

# ILLINOIS POWER AGENCY ANNUAL REPORT FISCAL YEAR 2024

February 18, 2025

[ipa.illinois.gov](http://ipa.illinois.gov)



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## **Illinois Power Agency Annual Report**

### **Fiscal Year 2024**

**Prepared in Accordance with 20 ILCS 3855/1-125 and 220 ILCS 5/16-115D(d)(4)**

**February 18, 2025**

Thank you for your interest in the IPA's 2024 Annual Report. We are pleased to share our progress from the past year regarding our programs and procurements. This Annual Report period covers the State Fiscal Year 2024 (July 1, 2023 - June 30, 2024) as well as key highlights from July 1, 2024-December 31, 2024, and notable mentions from 2025.

This Annual Report shares key highlights, accomplishments, challenges, and opportunities through statistics, metrics, and stories of general interest, fulfilling statutorily mandated reporting requirements.

We welcome your feedback at [IPA.ContactUs@illinois.gov](mailto:IPA.ContactUs@illinois.gov).

## ABOUT ILLINOIS POWER AGENCY

The Illinois Power Agency (“IPA”) is an independent state agency established under Illinois law in 2007 through the enactment of the Illinois Power Agency Act (20 ILCS 3855). Under the oversight of the Executive Ethics Commission, the IPA is committed to:

- Ensuring the process of power procurement is conducted in an ethical and transparent fashion, immune from improper influence.
- Conducting competitive procurement processes to procure the supply resources identified in procurement plans.
- Operating in a structurally insulated, independent, and transparent fashion so that nothing impedes its mission to secure power at the best prices the market will bear, provided it meets all applicable legal requirements.
- Continuing to review its policies and practices to determine how best to meet its mission of providing the lowest cost power to the greatest number of people, at any given point in time, in accordance with applicable law.

The IPA is charged with preparing annual electricity procurement plans and managing power procurement for residential and small commercial customers of Illinois electric utilities who have not switched suppliers. The IPA is also responsible for the implementation of the Illinois Renewable Portfolio Standard (“RPS”), a public policy designed to drive the development of renewables in Illinois, and other vital energy policy initiatives.

## RESPONSIBILITIES

Guided by its mission and vision, the IPA develops an annual electricity procurement plan on behalf of “eligible retail customers” – residential and small commercial customers who have not switched to alternate suppliers – to ensure they receive reliable, affordable, efficient, and environmentally sustainable electricity. As outlined within those procurement plans, the Agency conducts competitive procurements twice a year to purchase power to serve the eligible retail customers of Illinois electric utilities.

For renewable energy resources, the IPA develops a Long-Term Renewable Resources Procurement Plan (“Long-Term Plan”) on a biennial basis. The Long-Term Plan serves as a roadmap for renewable energy programs and procurements managed by the IPA, with a focus on incenting the development of new renewable energy generation.

Key activities outlined through the Long-Term Plan include:

- Competitive procurements to support the development of new utility-scale wind, utility-scale solar, and brownfield site photovoltaic projects.
- The Illinois Shines Program (also known as the Adjustable Block Program) to support the development of distributed generation solar projects for Illinois homes and businesses, and the development of community solar projects.
- The Illinois Solar for All (“ILSFA”) Program to support solar for income-eligible households and communities.



- A large customer self-direct program through which large electric customers are eligible for bill credits through the Self-directed procurement of Renewable Energy Credits (“RECs”) – certificates that represent the environmental benefits of electricity generated from renewable energy generation.
- Consumer protection requirements applicable to IPA incentive programs.
- The Minimum Equity Standard (“MES”), a statutorily mandated requirement that establishes a minimum level of equity-eligible persons for the project workforce of entities participating in the IPA’s Illinois Shines Program, Self-direct Program or competitive renewable energy procurements.

In addition, the IPA is responsible for the development and administration of the Carbon Mitigation Credit (“CMC”) Procurement process and the Zero Emission Standard Procurement Plan, both of which support at-risk nuclear plants.

## **Vision**

The IPA's vision is to provide a clean, reliable, equitable, and cost-effective energy future for residents and businesses across Illinois.

## **Mission**

The IPA is committed to the planning and procurement of reliable, efficient, 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, while building an equitable clean energy future for all Illinoisans.

# MESSAGE FROM THE DIRECTOR

2024 has been another year of growth at the Illinois Power Agency. We are now up to 52 employees, and in November, we moved into a new office space at 180 N. Wabash in downtown Chicago. While our prior offices could accommodate no more than 15 employees comfortably, our new offices provide sufficient space for our growing staff. In October, we welcomed in a new Bureau Chief to our Planning & Procurement Bureau, with Jim Rouland joining the IPA on October 1 and Anthony Star moving full-time into a Senior Advisor position. We also welcomed Energy & Environmental Economics Inc. (“E3”) as our new Procurement Planning Consultant, and there’s no shortage of work for E3 to support. We are excited to have such talented new leadership and support in these vital areas of our work.



*Brian Granahan*  
*IPA Director*

The IPA also brought more new renewable energy projects under contract for development in 2024 than in any prior year. Across our programs and competitive procurement activity, nearly 2,500 MW of new wind or solar projects were awarded REC delivery contracts in 2024. This work is changing the face of energy generation in Illinois, and many of these successes are written further about in the pages ahead across this Annual Report. For the year ahead, the IPA’s challenge is maintaining similar levels of activity against strong federal headwinds and a tightening RPS budget.

