



# Illinois Power Agency

## The Climate and Equitable Jobs Act: IPA Timelines and Milestones

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# The Illinois Power Agency



- **Independent State Agency created in 2007**
- **Agency duties include**
  - **Development and implementation of procurement plans for electricity supply for default service customers**
  - **Development and implementation of other procurement plans such as those to support at-risk nuclear plants (e.g., for Zero Emissions Credits and Carbon Mitigation Credits)**
  - **Implementation of the Renewable Portfolio Standard**
    - **Development of Long-Term Renewable Resources Procurement Plan**
    - **Conduct competitive procurements for utility-scale projects**
    - **Manage programs for community solar and solar for homes and businesses**

# Public Act 102-0662

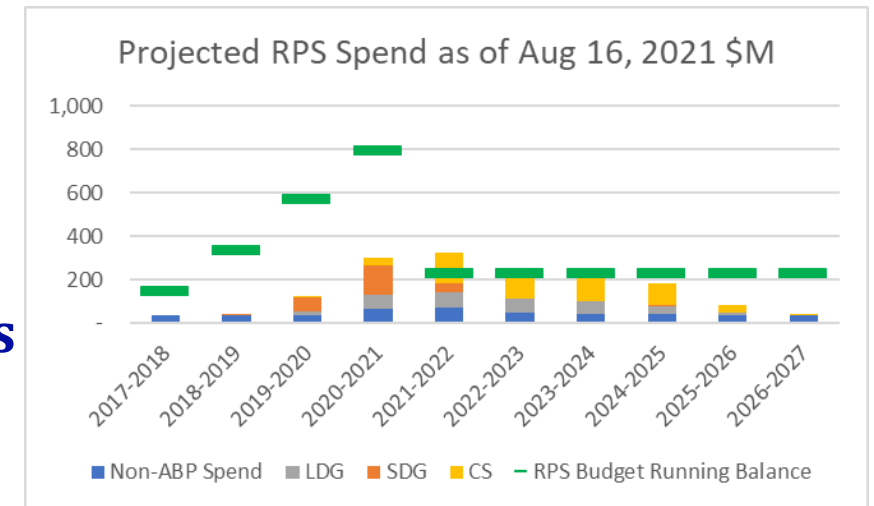
- **Public Act 102-0662 changes for the IPA include:**
  - **Carbon Mitigation Credit Procurement [20 ILCS 3855/1-75(d-10)]**
    - Develop plan and complete procurement by December 3, 2021
    - Currently an open docket before the ICC (Docket No. 21-0718)
  - **Electricity Procurement**
    - Bidders must comply with the Displaced Energy Workers Bill of Rights [20 ILCS 3855/1-20(c)]
    - Consideration of HVDC converter station delivered-power as a price hedge [220 ILCS 5/16-111.5(b)(3)(iv) & (iv)]
      - Will be addressed in the 2023 Electricity Procurement Plan to be released in August 2022
  - **Renewable Portfolio Standard**
    - Changes to goals and funding
    - Development of revised Long-Term Renewable Resources Procurement Plan
    - Opening of new blocks of capacity for the Adjustable Block Program
    - Subsequent forward procurement for new utility-scale wind, solar, and brownfield site solar
    - Coal to Solar procurement
    - Focus on labor, diversity, and equity in the renewable energy industry
      - Increased transparency through data reporting
      - Opportunities for increased participation for individuals and businesses

# RPS Goals and Targets

- **25% by 2025 goal now increased to 40% by 2030 with a further target to reach 50% by 2040 [20 ILCS 3855/1-75(c)(1)(B)]**
  - **This goal is based on the calculation of the procurement of RECs, rather than tied to specific generation in the state**
  - **Customer load in Illinois is approximately 120 million MWH annually**
    - **25% would be 30 million MWH or require 30 million RECs annually**
    - **40% would be 48 million MWH/RECs**
- **Specific targets include:**
  - **45 million RECs annually by 2030 from new wind or solar [20 ILCS 3855/1-75(c)(1)(C)]**
    - **45% from wind, 55% from solar**
      - **Solar 50% from the Adjustable Block Program, 47% from utility-scale solar, and 3% from brownfield site solar**

