

**COMMENTS BY THE STAFF OF THE ILLINOIS COMMERCE COMMISSION ON THE  
ILLINOIS POWER AGENCY'S 2019 DRAFT ELECTRICITY PROCUREMENT PLAN  
RELEASED AUGUST 15, 2018**

**September 13, 2018**

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On August 15, 2018, pursuant to Section 16-111.5(d) of the Illinois Public Utilities Act (“PUA”), the Illinois Power Agency (“IPA”) made available to the public a “2019 Electricity Procurement Plan” (“Draft Plan”) and invited affected utilities and other interested parties to submit comments on the Draft Plan by September 14, 2018. In response, the Staff of the Illinois Commerce Commission (“Staff”) hereby submits these comments to the IPA. The outline of these comments follows the outline of the Draft Plan.

## **COMMENTS**

### **Section 6.4 Tools for Managing Surpluses and Portfolio Rebalancing**

The Draft Plan states that in footnote 138 “... the state’s renewable portfolio standard is transitioning to being funded through a **delivery services** charge assessed to all utility retail customers, future curtailment of these agreements is no longer a meaningful risk. (See 20 ILCS 3855/1-75(c)(1)(E)).” (Draft Plan, 64.) (emphasis added.) Staff takes issue with this statement in the Draft Plan. It implies that the charge, pursuant to Section 16-108(k) of the PUA, applied to all retail customers is a “delivery services charge.” Staff disagrees. Section 16-108(k) of the PUA does not define the charge as a delivery services charge. It is a charge which applies to “all of the utility’s retail customers.” 220 ILCS 5/16-108(k). To address that concern, Staff recommends the changes set forth below to the Draft Plan.

### **Proposed Changes**

**(Draft Plan, 64)**

\* \* \*

## Section 6.4 Tools for Managing Surpluses and Portfolio Rebalancing

\* \* \*

- To date, the only rebalancing of hedge portfolios prior to the delivery date has been the curtailment of long-term renewable contracts due to budget restrictions. Spending on these contracts was subject to a limit related to a statutorily-mandated rate impact cap calculated based on eligible retail customer load, making the budget available for payment under those contracts subject to fluctuation due to load migration away from (and back to) utility supply.[FN 138]

\* \* \*

FN 138 As the state's renewable portfolio standard is transitioning to being funded through a ~~delivery services~~ charge assessed to all utility retail customers, future curtailment of these agreements is no longer a meaningful risk. (See 20 ILCS 3855/1-75(c)(1)(E)).

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## CONCLUSION

Staff respectfully requests that the Illinois Power Agency revise its Draft Plan consistent with Staff's Comments herein.

Respectfully submitted,

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