

Ameren Illinois Company's Comments in Response to the IPA's Request for Stakeholder Comments on the IPA's Draft 2024 Policy Study

Prepared pursuant to P.A. 103-0580

Ameren Illinois Company d/b/a Ameren Illinois (Ameren Illinois or the Company) respectfully submits these comments in response to the request from the Illinois Power Agency (IPA) for comments on the 2024 Policy Study (Policy Study), which the IPA released for public review and comment on January 22, 2024. Ameren Illinois appreciates the opportunity to submit its comments.

Pursuant to P.A. 103-0580, the Policy Study analyzes three policy proposals discussed during the Spring 2023 Legislative Session of the Illinois General Assembly.

1. **SB1587 - Energy Storage Systems** – The study analyzed the process of the IPA procuring energy storage credits on behalf of Illinois electric utilities via a competitive energy storage procurement developed by the IPA. The energy storage credits would be procured from privately-owned, largescale energy storage providers using energy storage contracts of at least 15-year durations.
2. **HB2132 - Offshore Wind in Lake Michigan** – The study analyzed 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.
3. **SOO Green HVDC Transmission Line** – The study looks at establishing renewable energy credits for a high voltage direct current transmission line that requires the Agency to procure contracts of at least 25 years, but no more than 40 years duration, for the delivery of renewable energy credits on behalf of the electric utilities in Illinois with at least 300,000 customers.

Ameren Illinois recognizes and appreciates the amount of work and detail laid out in this study. While Ameren Illinois remains open to new policies, as we continue to work with legislators, regulators, and stakeholders to implement CEJA and develop a cleaner energy system, we must also keep customer affordability a priority. Based on the analysis provided on these topics, each of these projects contain positive grid attributes; however, the study also acknowledges that there is significant costs associated with them that will result in higher electricity costs for Illinois electric utility customers. Indeed, the Policy Study concludes "[t]he net difference between the annualized costs and offsets, and energy market benefit would result in net costs which would be reflected in higher electricity rates in the state." Policy Study at 220. As Illinois continues to shift to a cleaner energy system, Ameren Illinois continues to have concerns with not only the reliability of the system but also the potential cost of energy for our customers. This, combined with potentially costly new policies, would require Ameren Illinois to

conduct our own in-depth analysis of these initiatives. The timing provided for reply comments does not allow those types of analysis to take place. Ameren Illinois remains willing to participate in further discussions and provide our own analysis on customer impacts for our service territory.

Ameren Illinois appreciates the opportunity to provide these comments and is looking forward to working with the IPA and other stakeholders in a manner that moves Illinois closer to a cleaner energy grid, while also maintaining customer affordability. The Company's comments represent its preliminary positions and thoughts on these topics, and these may be subject to change as more information becomes available during further development of the policies. By not responding to or addressing a specific issue or topic at this time, the Company does not waive its right to comment at a later date.