the electric vehicle charging station to the electric utility's distribution system, (ii) all trenching, wiring, and paneling required to connect the customer's meter to the electric vehicle charging station, and (iii) the foundation and insulating materials for the electric vehicle charging station charging infrastructure. Interconnection equipment may be installed as part of an integrated equipment package that includes an electric vehicle charging station.
"Interconnection facilities" means facilities and equipment required by the electric utility to accommodate the interconnection of an electric vehicle charging station. Collectively, interconnection facilities include all facilities and equipment between the electric vehicle charging station's interconnection equipment and the point of interconnection, including any modifications, additions, or upgrades necessary to physically and electrically interconnect the electric vehicle charging station to the electric distribution system. Interconnection facilities are sole use facilities and do not include system upgrades.

(c) As part of its Clean Energy Integrated Distribution Plan submitted pursuant to subsection (f) of this Section, an electric utility that serves more than 500,000 retail customers in this State that plans for, constructs, installs, controls, owns, manages, or operates energy storage facilities for the primary purpose of facilitating stable and reliable distribution service must include a proposed mechanism, to be incorporated within the utility's delivery services rates, to credit the monetary value of power and energy stored by such energy storage facilities against the delivery services requirement. Nothing in this Section is intended to alter or limit an electric utility's ability to continue to (i) undertake the activities related to energy storage facilities that are described in this subsection (c) and (ii) recover its reasonable and prudently incurred costs for those activities,
as distribution assets, through the electric utility's rates
for delivery service established pursuant to Article IX or
Article XVI of this Act.

(d) Without obtaining any approvals from the Commission,
other than as required under this Section, or any other
agency, including, but not limited to, approvals otherwise
required under Section 8-406 of this Act, regardless of
whether any such approval would otherwise be required, an
electric utility that serves more than 500,000 retail
customers in this State is authorized to, but is not required
to, plan for, construct, install, control, own, manage, or
operate electric vehicle charging infrastructure, including,
but not limited to, electric vehicle charging stations within
their service territories. Such an electric utility may
construct electric vehicle charging infrastructure on private
property or publicly owned property in a manner consistent
with this subsection (d) and subsection (f) of this Section,
as applicable; however, the Commission may not authorize an
electric utility under Section 8-509 of this Act to acquire
property rights by eminent domain for the construction of any
electric vehicle charging station. Notwithstanding anything to
the contrary, it is the intent of this subsection (d) and
applicable provisions of subsection (f) of this Section to
develop a robust market for charging stations in the State
that provides a wide range of providers and options for
consumers. While it is critical that electric utilities
facilitate the development of the market, it is not the intent of this subsection (d) and such applicable provisions of subsection (f) that utilities will generally need to provide charging stations or charging services, except in those limited areas where the market fails to develop.

An electric utility shall be allowed to recover all reasonable and prudent costs associated with investment in the electric vehicle charging infrastructure, including, but not limited to, costs to plan for, construct, install, control, own, manage, or operate under this subsection (d) and, as applicable, subsection (f) of this Section through the applicable provisions of this Article VIII, Article IX or Article XVI of this Act.

Notwithstanding any other provision of this Act to the contrary, such electric utility shall be permitted to recover all reasonable and prudent costs incurred under this subsection (d) and applicable provisions of subsection (f) of this Section, including, but not limited to, any costs incurred to make any location ready for installation and connection of an electric vehicle charging station to the distribution system; the costs incurred to provide the rebates identified in a plan filed pursuant to subsection (f) of this Section; the costs incurred to undertake the education and engagement activities authorized under this subsection (d) and applicable provisions of subsection (f) of this Section; and other costs incurred by the utility to comply with and
implement the requirements of this subsection (d) and applicable provisions of subsection (f) of this Section, including any amounts that reasonably exceed any estimates provided as part of the plan filed pursuant to subsection (f) of this Section.

An electric utility that serves more than 500,000 retail customers in this State is authorized to recover any costs identified in this subsection (d), including any costs to implement any plan approved by the Commission pursuant to subsections (f) and (g) of this Section, by way of a tariff or tariffs approved by the Commission, consistent with the following provisions:

(1) An electric utility subject to this Section shall be permitted to recover all reasonable and prudently incurred costs incurred to make any location identified pursuant to this subsection (d) and subsection (f) of this Section ready for installation and connection of an electric vehicle charging station to the distribution system through its delivery service rates. Allowances for interconnection equipment and interconnection facilities, up to and including $1,500 per kilowatt of connected electric vehicle charging station equipment shall be deemed reasonable. For purposes of implementing programs pursuant to this subsection (d) and applicable provisions of subsection (f) of this Section, for each such program, the utility shall be required to provide and install all
interconnection equipment and interconnection facilities located on the utility side of the meter and may, at its sole discretion, provide and install the interconnection equipment and interconnection facilities located on the customer side of the meter. Nothing in this Section shall limit the Commission's authority to authorize higher allowances.

(2) Beginning on the effective date of this amendatory Act of this 102nd General Assembly, an electric utility that serves more than 500,000 retail customers in this State shall have authority to defer up to the full amount of its costs incurred under this subsection (d) and applicable provisions of subsection (f) of this Section as a regulatory asset to be amortized over a 15-year period. The unamortized balance shall be recognized as of December 31 for a given year. The utility shall also earn a return on the total of the unamortized balance of the regulatory asset authorized under this subsection (d), less any deferred taxes related to the unamortized balance, at an annual rate equal to the utility's weighted average cost of capital that includes, based on a year-end capital structure, the utility's actual cost of debt for the applicable calendar year and a cost of equity, which shall be determined using the cost of equity approved in the most recent general rate case under Section 9-201 of this Act, provided that the common equity ratio shall not
exceed the common equity ratio approved in the most recent
general rate case under Section 9-201, and the actual cost
of capital structure components other than common equity,
and shall calculate the amount of any over-collection or
under-collection for such period.

(3) It is the intent of the General Assembly that an
electric utility that elects to create a regulatory asset
under this subsection (d) shall recover all of the
associated costs, including, but not limited to, its cost
of capital as set forth in this subsection (d). After the
Commission has approved, as set forth in this Section, the
prudence and reasonableness of the costs that comprise the
regulatory asset, the electric utility shall be permitted
to recover all such costs, and the value and
recoverability through rates of the associated regulatory
asset shall not be limited, altered, impaired, or reduced.

(4) Notwithstanding paragraph (2) of this subsection
(d), an electric utility that serves more than 500,000
retail customers in this State may, at its election,
recover some or all of the costs it incurs under this
subsection (d) and applicable provisions of subsection (f)
of this Section as part of a filing for a general increase
in rates under Article IX of this Act, as part of an annual
filing to update a performance-based formula rate under
subsection (d) of Section 16-108.5 of this Act or
subsection (d) of Section 8-103B, or through an automatic
adjustment clause tariff; provided that nothing in this paragraph (4) permits the double recovery of such costs from customers. Such costs shall be allocated across all classes of retail customers in proportion to delivery service revenue requirement attributed to a class. If the electric utility elects to recover the costs it incurs under this subsection (d) through an automatic adjustment clause tariff, the utility may file its proposed tariff together with the plan it files under subsection (f) of this Section or at a later time. The proposed tariff shall provide for an annual reconciliation, less any deferred taxes related to the reconciliation, with interest at an annual rate of return equal to the utility's weighted average cost of capital as calculated under paragraph (2) of this subsection (d), including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return, of the revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its automatic adjustment clause tariff under this subsection (d), with what the revenue requirement would have been had the actual cost information for the applicable calendar year been available at the filing date. The tariff may permit recovery of costs through a single cents-per-kilowatthour charge applicable to each retail class. The Commission
shall review the proposed tariff and may make changes to the tariff that are consistent with this Section and with the Commission's authority under Article IX of this Act, subject to notice and hearing, as required. Following notice and hearing, as required, the Commission shall issue an order approving, or approving with modification, such tariff no later than 240 days after the electric utility files its tariff.

Any electric vehicle charging infrastructure, including, but not limited to, an electric vehicle charging station, constructed, installed, controlled, owned, managed, or operated by an electric utility pursuant to this subsection (d) shall be treated as jurisdictional distribution plant assets for ratemaking purposes. The investment in, and the costs to construct, install, control, own, manage, or operate, electric vehicle charging infrastructure owned by the electric utility shall be fully recovered in delivery service rates. The electric utility shall charge market-based service charges, pursuant to a tariff on file with the Commission, and any revenue from service charges for use of electric vehicle charging stations shall be credited to distribution customers in the applicable ratemaking process.

(e) No later than 150 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility that serves more than 500,000 retail customers in the State shall file a petition with the Commission requesting
approval of a tariff that sets forth the terms and conditions of a program to be offered to the utility's retail customers that are governmental entities. Each such utility shall offer a program that provides and installs some or all of the interconnection equipment and interconnection facilities for electric vehicle charging stations owned or operated by such governmental entities that are located on the premises, or within the corporate limits, of the governmental entity, as applicable. For each such program the utility shall be required to provide and install all interconnection equipment and interconnection facilities located on the utility side of the meter and may, at its sole discretion, provide and install the interconnection equipment and interconnection facilities located on the customer side of the meter. Allowances for interconnection equipment and interconnection facilities up to and including $2,500 per kilowatt of connected electric vehicle charging station equipment shall be deemed reasonable. Nothing in this Section shall limit the Commission's authority to authorize higher allowances. Interconnection facilities under the program, and all installations, shall be subject to the installer certification requirements of subsection (d) of Section 16-128A of this Act and Part 469 of Title 83 of the Illinois Administrative Code.

The Commission shall review the proposed tariff submitted pursuant to this subsection (e) and may make changes to the tariff that are consistent with this subsection (e) and with
the Commission's authority under Article IX of this Act, subject to notice and hearing. Following notice and hearing, the Commission shall issue an order approving, or approving with modification, such tariff no later than 150 days after the utility files its petition and tariff. No later than 60 days after the Commission enters an order, or order on rehearing, whichever is later, approving an electric utility's proposed tariff under this subsection (e), the electric utility shall provide notice to its governmental entity retail customers of the electric vehicle charging station installation services program under this subsection (e).

(f) An electric utility that serves more than 500,000 retail customers in this State shall file with the Commission a Clean Energy Integrated Distribution Plan, the purpose of which shall be to identify the planned investment authorized by this Section to be made in energy storage facilities, electric vehicle charging infrastructure, and other potential investments in utility distribution infrastructure in the electric utility's service territory during a 5-calendar-year period commencing on the calendar year following the Commission's approval of the Clean Energy Integrated Distribution Plan. An electric utility subject to this subsection (f) shall file its initial Clean Energy Integrated Distribution Plan within 150 days of the electric utility's initial Article IX filing pursuant to Section 9-201.1. Clean Energy Integrated Distribution Plans shall be subject to
Commission review and approval pursuant to the provisions of subsection (g) of this Section. The electric utility shall be responsible for the development and submission its Clean Energy Integrated Distribution Plan to the Commission, which shall conform to the provisions of this subsection (f):

(1) An electric utility's Clean Energy Integrated Distribution Plan shall include:

(A) An electric vehicle charging infrastructure deployment and charging facility rebate plan, the purpose of which shall be to encourage the adoption of electric vehicles in this State. The proposed electric vehicle charging infrastructure deployment and charging facility rebate plan shall conform to the provisions of paragraph (2) of this subsection (f). An electric utility's initial Clean Energy Integrated Distribution Plan must include an electric vehicle charging infrastructure deployment and charging facility rebate plan. If the electric utility determines no additional investment in electric vehicle charging infrastructure is needed pursuant to this subsection (f) to encourage the cost-effective adoption of electric vehicles in this State in a subsequent plan, the electric utility shall provide the basis for such determination and report on the level of investment made since enactment of this amendatory Act of the 102nd General Assembly in the
utility's subsequent Clean Energy Integrated Distribution Plan filing.

(B) For an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in this State, a plan to initiate a request for proposals for third parties to propose investments that could be made in a least-cost manner as alternatives to capacity expansion of the utility distribution system through technologies, including, but not limited to, energy storage or other alternatives. An electric utility subject to this subparagraph (B) shall recover all reasonable and prudent costs associated with running the request for proposal and conducting the selection process notwithstanding whether any proposed bid is approved.

(C) For an electric utility that serves more than 3,000,000 retail customers in the State, an informational update on any actions undertaken pursuant to Section 8-411 of this Act.

(2) The electric utility's electric vehicle charging infrastructure deployment and charging facility rebate plan for the 5-calendar-year period of its Clean Energy Integrated Distribution Plan shall identify a system of publicly accessible electric vehicle charging stations and a schedule of rebates that would be available to: retail customers taking delivery service from the electric
utility at an address in the electric utility's service territory; and any third party that would construct, own or operate a publicly accessible electric vehicle charging station.

An electric utility's electric vehicle charging infrastructure deployment and charging facility rebate plan shall include, at a minimum, the following categories of information regarding the proposed deployment of electric vehicle charging stations:

(A) Identification of existing publicly accessible electric vehicle charging station infrastructure installed in the electric utility's service territory.

(B) Sufficient detail to identify the proposed general location and type of electric vehicle charging station infrastructure that could be installed on private or publicly owned land along proposed electric vehicle charging corridors or other public spaces within the electric utility's service territory, including the general identification of any proposed location and type of electric vehicle charging station infrastructure that the electric utility proposes to be part of the third-party request for proposals process set forth in subparagraph (D) of this paragraph (2);

(C) Proposed rebates for electric vehicle charging infrastructure or facilities to be offered by the
electric utility to any retail customer within the utility's service territory. The Clean Energy Integrated Distribution Plan must include the following information:

  (i) Identification of rebates to be made available to residential customers, nonresidential customers and multi-family residential buildings that install home electric vehicle charging facilities subsequent to the effective date of this amendatory Act of this 102nd General Assembly.

  (ii) Identification of rebates designed to promote the use of electric vehicles serving low-income or moderate-income communities, including, but not limited to, any rebates available to shared electric vehicles, ride share electric vehicles and to public transportation fleets or school districts using electric vehicles.

  (iii) The manner and timing of the payment of the proposed rebates; however, the rebates identified pursuant to this subparagraph (C) may be paid through a monthly bill credit spread fairly and reasonably across a 12-month period, and provided that any customer receiving a rebate must sign up for and remain on a 3-part delivery
service rate, if available.

(iv) The electric utility's estimated budget to develop and implement an education and engagement strategy that encourages the adoption of electric vehicles in the electric utility's service territory, including, but not limited to, programs to be delivered to third-party entities such as car dealerships and elementary, middle, and high schools to educate and promote the adoption of electric vehicles.

(D) A proposed request for proposals process, to be managed by the electric utility, for third parties to compete for utility rebates for the construction, ownership, and operation of the electric vehicle charging stations at specified locations within the electric utility's service territory. An electric utility shall have the option to plan for, construct, install, control, own, manage, or operate any electric vehicle charging infrastructure at any location identified for inclusion in the request for proposals which no third-party bid was received or awarded under the criteria identified pursuant to item (iii) of this subparagraph (D). The request for proposals process shall address at least the following information:

(i) Criteria for identifying locations where the utility will seek requests for proposals to
construct, own and operate electric vehicle charging stations.

(ii) Requirements for electric vehicle charging station infrastructure owners and operators regarding construction, installation, operation, and maintenance for each proposed general location.

(iii) Criteria by which the bids will be reviewed and assessed; provided, however, that bids shall address the proposed ownership and ongoing operation of the electric vehicle charging station. Bids may be contingent on securing state or federal funds, including any tax incentives, available for electric vehicle charging station development or deployment.

(iv) Process for making rebates available to electric vehicle charging station winning bidders. The process for making rebates available to winning bidders shall be designed to encourage participation in the request for proposals process and actual construction, installation, ownership, and operation of the electric vehicle charging station at each proposed location.

Notwithstanding anything to the contrary, it is the intent of this subsection (f) and applicable provisions of subsection (d) of this Section to develop a robust market
for charging stations in the State that provides a wide
range of providers and options for consumers. While it is
critical that electric utilities facilitate the
development of the market, it is not the intent of this
subsection (f) and such applicable provisions of
subsection (d) that utilities will generally need to
provide charging stations or charging services, except in
those limited areas where the market fails to develop.

(3) For electric utilities that serve more than
3,000,000 retail customers in this State, a plan for the
deployment of energy storage for the 5 year period of the
Clean Energy Integrated Distribution Plan, including, as
applicable, storage proposed to be deployed under Section
8-411 of this Act.

(4) For electric utilities that serve less than
3,000,000 retail customers but more than 500,000 retail
customers in this State, a proposal to initiate a request
for proposals for third parties to propose investments
that could be made in a least-cost manner as alternatives
to capacity expansion of the utility distribution system
through technologies, including, but not limited to,
energy storage or other alternatives. The utility's plan
shall include:

(A) The process that the electric utility used to
identify circuits on its distribution system, which
will be the subject of a request for proposals
process.

(B) The locations of the circuits identified pursuant to the proposed process described in this paragraph (4).

(C) The estimated timeline for the issuance of the request for proposals, bidder qualifications, and estimated project start dates.

(D) The electric utility's bid evaluation criteria and process for approving bids, provided that the electric utility may, at its discretion, apply selection criteria in the request for proposals to determine whether the proposed investment would be the least-cost option when compared to other distribution system upgrades that could be made on the proposed circuit by the electric utility.

After approval of the initial Clean Energy Integrated Distribution Plan, an electric utility subject to this subsection (f) shall file a Clean Energy Integrated Distribution Plan for subsequent 5-calendar-year planning periods no later than 510 days prior to the expiration of the then-current Commission-approved plan.

An electric utility implementing a plan approved pursuant to subsection (g) of this Section, may update its plan at any time by filing such an update with the Commission in the same docket in which the Commission originally approved the plan. Any update filing made pursuant to this subsection (f) must
identify the updates to be implemented and any updates shall be deemed approved as reasonable 45 days after the filing unless the Commission initiates an investigation into the updated actions. Any final order regarding the investigation initiated pursuant to an electric utility's update filing must be issued within 150 days of the initiating order.

(g) The Commission shall review a Clean Energy Integrated Distribution Plan filed pursuant to subsection (f) of this Section to confirm the plan includes the information required by subparagraphs (A) through (C) of paragraph (1) of subsection (f) of this Section, as applicable, and shall issue its final order either approving the plan or approving the plan as modified within 150 days of the electric utility's filing.

(1) Except as provided in this Section, the Commission shall apply the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, in the hearing as it would apply in a hearing to review a filing for a general increase in rates under Article IX of this Act. The Commission shall not, however, have the authority in a proceeding under this subsection (g) to consider or order any changes to any prior plans approved by the Commission. The Commission's approval of a plan for the applicable 5-calendar-year period shall be final upon entry of the Commission's order and shall not be subject
to reopening, reexamination, or collateral attack in any other Commission proceeding, case, docket, order, rule or regulation, provided, however, that nothing in this subsection (g) shall prohibit a party from petitioning the Commission to rehear or appeal to the courts the order pursuant to the provisions of this Act.

(2) The Commission's order issued pursuant this subsection (g) shall address whether the electric utility's proposed level of investment pursuant to subparagraph (A) of paragraph (1) of subsection (f) of this Section reasonably meets the requirements set forth in such subparagraph. The Commission shall either approve the proposed level of investment or modify the proposed level of investment and approve the proposed level of investment as modified. If the Commission finds that the proposed level of investment reasonably serves the purpose outlined in such subparagraph, the Commission shall approve the utility's proposed activities and the electric utility shall implement the planned activities in accordance with the Commission approval. If the Commission modifies the proposed level of investment, the electric utility shall notify the Commission in writing within 90 days of service of the Commission's order modifying the proposal as to whether the electric utility accepts the Commission's modifications. If the electric utility notifies the Commission in writing that it does not accept
the Commission's modifications, the electric utility shall have no further obligations with respect to the proposals filed pursuant to subparagraph (A) of paragraph (1) and paragraph (2) of subsection (f) of this Section, including any obligation to implement the proposals as modified and may, at its discretion, file a new proposal with the Commission in a subsequent Clean Energy Integrated Distribution Plan, including an update authorized under this Section.