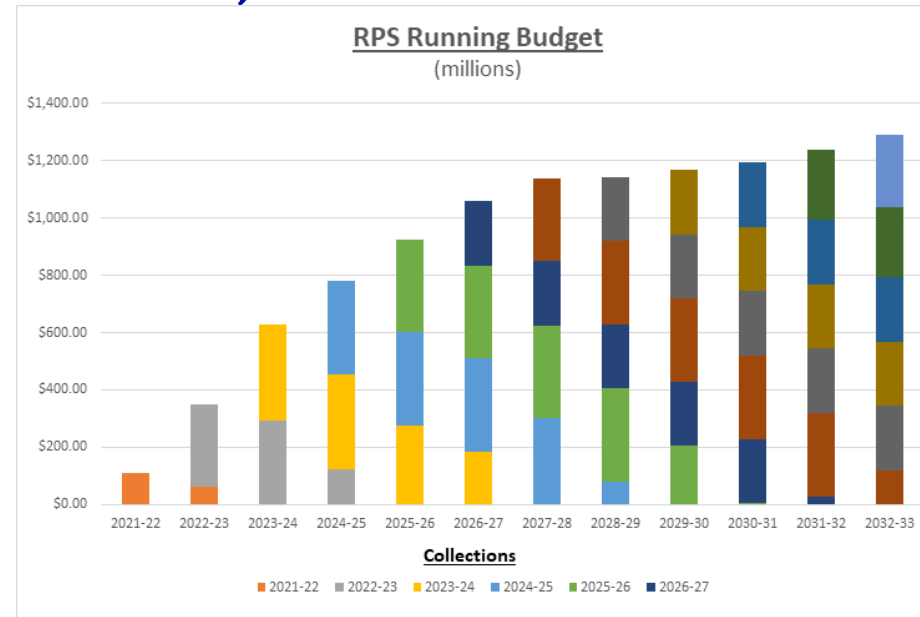
# RPS Budget

- **Rate cap increased from 2.015% of 2007 rates to 4.25% of 2009 rates [20 ILCS 3855/1-75(c)(1)(E)]**
  - An increase from ~\$235 million to ~\$597 million in annual RPS collections
  - Ramps up annual utility funding for Solar for All to \$50 million/year (from ~\$11 million/year)
- **Changes to how funds are accounted for [220 ILCS 5/16-108(k)]**
  - Pre-CEJA funds collected 2017 through 2021 could rollover year to year and then unspent funds refunded to customers
  - After 2021 there were to be annual reconciliations of collections and expenditures



# RPS Budget, cont.

- **Changes to how funds are accounted for:**
  - **Five-year spending window. Funds collected in a given year can be spent over the subsequent five years on a first-in, first-out basis**
  - **Illustrative example of this new process**



