



IPA PRELIMINARY DRAFT POLICY STUDY – 22 JANUARY 2024

In accordance with Section 1-129 of the Illinois Power Agency Act (20 ILCS 3855) recently enacted through Public Act 103-0580 (formerly Senate Bill 1699), the IPA is releasing this preliminary draft version of its 2024 policy study analyzing three policy proposals made during the Spring 2023 session of the Illinois General Assembly.

Through Public Act 103-0580, the Illinois General Assembly found that “while numerous legislative proposals purport to help the State on its path to equitably attain 100% clean energy, it is important to have a neutral party with relevant expertise evaluate each proposal to ensure it is consistent with the State’s goals and maximizes benefits to Illinois residents.” To this end, the General Assembly enacted new Section 1-129 of the Illinois Power Agency Act requiring the Illinois Power Agency to “commission and publish a policy study” to evaluate “the potential impacts” of three proposals across criteria including “support for Illinois’ decarbonization goals, the environment, grid reliability, carbon and other pollutant emissions, resource adequacy, long-term and short-term electric rates, environmental justice communities, jobs, and the economy.”

As required under Section 1-129(g) of the IPA Act, the three proposals assessed in this policy study are the following:

- (1) A pilot program to establish one new utility-scale **offshore wind project** capable of producing at least 700,000 megawatt hours annually for at least 20 years in Lake Michigan that includes an equity and inclusion plan to create job opportunities for underrepresented populations in addition to equity investment eligible communities and a fully executed project labor agreement. (HB 2132)
- (2) A proposal for the deployment of **energy storage systems** through the development of energy storage credit targets for the Agency to procure on behalf of Illinois electric utilities using energy storage contracts of at least 15-year durations, also including the creation of distributed level energy storage programs through utility tariffs as approved by the Illinois Commerce Commission. (SB 1587)
- (3) A policy establishing that requires the Agency to procure high voltage direct current renewable energy credit contracts of at least 25 years from a **high voltage direct current transmission facility** with more than 100 miles of underground transmission lines in this State capable of transmitting electricity at or above 525 kilovolts and delivering power in the PJM market. (no bill formally introduced)

Parties may provide comments on this preliminary draft policy study across an open public comment period of at least 20 days in length. At the conclusion of this public comment period, the Agency shall review public comments and publish a final policy study by no later than March 1, 2024. “Suitable copies” of that final policy study shall then be delivered to the Governor and members of the General Assembly, with the final policy study revised after public comment also set to include “policy recommendations to the General Assembly.”

Comments on the preliminary draft Policy Study are due to the Illinois Power Agency by Monday, February 12, 2024. Comments must be sent to the IPA by email to IPA.ContactUs@illinois.gov.

Comments will be posted to the [Policy Study page](#) on the IPA’s website. Parties may provide confidential or proprietary content as part of their public comments by providing both full and redacted versions of public comments, and the IPA will endeavor to protect the confidentiality of any confidential or proprietary information found in submissions.

The IPA thanks parties for their feedback and comments across prior comment processes and looks forward to parties’ comments and suggestions on this draft study.