



Snapshot

- In 2007, the Illinois Power Agency (“IPA”) was established by Public Act 95-0481.
- The IPA was created to conduct the procurement of electricity for “eligible retail customers” of Illinois electric utilities in an ethical, objective, independent, and transparent manner.
 - ◆ Eligible retail customers are residential and small commercial entities who have not chosen service from an alternate supplier.
- The IPA is also responsible for implementation of the Illinois Renewable Portfolio Standard (“RPS”) used to facilitate the development of new renewable generation, development and implementation of a Carbon Mitigation Credit Procurement Plan, and a Zero Emission Standard Procurement Plan used to support at-risk nuclear plants.
- The IPA is an independent state Agency under the oversight of the Illinois Executive Ethics Commission.
- The IPA does not itself generate or sell power.
- The IPA is a self-funded agency and is not supported by taxpayer revenue.

Vision

A clean, reliable, and cost-effective energy future for residents and businesses across Illinois.

Mission

The Illinois Power Agency is committed to the planning and procurement of reliable, efficient, equitable, and cost-effective electricity for residents and businesses in an ethical and objective manner, insulated from improper influence. The IPA also administers incentive programs and procurements to promote renewable and zero-carbon energy generation to benefit all Illinoisans.

What is the IPA?

The Illinois Power Agency is an independent state agency established under Illinois law in 2007. It is charged with preparing annual electricity procurement plans and managing power purchases for residential and small commercial customers of Illinois electric utilities. The IPA is also responsible for the implementation of the Illinois

Renewable Portfolio Standard (“RPS”), a public policy designed to drive the development of renewable energy.

History

Illinois began the process of deregulation of the electric industry in 1997 when the Illinois General Assembly passed the Illinois Electric Service Customer Choice and Rate Relief Law. This law introduced a competitive electric market for large commercial customers (and later smaller customers) to purchase electricity from alternative retail electric suppliers. For residential and small commercial customers, the law decreased the price of electricity by 20% and capped that price until 2007. However, competitive options for those smaller customers did not develop.

In 2007, when the electricity rate reduction expired, rates increased significantly and the Illinois General Assembly enacted the Illinois Power Agency Act to shift the planning, development and implementation of electricity procurement from utilities to a new state agency, the IPA. This legislation also created the first version of the state’s Renewable Portfolio Standard (“RPS”).

The Future Energy Jobs Act (“FEJA”) which took effect in 2017 led to a significant overhaul of the RPS, including the development of a Long-term Renewable Resources Procurement Plan which describes the Agency’s process for competitive procurements for utility-scale wind, solar, and brownfield site solar projects, and the implementation of the Adjustable Block Program (“ABP”) and the Illinois Solar for All (“ILSFA”) program, and the development of the Zero Emissions Standard Plan to support at risk-nuclear plants.

The Long-Term Plan is updated every two years, with a focus on incenting the development of new renewable energy generation.

In September 2021, the Climate and Equitable Jobs Act (“CEJA”) took effect and includes the development and implementation of

a Carbon Mitigation Credits Procurement Plan by the Agency to support additional at-risk nuclear plants, and significant changes to the RPS including additional funding and increased goals, additional competitive procurements, an expansion of the scope and size of the Adjustable Block Program, and a new focus on labor, equity and diversity standards.

The Agency's programs include:

- Illinois Shines, previously known as the Adjustable Block Program, is an IPA-administered program that supports the development of new solar energy generation in Illinois through on-site solar and community solar projects. For more information, visit www.illinoisshines.com
- The Illinois Solar for All Program is designed to provide access to solar energy benefits that result in measurable savings for low-income households and communities. For more information, visit www.illinoisfa.com

Agency Responsibilities

The Illinois Power Agency Act (20 ILCS 3855) gives the IPA the authority to develop an annual electricity procurement plan on behalf of “eligible retail customers” – residential and small commercial customers who have not switched to other alternate suppliers – to ensure those customers receive reliable, affordable, efficient, and environmentally sustainable electricity. Under those procurement plans, the Agency conducts competitive procurements twice a year to purchase power to serve the eligible retail customers of Illinois electric utilities.