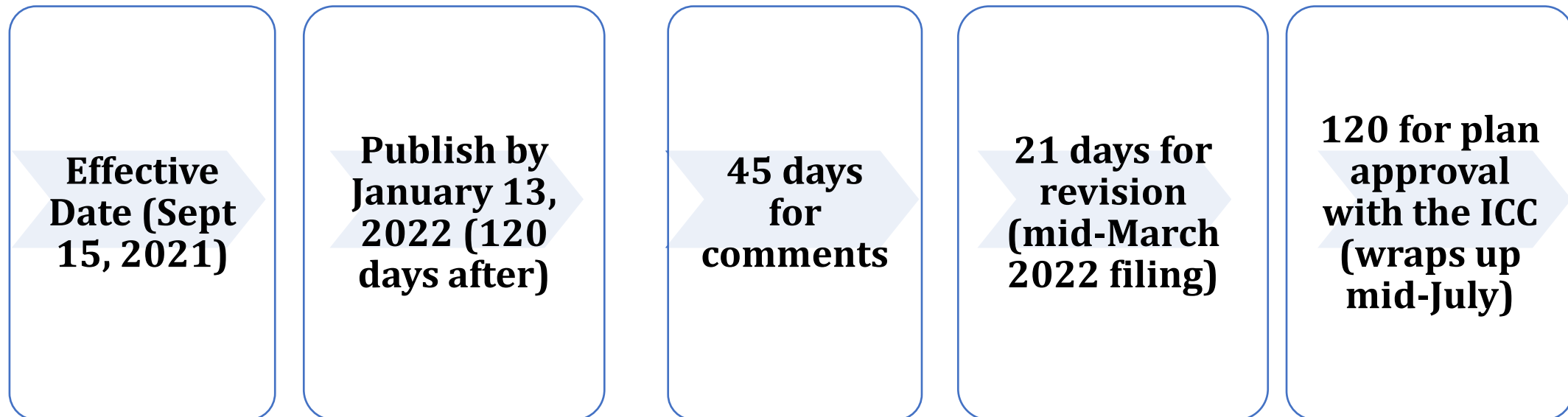
- **In addition, reconciliations after five years adjusted to account for contractual commitments made, but not yet expended**
- **These changes leverage increased spending power and flexibility**



# Long-Term Plan Development

- Initial Long-Term Plan developed in 2017/2018, updated every two years [20 ILCS 3855/1-75(c)(1)(A)]
- IPA released draft Second Revised Long-Term Plan for public comment on August 16, 2021
  - Plan withdrawn on September 16, 2021, due to provision in P.A. 102-0662 calling for a new plan to be released for public comments in 120 days

- **New Plan development timeline:**



- **Stakeholder feedback opportunities coming soon**

# Long-Term Plan Development

- **Plan will include updates and/or new sections on:**
  - **RPS targets and budgets**
  - **Competitive procurement approach and schedules**
    - **Indexed REC prices**
    - **Revised Brownfield criteria**
  - **Adjustable Block Program**
    - **Updated blocks and REC pricing**
    - **New categories for community-driven community solar, public schools, and projects from equity eligible contractors**
    - **Prevailing wage requirements**
    - **Focus on equity and diversity**
  - **Illinois Solar for All updates**
    - **Increased funding**
    - **Energy sovereignty**
    - **Multifamily sub-program**
  - **Consumer protections**
  - **Increased data collection and reporting**



# Labor, Diversity, & Equity Overview



- **New Labor Requirements**

- **Prevailing Wage requirements [20 ILCS 3855/1-75(c)(1)(Q)(1)]**
  - Certain ABP categories, utility-scale, etc.
  - Exemptions for Residential and Houses of Worship
- **Project Labor Agreements [20 ILCS 3855/1-75(c)(1)(Q)(2)]**
  - Utility-scale wind, utility-scale solar, brownfield site solar

- **Diversity & Equity Requirements**

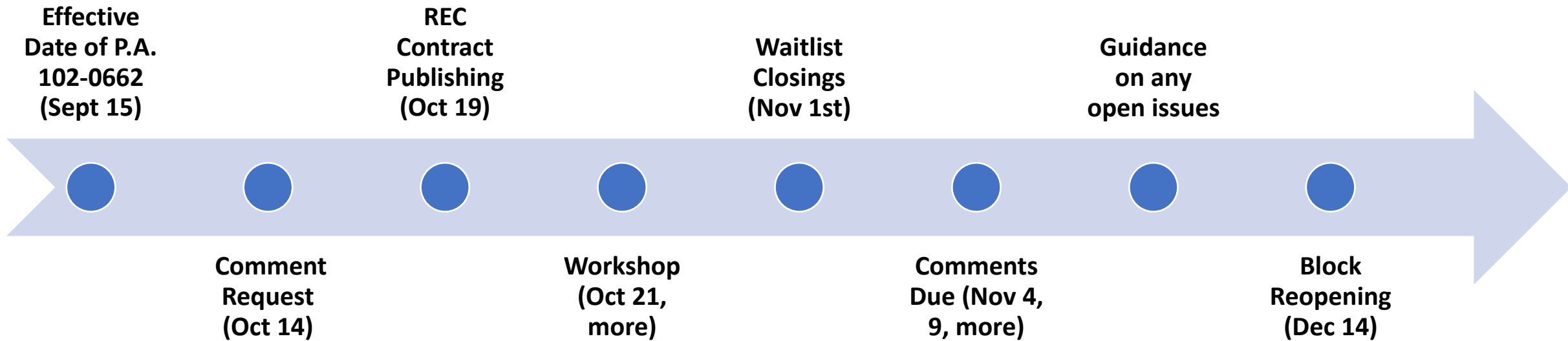
- **New Equity Eligible Contractor Block [20 ILCS 3855/1-75(c)(1)(K)(vi)]**
  - Applicable to program applicants
  - Part of block reopening as well
- **New Equity Eligible Workforce Requirements**
  - Applicable to workforce used on participating projects
  - Fleshed out further in the new Long-Term Plan
- **Data collection, database development, disparity study, certification, annual reports.....**