(3) The Commission's order issued pursuant this subsection (g) shall address whether the proposed process identified by an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in this State pursuant to subparagraph (B) of paragraph (1) of subsection (f) of this Section is reasonable. The Commission shall either approve the proposal or modify the proposal and then approve the proposal as modified. If the Commission finds that the proposal complies with the requirements of such subparagraph (B), the Commission shall approve the utility's proposal. If the Commission modifies the proposal, the electric utility shall notify the Commission in writing within 90 days of service of the Commission's order modifying and approving the proposal as to whether the electric utility accepts the Commission's modifications. If the electric utility notifies the
Commission in writing that it does not accept the Commission's modifications, the electric utility shall have no further obligations with respect to the proposals filed pursuant to such subparagraph (B), including any obligation to implement the proposals as modified and may, at its discretion, file a new proposal with the Commission in a subsequent Clean Energy Integrated Distribution Plan.

(4) Upon approval by the Commission and, when applicable, acceptance by the electric utility of any modification and approval by the Commission of its Clean Energy Integrated Distribution Plan, no further approvals by the Commission other than those approvals set forth in this Section shall be necessary.

In addition to the plan authorized by subsection (f) of this Section, as approved pursuant to this subsection (g), an electric utility that serves more than 500,000 retail customers in this State shall be permitted to administer programs designed to encourage or incentivize the adoption of electric vehicles by Illinois electric consumers, and such programs shall not be prohibited by the Commission as promotional practices under any rules or policies of the Commission, including, but not limited to, 83 Ill. Adm. Code Part 275.

(220 ILCS 5/8-402.2 new)

Sec. 8-402.2. Public Schools Carbon-Free Assessment
(a) Within one year after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility serving over 500,000 retail customers in this State shall implement a Public Schools Carbon-Free Assessment program.

(b) Each utility's Public Schools Carbon-Free Assessment program shall include the following requirements:

(1) Each plan shall be designed to offer within the utility's service territory to assist public schools, as defined by Section 1-3 of the School Code, to increase the efficiency of their energy usage, to reduce the carbon emissions associated with their energy usage, and to move toward a goal of public schools being carbon-free in their energy usage by 2030. The program shall include a target of completing Public Schools Carbon-Free Assessment for all public schools in the utility's service territory by December 31, 2029.

(2) The Public Schools Carbon-Free Assessment shall be generally standardized Assessment but may incorporate flexibility to reflect the circumstances of individual public schools and public school districts.

(3) The Public Schools Carbon-Free Assessment shall include, but not be limited to, comprehensive analyses of the following subjects:

(A) The top energy efficiency savings
opportunities for the public school, by energy saved;

(B) The total achievable solar energy potential on
or nearby a public school's premises and able to
provide power to a school;

(C) The infrastructure required to support
electrification of the facility's space heating and
water heating needs;

(D) The infrastructure requirements to support
electrification of a school's transportation needs;

and

(E) The investments required to achieve a WELL
Certification or similar certification as determined
through methods developed and updated by the
International WELL Building Institute or similar or
successor organizations.

(4) The Public Schools Carbon-Free Assessment also
shall include, but not be limited to, mechanical
insulation evaluation inspection and inspection of the
building envelope(s).

(5) With respect to those public school construction
projects for public schools within the service territory
of a utility serving over 500,000 retail customers in this
State and for which a public school district applies for a
grant under Section 5-40 of the School Construction Law on
or after June 1, 2023, the district must submit a copy of
the applicable Public Schools Carbon-Free Assessment
report, or, if no such Public Schools Carbon-Free Assessment has been performed, request the applicable utility to perform such a Public Schools Carbon-Free Assessment and submit a copy of the Public Schools Carbon-Free Assessment report promptly when it becomes available. The Public Schools Carbon-Free Assessment report shall include a mechanical insulation evaluation inspection and inspection of the building envelopes. The district must demonstrate how the construction project is designed and managed to achieve the goals that all public elementary and secondary school facilities in the State are able to be powered by clean energy by 2030, and for such facilities to achieve carbon-free energy sources for space heat, water heat, and transportation by 2050.

(6) The results of each Public Schools Carbon-Free Assessment shall be memorialized by the utility or by a third party acting on behalf of the utility in a usable report form and shall be provided to the applicable public school. Each utility shall be required to retain a copy of each Public Schools Carbon-Free Assessment report and to provide confidential copies of each report to the Illinois Power Agency and the Illinois Capital Development Board within 3 months of its completion.

(7) The Public School Carbon-Free Assessment shall be conducted in coordination with each utility's energy efficiency and demand-response plans under Sections 8-103,
8-103A, and 8-103B of this Act, to the extent applicable. Nothing in this Section is intended to modify or require modification of those plans. However, the utility may request a modification of a plan approved by the Commission, and the Commission may approve the requested modification, if the modification is consistent with the provisions of this Section and Section 8-103B of this Act.

(8) If there are no other providers of assessments that are substantively the same as those being performed by utilities pursuant to this Section by 2024, a utility that has a Public Schools Carbon-Free Assessment program may offer assessments to public schools that are not served by a utility subject to this Section at the utility's cost.

(9) The Public Schools Carbon-Free Assessment shall be offered to and performed for public schools in the utility's service territory on a complementary basis by each utility, with no Assessment fee charged to the public schools for the Assessments. Nothing in this Section is intended to prohibit the utility from recovering through rates approved by the Commission the utility's prudent and reasonable costs of complying with this Section.

(220 ILCS 5/8-411 new)

Sec. 8-411. Public solicitation process.

(a) The General Assembly finds that the electric industry
is undergoing rapid transformation, including fundamental changes regarding how electricity is generated, procured, and delivered and how customers are choosing to participate in the supply and delivery of electricity to and from the electric grid. Building upon the State's goals to increase the procurement of electricity from renewable energy resources, including distributed generation and storage devices, the General Assembly finds that it is now necessary to study how electric utility distribution system capacity expansion projects could be deferred or eliminated by procuring alternative solutions that employ distributed generation and storage devices. Specifically, the General Assembly finds that these alternative solutions may present opportunities to relieve capacity constraints on the distribution system that would otherwise require utility capital investment. The General Assembly therefore finds that it is beneficial to undertake the program described in this Section to explore a variety of objectives, including, but not limited to, the extent to which alternative solutions to upgrading the conventional electric grid using distributed generation and storage devices can defer or eliminate utility capital investment and reduce costs.

As used in this Section:

"Alternative solutions" means distributed generation, as that term is defined in Section 16-107.6 of this Act, that has not been compensated under Section 16-107.6, and storage
devices, which, for purposes of this Section, shall mean a battery or other electricity storage device that is interconnected to the distribution system of the electric utility and has not been compensated under a separate program or provision of this amendatory Act of the 102nd General Assembly.

"Electric utility" has the meaning given to that term in Section 16-102 of this Act.

(b) An electric utility serving more than 3,000,000 retail customers in Illinois shall, under the program described in this Section, conduct public solicitation processes to procure alternative solutions that will defer or eliminate electric utility distribution system capacity expansion projects. The utility's program shall be designed to procure alternative solutions for up to 4 distribution system capacity expansion projects, each of which is the utility's estimated to cost complete is at least $5,000,000, during the 5-year period of the program, and the projects shall be located throughout the utility's service territory. Notwithstanding the implementation of the program described in this Section, nothing in this Section limits the utility's ability to otherwise procure or invest in electric utility distribution system capacity expansion projects.

(c) Each electric utility subject to the requirements of this Section shall submit to the Commission the utility's plan for developing and conducting a third-party request for
proposals process for purposes of procuring alternative solutions that will defer or eliminate distribution system capacity expansion projects. Such a plan shall include, but not be limited to, the following:

(1) a description of the types of projects within years 3 to 5 of the utility's planning cycle for which the utility will seek alternative solutions, including the screening criteria and associated minimum score or threshold that the utility will apply to determine whether a particular distribution system capacity expansion project is eligible to be bid out under the request for proposal process established by the plan;

(2) the bidder qualifications and bidding criteria;

and

(3) the bid evaluation process.

The plan shall also set forth the process by which the utility will provide notice to potential bidders of eligible projects and the publishing of requests for proposals. The utility must update the list of eligible projects, at a minimum, on an annual basis. The list of eligible projects, as updated, shall also identify those ineligible projects that did not achieve the screening criteria's minimum score or threshold, provided that the identification of ineligible projects shall be limited to those falling within a band that does not exceed 35% of the screening criteria's minimum score or threshold.
Within 120 days after the utility files its plan under this subsection (c), the Commission shall review and, after notice and hearing, enter an order approving the plan if it finds that the plan conforms to the requirements of this Section or, if the Commission finds that the plan does not conform to the requirements of this Section, the Commission must enter an order describing in detail the reasons for not approving the plan. The utility may resubmit its plan to address the Commission's concerns, and the Commission shall expeditiously review and by order approve the revised plan if it finds that the plan conforms to the requirements of this Section, provided that such order shall be entered no later than 90 days after the utility resubmits its plan.

No later than 90 days after the close of the first year of the program, the utility shall submit a report to the Commission that includes any updates to the plan, a schedule for the procurement of alternative solutions for any proposed projects for the next plan year, the expenditures made for the prior plan year, and an evaluation of the extent to which the objectives of this program are being achieved. No later than 90 days after the close of the fifth and final year of the program, the utility shall submit a report to the Commission that includes the expenditures made for the prior plan year and cumulatively and an evaluation of the extent to which the objectives of this program were achieved during the fifth year and cumulatively.
(d) The costs of the program that are incurred by the electric utility, including, but not limited to, the projects procured pursuant to a plan approved by the Commission pursuant to subsection (c) of this Section, shall be recovered pursuant to Article IX or Section 16-108.5 of this Act. The recovery of the costs incurred for each project shall occur over a period of time that is equal to the life of the asset or assets being procured and may be capitalized by the electric utility.

(e) Each alternative solution procured pursuant to this Section shall also be reflected in the calculation of the distributed generation rebate values calculated under subsection (e) of Section 16-107.6 of this Act. No later than 30 days after the electric utility executes a contract with the winning bidder of an alternative solution, the utility shall submit an informational filing to the Commission in the docket established under subsection (e) of Section 16-107.6. The informational filing shall describe the scope, size, location, cost, and impacts of the alternative solution procured by the utility. No later than 60 days after the electric utility submits such informational filing, the Commission shall calculate a revised distributed generation rebate value for each geographic area impacted by the alternative solution.

(f) To the extent feasible and consistent with State and federal law, the investments under the plan should provide
employment opportunities for all segments of the population and workforce, including minority-owned, female-owned, veteran-owned, and disability-owned business enterprises, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.

(220 ILCS 5/8-511.1 new)

Sec. 8-511.1. Utility data reporting requirement.
(a) Each electric utility that serves more than 3,000,000 retail customers in the State shall file with the Commission annually by April 15 a report that includes the following:

(1) the number and duration of curtailment events that are not related to demand response;
(2) the number of nonsummer peak events;
(3) the average load shape by customer class;
(4) the amount of line losses and copy of most recent line loss study;
(5) the average number of customers with arrearages and the average amount of arrearages, by customer class;
(6) the number of disconnections due to arrearages per customer class and the number of reconnections per customer class, by month;
(7) the number and duration of light load events; and
(8) the number and duration of peak load events.
(b) Each utility shall file with the Commission monthly a report that includes the number of disconnections due to
arrearages per customer class and the number of reconnections per customer class for the prior month.

Sec. 8-512. Utility plant disclosure and workshop process.

(a) Beginning in the first calendar year following the year in which this amendatory Act of the 102nd General Assembly takes effect, each electric utility that serves more than 500,000 customers in this State shall, within 90 days after the close of each of the electric utility's fiscal quarters, submit to the Commission a report that summarizes the additions to utility plant that were placed into service during the prior quarter, which for purposes of the report shall be the most recently closed fiscal quarter. The report shall also summarize the utility plant the electric utility projects it will place into service through the end of the calendar year in which the report is filed. The information provided pursuant to this Section is intended to be informational and to provide a preliminary view of costs and investments, which may change. Accordingly, the information provided pursuant to this Section shall not be binding on the utility and shall not be the basis for a finding in any Commission proceeding of imprudence, unreasonableness, or lack of use or usefulness of any individual or aggregate level of utility plant or other investment or expenditure addressed. Within 7 days after receiving a quarterly report, the
Commission shall timely make such report available to the public by posting it on the Commission's website.

Each quarterly report shall include the following detail:

(1) the total dollar value of the additions to utility plant placed in service during the prior quarter;

(2) a list of the major investment categories the utility used to manage its routine standing operational activities during the prior quarter including the total dollar amount for the work reflected in each investment category in which utility plant in service is equal to or greater than $2,000,000 for a utility that serves more than 3,000,000 customers in the State or $500,000 for a utility that serves less than 3,000,000 retails customers but more than 500,000 retail customers in the State as of the last day of the quarterly reporting period, as well as a summary description of each investment category;

(3) a list of the projects which the utility has identified by a unique investment tracking number for utility plant placed in service during the prior quarter for utility plant placed in service with a total dollar value as of the last day of the quarterly reporting period that is equal to or greater than $2,000,000 for a utility that serves more than 3,000,000 customers in the State or $500,000 for a utility that serves less than 3,000,000 retails customers but more than $500,000 retail customers in the State, as well as a summary of each project;
(4) the estimated total dollar value of the additions to utility plant projected to be placed in service through the end of the calendar year in which the report is filed;

(5) a list of the major investment categories the utility used to manage its routine standing operational activities with utility plant projected to be placed in service through the end of the calendar year in which the report is filed, including the total dollar amount for the work reflected in each investment category in which utility plant in service is projected to be equal to or greater than $2,000,000 for a utility that serves more than 3,000,000 customers in the State or $500,000 for a utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State, as well as a summary description of each investment category; and

(6) a list of the projects for which the utility has identified by a unique investment tracking number for utility plant projected to be placed in service through the end of the calendar year in which the report is filed with an estimated dollar value that is equal to or greater than $2,000,000 for a utility that serves more than 3,000,000 customers in the State or $500,000 for a utility that serves less than 3,000,000 retail customers but more than $500,000 retail customers in the State, as well as a summary description of each project.
(b) To promote the transparency of the utility plant investments planned over a 5-year planning period by an electric utility subject to the requirements of this Section, the Commission shall convene a triennial workshop process for each such utility for the sole purpose of establishing an open, inclusive, and cooperative educational forum regarding such investments. The workshop process must be designed to provide participants with information about the electric utility's distribution system investment plans over a 5-year period, beginning with the year in which the workshop is held.

It is a goal of the State that this workshop process will educate and equip interested stakeholders so that they can effectively and efficiently provide feedback and input to the electric utility. As part of the workshop process, the electric utility shall submit to the Commission, for informational purposes only, the electric utility's utility plant investment plan for the 5-year period beginning in the year in which the workshop is held. The Commission shall make public the utility plant investment plan by posting it on the Commission's website, set the location and time of any workshop to be held as part of the triennial workshop process, and establish a data request process, consistent with the Commission's rules, that affords workshop participants opportunities to submit data requests to the utility, and receive responses, prior to the workshop, regarding the information described in subsection (a) of this Section. Upon
the written request of a workshop participant, the utility shall also present at a given workshop at least one appropriate company representative who can address the specific written questions or written categories of questions identified in advance by the workshop participant regarding the utility plant investment plan. The information provided as part of the workshop process pursuant to this Section is intended to be informational and to provide a preliminary view of costs and investments, which may change. Accordingly, the information provided pursuant to this Section shall not be binding on the utility and shall not be the basis for a finding in any Commission proceeding of imprudence, unreasonableness, or lack of use or usefulness of any individual or aggregate level of utility plant or other investment or expenditure addressed.

(c) The projections, estimates, plans, and forward-looking information that are provided pursuant to subsections (a) and (b) of this Section are for educational and planning purposes, and are intended to be illustrative of the investments that the utility proposes to make as of the time of submittal. Nothing in this Section precludes, or is intended to limit, a utility's ability to modify and update its projections, estimates, plans, and forward-looking information previously submitted pursuant to such subsections in order to reflect stakeholder input or other new or updated information and analysis, including, but not limited to, changes in specific
investment needs, customer electric use patterns, customer applications and preferences, and commercially available equipment and technologies. The reports and plans submitted pursuant to this Section are intended to be flexible planning tools, and are expected to evolve as new information becomes available.

(d) No later than 90 days following the close of the first triennial workshop processes conducted under this Section, Commission staff shall prepare and submit a report to the Commission summarizing the workshop process required by subsection (b) of this Section, including the number of workshops, locations of the workshops, length of the workshop process, topics and issues addressed, number of data requests submitted, identification of participants, and the successes, challenges, and any opportunities for improvement. The staff report shall also include a recommendation regarding whether the Commission should initiate a proceeding to address and resolve any outstanding workshop process-related issues identified by staff.

(220 ILCS 5/8-514 new)

Sec. 8-514. Performance metrics.

(a) The General Assembly finds that the electric industry in Illinois has made significant advances in reliability and in other areas important to meeting customers' electricity needs. The electric industry is undergoing rapid
transformation, including fundamental changes in how electricity is generated, procured, and delivered and how customers are choosing to participate in the supply and delivery of electricity to and from the electric grid. Building upon the State's goals to increase the procurement of electricity from renewable energy resources, including distributed generation and storage devices, the General Assembly finds that electric utilities should not only maintain the advancements and achievements they have made, but they should make cost-effective investments that support moving forward on Illinois' clean energy policies, including at a minimum investments designed to integrate distributed energy resources through deployment of telemetry equipment and infrastructure with no-latency or low-latency, implement and comply with critical infrastructure protection standards, plans, and industry best practices, and support, and mitigate the impacts of, the system demands of electric vehicle charging and other electrification. The General Assembly finds that performance-based metrics will align the utility's incentives with its customers and the State, and should be adopted to ensure that Illinois continues to move forward with efficient and effective grid modernization.

(b) No later than 30 days after an electric utility files a tariff pursuant to Section 9-201.1 of this Act, the electric utility shall file a petition with the Commission seeking approval of metrics and a tariff mechanism as described in
this Section. For each such utility, the Commission shall approve, based on the substantial evidence proffered in the proceeding initiated pursuant to this subsection (b), at least 9, but no more than 11, metrics designed to maintain performance values and targets, or to achieve incremental improvements over baseline performance values and targets, over a performance period of up to 10 years. For each utility, the metrics approved by the Commission shall include at least 1, but no more than 3, metrics from each of the categories of performance set forth in paragraphs (1) through (8) of this subsection (b); however, nothing in this Section is intended to require that different electric utilities must be subject to the same metrics.

(1) Metrics designed to measure the reliability of the electric service provided by the utility, which may include, but are not limited to, the utility's performance related to the frequency and duration of service interruptions and restoration of service following an interruption. The utility's achievement toward this metric shall incorporate automatic restorations that incorporate the features of new technology, including, but not limited to, smart switches, microgrid and community energy storage.

(2) Metrics designed to measure the average round-trip time, in milliseconds, for connected devices with advanced telemetry, as measured from the control center to end
devices.

(3) Metrics designed to measure the utility's customer service performance, which may include, but are not limited to, the abandoned call rate or first call resolution rate for calls placed to the utility's call center and the average service reliability index for those customers that have interconnected a distributed renewable energy generation device to the utility's distribution system and are lawfully taking service under an applicable tariff.

(4) Metrics designed to measure the utility's performance related to the interconnection process.

(5) Metrics designed to measure the utility's performance related to achievement of environmental objectives, which may include, but are not limited to, a reduction in the utility's overall greenhouse gas emissions.

(6) Job creation: design a performance metric measuring the number of full-time equivalent jobs created as a result of this amendatory Act of the 102nd General Assembly.

(7) Metrics designed to measure the utility's performance related to community, education, or job training activities and initiatives.

(8) Opportunities for minority-owned, female-owned, veteran-owned, and disability-owned business enterprises:
design a performance metric regarding the creation of opportunities for minority-owned, female-owned, veteran-owned, and disability-owned business enterprises consistent with State and federal law.

For purposes of this Section, "full-time equivalent jobs" includes direct jobs, contractor positions, and induced jobs, as these terms have been defined by the electric utility in its annual reports submitted to the Commission under subsection (b) of Section 16-108.5 of this Act.

