



NRG Energy, Inc.
804 Carnegie Center
Princeton, NJ 08540

February 12, 2024

Via Electronic Mail (ipa.contactus@illinois.gov)

Brian Granahan
Acting Director
Illinois Power Agency
105 West Madison Street
Suite 1401
Chicago, Illinois 60602

RE: Comments of NRG Midwest Storage regarding aspects of the Illinois Power Agency's Preliminary Draft Policy Study

Director Granahan:

NRG Midwest Storage LLC ("NRG Midwest Storage" or the "Company") appreciates the efforts of the Illinois Power Agency ("Agency") to conduct this policy study in accordance with Public Act 103-0580, analyzing three policy proposals that were advanced during the General Assembly's Spring 2023 session. NRG Midwest Storage respectfully submits the following initial comments for consideration by the Agency regarding the battery storage procurement portion of the preliminary draft policy study that was released on January 22, 2024 and amended on February 8, 2024 (the "Draft Policy Study"). Any portion of the Draft Policy Study not addressed in these initial comments should not be taken as an endorsement of the Agency's views on that issue.

NRG Midwest Storage has been actively developing battery energy storage projects in Illinois since 2021. As discussed in the Draft Policy Study, the Department of Commerce and Economic Opportunity awarded grants to two projects being developed by the Company. Those projects will deliver 144 megawatts of battery energy storage to Illinois, helping the State achieve its clean energy goals.

NRG Midwest Storage supports policies that promote the advancement of energy storage in Illinois, recognizing battery energy storage as a crucial clean energy resource that aligns with the state's decarbonization objectives. Since the enactment of the Climate and Equitable Jobs Act in 2021, the retirement of over 2,500 MW of fossil fuel plants reflects Illinois' commitment to cleaner energy sources. However, a recent report by PJM¹ underscores a potential imbalance: while legacy power plants are retiring, the integration of new generation resources may not keep pace, posing risks to meeting consumer electricity demands. Projections from PJM also indicate a rise in electricity consumption due to the growing adoption of electric vehicles and expansion of data centers. Energy storage has emerged as a strategic solution to mitigate future demand fluctuations, especially when intermittent resources struggle to meet energy needs. Over ten states, including California, Oregon, Nevada, Virginia, New York, Massachusetts, and most recently Michigan, have established energy storage targets to enhance reliability and advance decarbonization efforts. NRG Midwest Storage supports a comprehensive statewide evaluation of the benefits associated with implementing battery energy storage targets. Such targets can stimulate economic growth, curtail carbon emissions, and alleviate projected reliability challenges.

NRG Midwest Storage looks forward to continuing to work with the Agency and other stakeholders to address the issues discussed in the Draft Policy Study.

¹ Energy Transition in PJM: Resource Retirements, Replacements & Risks. PJM Interconnection, LLC. <https://www.pjm.com/-/media/library/reports-notice/special-reports/2023/energy-transition-in-pjm-resource-retirements-replacements-and-risks.ashx> February 24, 2023.



Respectfully Submitted,

NRG Midwest Storage LLC

By: /s/ *Brian McCabe*
Senior Director, Development

Brian McCabe
Senior Director, Development
804 Carnegie Center
Princeton, NJ 08540
Phone: (404) 642-0732
Email: brian.mccabe@nrg.com