# Adjustable Block Program Reopening (December 14, 2021)



- **New Blocks of Capacity open within 90 days after effective date of Act [20 ILCS 3855/1-75(c)(1(G))]**
  - **Small DG (75 MW)**
  - **Large DG (75 MW)**
  - **Community Solar (250 MW, taken exclusively from ordinal waitlists)**
  - **Schools (50 MW)**
  - **Community-Driven Community Solar (10 MW)**
  - **Equity Eligible Contractor Block (75 MW)**
- **Interim decisions for block opening, final guidance through the revised Long-Term Plan**

# ABP Block Reopening Timeline



- For more information including stakeholder feedback requests:  
<https://illinoisabp.com/reopening-updates/>

# Procurements Outside of Long-Term Plan

- **New utility-scale wind, solar and brownfield site solar procurement by May 13, 2021 [20 ILCS 3855/1-75(c)(1(G)(iii)]**
  - Will utilize index REC price model
  - Will require Project Labor Agreements
- **Coal to Solar Procurement [20 ILCS 3855/1-75(c-5)]**
  - For projects located at former coal plant sites
  - Two rounds of procurement, first by May 1, 2022, second round by October 30, 2022
- **Detailed schedules coming soon**

# Learn More from the IPA



## • IPA Power Hour Webinars

- **IPA Power Hour Webinar 1:** *Expansion of the Illinois RPS Under CEJA*, Friday, October 15, 2021
- **IPA Power Hour Webinar 2:** *CEJA's Impact on Adjustable Block Program*, Friday, October 22, 2021
- **IPA Power Hour Webinar 3:** *CEJA's Impact on Illinois Solar for All*, Friday, November 12, 2021; 12pm-1pm CDT
- **IPA Power Hour Webinar 4:** *CEJA's Impact on Utility-Scale Solar and Wind and Brownfield sites*, Friday, November 19, 2021; 12pm-1pm CDT
- **IPA Power Hour Webinar 5:** *Creating a Diverse and Equitable Energy Workforce*, Friday, December 3, 2021; 12pm-1pm CDT
- **IPA Power Hour Webinar 6:** *Decarbonization, from Coal to Renewables*, Friday, December 10, 2021; 12pm-1pm CDT
- **IPA Power Hour Webinar 7:** *Carbon Mitigation Credits and CEJA's Support for At-Risk Nuclear Plants*, Friday, December 17, 2021; 12pm-1pm CDT
- **For recordings of past IPA Power Hours and to register for upcoming IPA Power Hours:**
  - <https://www2.illinois.gov/sites/ipa/Pages/Events.aspx>

## • Additional resources

- **IPA Public Act 102-0662 implementation page:**  
<https://www2.illinois.gov/sites/ipa/Pages/PublicAct102-0662Implementation.aspx>
- **Sign up for IPA announcements and *Power Pulse!* Newsletter:**  
<https://www2.illinois.gov/sites/ipa/Pages/Feedback Form.aspx>