The metrics proposed pursuant to this Section shall be presented with particularity and supported by substantial evidence, and may include additional categories of performance beyond those listed in paragraphs (1) through (8) of this subsection (b). The metrics proposed and approved under this subsection (b) shall prioritize the importance of maintaining a reliable and resilient electric grid, as enabled by the near-instantaneous communication of advanced telemetry technologies. To the extent applicable and practicable, the metrics proposed and approved shall also be consistent with, and support achievement of, the State's clean energy policies, which require electric utilities to make cost-effective investments designed to (i) reduce peak demand in the utility's service territory, (ii) integrate distributed energy resources through deployment of telemetry equipment and infrastructure with no-latency or low-latency, (iii) fully implement and comply with critical infrastructure protection
standards, plans, and industry best practices, (iv) support, and mitigate the impacts of, the system demands of electric vehicle charging and other electrification, and (v) consider alternatives to traditional distribution system investment, such as distributed energy resources, to address changing system demands. The Commission shall not approve a metric that is reasonably expected to have the effect of reducing the workforce.

Where a metric approved pursuant to this subsection (b) includes a performance period that is less than 10 years, no later than 180 days prior to the expiration of such metric the applicable electric utility shall request that the Commission initiate a hearing to approve another metric pursuant to this paragraph to replace such metric upon or subsequent to its expiration.

(c) Each metric shall include performance goals for each year of the applicable performance period, which shall be designed to demonstrate that the electric utility is on track to achieve the performance goal for the metric at the end of the applicable performance period. Each metric performance period shall commence on January 1, 2023.

Notwithstanding anything to the contrary, electric utilities subject to the requirements of this Section shall be permitted to file revisions to their applicable tariffs for purposes of achieving the metrics and annual goals and targets set forth in this Section.
(d) (1) In the proceeding initiated pursuant to subsection (b) this Section, the Commission shall also approve, based on the substantial evidence proffered in the proceeding, financial incentives and penalties applicable to the metrics described in paragraphs (1) through (6) of such subsection (b). The maximum total basis point adjustment associated with the metrics approved by the Commission pursuant to subsection (b) shall not exceed, in total, a 70 basis point decrease or 60 basis point increase for a given year. Each of the metrics established pursuant to paragraphs (1) through (6) of such subsection (b) may have an associated financial incentive or financial penalty, or both, for a given year, provided that the difference between any such incentive or penalty for a given metric in a given year shall not exceed 15 basis points.

(2) The metrics and performance goals set forth in, and approved under, subsections (b) and (c) of this Section are based on the assumptions that the utility may fully implement the technology and equipment, and make the investments, required to achieve the metrics and performance goals. If the utility is unable to meet the metrics and performance goals for such reasons, then the utility shall be permitted to file a petition with the Commission requesting that the utility be excused from compliance with the applicable performance goal or goals. The burden of proof shall be on the utility, and the utility's petition shall be supported by substantial evidence. No later than 90 days after the utility files its petition, the
Commission shall, after notice and hearing, enter its order approving or denying, in whole or in part, the utility's petition based on the extent to which the utility demonstrated that its achievement of the affected metrics and performance goals was hindered by unanticipated technology or equipment implementation delays, or other investment impediments, that were reasonably outside of the utility's control.

(3) The adjustment to the utility's cost of equity required by this subsection (d) shall be applied as described in this Section for the 12-month period in which the performance occurred through a separate tariff mechanism, which shall be filed by the utility together with its metrics. The tariff mechanism shall make provision for the application of such adjustment in conjunction with the applicable annual proceeding conducted pursuant to Section 9-201.2 of this Act, as well as address application of such adjustment in a year or years where no such proceeding is conducted.

(e) Notwithstanding the provisions of subsections (b) through (d) of this Section, the Commission shall be permitted to approve one or more additional metrics that are consistent with, and support the achievement of, the State's clean energy policies, including, but not limited to, those policies that require electric utilities to make cost-effective investments designed to (i) reduce peak demand in the utility's service territory, (ii) integrate distributed energy resources through deployment of telemetry equipment and infrastructure with
no-latency or low-latency, (iii) fully implement and comply with critical infrastructure protection standards, plans, and industry best practices, (iv) support, and mitigate the impacts of, the system demands of electric vehicle charging and other electrification, and (v) consider alternatives to traditional distribution system investment, such as distributed energy resources, to address changing system demands. Any such additional metric shall be proposed in the proceeding initiated pursuant to subsection (b) of this Section, and shall be supported by substantial evidence. No financial penalty shall apply to any metric proposed and approved pursuant to this subsection (e); however, the Commission may approve a financial incentive associated with any such additional metric.

(f) No later than 180 days after the utility files its metrics, or December 1 of the year in which the utility files, whichever is earlier, the Commission shall, after notice and hearing, enter an order approving, or approving with modification, the utility's metrics and tariff.

(g) On or before March 1 of each subsequent year, each electric utility shall file a report with the Commission that includes, among other things, a description of how the electric utility performed under each metric, an identification of any extraordinary events that adversely impacted the utility's performance, and calculation of the performance adjustments established under subsection (d) of
this Section. No later than 10 days after a utility files its report, the Commission shall have the authority to initiate an investigation of the report. If the Commission enters upon an investigation, it shall, after notice and hearing, enter its order approving, or approving with modification, the report no later than 60 days after the utility filed its report. If the Commission does not initiate an investigation of the report within 10 days after it is filed, the report shall be deemed accepted. Any adjustment to the utility's cost of equity component of its tariff in accordance with this Section shall be applied beginning with the next rate year.

(220 ILCS 5/9-201.1 new)
Sec. 9-201.1. Electric rate reform.
(a) Beginning on the effective date of this amendatory Act of the 102nd General Assembly and as set forth in this Section, each electric utility that is a participating utility, as defined in Section 16-108.5 of this Act, will begin to transition back to a traditional general rate case recovery process and tariff to replace its formula rate tariff previously approved under such Section. It is the intent of the General Assembly that these electric utilities maintain the advancements and achievements in electric service reliability and continue to make cost-effective investments to support Illinois clean energy policies, including at a minimum investments designed to (i) reduce peak demand in the
utility's service territory, (ii) integrate distributed energy resources through deployment of telemetry equipment and infrastructure with no-latency or low-latency, (iii) fully implement and comply with critical infrastructure protection standards, plans, and industry best practices, (iv) support, and mitigate the impacts of, the system demands of electric vehicle charging and other electrification, and (v) consider alternatives to traditional distribution system investment, such as distributed energy resources, to address changing system demands. To ensure timely Commission review of these, and all other, distribution system costs incurred by an electric utility, and to avoid the regulatory lag, sudden rate increases that can occur under traditional ratemaking, and mitigate the rate impacts of large utility expenses, electric utilities that are participating utilities shall transition to the ratemaking mechanisms prescribed in this Section.

(b) Beginning on the effective date of this amendatory Act of the 102nd General Assembly, electric utilities subject to the requirements of this Section shall be permitted to file a general rate case under Section 9-201 of this Act that includes, and is consistent with, the terms and conditions of this subsection (b); in no event shall such an electric utility submit its initial general rate case filing authorized under this Section to the Commission later than 180 days after the date on which the utility was no longer eligible to update its performance-based formula rate as set forth in subsection
(h) of Section 16-108.5 of this Act. Each initial general rate case filed by an electric utility subject to the requirements of this Section, and any subsequently filed rate case, shall be designed to recover its actual costs of delivery services through tariffs applied to all of the utility's retail customers. Notwithstanding anything to the contrary, each such rate case filing shall be subject to the following terms and conditions:

(1) Without limiting a utility's test year period options as authorized by the Commission's rules, the electric utility may elect that the general rate case filing use a modified test year period, as defined in this paragraph (1), in order to avoid dramatic shifts in rates that would otherwise occur due solely to the use of a particular test year period to set the rates that differs from the basis on which rates have been set in recent years. The modified test year period shall consist of final data for the most recent full historical calendar year, plus projected plant additions and correspondingly updated depreciation reserve and expense for the calendar year in which the general rate case and data are filed.

(2) The cost of equity component approved by the Commission shall be consistent with Commission practice and law, but shall not exceed the 70th percentile, or fall below the 30th percentile, of the national average cost of equity for the most recently completed calendar year prior
to the year in which the general rate case is filed. For purposes of this Section, the national average cost of equity shall be the simple average of the cost of equity approved in each order of a state regulatory commission, other than the Commission, issued during the applicable calendar year that applies to retail electric service provided by an investor-owned public utility company operating in the United States. No order shall be excluded from the national average cost of equity calculated under this paragraph (2) on the grounds that it is subject to rehearing or appeal. If, for any applicable year, there are fewer than 15 applicable orders of state regulatory commission with which to compute the average cost of equity, the Commission shall include in the calculation of the national average the number of state regulatory orders from the prior year or years necessary to reach a total of 15, beginning with the most recently issued and proceeding in reverse chronological order.

(3) The utility's actual year-end or forecasted year-end capital structure, as applicable, that includes a common equity ratio, excluding goodwill, of up to and including 54% of the total capital structure shall be deemed reasonable and used to set rates.

(c) The data submitted by an electric utility in support of its general rate case filing shall be based on the utility's applicable filed Federal Energy Regulatory Commission (FERC)
Form 1, to the extent practicable and to the extent the utility's test year period is based on a historical, calendar year test year. For purposes of this subsection (c), "FERC Form 1" means the Annual Report of Major Electric Utilities, Licensees and Others that electric utilities are required to file with the Federal Energy Regulatory Commission under the Federal Power Act, Sections 3, 4(a), 304, and 209, modified as necessary to be consistent with 83 Ill. Adm. Code Part 415 as of December 1, 2020. Nothing in this Section is intended to allow costs that are not otherwise recoverable to be recoverable by virtue of inclusion in FERC Form 1.

(d) Each electric utility subject to the requirements of this Section shall also be subject to the requirements of Sections 8-514 and 9-201.2 of this Act.

(e) In any general rate case filing made in compliance with subsection (b) of this Section that seeks an increase in delivery services rates, an electric utility may propose a rate phase-in plan that the Commission shall either approve without modification or deny in its final order approving the new delivery services rates. A proposed rate phase-in plan under this subsection (e) must allow the new delivery services rates to be implemented in no more than 2 steps, as follows: in the first step, at least 50% of the approved rate increase must be reflected in rates, and, in the second step, 100% of the rate increase must be reflected in rates. The second step's rates must take effect no later than 12 months after the first
step's rates were placed into effect. The portion of the approved rate increase not implemented in the first step shall be recorded on the electric utility's books as a regulatory asset, and shall accrue a carrying cost equal to the weighted average cost of capital applicable to the new delivery services rates. This portion shall be recovered, with such carrying costs, through a surcharge applied to retail customer bills that (i) begins no later than 12 months after the date on which the second step's rates went into effect and (ii) is applied over a period not to exceed 24 months.

(f) To mitigate the impact of large expenses on customers, an electric utility subject to Section 9-201.1 of this Act may elect, in any proceeding under Section 9-201 or Section 9-201.2 of this Act, as applicable, to amortize, over a 5-year period, each charge or credit that exceeds the applicable amount identified in this Section and that relates to a workforce reduction program's severance costs, changes in accounting rules, changes in law, compliance with any Commission-initiated audit, or a single storm or other similar expense, provided that any unamortized balance shall be reflected in rate base. An electric utility that serves more than 3,000,000 customers in the State may amortize the full amount of each such charge or credit that exceeds $10,000,000 in the applicable period, and an electric utility that serves less than 3,000,000 customers in the State may amortize the full amount of each such charge or credit that exceeds
$3,700,000 in the applicable period. For purposes of this
Section, changes in law includes any enactment, repeal, or
amendment in a law, ordinance, rule, regulation,
interpretation, permit, license, consent, or order, including
those relating to taxes, accounting, or to environmental
matters, or in the interpretation or application thereof by
any governmental authority occurring after the effective date
of this amendatory Act of the 102nd General Assembly.

(220 ILCS 5/9-201.2 new)

Sec. 9-201.2. Standards and compliance investigation.

(a)(1) The provisions of this Section apply to electric
utilities that are subject to the provisions of Section
9-201.1 of this Act. Each such electric utility shall file, on
or before the date prescribed in subsection (b) or (c) of this
Section, as applicable, a petition with the Commission to
initiate the standards and compliance investigation proceeding
proceedings required by this Section. During each such
proceeding, the Commission shall:

(A) investigate and verify, for the applicable
calendar year, that the rates charged by the utility under
the tariff or tariffs placed into effect pursuant to
Section 9-201 or Section 16-108.5 of this Act, as
applicable, were consistent with this Act, Commission
rules and regulations, and the Commission order or orders
establishing or approving those rates;
(B) examine, during the course of the proceeding, the prudence and reasonableness of the actual costs incurred by the utility during the applicable calendar year that were recovered in rates placed into effect pursuant to Section 9-201 or Section 16-108.5, as applicable, as well as determine the original cost of plant in service as of the end of the applicable calendar year;

(C) compare the revenue requirement or requirements established by the rate order or orders in effect from time to time during the applicable calendar year (weighted as applicable) with the actual revenue requirement for such year, which shall be determined using the following:

   (i) Commission-approved prudent and reasonable actual costs for the applicable year;

   (ii) a year-end rate base for the applicable year;

   (iii) the cost of equity, as modified by any adjustments required pursuant to Section 8-514 of this Act, that, at the time of filing the petition to initiate the investigation under subsection (b) or (c) of this Section, as applicable, was approved by the Commission for the utility in its most recent general rate case under Section 9-201 of this Act; and

   (iv) the utility's actual year-end capital structure for the applicable calendar year, provided that the common equity ratio shall not exceed the common equity ratio that, at the time of filing the
petition to initiate the investigation under subsection (b) or (c) of this Section, as applicable, was approved by the Commission for the utility in its most recent general rate case under Section 9-201; and (D) calculate the amount of any over-collection or under-collection for such year, which such amount, as approved by the Commission, shall be reflected as a credit against, or recovered as an additional charge to, respectively, with interest calculated at a rate equal to the utility's weighted average cost of capital approved by the Commission for the applicable calendar year, the charges for the next calendar year.

(2)(A) The data submitted by an electric utility in support of its filings made pursuant to this Section shall be based on the utility's applicable filed Federal Energy Regulatory Commission (FERC) Form 1, to the extent practicable. For purposes of this Section, "FERC Form 1" has the meaning set forth in Section 9-201.1 of this Act. Nothing in this Section is intended to allow costs that are not otherwise recoverable to be recoverable by virtue of inclusion in FERC Form 1.

(B) Except as provided in subparagraph (A) of this paragraph (2), all filings made pursuant to this Section shall otherwise include relevant and necessary data and documentation that are consistent with the Commission's rules applicable to a filing for a general rate increase or any rules
adopted by the Commission to implement this Section. Normalization adjustments shall not be required.

(3) The Commission shall apply the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, to a utility's filing under this Section that are applicable to a general rate case filed under Section 9-201 of this Act, and shall, after notice and hearing, issue its order approving, or approving as modified, the utility's petition no later than 210 days after the utility's filing. Except as provided in subsection (b) of this Section, the new charges shall take effect beginning with the next January monthly billing period and remain in effect for 12 months through the December monthly billing period.

(4) The Commission's determinations of the prudence and reasonableness of the costs incurred for the applicable year, and of the original cost of plant in service as of the end of the applicable calendar year, shall be final upon entry of the Commission's order and shall not be subject to reopening, reexamination, or collateral attack in any other Commission proceeding, case, docket, order, rule or regulation; however, nothing in this Section shall prohibit a party from petitioning the Commission to rehear or appeal to the courts the order pursuant to the provisions of this Act.

(b)(1) Except as provided in paragraph (2) of this subsection (b), the first annual standards and compliance
investigation proceeding or proceedings conducted under subsection (a) of this Section shall determine the final accounting and retroactive rate adjustment required by Section 16-108.5 of the Act that applies when an electric utility is no longer eligible to annually update its performance-based formula rate. Each such utility shall file its first petition initiating such proceeding no later than 16 months after the date on which the Commission entered its order approving, or approving with modification, the utility's most recent update to the cost inputs of its performance-based formula rate under Section 16-108.5, regardless of whether the utility has filed, or the Commission has entered an order approving, a general rate case pursuant to Section 9-201 of this Act.

The final accounting and retroactive rate adjustment shall address each full or partial calendar year period that the electric utility's rates remained in effect pursuant to the Commission's most recent order under Section 16-108.5 and until the time that the utility's new delivery services rates took effect pursuant to tariffs placed into effect under Section 9-201 of this Act. The electric utility may elect to include each such full or partial calendar year period in its first annual standards and compliance investigation filing submitted pursuant to this subparagraph (A). Alternatively, the utility may elect to include only a single full or partial calendar period in such filing, and address any remaining full or partial calendar year periods requiring a final accounting.
and retroactive rate adjustment in a subsequent filing or filings submitted pursuant to this subparagraph (A).

The provisions and calculation set forth in subsection (a) of this Section shall apply to the proceeding or proceedings filed in accordance with this paragraph (1); however, notwithstanding the provisions of item (v) of subparagraph (C) of paragraph (1) or paragraph (3) of subsection (a) of this Section, an electric utility shall be permitted to propose to the Commission, for one or more of the calendar years included in the final accounting and applicable retroactive rate adjustment, that any under-collection applicable to that year or years be recovered over a period not less than 12 months, but not to exceed 36 months. The Commission may approve the proposal if it finds that the extended period would lead to just and reasonable rates and is in the public interest.

(2) Notwithstanding the provisions of paragraph (1) of this subsection (b), if at the time an electric utility files its first general rate case pursuant to Section 9-201 of this Act after the effective date of this amendatory Act of the 102nd General Assembly, the electric utility has in effect Commission-approved tariffs setting forth the final accounting and retroactive rate adjustment terms required by Section 16-108.5 of this Act, the electric utility may instead elect to proceed with such final accounting and retroactive rate adjustment in a proceeding conducted pursuant to the terms of those tariffs rather than in a proceeding conducted pursuant
to the provisions of this Section, and the provisions of this
Section, other than this paragraph (2) of subsection (b),
shall not apply to such final accounting and retroactive rate
adjustment. Additionally, an electric utility that has in
effect such tariffs may further elect to revise such tariffs
to:

(A) provide that the final accounting and retroactive
rate adjustment terms for a given calendar year shall use
the cost of common equity and capital structure
determinations made by the Commission in its final order
in a general rate case filed under Section 9-201 of this
Act after the effective date of this amendatory Act of the
102nd General Assembly where such final order has been
entered on or before the date that the electric utility
files its proposed accounting and reconciliation for such
year, provided that the common equity ratio in the capital
structure may not exceed the electric utility's actual
year-end common equity ratio for the applicable calendar
year; and

(B) permit the electric utility, at its option, to
recover any under-collection applicable to the second
calendar year reconciled under such final accounting and
retroactive rate adjustment terms over a period not less
than 12 months, but not to exceed 36 months.

(c) Following the electric utility's annual standards and
investigation proceeding or proceedings submitted pursuant to
subsection (b) of this Section, the utility shall annually file a petition to initiate a standards and compliance investigation proceeding for each calendar year during which delivery services rates were in effect pursuant to a Commission order approving the utility's general rate case under Section 9-201 of this Act that was issued after the effective date of this amendatory Act of the 102nd General Assembly. The utility shall annually file the petition no later than 120 days following the end of each such calendar year. The annual standards and compliance investigation proceeding requirement set forth in this subsection (c) shall remain in effect for a given electric utility through December 31, 2027, or the date on which the Commission enters its final order in the fifth such proceeding, whichever date is later, and shall also apply to new tariffs placed into effect during such period to implement any subsequent general rate case orders issued by the Commission for a utility subject to this Section.

(d) An electric utility subject to the requirements of this Section shall be required to file a petition to initiate a standards and compliance investigation proceeding for the first calendar year that its delivery services rates are in effect pursuant to a general rate case order issued by the Commission after December 31, 2027. The electric utility shall notify the Commission in writing prior to the date on which such delivery services rates take effect regarding if the
electric utility elects to also be required to file a subsequent petition or petitions to initiate a standards and compliance investigation proceeding for each subsequent calendar year or years during which its delivery services rates are in effect pursuant to the same general rate case order. If the utility makes this election, it shall be required to file any petition or petitions to initiate a standards and compliance investigation proceeding for any subsequent calendar year or years during which its delivery services rates are in effect pursuant to the same general rate case order.

(e) Electric utilities subject to the requirements of this Section shall be permitted to file new or revised tariffs to comply with the provisions of, and Commission orders entered pursuant to, this Section.

(220 ILCS 5/9-222.1) (from Ch. 111 2/3, par. 9-222.1)

Sec. 9-222.1. A business enterprise which is located within an area designated by a county or municipality as an enterprise zone pursuant to the Illinois Enterprise Zone Act, located in an Empowerment Zone pursuant to the Energy Community Reinvestment Act, or located in a federally designated Foreign Trade Zone or Sub-Zone shall be exempt from the additional charges added to the business enterprise's utility bills as a pass-on of municipal and State utility taxes under Sections 9-221 and 9-222 of this Act, to the extent
such charges are exempted by ordinance adopted in accordance with paragraph (e) of Section 8-11-2 of the Illinois Municipal Code in the case of municipal utility taxes, and to the extent such charges are exempted by the percentage specified by the Department of Commerce and Economic Opportunity in the case of State utility taxes, provided such business enterprise meets the following criteria:

1. it (i) makes investments which cause the creation of a minimum of 200 full-time equivalent jobs in Illinois;
2. (ii) makes investments of at least $175,000,000 which cause the creation of a minimum of 150 full-time equivalent jobs in Illinois; (iii) makes investments that cause the retention of a minimum of 300 full-time equivalent jobs in the manufacturing sector, as defined by the North American Industry Classification System, in an area in Illinois in which the unemployment rate is above 9% and makes an application to the Department within 3 months after the effective date of this amendatory Act of the 96th General Assembly and certifies relocation of the 300 full-time equivalent jobs within 48 months after the application; (iv) makes investments which cause the retention of a minimum of 1,000 full-time jobs in Illinois; or (v) makes an application to the Department within 2 months after the effective date of this amendatory Act of the 96th General Assembly and makes investments that cause the retention of a minimum of 500
full-time equivalent jobs in 2009 and 2010, 675 full-time jobs in Illinois in 2011, 850 full-time jobs in 2012, and 750 full-time jobs per year in 2013 through 2017, in the manufacturing sector as defined by the North American Industry Classification System; and

(2) it is either (i) located in an Enterprise Zone established pursuant to the Illinois Enterprise Zone Act, (ii) located in an Empowerment Zone pursuant to the Energy Community Reinvestment Act, or (iii) located in a federally designated Foreign Trade Zone or Sub-Zone and is designated a High Impact Business by the Department of Commerce and Economic Opportunity; and

(3) it is certified by the Department of Commerce and Economic Opportunity as complying with the requirements specified in clauses (1) and (2) of this Section.

The Department of Commerce and Economic Opportunity shall determine the period during which such exemption from the charges imposed under Section 9-222 is in effect which shall not exceed 30 years or the certified term of the enterprise zone, whichever period is shorter, except that the exemption period for a business enterprise qualifying under item (iii) of clause (1) of this Section shall not exceed 30 years.

The Department of Commerce and Economic Opportunity shall have the power to promulgate rules and regulations to carry out the provisions of this Section including procedures for complying with the requirements specified in clauses (1) and
(2) of this Section and procedures for applying for the exemptions authorized under this Section; to define the amounts and types of eligible investments which business enterprises must make in order to receive State utility tax exemptions pursuant to Sections 9-222 and 9-222.1 of this Act; to approve such utility tax exemptions for business enterprises whose investments are not yet placed in service; and to require that business enterprises granted tax exemptions repay the exempted tax should the business enterprise fail to comply with the terms and conditions of the certification. However, no business enterprise shall be required, as a condition for certification under clause (3) of this Section, to attest that its decision to invest under clause (1) of this Section and to locate under clause (2) of this Section is predicated upon the availability of the exemptions authorized by this Section.

A business enterprise shall be exempt, in whole or in part, from the pass-on charges of municipal utility taxes imposed under Section 9-221, only if it meets the criteria specified in clauses (1) through (3) of this Section and the municipality has adopted an ordinance authorizing the exemption under paragraph (e) of Section 8-11-2 of the Illinois Municipal Code. Upon certification of the business enterprises by the Department of Commerce and Economic Opportunity, the Department of Commerce and Economic Opportunity shall notify the Department of Revenue of such
certification. The Department of Revenue shall notify the
public utilities of the exemption status of business
enterprises from the pass-on charges of State and municipal
utility taxes. Such exemption status shall be effective within
3 months after certification of the business enterprise.
(Source: P.A. 97-818, eff. 7-16-12; 98-321, eff. 8-12-13.)

(220 ILCS 5/9-232 new)
Sec. 9-232. General rate case filing and revenue-neutral
rate design.

(a) Beginning on the effective date of this amendatory Act
of the 102nd General Assembly, a public utility that files a
general rate case pursuant to Section 9-201 of this Act may
elect to omit the rate design component of such filing and
subsequently separately file this component with the
Commission, subject to the requirements of subsections (b) and
(c) of this Section.

(b) General rate case filing. If the utility makes the
election described in this Section, then the following
provisions apply to the general rate case filing made under
Section 9-201 of this Act:

(1) The filing shall be consistent with the rate
design and cost allocation across customer classes
approved in the Commission's most recent order regarding
the utility's request for a general adjustment to its
rates under this Section or in the Commission's most
recent order entered under Section 9-201 or subsection (e) of Section 16-108.5 of this Act, as applicable.

(2) The second suspension period of no more than 6 months that is identified in subsection (b) of Section 9-201 of this Act shall be reduced to a period not to exceed 3 months.

(c) Revenue-neutral rate design. If the utility makes the election described in this Section, then the following provisions apply to the separate filing of the revenue-neutral rate design component:

(1) No later than one year after the tariffs implementing the general rate case filing described in subsection (b) of this Section are placed into effect, the utility shall make a filing with the Commission that proposes changes to the tariffs to incorporate the findings of any final rate design orders of the Commission applicable to the utility and entered subsequent to the Commission's approval of the tariffs; if no such orders have been entered, then the utility's filing may either propose revenue-neutral tariff changes or refile the existing tariffs without change, which shall present the Commission with an opportunity to suspend the tariffs and consider revenue-neutral tariff changes related to rate design. The Commission shall, after notice and hearing, enter its order approving, or approving with modification, the proposed changes to the tariffs within 240 days after
the utility's filing. Any changes ordered by the Commission shall become effective at the commencement of the first January monthly billing period that begins no earlier than 30 days after the Commission issues its order adopting such changes.

(2) Following Commission approval under paragraph (1) of this subsection (c), the utility shall make a filing with the Commission during each subsequent 3-year period that either proposes revenue-neutral tariff changes or refiles the existing tariffs without change, which shall present the Commission with an opportunity to suspend the tariffs and consider revenue-neutral tariff changes related to rate design. The requirements of this paragraph (2) shall terminate at the time that the utility files a general rate case that includes the rate design component.

(220 ILCS 5/9-247 new)

Sec. 9-247. Expanding bill payment options.

(a) The General Assembly finds that, given the growth of e-commerce and the common use of online payment mechanisms by individual consumers and households, residential customers of electric utilities with over 500,000 retail customers in this State should be able to pay their utility bills through accepted online methods without having to pay transaction fees for using that mode of payment. Residential customers' use of other accepted modes of paying bills of such utilities also
should not result in transaction fees based on the mode, especially because some modes tend disproportionately to be used by low-income or unbanked customers. Such electric utilities also should undertake practical efforts to expand transaction fee-free payment options for low-income and unbanked residential customers.

For purposes of this Section, "electric utility" and "retail customer" have the meanings set forth in Section 16-102 of this Act, and "residential customer" has the meaning set forth in Section 16-103.1 of this Act.

(b) No later than 240 days after the effective date of this amendatory Act of the 102nd General Assembly, electric utilities with over 500,000 retail customers in this State: (1) shall cease charging residential customers a transaction fee or charge based on whether the customer pays their utility bill through accepted online payment mechanisms and (2) shall not charge residential customers any transaction fee or charge based on which accepted payment mode the customer selects.

(c) No later than 240 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility with over 500,000 retail customers in this State shall submit to the Illinois Commerce Commission the utility's plan for expanding, in a reasonable, practical, and cost-effective manner, transaction fee-free utility bill payment options for low-income and unbanked residential customers. Within 180 days after the utility files its plan under this subsection (c),
the Commission shall review and, after notice and hearing, enter an order approving the plan if it finds that the plan conforms to the requirements of this Section or, if the Commission finds that the plan does not conform to the requirements of this Section, the Commission must enter an order describing in detail the reasons for not approving the plan. The utility may resubmit its plan to address the Commission's concerns, and the Commission shall expeditiously review and by order approve the revised plan if it finds that the plan conforms to the requirements of this Section, provided that such order shall be entered no later than 90 days after the utility resubmits its plan.

(d) Nothing in this Section is intended to prohibit the utility from recovering through rates approved by the Commission the utility's prudent and reasonable costs.

(220 ILCS 5/16-108)

Sec. 16-108. Recovery of costs associated with the provision of delivery and other services.

(a) An electric utility shall file a delivery services tariff with the Commission at least 210 days prior to the date that it is required to begin offering such services pursuant to this Act. An electric utility shall provide the components of delivery services that are subject to the jurisdiction of the Federal Energy Regulatory Commission at the same prices, terms and conditions set forth in its applicable tariff as
approved or allowed into effect by that Commission. The
Commission shall otherwise have the authority pursuant to
Article IX to review, approve, and modify the prices, terms
and conditions of those components of delivery services not
subject to the jurisdiction of the Federal Energy Regulatory
Commission, including the authority to determine the extent to
which such delivery services should be offered on an unbundled
basis. In making any such determination the Commission shall
consider, at a minimum, the effect of additional unbundling on
(i) the objective of just and reasonable rates, (ii) electric
utility employees, and (iii) the development of competitive
markets for electric energy services in Illinois.

(b) The Commission shall enter an order approving, or
approving as modified, the delivery services tariff no later
than 30 days prior to the date on which the electric utility
must commence offering such services. The Commission may
subsequently modify such tariff pursuant to this Act.

(c) The electric utility's tariffs shall define the
classes of its customers for purposes of delivery services
charges. Delivery services shall be priced and made available
to all retail customers electing delivery services in each
such class on a nondiscriminatory basis regardless of whether
the retail customer chooses the electric utility, an affiliate
of the electric utility, or another entity as its supplier of
electric power and energy. Charges for delivery services shall
be cost based, and shall allow the electric utility to recover
the costs of providing delivery services through its charges
to its delivery service customers that use the facilities and
services associated with such costs. Such costs shall include
the costs of owning, operating and maintaining transmission
and distribution facilities. The Commission shall also be
authorized to consider whether, and if so to what extent, the
following costs are appropriately included in the electric
utility's delivery services rates: (i) the costs of that
portion of generation facilities used for the production and
absorption of reactive power in order that retail customers
located in the electric utility's service area can receive
electric power and energy from suppliers other than the
electric utility, and (ii) the costs associated with the use
and redispatch of generation facilities to mitigate
constraints on the transmission or distribution system in
order that retail customers located in the electric utility's
service area can receive electric power and energy from
suppliers other than the electric utility. Nothing in this
subsection shall be construed as directing the Commission to
allocate any of the costs described in (i) or (ii) that are
found to be appropriately included in the electric utility's
delivery services rates to any particular customer group or
geographic area in setting delivery services rates.

(d) The Commission shall establish charges, terms and
conditions for delivery services that are just and reasonable
and shall take into account customer impacts when establishing
such charges. In establishing charges, terms and conditions for delivery services, the Commission shall take into account voltage level differences. A retail customer shall have the option to request to purchase electric service at any delivery service voltage reasonably and technically feasible from the electric facilities serving that customer's premises provided that there are no significant adverse impacts upon system reliability or system efficiency. A retail customer shall also have the option to request to purchase electric service at any point of delivery that is reasonably and technically feasible provided that there are no significant adverse impacts on system reliability or efficiency. Such requests shall not be unreasonably denied.

(e) Electric utilities shall recover the costs of installing, operating or maintaining facilities for the particular benefit of one or more delivery services customers, including without limitation any costs incurred in complying with a customer's request to be served at a different voltage level, directly from the retail customer or customers for whose benefit the costs were incurred, to the extent such costs are not recovered through the charges referred to in subsections (c) and (d) of this Section.

(f) An electric utility shall be entitled but not required to implement transition charges in conjunction with the offering of delivery services pursuant to Section 16-104. If an electric utility implements transition charges, it shall
implement such charges for all delivery services customers and for all customers described in subsection (h), but shall not implement transition charges for power and energy that a retail customer takes from cogeneration or self-generation facilities located on that retail customer's premises, if such facilities meet the following criteria:

(i) the cogeneration or self-generation facilities serve a single retail customer and are located on that retail customer's premises (for purposes of this subparagraph and subparagraph (ii), an industrial or manufacturing retail customer and a third party contractor that is served by such industrial or manufacturing customer through such retail customer's own electrical distribution facilities under the circumstances described in subsection (vi) of the definition of "alternative retail electric supplier" set forth in Section 16-102, shall be considered a single retail customer);

(ii) the cogeneration or self-generation facilities either (A) are sized pursuant to generally accepted engineering standards for the retail customer's electrical load at that premises (taking into account standby or other reliability considerations related to that retail customer's operations at that site) or (B) if the facility is a cogeneration facility located on the retail customer's premises, the retail customer is the thermal host for that facility and the facility has been designed
to meet that retail customer's thermal energy requirements resulting in electrical output beyond that retail customer's electrical demand at that premises, comply with the operating and efficiency standards applicable to "qualifying facilities" specified in title 18 Code of Federal Regulations Section 292.205 as in effect on the effective date of this amendatory Act of 1999;

(iii) the retail customer on whose premises the facilities are located either has an exclusive right to receive, and corresponding obligation to pay for, all of the electrical capacity of the facility, or in the case of a cogeneration facility that has been designed to meet the retail customer's thermal energy requirements at that premises, an identified amount of the electrical capacity of the facility, over a minimum 5-year period; and

(iv) if the cogeneration facility is sized for the retail customer's thermal load at that premises but exceeds the electrical load, any sales of excess power or energy are made only at wholesale, are subject to the jurisdiction of the Federal Energy Regulatory Commission, and are not for the purpose of circumventing the provisions of this subsection (f).

If a generation facility located at a retail customer's premises does not meet the above criteria, an electric utility implementing transition charges shall implement a transition charge until December 31, 2006 for any power and energy taken
by such retail customer from such facility as if such power and energy had been delivered by the electric utility. Provided, however, that an industrial retail customer that is taking power from a generation facility that does not meet the above criteria but that is located on such customer's premises will not be subject to a transition charge for the power and energy taken by such retail customer from such generation facility if the facility does not serve any other retail customer and either was installed on behalf of the customer and for its own use prior to January 1, 1997, or is both predominantly fueled by byproducts of such customer's manufacturing process at such premises and sells or offers an average of 300 megawatts or more of electricity produced from such generation facility into the wholesale market. Such charges shall be calculated as provided in Section 16-102, and shall be collected on each kilowatt-hour delivered under a delivery services tariff to a retail customer from the date the customer first takes delivery services until December 31, 2006 except as provided in subsection (h) of this Section. Provided, however, that an electric utility, other than an electric utility providing service to at least 1,000,000 customers in this State on January 1, 1999, shall be entitled to petition for entry of an order by the Commission authorizing the electric utility to implement transition charges for an additional period ending no later than December 31, 2008. The electric utility shall file its petition with supporting evidence no earlier than 16
months, and no later than 12 months, prior to December 31, 2006. The Commission shall hold a hearing on the electric utility's petition and shall enter its order no later than 8 months after the petition is filed. The Commission shall determine whether and to what extent the electric utility shall be authorized to implement transition charges for an additional period. The Commission may authorize the electric utility to implement transition charges for some or all of the additional period, and shall determine the mitigation factors to be used in implementing such transition charges; provided, that the Commission shall not authorize mitigation factors less than 110% of those in effect during the 12 months ended December 31, 2006. In making its determination, the Commission shall consider the following factors: the necessity to implement transition charges for an additional period in order to maintain the financial integrity of the electric utility; the prudence of the electric utility's actions in reducing its costs since the effective date of this amendatory Act of 1997; the ability of the electric utility to provide safe, adequate and reliable service to retail customers in its service area; and the impact on competition of allowing the electric utility to implement transition charges for the additional period.

(g) The electric utility shall file tariffs that establish the transition charges to be paid by each class of customers to the electric utility in conjunction with the provision of delivery services. The electric utility's tariffs shall define
the classes of its customers for purposes of calculating
transition charges. The electric utility's tariffs shall
provide for the calculation of transition charges on a
customer-specific basis for any retail customer whose average
monthly maximum electrical demand on the electric utility's
system during the 6 months with the customer's highest monthly
maximum electrical demands equals or exceeds 3.0 megawatts for
electric utilities having more than 1,000,000 customers, and
for other electric utilities for any customer that has an
average monthly maximum electrical demand on the electric
utility's system of one megawatt or more, and (A) for which
there exists data on the customer's usage during the 3 years
preceding the date that the customer became eligible to take
delivery services, or (B) for which there does not exist data
on the customer's usage during the 3 years preceding the date
that the customer became eligible to take delivery services,
if in the electric utility's reasonable judgment there exists
comparable usage information or a sufficient basis to develop
such information, and further provided that the electric
utility can require customers for which an individual
calculation is made to sign contracts that set forth the
transition charges to be paid by the customer to the electric
utility pursuant to the tariff.

(h) An electric utility shall also be entitled to file
tariffs that allow it to collect transition charges from
retail customers in the electric utility's service area that
do not take delivery services but that take electric power or energy from an alternative retail electric supplier or from an electric utility other than the electric utility in whose service area the customer is located. Such charges shall be calculated, in accordance with the definition of transition charges in Section 16-102, for the period of time that the customer would be obligated to pay transition charges if it were taking delivery services, except that no deduction for delivery services revenues shall be made in such calculation, and usage data from the customer's class shall be used where historical usage data is not available for the individual customer. The customer shall be obligated to pay such charges on a lump sum basis on or before the date on which the customer commences to take service from the alternative retail electric supplier or other electric utility, provided, that the electric utility in whose service area the customer is located shall offer the customer the option of signing a contract pursuant to which the customer pays such charges ratably over the period in which the charges would otherwise have applied.

(i) An electric utility shall be entitled to add to the bills of delivery services customers charges pursuant to Sections 9-221, 9-222 (except as provided in Section 9-222.1), and Section 16-114 of this Act, Section 5-5 of the Electricity Infrastructure Maintenance Fee Law, Section 6-5 of the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997, and Section 13 of the Energy
Assistance Act.

(j) If a retail customer that obtains electric power and energy from cogeneration or self-generation facilities installed for its own use on or before January 1, 1997, subsequently takes service from an alternative retail electric supplier or an electric utility other than the electric utility in whose service area the customer is located for any portion of the customer's electric power and energy requirements formerly obtained from those facilities (including that amount purchased from the utility in lieu of such generation and not as standby power purchases, under a cogeneration displacement tariff in effect as of the effective date of this amendatory Act of 1997), the transition charges otherwise applicable pursuant to subsections (f), (g), or (h) of this Section shall not be applicable in any year to that portion of the customer's electric power and energy requirements formerly obtained from those facilities, provided, that for purposes of this subsection (j), such portion shall not exceed the average number of kilowatt-hours per year obtained from the cogeneration or self-generation facilities during the 3 years prior to the date on which the customer became eligible for delivery services, except as provided in subsection (f) of Section 16-110.

(k) The electric utility shall be entitled to recover through tariffed charges all of the costs associated with the purchase of zero emission credits from zero emission
facilities to meet the requirements of subsection (d-5) of Section 1-75 of the Illinois Power Agency Act. Such costs shall include the costs of procuring the zero emission credits, as well as the reasonable costs that the utility incurs as part of the procurement processes and to implement and comply with plans and processes approved by the Commission under such subsection (d-5). The costs shall be allocated across all retail customers through a single, uniform cents per kilowatt-hour charge applicable to all retail customers, which shall appear as a separate line item on each customer's bill. Beginning June 1, 2017, the electric utility shall be entitled to recover through tariffed charges all of the costs associated with the purchase of renewable energy resources to meet the renewable energy resource standards of subsection (c) of Section 1-75 of the Illinois Power Agency Act, under procurement plans as approved in accordance with that Section and Section 16-111.5 of this Act. Such costs shall include the costs of procuring the renewable energy resources, as well as the reasonable costs that the utility incurs as part of the procurement processes and to implement and comply with plans and processes approved by the Commission under such Sections. The costs associated with the purchase of renewable energy resources shall be allocated across all retail customers in proportion to the amount of renewable energy resources the utility procures for such customers through a single, uniform cents per kilowatt-hour charge applicable to such retail
customers, which shall appear as a separate line item on each such customer's bill.

Notwithstanding whether the Commission has approved the initial long-term renewable resources procurement plan as of June 1, 2017, an electric utility shall place new tariffed charges into effect beginning with the June 2017 monthly billing period, to the extent practicable, to begin recovering the costs of procuring renewable energy resources, as those charges are calculated under the limitations described in subparagraph (E) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act. Notwithstanding the date on which the utility places such new tariffed charges into effect, the utility shall be permitted to collect the charges under such tariff as if the tariff had been in effect beginning with the first day of the June 2017 monthly billing period. For the delivery years commencing June 1, 2017, June 1, 2018, and June 1, 2019, and June 1, 2020, the electric utility shall deposit into a separate interest bearing account of a financial institution the monies collected under the tariffed charges. Any interest earned shall be credited back to retail customers under the reconciliation proceeding provided for in this subsection (k), provided that the electric utility shall first be reimbursed from the interest for the administrative costs that it incurs to administer and manage the account. Any taxes due on the funds in the account, or interest earned on it, will be paid from the account or, if
insufficient monies are available in the account, from the monies collected under the tariffed charges to recover the costs of procuring renewable energy resources. Monies deposited in the account shall be subject to the review, reconciliation, and true-up process described in this subsection (k) that is applicable to the funds collected and costs incurred for the procurement of renewable energy resources.

The electric utility shall be entitled to recover all of the costs identified in this subsection (k) through automatic adjustment clause tariffs applicable to all of the utility's retail customers that allow the electric utility to adjust its tariffed charges consistent with this subsection (k). The determination as to whether any excess funds were collected during a given delivery year for the purchase of renewable energy resources, and the crediting of any excess funds back to retail customers, shall not be made until after the close of the delivery year, and the total amount to be paid by the electric utility under each contract for the purchase of renewable energy credits that is executed pursuant to paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act shall be subtracted from any excess funds, regardless of when the payment or payments are due under such contracts, so that funding is available for such payment, which will ensure that the maximum amount of funds is available to implement the approved long-term renewable
resources procurement plan during a given delivery year. The electric utility's collections under such automatic adjustment clause tariffs to recover the costs of renewable energy resources and zero emission credits from zero emission facilities shall be subject to separate annual review, reconciliation, and true-up against actual costs by the Commission under a procedure that shall be specified in the electric utility's automatic adjustment clause tariffs and that shall be approved by the Commission in connection with its approval of such tariffs. The procedure shall provide that any difference between the electric utility's collections under the automatic adjustment charges for an annual period and the electric utility's actual costs of renewable energy resources and zero emission credits from zero emission facilities for that same annual period shall be refunded to or collected from, as applicable, the electric utility's retail customers in subsequent periods.

Nothing in this subsection (k) is intended to affect, limit, or change the right of the electric utility to recover the costs associated with the procurement of renewable energy resources for periods commencing before, on, or after June 1, 2017, as otherwise provided in the Illinois Power Agency Act.

Notwithstanding anything to the contrary, the Commission shall not conduct an annual review, reconciliation, and true-up associated with renewable energy resources' collections and costs for the delivery years commencing June
1, 2017, June 1, 2018, June 1, 2019, and June 1, 2020, and June 1, 2021, and shall instead conduct a single review, reconciliation, and true-up associated with renewable energy resources' collections and costs for the 5-year 4-year period beginning June 1, 2017 and ending May 31, 2022 2021, provided that the review, reconciliation, and true-up shall not be initiated until after August 31, 2022 2021. During the 5-year 4-year period, the utility shall be permitted to collect and retain funds under this subsection (k) and to purchase renewable energy resources under an approved long-term renewable resources procurement plan using those funds regardless of the delivery year in which the funds were collected during the 5-year 4-year period. Notwithstanding anything to the contrary, (i) immediately after the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall be permitted to use a combined total of $100,000,000 of such retained utility funds for purposes of funding the Illinois Solar for All Program under subsection (b) of Section 1-56 of the Public Utilities Act, and (ii) no later than 60 days after the effective date of this amendatory Act of the 102nd General Assembly, a combined total of $5,000,000 of such retained utility funds shall be deposited by the utilities in the Illinois Works Fund for the purposes and activities described in subsection (f) of Section 20-15 of the Illinois Works Jobs Act Program Act. Each electric utility's pro rata portion of such $5,000,000 shall be
calculated in accordance with the electric utility renewable energy credit cost allocation percentages identified in the Agency's most recent long-term renewable resources procurement plan approved by the Commission.

If the amount of funds collected during the delivery year commencing June 1, 2017, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2018, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall. For purposes of this Section, "funding shortfall" means the difference between $200,000,000 and the amount appropriated by the General Assembly to the Illinois Power Agency Renewable Energy Resources Fund during the period that commences on the effective date of this amendatory act of the 99th General Assembly and ends on August 1, 2018.

If the amount of funds collected during the delivery year commencing June 1, 2018, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2019, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded...
under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.

If the amount of funds collected during the delivery year commencing June 1, 2019, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2020, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.

If the amount of funds collected during the delivery year commencing June 1, 2020, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2021, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.

The funding available under this subsection (k), if any, for the programs described under subsection (b) of Section
1-56 of the Illinois Power Agency Act shall not reduce the amount of funding for the programs described in subparagraph (O) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act. If funding is available under this subsection (k) for programs described under subsection (b) of Section 1-56 of the Illinois Power Agency Act, then the long-term renewable resources plan shall provide for the Agency to procure contracts in an amount that does not exceed the funding, and the contracts approved by the Commission shall be executed by the applicable utility or utilities.

(l) A utility that has terminated any contract executed under subsection (d-5) of Section 1-75 of the Illinois Power Agency Act shall be entitled to recover any remaining balance associated with the purchase of zero emission credits prior to such termination, and such utility shall also apply a credit to its retail customer bills in the event of any over-collection.

(m)(1) An electric utility that recovers its costs of procuring zero emission credits from zero emission facilities through a cents-per-kilowatthour charge under subsection (k) of this Section shall be subject to the requirements of this subsection (m). Notwithstanding anything to the contrary, such electric utility shall, beginning on April 30, 2018, and each April 30 thereafter until April 30, 2026, calculate whether any reduction must be applied to such cents-per-kilowatthour charge that is
paid by retail customers of the electric utility that are exempt from subsections (a) through (j) of Section 8-103B of this Act under subsection (l) of Section 8-103B. Such charge shall be reduced for such customers for the next delivery year commencing on June 1 based on the amount necessary, if any, to limit the annual estimated average net increase for the prior calendar year due to the future energy investment costs to no more than 1.3% of 5.98 cents per kilowatt-hour, which is the average amount paid per kilowatthour for electric service during the year ending December 31, 2015 by Illinois industrial retail customers, as reported to the Edison Electric Institute.

The calculations required by this subsection (m) shall be made only once for each year, and no subsequent rate impact determinations shall be made.

(2) For purposes of this Section, "future energy investment costs" shall be calculated by subtracting the cents-per-kilowatthour charge identified in subparagraph (A) of this paragraph (2) from the sum of the cents-per-kilowatthour charges identified in subparagraph (B) of this paragraph (2):

(A) The cents-per-kilowatthour charge identified in the electric utility's tariff placed into effect under Section 8-103 of the Public Utilities Act that, on December 1, 2016, was applicable to those retail customers that are exempt from subsections (a) through
(j) of Section 8-103B of this Act under subsection (l) of Section 8-103B.

(B) The sum of the following cents-per-kilowatthour charges applicable to those retail customers that are exempt from subsections (a) through (j) of Section 8-103B of this Act under subsection (l) of Section 8-103B, provided that if one or more of the following charges has been in effect and applied to such customers for more than one calendar year, then each charge shall be equal to the average of the charges applied over a period that commences with the calendar year ending December 31, 2017 and ends with the most recently completed calendar year prior to the calculation required by this subsection (m):

(i) the cents-per-kilowatthour charge to recover the costs incurred by the utility under subsection (d-5) of Section 1-75 of the Illinois Power Agency Act, adjusted for any reductions required under this subsection (m); and

(ii) the cents-per-kilowatthour charge to recover the costs incurred by the utility under Section 16-107.6 of the Public Utilities Act.

If no charge was applied for a given calendar year under item (i) or (ii) of this subparagraph (B), then the value of the charge for that year shall be zero.

(3) If a reduction is required by the calculation
performed under this subsection (m), then the amount of
the reduction shall be multiplied by the number of years
reflected in the averages calculated under subparagraph
(B) of paragraph (2) of this subsection (m). Such
reduction shall be applied to the cents-per-kilowatthour
charge that is applicable to those retail customers that
are exempt from subsections (a) through (j) of Section
8-103B of this Act under subsection (l) of Section 8-103B
beginning with the next delivery year commencing after the
date of the calculation required by this subsection (m).
(4) The electric utility shall file a notice with the
Commission on May 1 of 2018 and each May 1 thereafter until
May 1, 2026 containing the reduction, if any, which must
be applied for the delivery year which begins in the year
of the filing. The notice shall contain the calculations
made pursuant to this Section. By October 1 of each year
beginning in 2018, each electric utility shall notify the
Commission if it appears, based on an estimate of the
calculation required in this subsection (m), that a
reduction will be required in the next year.
(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-108.13 new)

Sec. 16-108.13. Energy industry workforce development and
job training program.

(a) The General Assembly finds and declares that
forward-thinking workforce development and job training programs are needed to support the infrastructure investments modernizing Illinois' electric grid and the adoption and deployment of cost-effective distributed energy resources throughout the State, which stimulate economic growth, enhance the continued diversification of Illinois' energy resource mix, and protect the Illinois environment. Specifically, job training programs that develop the skills needed to strengthen the State's workforce will ensure it is poised to take advantage of the jobs being created in new and innovative fields and technologies related to the energy industry. The General Assembly also finds that job training programs should bring together electric utilities and charitable organizations that provide direct and sustained support for all members of the communities in need, including members of economically disadvantaged communities, environmental justice communities, disproportionately impacted areas, returning citizens, foster care communities, and displaced fossil fuel and nuclear plant workers to enter and complete the pipeline for energy industry-related jobs.

The General Assembly further finds that the State's electric utilities are developing, or already implementing, successful workforce development and job training programs that are needed to support the clean energy jobs created by this amendatory Act of the General Assembly and those created by Public Act 99-906. Electric utilities that are already
implementing these programs have demonstrated great success in expanding job opportunities for local minority candidates. Among the benefits and features of the workforce development and job training programs already being offered by electric utilities, the General Assembly finds that the multi-month training programs effectively bring together utilities, businesses, labor, and community organizations to develop the skills needed to strengthen the State's workforce and ensure it is well-positioned to take advantage of the quality construction, solar power, and energy efficiency jobs being created in new and innovative clean energy-related fields.

The General Assembly therefore finds that the electric utilities subject to the requirements of this Section should expand their workforce development and job training programs, in partnership with charitable organizations, for the purpose of teaching program participants the skills required to apply and qualify for jobs in clean energy-related fields, as set forth in this Section.

(b) An electric utility that serves more than 3,000,000 customers in the State shall file with the Commission the utility's plan to expand its existing workforce development and job training program that provides training for energy industry-related jobs. Each plan shall commence within 90 days after the issuance of the Commission's order approving the utility's plan, and shall extend for a 10-year period following the date of commencement. Each annual period or year
under the plan shall conform to the 365 day period established by the date the plan commenced.

Each plan shall include the following components:

(1) One or more partnerships with a charitable organization for purposes of implementing the plan;

(2) The training programs to be offered under the plan, which shall focus on the skills needed to succeed in clean energy-related fields; at least 10 job training sessions shall be held throughout the State per year, and each session shall target a minimum of 24 participants per session, provided that at least 2 of the 10 job training sessions shall be held in counties with a population greater than 3,000,000, and target a minimum of 48 participants;

(3) Creation of a robust and diverse talent pipeline consistent with subsection (a) of this Section; and

(4) Funding by the utility in an amount of not less than $5,000,000 per year that is allocated to participating charitable organizations to cover their administrative costs and costs of providing services or stipends to participants to assist participants with the expenses related to attending a job training session, including, but not limited to, the following: transportation, child care, temporary relocation, and lost wages due to attendance.

The electric utility shall be responsible for the design,
development, and filing of its plan with the Commission under
this subsection, and may, as part of that implementation,
outsource various aspects of program development and
implementation, including, but not limited to, the charitable
organizations identified in paragraph (1) of this subsection.

(c) The utility's annual costs to fund charitable
organizations pursuant to paragraph (4) of subsection (b) of
this Section shall be recovered from the amounts collected by
the utility under its tariff placed into effect under
subsection (k) of Section 16-108 of this Act to recover the
costs of renewable energy resources. The utility shall be
entitled to net its funding costs incurred under such
paragraph (4) against such amounts collected under subsection
(k) of Section 16-108 and to retain those netted amounts to
fully recover its funding costs incurred under such paragraph
(4).

(220 ILCS 5/16-111.5)
Sec. 16-111.5. Provisions relating to procurement.

(a) An electric utility that on December 31, 2005 served
at least 100,000 customers in Illinois shall procure power and
energy for its eligible retail customers in accordance with
the applicable provisions set forth in Section 1-75 of the
Illinois Power Agency Act and this Section. Beginning with the
delivery year commencing on June 1, 2017, such electric
utility shall also procure zero emission credits from zero
emission facilities in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act, and, for years beginning on or after June 1, 2017, the utility shall procure renewable energy resources in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act and this Section. Beginning with the delivery year that is the subject of an electric utility's election approved by the Commission pursuant to paragraph (6) of subsection (b) of this Section, as applicable, such electric utility shall procure capacity for all of its retail customers in accordance with the applicable provisions set forth in this Section and subsection (k) of Section 1-75 of the Illinois Power Agency Act. A small multi-jurisdictional electric utility that on December 31, 2005 served less than 100,000 customers in Illinois may elect to procure power and energy for all or a portion of its eligible Illinois retail customers in accordance with the applicable provisions set forth in this Section and Section 1-75 of the Illinois Power Agency Act. This Section shall not apply to a small multi-jurisdictional utility until such time as a small multi-jurisdictional utility requests the Illinois Power Agency to prepare a procurement plan for its eligible retail customers. "Eligible retail customers" for the purposes of this Section means those retail customers that purchase power and energy from the electric utility under fixed-price bundled service tariffs, other than those retail customers
whose service is declared or deemed competitive under Section 16-113 and those other customer groups specified in this Section, including self-generating customers, customers electing hourly pricing, or those customers who are otherwise ineligible for fixed-price bundled tariff service. For those customers that are excluded from the procurement plan's electric supply service requirements, and the utility shall procure any supply requirements, including capacity, ancillary services, and hourly priced energy, in the applicable markets as needed to serve those customers, provided that the utility may include in its procurement plan load requirements for the load that is associated with those retail customers whose service has been declared or deemed competitive pursuant to Section 16-113 of this Act to the extent that those customers are purchasing power and energy during one of the transition periods identified in subsection (b) of Section 16-113 of this Act.

(b) A procurement plan shall be prepared for each electric utility consistent with the applicable requirements of the Illinois Power Agency Act and this Section. For purposes of this Section, Illinois electric utilities that are affiliated by virtue of a common parent company are considered to be a single electric utility. Small multi-jurisdictional utilities may request a procurement plan for a portion of or all of its Illinois load. Each procurement plan shall analyze the projected balance of supply and demand for those retail
customers to be included in the plan's electric supply service requirements over a 5-year period, with the first planning year beginning on June 1 of the year following the year in which the plan is filed. The plan shall specifically identify, if applicable, the carbon-free capacity to be procured, as described in Section 1-75 of the Illinois Power Agency Act, and the wholesale products to be procured following plan approval, and shall follow all the requirements set forth in the Public Utilities Act and all applicable State and federal laws, statutes, rules, or regulations, as well as Commission orders. Nothing in this Section precludes consideration of contracts longer than 5 years and related forecast data. Unless specified otherwise in this Section, in the procurement plan or in the implementing tariff, any procurement occurring in accordance with this plan shall be competitively bid through a request for proposals process. Approval and implementation of the procurement plan shall be subject to review and approval by the Commission according to the provisions set forth in this Section. A procurement plan shall include each of the following components:

(1) Hourly load analysis. This analysis shall include:

   (i) multi-year historical analysis of hourly loads;

   (ii) switching trends and competitive retail market analysis;

   (iii) known or projected changes to future loads;
and

(iv) growth forecasts by customer class.

(2) Analysis of the impact of any demand side and renewable energy initiatives. This analysis shall include:

(i) the impact of demand response programs and energy efficiency programs, both current and projected; for small multi-jurisdictional utilities, the impact of demand response and energy efficiency programs approved pursuant to Section 8-408 of this Act, both current and projected; and

(ii) supply side needs that are projected to be offset by purchases of renewable energy resources, if any.

(3) A plan for meeting the expected load requirements that will not be met through preexisting contracts. This plan shall include:

(i) definitions of the different Illinois retail customer classes for which supply is being purchased;

(ii) the proposed mix of demand-response products for which contracts will be executed during the next year. For small multi-jurisdictional electric utilities that on December 31, 2005 served fewer than 100,000 customers in Illinois, these shall be defined as demand-response products offered in an energy efficiency plan approved pursuant to Section 8-408 of this Act. The cost-effective demand-response measures
shall be procured whenever the cost is lower than procuring comparable capacity products, provided that such products shall:

(A) be procured by a demand-response provider from those retail customers included in the plan's electric supply service requirements;

(B) at least satisfy the demand-response requirements of the regional transmission organization market in which the utility's service territory is located, including, but not limited to, any applicable capacity or dispatch requirements;

(C) provide for customers' participation in the stream of benefits produced by the demand-response products;

(D) provide for reimbursement by the demand-response provider of the utility for any costs incurred as a result of the failure of the supplier of such products to perform its obligations thereunder; and

(E) meet the same credit requirements as apply to suppliers of capacity, in the applicable regional transmission organization market;

(iii) monthly forecasted system supply requirements, including expected minimum, maximum, and average values for the planning period;
(iv) the proposed mix and selection of standard wholesale products for which contracts will be executed during the next year, separately or in combination, to meet that portion of its load requirements not met through preexisting contracts, including but not limited to monthly 5 x 16 peak period block energy, monthly off-peak wrap energy, monthly 7 x 24 energy, annual 5 x 16 energy, annual off-peak wrap energy, annual 7 x 24 energy, monthly capacity, annual capacity, peak load capacity obligations, capacity purchase plan, and ancillary services;

(v) proposed term structures for each wholesale product type included in the proposed procurement plan portfolio of products; and

(vi) an assessment of the price risk, load uncertainty, and other factors that are associated with the proposed procurement plan; this assessment, to the extent possible, shall include an analysis of the following factors: contract terms, time frames for securing products or services, fuel costs, weather patterns, transmission costs, market conditions, and the governmental regulatory environment; the proposed procurement plan shall also identify alternatives for those portfolio measures that are identified as having significant price risk; and
(vii) if applicable, the amount of capacity procured for each year through the procurements in subsection (k) of Section 1-75 of the Illinois Power Agency Act and this Section, and the amount of capacity to be procured from each procurement during the next year.

(4) Proposed procedures for balancing loads. The procurement plan shall include, for load requirements included in the procurement plan, the process for (i) hourly balancing of supply and demand and (ii) the criteria for portfolio re-balancing in the event of significant shifts in load.

(5) Long-Term Renewable Resources Procurement Plan. The Agency shall prepare a long-term renewable resources procurement plan for the procurement of renewable energy credits under Sections 1-56 and 1-75 of the Illinois Power Agency Act for delivery beginning in the 2017 delivery year.

(i) The initial long-term renewable resources procurement plan and all subsequent revisions shall be subject to review and approval by the Commission. For the purposes of this Section, "delivery year" has the same meaning as in Section 1-10 of the Illinois Power Agency Act. For purposes of this Section, "Agency" shall mean the Illinois Power Agency.

(ii) The long-term renewable resources planning
process shall be conducted as follows:

(A) Electric utilities shall provide a range of load forecasts to the Illinois Power Agency within 45 days of the Agency's request for forecasts, which request shall specify the length and conditions for the forecasts including, but not limited to, the quantity of distributed generation expected to be interconnected for each year.

(B) The Agency shall publish for comment the initial long-term renewable resources procurement plan no later than 120 days after the effective date of this amendatory Act of the 99th General Assembly and shall review, and may revise, the plan at least every 2 years thereafter. To the extent practicable, the Agency shall review and propose any revisions to the long-term renewable energy resources procurement plan in conjunction with the Agency's other planning and approval processes conducted under this Section. The initial long-term renewable resources procurement plan shall:

(aa) Identify the procurement programs and competitive procurement events consistent with the applicable requirements of the Illinois Power Agency Act. The plan, and any revisions
thereto, and shall be designed to achieve the
goals set forth in subsection (c) of Section
1-75 of that Act, and shall also allocate and
use, for each year of the plan, a material
portion of any balance of unspent and
uncommitted funds collected during prior years
that are still retained by the utility under
subsection (k) of Section 16-108 of this Act.
Such balance need not be allocated equally
over the planning horizon, but a material
portion of such funding should be allocated
and used for each year of the planning
horizon.

(bb) Include a schedule for procurements
for renewable energy credits from
utility-scale wind projects, utility-scale
solar projects, and brownfield site
photovoltaic projects consistent with
subparagraph (G) of paragraph (1) of
subsection (c) of Section 1-75 of the Illinois
Power Agency Act.

(cc) Identify the process whereby the
Agency will submit to the Commission for
review and approval the proposed contracts to
implement the programs required by such plan.

Copies of the initial long-term renewable
resources procurement plan and all subsequent revisions shall be posted and made publicly available on the Agency's and Commission's websites, and copies shall also be provided to each affected electric utility. An affected utility and other interested parties shall have 45 days following the date of posting to provide comment to the Agency on the initial long-term renewable resources procurement plan and all subsequent revisions. All comments submitted to the Agency shall be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the procurement plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Agency's and Commission's websites. During this 45-day comment period, the Agency shall hold at least one public hearing within each utility's service area that is subject to the requirements of this paragraph (5) for the purpose of receiving public comment. Within 21 days following the end of the 45-day review period, the Agency may revise the long-term renewable resources procurement plan based on the comments received and shall file the plan with the Commission for review and approval.

(C) Within 14 days after the filing of the
initial long-term renewable resources procurement plan or any subsequent revisions, any person objecting to the plan may file an objection with the Commission. Within 21 days after the filing of the plan, the Commission shall determine whether a hearing is necessary. The Commission shall enter its order confirming or modifying the initial long-term renewable resources procurement plan or any subsequent revisions within 120 days after the filing of the plan by the Illinois Power Agency.

(D) The Commission shall approve the initial long-term renewable resources procurement plan and any subsequent revisions, including expressly the forecast used in the plan and taking into account that funding will be limited to the amount of revenues actually collected by the utilities, if the Commission determines that the plan will reasonably and prudently accomplish the requirements of Section 1-56 and subsection (c) of Section 1-75 of the Illinois Power Agency Act. The Commission shall also approve the process for the submission, review, and approval of the proposed contracts to procure renewable energy credits or implement the programs authorized by the Commission pursuant to a long-term renewable resources procurement plan approved under this
(iii) The Agency or third parties contracted by the Agency shall implement all programs authorized by the Commission in an approved long-term renewable resources procurement plan without further review and approval by the Commission. Third parties shall not begin implementing any programs or receive any payment under this Section until the Commission has approved the contract or contracts under the process authorized by the Commission in item (D) of subparagraph (ii) of paragraph (5) of this subsection (b) and the third party and the Agency or utility, as applicable, have executed the contract. For those renewable energy credits subject to procurement through a competitive bid process under the plan or under the initial forward procurements for wind and solar resources described in subparagraph (G) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act, the Agency shall follow the procurement process specified in the provisions relating to electricity procurement in subsections (e) through (i) of this Section.

(iv) An electric utility shall recover its costs associated with the procurement of renewable energy credits under this Section through an automatic adjustment clause tariff under subsection (k) of
Section 16-108 of this Act. A utility shall not be required to advance any payment or pay any amounts under this Section that exceed the actual amount of revenues collected by the utility under paragraph (6) of subsection (c) of Section 1-75 of the Illinois Power Agency Act and subsection (k) of Section 16-108 of this Act, and contracts executed under this Section shall expressly incorporate this limitation.

(v) For the public interest, safety, and welfare, the Agency and the Commission may adopt rules to carry out the provisions of this Section on an emergency basis immediately following the effective date of this amendatory Act of the 99th General Assembly.

(vi) On or before July 1 of each year, the Commission shall hold an informal hearing for the purpose of receiving comments on the prior year's procurement process and any recommendations for change.

(6) Fixed Resource Requirement Alternative Election. The Commission shall, after notice and hearing, approve an electric utility's request for approval of an election to use the Fixed Resource Requirement Alternative as provided for in the Open Access Transmission Tariff, Reliability Assurance Agreement, and manuals of PJM Interconnection, LLC or its successors if it determines that the election serves as means of satisfying the PJM resource adequacy
requirements. The Commission shall issue its final order no later than 90 days after receipt of the electric utility's petition. The fact that an electric utility declines to make the election described in this paragraph and paragraph (1) of subsection (k) of Section 1-75 of the Illinois Power Agency Act cannot, and shall not, serve as a basis for any Commission finding of imprudence, unreasonableness, or disallowance in any Commission proceeding.

(7) Capacity Procurement Plan.

(i) No later than 90 days after an electric utility's notice of election of the Fixed Resource Requirement Alternative as provided for in the Open Access Transmission Tariff, Reliability Assurance Agreement, and manuals of PJM Interconnection, LLC or its successors is approved by the Commission, the Agency shall publish for public comment a draft Capacity Procurement Plan pursuant to subsection (k) of Section 1-75 of the Illinois Power Agency Act. The Agency shall conduct at least one public workshop to elicit input regarding development of the Plan. The Agency shall provide 60 days for public comment on the draft Plan, and within 30 days of the deadline for comment shall submit the Plan to the Commission.

(ii) After providing appropriate opportunities for objection, proposed modifications, and hearing, the
Commission shall enter its order approving or modifying the Plan within 60 days after the filing of the Plan by the Agency. The Commission shall approve the Plan if it meets the objectives set forth in subsection (k) of Section 1-75 of the Illinois Power Agency Act. If the Plan does not meet those objectives, the Commission shall modify the Plan or shall provide specific direction to the Agency to modify and resubmit the Plan within 30 days.

(c) The procurement process set forth in Section 1-75 of the Illinois Power Agency Act and subsection (e) of this Section shall be administered by a procurement administrator and monitored by a procurement monitor.

(1) The procurement administrator shall:

(i) design the final procurement process in accordance with Section 1-75 of the Illinois Power Agency Act and subsection (e) of this Section following Commission approval of the procurement plan;

(ii) develop benchmarks in accordance with subsection (e)(3) to be used to evaluate bids; these benchmarks shall be submitted to the Commission for review and approval on a confidential basis prior to the procurement event;

(iii) serve as the interface between the electric utility and suppliers;

(iv) manage the bidder pre-qualification and
registration process;

(v) obtain the electric utilities' agreement to the final form of all supply contracts and credit collateral agreements;

(vi) administer the request for proposals process;

(vii) have the discretion to negotiate to determine whether bidders are willing to lower the price of bids that meet the benchmarks approved by the Commission; any post-bid negotiations with bidders shall be limited to price only and shall be completed within 24 hours after opening the sealed bids and shall be conducted in a fair and unbiased manner; in conducting the negotiations, there shall be no disclosure of any information derived from proposals submitted by competing bidders; if information is disclosed to any bidder, it shall be provided to all competing bidders;

(viii) maintain confidentiality of supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs;

(ix) submit a confidential report to the Commission recommending acceptance or rejection of bids;

(x) notify the utility of contract counterparties and contract specifics; and

(xi) administer related contingency procurement
(2) The procurement monitor, who shall be retained by the Commission, shall:

(i) monitor interactions among the procurement administrator, suppliers, and utility;

(ii) monitor and report to the Commission on the progress of the procurement process;

(iii) provide an independent confidential report to the Commission regarding the results of the procurement event;

(iv) assess compliance with the procurement plans approved by the Commission for each utility that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois and for each small multi-jurisdictional utility that on December 31, 2005 served less than 100,000 customers in Illinois;

(v) preserve the confidentiality of supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs;

(vi) provide expert advice to the Commission and consult with the procurement administrator regarding issues related to procurement process design, rules, protocols, and policy-related matters; and

(vii) consult with the procurement administrator regarding the development and use of benchmark criteria, standard form contracts, credit policies,
and bid documents.

(d) Except as provided in subsection (j), the planning process shall be conducted as follows:

(1) Beginning in 2008, each Illinois utility procuring power pursuant to this Section shall annually provide a range of load forecasts to the Illinois Power Agency by July 15 of each year, or such other date as may be required by the Commission or Agency. The load forecasts shall cover the 5-year procurement planning period for the next procurement plan and shall include hourly data representing a high-load, low-load, and expected-load scenario for the load of those retail customers included in the plan's electric supply service requirements. The utility shall provide supporting data and assumptions for each of the scenarios.

(2) Beginning in 2008, the Illinois Power Agency shall prepare a procurement plan by August 15th of each year, or such other date as may be required by the Commission. The procurement plan shall identify the portfolio of demand-response and power and energy products to be procured. Cost-effective demand-response measures shall be procured as set forth in item (iii) of subsection (b) of this Section. Copies of the procurement plan shall be posted and made publicly available on the Agency's and Commission's websites, and copies shall also be provided to each affected electric utility. An affected utility
shall have 30 days following the date of posting to provide comment to the Agency on the procurement plan. Other interested entities also may comment on the procurement plan. All comments submitted to the Agency shall be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the procurement plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Agency's and Commission's websites. During this 30-day comment period, the Agency shall hold at least one public hearing within each utility's service area for the purpose of receiving public comment on the procurement plan. Within 14 days following the end of the 30-day review period, the Agency shall revise the procurement plan as necessary based on the comments received and file the procurement plan with the Commission and post the procurement plan on the websites.

(3) Within 5 days after the filing of the procurement plan, any person objecting to the procurement plan shall file an objection with the Commission. Within 10 days after the filing, the Commission shall determine whether a hearing is necessary. The Commission shall enter its order confirming or modifying the procurement plan within 90 days after the filing of the procurement plan by the Illinois Power Agency.

(4) The Commission shall approve the procurement plan,
including expressly the forecast used in the procurement plan, if the Commission determines that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability.

(e) The procurement process shall include each of the following components:

(1) Solicitation, pre-qualification, and registration of bidders. The procurement administrator shall disseminate information to potential bidders to promote a procurement event, notify potential bidders that the procurement administrator may enter into a post-bid price negotiation with bidders that meet the applicable benchmarks, provide supply requirements, and otherwise explain the competitive procurement process. In addition to such other publication as the procurement administrator determines is appropriate, this information shall be posted on the Illinois Power Agency's and the Commission's websites. The procurement administrator shall also administer the prequalification process, including evaluation of credit worthiness, compliance with procurement rules, and agreement to the standard form contract developed pursuant to paragraph (2) of this subsection (e). The procurement administrator shall then identify and register bidders to participate in the
procurement event.

(2) Standard contract forms and credit terms and instruments. The procurement administrator, in consultation with the utilities, the Commission, and other interested parties and subject to Commission oversight, shall develop and provide standard contract forms for the supplier contracts that meet generally accepted industry practices. Standard credit terms and instruments that meet generally accepted industry practices shall be similarly developed. The procurement administrator shall make available to the Commission all written comments it receives on the contract forms, credit terms, or instruments. If the procurement administrator cannot reach agreement with the applicable electric utility as to the contract terms and conditions, the procurement administrator must notify the Commission of any disputed terms and the Commission shall resolve the dispute. The terms of the contracts shall not be subject to negotiation by winning bidders, and the bidders must agree to the terms of the contract in advance so that winning bids are selected solely on the basis of price.

(3) Establishment of a market-based price benchmark. As part of the development of the procurement process, the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor, shall establish benchmarks for evaluating the
final prices in the contracts for each of the products that will be procured through the procurement process. The benchmarks shall be based on price data for similar products for the same delivery period and same delivery hub, or other delivery hubs after adjusting for that difference. The price benchmarks may also be adjusted to take into account differences between the information reflected in the underlying data sources and the specific products and procurement process being used to procure power for the Illinois utilities. The benchmarks shall be confidential but shall be provided to, and will be subject to Commission review and approval, prior to a procurement event.

(4) Request for proposals competitive procurement process. The procurement administrator shall design and issue a request for proposals to supply electricity in accordance with each utility's procurement plan, as approved by the Commission. The request for proposals shall set forth a procedure for sealed, binding commitment bidding with pay-as-bid settlement, and provision for selection of bids on the basis of price.

(5) A plan for implementing contingencies in the event of supplier default or failure of the procurement process to fully meet the expected load requirement due to insufficient supplier participation, Commission rejection of results, or any other cause.
(i) Event of supplier default: In the event of supplier default, the utility shall review the contract of the defaulting supplier to determine if the amount of supply is 200 megawatts or greater, and if there are more than 60 days remaining of the contract term. If both of these conditions are met, and the default results in termination of the contract, the utility shall immediately notify the Illinois Power Agency that a request for proposals must be issued to procure replacement power, and the procurement administrator shall run an additional procurement event. If the contracted supply of the defaulting supplier is less than 200 megawatts or there are less than 60 days remaining of the contract term, the utility shall procure power and energy from the applicable regional transmission organization market, including ancillary services, capacity, and day-ahead or real time energy, or both, for the duration of the contract term to replace the contracted supply; provided, however, that if a needed product is not available through the regional transmission organization market it shall be purchased from the wholesale market.

(ii) Failure of the procurement process to fully meet the expected load requirement: If the procurement process fails to fully meet the expected load
requirement due to insufficient supplier participation or due to a Commission rejection of the procurement results, the procurement administrator, the procurement monitor, and the Commission staff shall meet within 10 days to analyze potential causes of low supplier interest or causes for the Commission decision. If changes are identified that would likely result in increased supplier participation, or that would address concerns causing the Commission to reject the results of the prior procurement event, the procurement administrator may implement those changes and rerun the request for proposals process according to a schedule determined by those parties and consistent with Section 1-75 of the Illinois Power Agency Act and this subsection. In any event, a new request for proposals process shall be implemented by the procurement administrator within 90 days after the determination that the procurement process has failed to fully meet the expected load requirement.

(iii) In all cases where there is insufficient supply provided under contracts awarded through the procurement process to fully meet the electric utility's load requirement, the utility shall meet the load requirement by procuring power and energy from the applicable regional transmission organization market, including ancillary services, capacity, and
day-ahead or real time energy, or both; provided, however, that if a needed product is not available through the regional transmission organization market it shall be purchased from the wholesale market.

(6) The procurement process described in this subsection is exempt from the requirements of the Illinois Procurement Code, pursuant to Section 20-10 of that Code.

(f) Within 2 business days after opening the sealed bids, the procurement administrator shall submit a confidential report to the Commission. The report shall contain the results of the bidding for each of the products along with the procurement administrator's recommendation for the acceptance and rejection of bids based on the price benchmark criteria and other factors observed in the process. The procurement monitor also shall submit a confidential report to the Commission within 2 business days after opening the sealed bids. The report shall contain the procurement monitor's assessment of bidder behavior in the process as well as an assessment of the procurement administrator's compliance with the procurement process and rules. The Commission shall review the confidential reports submitted by the procurement administrator and procurement monitor, and shall accept or reject the recommendations of the procurement administrator within 2 business days after receipt of the reports.

(g) Within 3 business days after the Commission decision approving the results of a procurement event, the utility
shall enter into binding contractual arrangements with the winning suppliers using the standard form contracts; except that the utility shall not be required either directly or indirectly to execute the contracts if a tariff that is consistent with subsection (l) of this Section has not been approved and placed into effect for that utility.

(h) The names of the successful bidders and the load weighted average of the winning bid prices for each contract type and for each contract term shall be made available to the public at the time of Commission approval of a procurement event. The Commission, the procurement monitor, the procurement administrator, the Illinois Power Agency, and all participants in the procurement process shall maintain the confidentiality of all other supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs. Confidential information, including the confidential reports submitted by the procurement administrator and procurement monitor pursuant to subsection (f) of this Section, shall not be made publicly available and shall not be discoverable by any party in any proceeding, absent a compelling demonstration of need, nor shall those reports be admissible in any proceeding other than one for law enforcement purposes.

(i) Within 2 business days after a Commission decision approving the results of a procurement event or such other date as may be required by the Commission from time to time,
the utility shall file for informational purposes with the Commission its actual or estimated retail supply charges, as applicable, by customer supply group reflecting the costs associated with the procurement and computed in accordance with the tariffs filed pursuant to subsection (l) of this Section and approved by the Commission.

(j) Within 60 days following August 28, 2007 (the effective date of Public Act 95-481), each electric utility that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois shall prepare and file with the Commission an initial procurement plan, which shall conform in all material respects to the requirements of the procurement plan set forth in subsection (b); provided, however, that the Illinois Power Agency Act shall not apply to the initial procurement plan prepared pursuant to this subsection. The initial procurement plan shall identify the portfolio of power and energy products to be procured and delivered for the period June 2008 through May 2009, and shall identify the proposed procurement administrator, who shall have the same experience and expertise as is required of a procurement administrator hired pursuant to Section 1-75 of the Illinois Power Agency Act. Copies of the procurement plan shall be posted and made publicly available on the Commission's website. The initial procurement plan may include contracts for renewable resources that extend beyond May 2009.

(i) Within 14 days following filing of the initial
procurement plan, any person may file a detailed objection with the Commission contesting the procurement plan submitted by the electric utility. All objections to the electric utility's plan shall be specific, supported by data or other detailed analyses. The electric utility may file a response to any objections to its procurement plan within 7 days after the date objections are due to be filed. Within 7 days after the date the utility's response is due, the Commission shall determine whether a hearing is necessary. If it determines that a hearing is necessary, it shall require the hearing to be completed and issue an order on the procurement plan within 60 days after the filing of the procurement plan by the electric utility.

(ii) The order shall approve or modify the procurement plan, approve an independent procurement administrator, and approve or modify the electric utility's tariffs that are proposed with the initial procurement plan. The Commission shall approve the procurement plan if the Commission determines that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability.

(k) (Blank).

(k-5) (Blank).

(l) An electric utility shall recover its costs incurred
under this Section, including, but not limited to, the costs of procuring power and energy demand-response resources under this Section. The utility shall file with the initial procurement plan its proposed tariffs through which its costs of procuring power that are incurred pursuant to a Commission-approved procurement plan and those other costs identified in this subsection (l), will be recovered. The tariffs shall include a formula rate or charge designed to pass through both the costs incurred by the utility in procuring a supply of electric power and energy for the applicable customer classes with no mark-up or return on the price paid by the utility for that supply, plus any just and reasonable costs that the utility incurs in arranging and providing for the supply of electric power and energy. The formula rate or charge shall also contain provisions that ensure that its application does not result in over or under recovery due to changes in customer usage and demand patterns, and that provide for the correction, on at least an annual basis, of any accounting errors that may occur. A utility shall recover through the tariff all reasonable costs incurred to implement or comply with any procurement plan that is developed and put into effect pursuant to Section 1-75 of the Illinois Power Agency Act and this Section, including any fees assessed by the Illinois Power Agency, costs associated with load balancing, and contingency plan costs. The electric utility shall also recover its full costs of procuring
electric supply for which it contracted before the effective
date of this Section in conjunction with the provision of full
requirements service under fixed-price bundled service tariffs
subsequent to December 31, 2006. All such costs shall be
deemed to have been prudently incurred. The pass-through
tariffs that are filed and approved pursuant to this Section
shall not be subject to review under, or in any way limited by,
Section 16-111(i) of this Act. All of the costs incurred by the
electric utility associated with the purchase of zero emission
credits in accordance with subsection (d-5) of Section 1-75 of
the Illinois Power Agency Act and, beginning June 1, 2017, all
of the costs incurred by the electric utility associated with
the purchase of renewable energy resources in accordance with
Sections 1-56 and 1-75 of the Illinois Power Agency Act, shall
be recovered through the electric utility's tariffed charges
applicable to all of its retail customers, as specified in
subsection (k) of Section 16-108 of this Act, and shall not be
recovered through the electric utility's tariffed charges for
electric power and energy supply to its eligible retail
customers.

(m) The Commission has the authority to adopt rules to
carry out the provisions of this Section. For the public
interest, safety, and welfare, the Commission also has
authority to adopt rules to carry out the provisions of this
Section on an emergency basis immediately following August 28,
2007 (the effective date of Public Act 95-481).
(n) Notwithstanding any other provision of this Act, any affiliated electric utilities that submit a single procurement plan covering their combined needs may procure for those combined needs in conjunction with that plan, and may enter jointly into power supply contracts, purchases, and other procurement arrangements, and allocate capacity and energy and cost responsibility therefor among themselves in proportion to their requirements.

(o) On or before June 1 of each year, the Commission shall hold an informal hearing for the purpose of receiving comments on the prior year's procurement process and any recommendations for change.

(p) An electric utility subject to this Section may propose to invest, lease, own, or operate an electric generation facility as part of its procurement plan, provided the utility demonstrates that such facility is the least-cost option to provide electric service to those retail customers included in the plan's electric supply service requirements. If the facility is shown to be the least-cost option and is included in a procurement plan prepared in accordance with Section 1-75 of the Illinois Power Agency Act and this Section, then the electric utility shall make a filing pursuant to Section 8-406 of this Act, and may request of the Commission any statutory relief required thereunder. If the Commission grants all of the necessary approvals for the proposed facility, such supply shall thereafter be considered
as a preexisting pre-existing contract under subsection (b) of this Section. The Commission shall in any order approving a proposal under this subsection specify how the utility will recover the prudently incurred costs of investing in, leasing, owning, or operating such generation facility through just and reasonable rates charged to those retail customers included in the plan's electric supply service requirements. Cost recovery for facilities included in the utility's procurement plan pursuant to this subsection shall not be subject to review under or in any way limited by the provisions of Section 16-111(i) of this Act. Nothing in this Section is intended to prohibit a utility from filing for a fuel adjustment clause as is otherwise permitted under Section 9-220 of this Act.

(q) If the Illinois Power Agency filed with the Commission, under Section 16-111.5 of this Act, its proposed procurement plan for the period commencing June 1, 2017, and the Commission has not yet entered its final order approving the plan on or before the effective date of this amendatory Act of the 99th General Assembly, then the Illinois Power Agency shall file a notice of withdrawal with the Commission, after the effective date of this amendatory Act of the 99th General Assembly, to withdraw the proposed procurement of renewable energy resources to be approved under the plan, other than the procurement of renewable energy credits from distributed renewable energy generation devices using funds previously collected from electric utilities' retail customers that take
service pursuant to electric utilities' hourly pricing tariff or tariffs and, for an electric utility that serves less than 100,000 retail customers in the State, other than the procurement of renewable energy credits from distributed renewable energy generation devices. Upon receipt of the notice, the Commission shall enter an order that approves the withdrawal of the proposed procurement of renewable energy resources from the plan. The initially proposed procurement of renewable energy resources shall not be approved or be the subject of any further hearing, investigation, proceeding, or order of any kind.

This amendatory Act of the 99th General Assembly preempts and supersedes any order entered by the Commission that approved the Illinois Power Agency's procurement plan for the period commencing June 1, 2017, to the extent it is inconsistent with the provisions of this amendatory Act of the 99th General Assembly. To the extent any previously entered order approved the procurement of renewable energy resources, the portion of that order approving the procurement shall be void, other than the procurement of renewable energy credits from distributed renewable energy generation devices using funds previously collected from electric utilities' retail customers that take service under electric utilities' hourly pricing tariff or tariffs and, for an electric utility that serves less than 100,000 retail customers in the State, other than the procurement of renewable energy credits for
Sec. 16-122. Customer information.

(a) Upon the request of a retail customer, or a person who presents verifiable authorization and is acting as the customer's agent, and payment of a reasonable fee, electric utilities shall provide to the customer or its authorized agent the customer's billing and usage data.

Within one year after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility with over 500,000 retail customers in this State shall submit to the Commission the utility's plan to offer to retail customers, on a pilot basis, a selection of programs intended to securely provide to customers or customers' authorized energy management partners such customers' energy usage information on a near real time basis to enable such customers to more easily and effectively manage their energy consumption, including, but not limited to, the purposes of assisting such customers to lower their energy usage and reduce the carbon emissions associated with their energy usage. The utility's pilot design shall include, but not be limited to, reasonable efforts to encourage participation by retail customers that are public schools, especially public schools located within environmental justice communities or...
within Organizational Units that fall within Tier 1 or Tier 2. For purposes of this Section, "public schools" shall have the meaning set forth in Section 1-3 of the School Code, "Organizational Unit", "Tier 1", and "Tier 2" shall have the meanings set forth in Section 18-8.15 of the School Code and "environmental justice community" shall have the meaning set forth in Section 1-56 of the Illinois Power Agency's Act. Within 210 days after the utility files its pilot program plan under this subsection (a), the Commission shall review and, after notice and hearing, enter an order approving the plan if it finds that the plan conforms to the requirements of this Section or, if the Commission finds that the plan does not conform to the requirements of this Section, the Commission must enter an order describing in detail the reasons for not approving the plan. The utility must resubmit its pilot program plan to address the Commission's concerns, and the Commission shall expeditiously review and by order approve the revised plan if it finds that the plan conforms to the requirements of this Section, provided that such order shall be entered no later than 120 days after the utility resubmits its plan.

The approved pilot program plan shall provide for the duration of the pilot program and a deadline for the utility to file a report on the results of the pilot with the Commission. The utility, contemporaneously with the filing of the report, shall file a proposed implementation plan for programs that
were found to be secure, cost-effective, and of interest to customers. Within 210 days after the utility files its implementation program plan under this subsection (a), the Commission shall review and, after notice and hearing, enter an order approving the plan if it finds that the plan conforms to the requirements of this Section or, if the Commission finds that the plan does not conform to the requirements of this Section, the Commission must enter an order describing in detail the reasons for not approving the plan. The utility may resubmit its implementation plan to address the Commission's concerns, and the Commission shall expeditiously review and by order approve the revised plan if it finds that the plan conforms to the requirements of this Section, provided that such order shall be entered no later than 120 days after the utility resubmits its plan.

In addition, within 2 years after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility with over 500,000 retail customers in this State shall offer on its website a functionality that allows customers to access and use their billing and usage information to directly evaluate different bill impacts that would result from the application of that information to such other rates for which the customer is eligible.

(b) Upon request from any alternative retail electric supplier and payment of a reasonable fee, an electric utility serving retail customers in its service area shall make
available generic information concerning the usage, load shape
curve or other general characteristics of customers by rate
classification. Provided however, no customer-specific
customer-specific billing, usage or load shape data shall be
provided under this subsection unless authorization to provide
such information is provided by the customer pursuant to
subsection (a) of this Section.

(c) Upon request from a unit of local government and
payment of a reasonable fee, an electric utility shall make
available information concerning the usage, load shape curves,
and other characteristics of customers by customer
classification and location within the boundaries of the unit
of local government, however, no customer-specific customer
specific billing, usage, or load shape data shall be provided
under this subsection unless authorization to provide that
information is provided by the customer.

(d) All such customer information shall be made available
in a timely fashion in an electronic format, if available.

(Source: P.A. 92-585, eff. 6-26-02.)

(220 ILCS 5/16-123)

Sec. 16-123. Establishment of customer information centers
for electric utilities and alternative retail electric
suppliers.

(a) All electric utilities and alternative retail electric
suppliers shall be required to maintain a customer call center
where customers can reach a representative and receive current information. Customers shall periodically be notified on how to reach the call center. The Commission shall have the authority to establish reporting requirements for such centers.

Within 180 days after the effective date of this amendatory Act of the 102nd General Assembly, the Illinois Commerce Commission shall initiate a rulemaking to establish rules under which each electric utility serving over 500,000 retail customers in this State shall prepare and submit periodic confidential report to the Illinois Commerce Commission and the Attorney General that compiles data regarding instances in which the utility's customers or other members of the public have complained to the utility about conduct of alternative retail electric suppliers as defined by Section 16-102 of this Act and agents, brokers, and consultants engaged in the procurement or sale of retail electricity supply for third parties as defined by subsection (b) of Section 16-115. Such confidential reports shall include, but not be limited to, information reflecting the number of complaints; the alternative retail electric supplier, agents, brokers, or consultants involved; and the general nature of the conduct. The electric utility, in collecting and compiling the applicable data and in preparing and submitting the confidential reports, shall not be deemed in any way to have stated, warranted, verified, or attested to
the accuracy of the information provided by customers that is reflected in the reports.

(a-5) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, electric utilities serving over 500,000 retail customers in this State shall commence a collaborative process with community-based organizations to design and implement a consumer protection program that offers education to customers on identifying and protecting themselves against consumer fraud and scams.

(b) Notwithstanding anything to the contrary, an electric utility may:

(1) disclose the current utility electric supply price to a retail customer who takes electric power and energy supply service from an alternative retail electric supplier;

(2) disclose the supply price the customer is paying as reflected on the customer's bill, if known;

(3) furnish to a retail customer a list of frequently asked questions to be used by the retail customer in evaluating electric power and energy supply rate offers by alternative retail electric suppliers; this list may include, but is not limited to, the following:

   (A) length of the contract;

   (B) the price per kilowatt hour, and whether the contract price is fixed or variable, and if variable, the circumstances under which the price may change;
whether penalties or early termination fees apply if the customer terminates the contract before the expiration of its term; and

whether the customer may be subject to any other adjustments, penalties, surcharges, or costs beyond the electric power and energy supply rate; and

provide to a retail customer education information published by the Office of Retail Market Development and the Office of the Attorney General regarding the selection and evaluation of electric power and energy supply rate offers by alternative retail electric suppliers.

(Source: P.A. 101-590, eff. 1-1-20.)

(220 ILCS 5/16-140 new)

Sec. 16-140. Combustion Engine New Sale Transition Task Force. Within 180 days after the effective date of this amendatory Act of the 102nd General Assembly, the Combustion Engine New Sale Transition Task Force shall be established, which shall consist of 11 total members, with each member possessing either technical or business expertise related to transportation electrification, carbon reduction, societal impacts of carbon emissions or technology transition. Of the 11 members, 5 shall be appointed by the Governor, one shall be appointed by the Speaker of the House of Representatives, one shall be appointed by the Minority Leader of the House of Representatives, one shall be appointed by the President of
the Senate, one shall be appointed by the Minority Leader of the Senate, one shall be appointed by the Director of the Illinois Environmental Protection Agency, and one shall be appointed by the Director of the Department of Transportation. Of the Governor's 5 appointments, at least one must represent an auto manufacturer or auto manufacturing industry organization, at least one must represent a national labor organization, at least one must be a health care professional; and at least one must represent a group that represents low-income families and individuals.

The Governor shall designate one of the members of the Committee to serve as chairman, and that person shall serve as the chairman at the pleasure of the Governor. The members shall not be compensated for serving on the Task Force. The Task Force shall have the following duties:

(1) Investigate whether the State should prohibit the sale of all or certain categories of new combustion engine vehicles by a date or dates certain and, if so, whether a phased approach or different methodology should be used.

(2) File a report with the Governor and the General Assembly that sets forth the Task Force's findings regarding the matters investigated pursuant to paragraph (1).

Section 90-35. The Energy Assistance Act is amended by changing Sections 6, 13, and 18 and by adding Section 20 as
follows:

(305 ILCS 20/6) (from Ch. 111 2/3, par. 1406)

Sec. 6. Eligibility, Conditions of Participation, and Energy Assistance.

(a) Any person who is a resident of the State of Illinois and whose household income is not greater than an amount determined annually by the Department, in consultation with the Policy Advisory Council, may apply for assistance pursuant to this Act in accordance with regulations promulgated by the Department. In setting the annual eligibility level, the Department shall consider the amount of available funding and may not set a limit higher than 150% of the federal nonfarm poverty level as established by the federal Office of Management and Budget or 60% of the State median income for the current fiscal year as established by the U.S. Department of Health and Human Services; except that for the period from the effective date of this amendatory Act of the 101st General Assembly through June 30, 2021, the Department may establish limits not higher than 200% of that poverty level. The Department, in consultation with the Policy Advisory Council, may adjust the percentage of poverty level annually in accordance with federal guidelines and based on funding availability.

(b) Applicants who qualify for assistance pursuant to subsection (a) of this Section shall, subject to appropriation
from the General Assembly and subject to availability of funds
to the Department, receive energy assistance as provided by
this Act. The Department, upon receipt of monies authorized
pursuant to this Act for energy assistance, shall commit funds
for each qualified applicant in an amount determined by the
Department. In determining the amounts of assistance to be
provided to or on behalf of a qualified applicant, the
Department shall ensure that the highest amounts of assistance
go to households with the greatest energy costs in relation to
household income. The Department shall include factors such as
energy costs, household size, household income, and region of
the State when determining individual household benefits. In
setting assistance levels, the Department shall attempt to
provide assistance to approximately the same number of
households who participated in the 1991 Residential Energy
Assistance Partnership Program. Such assistance levels shall
be adjusted annually on the basis of funding availability and
energy costs. In promulgating rules for the administration of
this Section the Department shall assure that a minimum of 1/3
of funds available for benefits to eligible households with
the lowest incomes and that elderly households, households
with children under the age of 6 years old, and households with
persons with disabilities are offered a priority application
period.

(c) If the applicant is not a customer of record of an
energy provider for energy services or an applicant for such
service, such applicant shall receive a direct energy assistance payment in an amount established by the Department for all such applicants under this Act; provided, however, that such an applicant must have rental expenses for housing greater than 30% of household income.

(c-1) This subsection shall apply only in cases where: (1) the applicant is not a customer of record of an energy provider because energy services are provided by the owner of the unit as a portion of the rent; (2) the applicant resides in housing subsidized or developed with funds provided under the Rental Housing Support Program Act or under a similar locally funded rent subsidy program, or is the voucher holder who resides in a rental unit within the State of Illinois and whose monthly rent is subsidized by the tenant-based Housing Choice Voucher Program under Section 8 of the U.S. Housing Act of 1937; and (3) the rental expenses for housing are no more than 30% of household income. In such cases, the household may apply for an energy assistance payment under this Act and the owner of the housing unit shall cooperate with the applicant by providing documentation of the energy costs for that unit. Any compensation paid to the energy provider who supplied energy services to the household shall be paid on behalf of the owner of the housing unit providing energy services to the household. The Department shall report annually to the General Assembly on the number of households receiving energy assistance under this subsection and the cost of such
assistance. The provisions of this subsection (c-1), other
than this sentence, are inoperative after August 31, 2012.

(d) If the applicant is a customer of an energy provider,
such applicant shall receive energy assistance in an amount
established by the Department for all such applicants under
this Act, such amount to be paid by the Department to the
energy provider supplying winter energy service to such
applicant. Such applicant shall:

(i) make all reasonable efforts to apply to any other
appropriate source of public energy assistance; and

(ii) sign a waiver permitting the Department to
receive income information from any public or private
agency providing income or energy assistance and from any
employer, whether public or private.

(e) Any qualified applicant pursuant to this Section may
receive or have paid on such applicant's behalf an emergency
assistance payment to enable such applicant to obtain access
to winter energy services. Any such payments shall be made in
accordance with regulations of the Department.

(f) The Department may, if sufficient funds are available,
provide additional benefits to certain qualified applicants:

(i) for the reduction of past due amounts owed to
energy providers; and

(ii) to assist the household in responding to
excessively high summer temperatures or energy costs.

Households containing elderly members, children, a person
with a disability, or a person with a medical need for conditioned air shall receive priority for receipt of such benefits.

(Source: P.A. 101-636, eff. 6-10-20.)

(305 ILCS 20/13)

(Section scheduled to be repealed on January 1, 2025)


(a) The Supplemental Low-Income Energy Assistance Fund is hereby created as a special fund in the State treasury. Notwithstanding anything to the contrary, the Supplemental Low-Income Energy Assistance Fund is not subject to sweeps, administrative charge-backs, or any other fiscal or budgetary maneuver that would in any way transfer any amounts from the Supplemental Low-Income Energy Assistance Fund into any other fund of the State Treasury. The Supplemental Low-Income Energy Assistance Fund is authorized to receive moneys from voluntary donations from individuals, foundations, corporations, and other sources, moneys received pursuant to Section 17, and, by statutory deposit, the moneys collected pursuant to this Section. The Fund is also authorized to receive voluntary donations from individuals, foundations, corporations, and other sources. Subject to appropriation, the Department shall use moneys from the Supplemental Low-Income Energy Assistance Fund for payments to electric or gas public utilities, municipal electric or gas utilities, and electric cooperatives.
on behalf of their customers who are participants in the
program authorized by Sections 4 and 18 of this Act, for the
provision of weatherization services and for administration of
the Supplemental Low-Income Energy Assistance Fund. The yearly
expenditures for weatherization may not exceed 10% of the
amount collected during the year pursuant to this Section,
except when unspent funds from the Supplemental Low-Income
Energy Assistance Fund are reallocated from a previous year;
any unspent balance of the 10% weatherization allowance may be
used for weatherization expenses in the year they are
reallocated. The yearly administrative expenses of the
Supplemental Low-Income Energy Assistance Fund may not exceed
12.5% of the amount collected during that year pursuant to
this Section, except when unspent funds from the Supplemental
Low-Income Energy Assistance Fund are reallocated from a
previous year; any unspent balance of the 12.5% administrative allowance may be utilized for administrative
expenses in the year they are reallocated. Moneys deposited
into the Supplemental Low-Income Energy Assistance Fund, other
than those deposited pursuant to subsection (g) of this
Section, are not subject to the percentage limitations
applicable to yearly weatherization and administrative
expenses set forth in this subsection (a).

(b) Notwithstanding the provisions of Section 16-111 of
the Public Utilities Act but subject to subsection (k) of this
Section, each public utility, electric cooperative, as defined
in Section 3.4 of the Electric Supplier Act, and municipal utility, as referenced in Section 3-105 of the Public Utilities Act, that is engaged in the delivery of electricity or the distribution of natural gas within the State of Illinois shall, effective January 1, 1998, assess each of its customer accounts a monthly Energy Assistance Charge for the Supplemental Low-Income Energy Assistance Fund. The delivering public utility, municipal electric or gas utility, or electric or gas cooperative for a self-assessing purchaser remains subject to the collection of the fee imposed by this Section.

The monthly charge shall be as follows:

1. $0.48 per month on each account for residential electric service;
2. $0.48 per month on each account for residential gas service;
3. $4.80 per month on each account for non-residential electric service which had less than 10 megawatts of peak demand during the previous calendar year;
4. $4.80 per month on each account for non-residential gas service which had distributed to it less than 4,000,000 therms of gas during the previous calendar year;
5. $360 per month on each account for non-residential electric service which had 10 megawatts or greater of peak demand during the previous calendar year; and
(6) $360 per month on each account for non-residential gas service which had 4,000,000 or more therms of gas distributed to it during the previous calendar year.

The incremental change to such charges imposed by this amendatory Act of the 96th General Assembly shall not (i) be used for any purpose other than to directly assist customers and (ii) be applicable to utilities serving less than 100,000 customers in Illinois on January 1, 2009.

In addition, electric and gas utilities have committed, and shall contribute, a one-time payment of $22 million to the Fund, within 10 days after the effective date of the tariffs established pursuant to Sections 16-111.8 and 19-145 of the Public Utilities Act to be used for the Department's cost of implementing the programs described in Section 18 of this amendatory Act of the 96th General Assembly, the Arrearage Reduction Program described in Section 18, and the programs described in Section 8-105 of the Public Utilities Act. If a utility elects not to file a rider within 90 days after the effective date of this amendatory Act of the 96th General Assembly, then the contribution from such utility shall be made no later than February 1, 2010.

(c) For purposes of this Section:

(1) "residential electric service" means electric utility service for household purposes delivered to a dwelling of 2 or fewer units which is billed under a residential rate, or electric utility service for
household purposes delivered to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit;

(2) "residential gas service" means gas utility service for household purposes distributed to a dwelling of 2 or fewer units which is billed under a residential rate, or gas utility service for household purposes distributed to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit;

(3) "non-residential electric service" means electric utility service which is not residential electric service; and

(4) "non-residential gas service" means gas utility service which is not residential gas service.

(d) Within 30 days after the effective date of this amendatory Act of the 96th General Assembly, each public utility engaged in the delivery of electricity or the distribution of natural gas shall file with the Illinois Commerce Commission tariffs incorporating the Energy Assistance Charge in other charges stated in such tariffs, which shall become effective no later than the beginning of the first billing cycle following such filing.

(e) The Energy Assistance Charge assessed by electric and gas public utilities shall be considered a charge for public utility service.
(f) By the 20th day of the month following the month in which the charges imposed by the Section were collected, each public utility, municipal utility, and electric cooperative shall remit to the Department of Revenue all moneys received as payment of the Energy Assistance Charge on a return prescribed and furnished by the Department of Revenue showing such information as the Department of Revenue may reasonably require; provided, however, that a utility offering an Arrearage Reduction Program or Supplemental Arrearage Reduction Program pursuant to Section 18 of this Act shall be entitled to net those amounts necessary to fund and recover the costs of such Programs as authorized by that Section that is no more than the incremental change in such Energy Assistance Charge authorized by Public Act 96-33. If a customer makes a partial payment, a public utility, municipal utility, or electric cooperative may elect either: (i) to apply such partial payments first to amounts owed to the utility or cooperative for its services and then to payment for the Energy Assistance Charge or (ii) to apply such partial payments on a pro rata basis between amounts owed to the utility or cooperative for its services and to payment for the Energy Assistance Charge.

If any payment provided for in this Section exceeds the distributor's liabilities under this Act, as shown on an original return, the Department may authorize the distributor to credit such excess payment against liability subsequently
to be remitted to the Department under this Act, in accordance
with reasonable rules adopted by the Department. If the
Department subsequently determines that all or any part of the
credit taken was not actually due to the distributor, the
distributor's discount shall be reduced by an amount equal to
the difference between the discount as applied to the credit
taken and that actually due, and that distributor shall be
liable for penalties and interest on such difference.

(g) The Department of Revenue shall deposit into the
Supplemental Low-Income Energy Assistance Fund all moneys
remitted to it in accordance with subsection (f) of this
Section; provided, however, that the amounts remitted by each
utility shall be used to provide assistance to that utility's
customers. The utilities shall coordinate with the Department
to establish an equitable and practical methodology for
implementing this subsection (g) beginning with the 2010
program year.

(h) On or before December 31, 2002, the Department shall
prepare a report for the General Assembly on the expenditure
of funds appropriated from the Low-Income Energy Assistance
Block Grant Fund for the program authorized under Section 4 of
this Act.

(i) The Department of Revenue may establish such rules as
it deems necessary to implement this Section.

(j) The Department of Commerce and Economic Opportunity
may establish such rules as it deems necessary to implement
(k) The charges imposed by this Section shall only apply to customers of municipal electric or gas utilities and electric or gas cooperatives if the municipal electric or gas utility or electric or gas cooperative makes an affirmative decision to impose the charge. If a municipal electric or gas utility or an electric cooperative makes an affirmative decision to impose the charge provided by this Section, the municipal electric or gas utility or electric cooperative shall inform the Department of Revenue in writing of such decision when it begins to impose the charge. If a municipal electric or gas utility or electric or gas cooperative does not assess this charge, the Department may not use funds from the Supplemental Low-Income Energy Assistance Fund to provide benefits to its customers under the program authorized by Section 4 of this Act.

In its use of federal funds under this Act, the Department may not cause a disproportionate share of those federal funds to benefit customers of systems which do not assess the charge provided by this Section.

This Section is repealed on January 1, 2025 unless renewed by action of the General Assembly.

(Source: P.A. 99-457, eff. 1-1-16; 99-906, eff. 6-1-17; 99-933, eff. 1-27-17; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19.)
Sec. 18. Financial assistance; payment plans.

(a) The Percentage of Income Payment Plan (PIPP or PIP Plan) is hereby created as a mandatory bill payment assistance program for low-income residential customers of utilities serving more than 100,000 retail customers as of January 1, 2009. The PIP Plan will:

1. bring participants' gas and electric bills into the range of affordability;
2. provide incentives for participants to make timely payments;
3. encourage participants to reduce usage and participate in conservation and energy efficiency measures that reduce the customer's bill and payment requirements; and
4. identify participants whose homes are most in need of weatherization; and
5. endeavor to maximize participation and spend at least 80% of the funding available for the year.

(b) For purposes of this Section:
1. "LIHEAP" means the energy assistance program established under the Illinois Energy Assistance Act and the Low-Income Home Energy Assistance Act of 1981.
2. "Plan participant" is an eligible participant who is also eligible for the PIPP and who will receive either a percentage of income payment credit under the PIPP.
criteria set forth in this Act or a benefit pursuant to Section 4 of this Act. Plan participants are a subset of eligible participants.

(3) "Pre-program arrears" means the amount a plan participant owes for gas or electric service at the time the participant is determined to be eligible for the PIPP or the program set forth in Section 4 of this Act.

(4) "Eligible participant" means any person who has applied for, been accepted and is receiving residential service from a gas or electric utility and who is also eligible for LIHEAP or otherwise satisfies the eligibility criteria set forth in paragraph (1) of subsection (c) of this Section.

(c) The PIP Plan shall be administered as follows:

(1) The Department shall coordinate with Local Administrative Agencies (LAAs), to determine eligibility for the Illinois Low Income Home Energy Assistance Program (LIHEAP) pursuant to the Energy Assistance Act, provided that eligible income shall be no more than 150% of the poverty level or 60% of the State median income, except that for the period from the effective date of this amendatory Act of the 101st General Assembly through June 30, 2021, eligible income shall be no more than 200% of the poverty level. Applicants will be screened to determine whether the applicant's projected payments for electric
service or natural gas service over a 12-month period exceed the criteria established in this Section. The Department, in consultation with the Policy Advisory Council, may adjust the percentage of poverty level annually to determine income eligibility. Adjustments authorized by this provision may not exclude To maintain the financial integrity of the program, the Department may limit eligibility to households with income below 125% of the poverty level. Nothing in this Section is intended to limit the ability of utilities to assist in the referral, identification, or screening of applicants.

(2) The Department shall establish the percentage of income formula to determine the amount of a monthly credit, not to exceed $150 per month per household, not to exceed $1,800 annually; however, for the period from the effective date of this amendatory Act of the 101st General Assembly through June 30, 2021, the monthly credit for participants with eligible income over 100% of the poverty level may be as much as $200 per month per household, not to exceed $2,400 annually, and, the monthly credit for participants with eligible income 100% or less of the poverty level may be as much as $250 per month per household, not to exceed $3,000 annually. Credits will be applied to PIP Plan participants' utility bills based on the portion of the bill that is the responsibility of the participant provided that the percentage shall be no more
than a total of 6% of the relevant income for gas and
electric utility bills combined, but in any event no less
than $10 per month, unless the household does not pay
directly for heat, in which case its payment shall be 2.4%
of income but in any event no less than $5 per month. The
Department may establish a minimum credit amount based on
the cost of administering the program and may deny credits
to otherwise eligible participants if the cost of
administering the credit exceeds the actual amount of any
monthly credit to a participant. If the participant takes
both gas and electric service, 66.67% of the credit shall
be allocated to the entity that provides the participant's
primary energy supply for heating. Each participant shall
enter into a levelized payment plan for, as applicable,
gas and electric service and such plans shall be
implemented by the utility so that a participant's usage
and required payments are reviewed and adjusted regularly,
but no more frequently than quarterly. Nothing in this
Section is intended to prohibit a customer, who is
otherwise eligible for LIHEAP, from participating in the
program described in Section 4 of this Act. Eligible
participants who receive such a benefit shall be
considered plan participants and shall be eligible to
participate in the Arrearage Reduction Program described
in item (5) of this subsection (c).

(3) The Department shall remit, through the LAAs, to
the utility or participating alternative supplier that portion of the plan participant's bill that is not the responsibility of the participant. In the event that the Department fails to timely remit payment to the utility, the utility shall be entitled to recover all costs related to such nonpayment through the automatic adjustment clause tariffs established pursuant to Section 16-111.8 and Section 19-145 of the Public Utilities Act. For purposes of this item (3) of this subsection (c), payment is due on the date specified on the participant's bill. The Department, the Department of Revenue and LAAs shall adopt processes that provide for the timely payment required by this item (3) of this subsection (c).

(4) A plan participant is responsible for all actual charges for utility service in excess of the PIPP credit. Pre-program arrears that are included in the Arrearage Reduction Program described in item (5) of this subsection (c) shall not be included in the calculation of the levelized payment plan. Emergency or crisis assistance payments shall not affect the amount of any PIPP credit to which a participant is entitled.

(5) Electric and gas utilities subject to this Section shall implement an Arrearage Reduction Program (ARP) for plan participants as follows: for each month that a plan participant timely pays his or her utility bill, the utility shall apply a credit to a portion of the
participant's pre-program arrears, if any, equal to one-twelfth of such arrearage provided that the total amount of arrearage credits shall equal no more than $1,000 annually for each participant for gas and no more than $1,000 annually for each participant for electricity. In the third year of the PIPP, the Department, in consultation with the Policy Advisory Council established pursuant to Section 5 of this Act, shall determine by rule an appropriate per participant total cap on such amounts, if any. Those plan participants participating in the ARP shall not be subject to the imposition of any additional late payment fees on pre-program arrears covered by the ARP. In all other respects, the utility shall bill and collect the monthly bill of a plan participant pursuant to the same rules, regulations, programs and policies as applicable to residential customers generally. Participation in the Arrearage Reduction Program shall be limited to the maximum amount of funds available as set forth in subsection (f) of Section 13 of this Act. In the event any donated funds under Section 13 of this Act are specifically designated for the purpose of funding the ARP, the Department shall remit such amounts to the utilities upon verification that such funds are needed to fund the ARP. Nothing in this Section shall preclude a utility from continuing to implement, and apply credits under, an ARP in the event that the PIPP or LIHEAP is
suspended due to lack of funding such that the plan participant does not receive a benefit under either the PIPP or LIHEAP.

(5.5) In addition to the ARP described in paragraph (5) of this subsection (c), utilities may also implement a Supplemental Arrearage Reduction Program (SARP) for eligible participants who are not able to become plan participants due to PIPP timing or funding constraints. If a utility elects to implement a SARP, it shall be administered as follows: for each month that a SARP participant timely pays his or her utility bill, the utility shall apply a credit to a portion of the participant's pre-program arrears, if any, equal to one-twelfth of such arrearage, provided that the utility may limit the total amount of arrearage credits to no more than $1,000 annually for each participant for gas and no more than $1,000 annually for each participant for electricity. SARP participants shall not be subject to the imposition of any additional late payment fees on pre-program arrears covered by the SARP. In all other respects, the utility shall bill and collect the monthly bill of a SARP participant under the same rules, regulations, programs, and policies as applicable to residential customers generally. Participation in the SARP shall be limited to the maximum amount of funds available as set forth in subsection (f) of Section 13 of this Act.
and any applicable funds available pursuant to subsection (d-15) of the Illinois Power Agency Act. In the event any donated funds under Section 13 of this Act are specifically designated for the purpose of funding the SARP, the Department shall remit such amounts to the utilities upon verification that such funds are needed to fund the SARP.

(6) The Department may terminate a plan participant's eligibility for the PIP Plan upon notification by the utility that the participant's monthly utility payment is more than 75 45 days past due. One-twelfth of a customer's arrearage shall be deducted from the total arrearage owed for each on-time payment made by the customer.

(7) The Department, in consultation with the Policy Advisory Council, may adjust the number of PIP Plan participants annually, if necessary, to match the availability of funds. Any plan participant who qualifies for a PIPP credit under a utility's PIPP shall be entitled to participate in and receive a credit under such utility's ARP for so long as such utility has ARP funds available, regardless of whether the customer's participation under another utility's PIPP or ARP has been curtailed or limited because of a lack of funds.

(8) The Department shall fully implement the PIPP at the earliest possible date it is able to effectively administer the PIPP. Within 90 days of the effective date
of this amendatory Act of the 96th General Assembly, the
Department shall, in consultation with utility companies,
participating alternative suppliers, LAAs and the Illinois
Commerce Commission (Commission), issue a detailed
implementation plan which shall include detailed testing
protocols and analysis of the capacity for implementation
by the LAAs and utilities. Such consultation process also
shall address how to implement the PIPP in the most
cost-effective and timely manner, and shall identify
opportunities for relying on the expertise of utilities,
LAAs and the Commission. Following the implementation of
the testing protocols, the Department shall issue a
written report on the feasibility of full or gradual
implementation. The PIPP shall be fully implemented by
September 1, 2011, but may be phased in prior to that date.

(9) As part of the screening process established under
item (1) of this subsection (c), the Department and LAAs
shall assess whether any energy efficiency or demand
response measures are available to the plan participant at
no cost, and if so, the participant shall enroll in any
such program for which he or she is eligible. The LAAs
shall assist the participant in the applicable enrollment
or application process.

(10) Each alternative retail electric and gas supplier
serving residential customers shall elect whether to
participate in the PIPP or ARP described in this Section.
Any such supplier electing to participate in the PIPP shall provide to the Department such information as the Department may require, including, without limitation, information sufficient for the Department to determine the proportionate allocation of credits between the alternative supplier and the utility. If a utility in whose service territory an alternative supplier serves customers contributes money to the ARP fund which is not recovered from ratepayers, then an alternative supplier which participates in ARP in that utility's service territory shall also contribute to the ARP fund in an amount that is commensurate with the number of alternative supplier customers who elect to participate in the program.

(11) The PIPP shall be designed and implemented each year to maximize participation and spend at least 80% of the funding available for the year.

(d) The Department, in consultation with the Policy Advisory Council, shall develop and implement a program to educate customers about the PIP Plan and about their rights and responsibilities under the percentage of income component. The Department, in consultation with the Policy Advisory Council, shall establish a process that LAAs shall use to contact customers in jeopardy of losing eligibility due to late payments. The Department shall ensure that LAAs are adequately funded to perform all necessary educational tasks.
(e) The PIPP shall be administered in a manner which ensures that credits to plan participants will not be counted as income or as a resource in other means-tested assistance programs for low-income households or otherwise result in the loss of federal or State assistance dollars for low-income households.

(f) In order to ensure that implementation costs are minimized, the Department and utilities shall work together to identify cost-effective ways to transfer information electronically and to employ available protocols that will minimize their respective administrative costs as follows:

(1) The Commission may require utilities to provide such information on customer usage and billing and payment information as required by the Department to implement the PIP Plan and to provide written notices and communications to plan participants.

(2) Each utility and participating alternative supplier shall file annual reports with the Department and the Commission that cumulatively summarize and update program information as required by the Commission's rules. The reports shall track implementation costs and contain such information as is necessary to evaluate the success of the PIPP.

(3) The Department shall annually prepare and submit a report to the General Assembly, Commission, and Policy Advisory Council that identifies the following amounts for
the most recently completed year: total moneys collected
under subsection (b) of Section 13 of this Act for all
PIPPs implemented in the State; total moneys allocated to
each utility for implementation of its PIPP, including an
accounting of the moneys allocated to each county in the
utility's service territory; total moneys disbursed to
each utility's customers at a county level; and total
moneys allocated to each utility for other purposes,
including an accounting of moneys allocated to each county
in the utility's service territory and a description of
each such other purpose. The Commission shall publish each
report prepared pursuant to this paragraph (3) on its
website.

(4) The Department and the Commission shall have the
authority to promulgate rules and regulations necessary to
execute and administer the provisions of this Section.

(g) Each utility shall be entitled to recover reasonable
administrative and operational costs incurred to comply with
this Section from the Supplemental Low Income Energy
Assistance Fund. The utility may net such costs against monies
it would otherwise remit to the Funds, and each utility shall
include in the annual report required under subsection (f) of
this Section an accounting for the funds collected.

(Source: P.A. 101-636, eff. 6-10-20.)

(305 ILCS 20/20 new)
Sec. 20. Availability to low-income residents. All programs offered pursuant to this Act shall be available to eligible low-income Illinois residents who qualify for assistance under Sections 6 and 18 of this Act, regardless of immigration status, using the Supplemental Low-Income Energy Assistance Fund for customers of utilities and vendors that collect the Energy Assistance Charge and pay into the Supplemental Low-Income Energy Assistance Fund.

Section 90-40. The Consumer Fraud and Deceptive Business Practices Act is amended by adding Section 2WWW as follows:

(815 ILCS 505/2WWW new)

Sec. 2WWW. Renewable energy providers and community energy subscription providers.

(a) As used in this Section:

"Community energy subscription provider" is a person who enters into agreements with consumers for subscriptions to community renewable generation projects.

"Community renewable generation project" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"Electric service provider" has the meaning given that phrase in Section 6.5 of the Attorney General Act.

"Electric utility" has the meaning set forth in Section 16-102 of the Public Utilities Act.

"Public utility" has the meaning set forth in Section
3-105 of the Public Utilities Act.

"Renewable energy provider" is a person who enters into agreements with consumers for the provision of energy from renewable energy resources or physical renewable energy resources systems, including, but not limited to, rooftop photovoltaic, wind, or geothermal systems.

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

(b) (1) A renewable energy provider or a community energy subscription provider that enters into an agreement with a consumer for (i) the provision of energy from renewable energy resources, (ii) installation of a physical renewable energy resources system, including, but not limited to, a rooftop photovoltaic, a wind, or a geothermal system, or (iii) a subscription to a community renewable generation project, shall be subject to the provisions of this Section.

(2) Prior to executing any such agreement described in paragraph (1) of this subsection (b) through a sale, lease, mortgage, financing instrument, purchase power agreement, or other contractual arrangement, or executing a change in a consumer's selection of a provider of electric service, the renewable energy provider or a community energy subscription provider must first fully and clearly discloses all material terms and conditions of the offer to the consumer in plain language, including, but not limited to, the following: (i) the total price and, where applicable, the monthly and annual...
price; (ii) whether the total price is fixed or variable; (iii) if a variable price, an explanation of how the price will adjust; (iv) whether there is a termination fee and, if so, an explanation of when it applies and in what amounts; (v) the terms of any warranty; and (vi) the date and method by which the consumer may cancel the transaction or agreement.

Prior to entering into a transaction in which a consumer's electric supplier is switched, the renewable energy provider or community subscription provider must confirm the consumer's consent in accordance with one of the methods described in Section 2EE of this Act.

(c) It shall be a violation of this Section for a renewable energy provider or a community energy subscription provider to make false or misleading statements about the cost or the terms of a transaction that is subject to this Section.

(d) (1) A renewable energy provider or a community energy subscription provider shall not use the name of a public utility in any manner that is deceptive or misleading, including, but not limited to, implying or otherwise leading a consumer to believe that it is soliciting on behalf of or is an agent of a utility.

(2) A renewable energy provider or a community energy subscription provider shall not state or otherwise imply that the renewable energy provider or a community energy subscription provider is employed by, representing, endorsed by, or acting on behalf of a public utility or public utility
program, a consumer group or consumer group program, or a governmental body, unless the renewable energy provider or community energy subscription provider has entered into a contractual arrangement with the governmental body and has been authorized by the governmental body to make the statements.

(e) Complaints may be filed with the Illinois Commerce Commission under this Section (i) by a consumer who engaged in a transaction with, or whose electric provider was switched by, a renewable energy provider or community energy subscription provider who acted in a manner not in compliance with this Section or (ii) by the Illinois Commerce Commission on its own motion when it appears to the Commission that a renewable energy provider or a community energy subscription provider has provided service in a manner not in compliance with this Section. If, after notice and hearing, the Commission finds that a renewable energy provider or a community energy subscription provider has violated this Section, the consumer shall be permitted to cancel the contract without any penalty or termination fee, and the Commission may in its discretion do any one or more of the following:

(1) Require the violating renewable energy provider or community energy subscription provider to refund to the consumer the charges collected in excess of those that would have been charged by the consumer's authorized
electric service provider.

(2) Require the violating renewable energy provider or community energy subscription provider to pay to the consumer's authorized electric service provider the amount the authorized electric service provider would have collected for the electric service. The Commission is authorized to reduce this payment by any amount already paid by the violating provider to the consumer's authorized provider for electric service.

(3) Require the violating renewable energy provider or community energy subscription provider to pay a fine of up to $1,000 into the Public Utility Fund for each repeated and intentional violation of this Section.

(4) Issue a cease and desist order.

(f) The provisions of this Section do not apply to public utilities.

Article 99. Effective Date

Section 99-99. Effective date. This Act takes effect upon becoming law.".