Similar headwinds may face equity-related initiatives, but the IPA is firmly and unequivocally committed to promoting equity across the clean energy economy. In August 2024 (and with a follow-up in February 2025), the IPA released a comprehensive assessment of its implementation of the statutory Equity Accountability System authored by the Climate & Equitable Jobs Act. That Assessment outlines both the successes and the challenges of this vital work ensuring more equitable outcomes in the clean energy space. The IPA’s DEI Bureau, established in 2023, continues to expand with a renewed focus on outreach and partnerships planned for the year ahead—including a disparity study of the clean energy economy set to commence in early 2025.

Just as importantly, the IPA continues to perform its core electricity procurement function in a way that provides lower energy costs back to Illinois residents. The IPA was initially established to develop procurement plans and conduct procurement events to secure power supply for those customers who remained as supply customers with ComEd and Ameren. As outlined in an August 2024 analysis by ratepayer advocacy organization Citizens Utility Board, customers have lost over \$1.8 billion by switching to competitive suppliers since 2015 versus the utility default supply rate established through the prices

paid in IPA block energy procurement events. In 2024, ComEd customers who were with an alternative supplier on average paid about 3 cents per kilowatt-hour more than ComEd's supply price. Customers in Ameren territory who were with an alternative supplier paid about 2.4 cents per kWh more on average. Those differences aren't only a function of high prices charged by competitive suppliers; they're also a product of the low prices at which the IPA has been able to procure power, resulting in substantial savings for Illinois families and small businesses.

As an Agency, we continue to grow, mature, and evolve, becoming better equipped to navigate new challenges while continuing to improve execution of long-standing responsibilities. I cannot emphasize enough how that growth and maturation is the product of having incredible staff. We have employees who tirelessly pursue new, innovative ideas while working diligently to execute on prescribed responsibilities at incredibly high professional standards. As I stated last year, while this report features numerous statistics and metrics, no measurement tool can adequately measure the public service commitment continually demonstrated by IPA staff members in navigating countless complex new responsibilities. If you've stumbled upon this report to better understand our Agency's operations, let me start with this: no one works harder, and no one cares more. That should be your biggest takeaway.

The year ahead will certainly offer a new combination of challenges and opportunities. Meetings have begun across state agencies for the resource adequacy report required under Section 9.15(o) of the Illinois Environmental Protection Agency Act; that report is to be completed by December 15, 2025. Growing electricity load growth projections, fueled largely by new data centers serving applications like artificial intelligence, will unquestionably impact the scope and scale of the IPA's work across the years ahead. Maintaining reliable and affordable power supply may require new policies promoting state-administered investment into energy storage—an area which could quickly become the next major pillar of the IPA's work.

For the IPA, while the underlying technologies we support may change, the approach we take should not. So long as we navigate any new responsibilities through our core values of hard work, caring about outcomes in addition to requirements, and the strongest possible commitment to ethics and transparency, I am confident that positive results will follow.

Thank you for your interest in the IPA's 2024 Annual Report and we truly hope this content serves you well.

Sincerely,



Brian P. Granahan  
Director  
Illinois Power Agency

# COMMITMENT TO RELIABLE, EFFICIENT, COST – EFFECTIVE ELECTRICITY SUPPLY







## Electricity Procurement

The IPA conducts electricity procurements on behalf of "eligible retail customers": residential and small commercial customers of Illinois electric utilities who have not switched to an Alternative Retail Electric Suppliers. The goal of these electricity procurements is to ensure that eligible retail customers receive reliable, affordable, efficient, and environmentally sustainable electricity supply at the lowest total cost over time, taking into account any benefits of price stability. The IPA annually develops an electricity procurement plan that is approved by the Illinois Commerce Commission ("ICC"). The Agency conducts competitive procurements for block energy and capacity as approved by that plan.

In FY 24, the 2024 Electricity Procurement Plan was filed with the ICC on September 25, 2023, and was approved on December 14, 2023.<sup>1</sup>

The 2024 Electricity Procurement Plan continued the energy and capacity procurement strategies adopted in the Agency's 2023 Electricity Procurement Plan, including the twice a year procurement model that the Agency has utilized since 2014.<sup>2</sup> The procurement strategies in the 2024 Plan included procuring a targeted volume of 50% of Commonwealth Edison Company ("ComEd") eligible retail customers' expected load to recognize the value that Carbon Mitigation Credits ("CMCs") can provide to eligible retail customers in offsetting energy price changes; procuring more energy prior to the final

<sup>1</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/2024-electricity-procurement-plan-icc-final-order.pdf>

<sup>2</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/2024-final-electricity-procurement-plan-16-feb-2024.pdf>

spring procurement event for a delivery year in order to reduce the exposure to volatile energy prices right before a delivery year; and hedging 75% capacity for Ameren Illinois Company (“Ameren Illinois” or “Ameren”) customers in response to concerns about the volatility of prices in the Midcontinent Independent System Operator (“MISO”) Planning Reserve Auction. The 2024 Plan also continued the approach taken in the 2023 Plan in response to MISO implementing a seasonal resource adequacy construct starting with the 2023-2024 Delivery Year. In the 2024 Plan, the IPA conducted bilateral procurements for each of the four seasons and procured seasonal Zonal Resource Credits (“ZRCs”) instead of procuring annual ZRCs.

For FY24, the Agency conducted procurements of standard energy blocks in September 2023 and April 2024, and capacity for Ameren Illinois customers in September 2023 and April 2024. The results of these procurements are contained in the Section 1 of the Statutory Report.

**Figure 1: Ameren Block Energy Fuel Mix by Peak Status over July 1, 2023 – December 31, 2024**

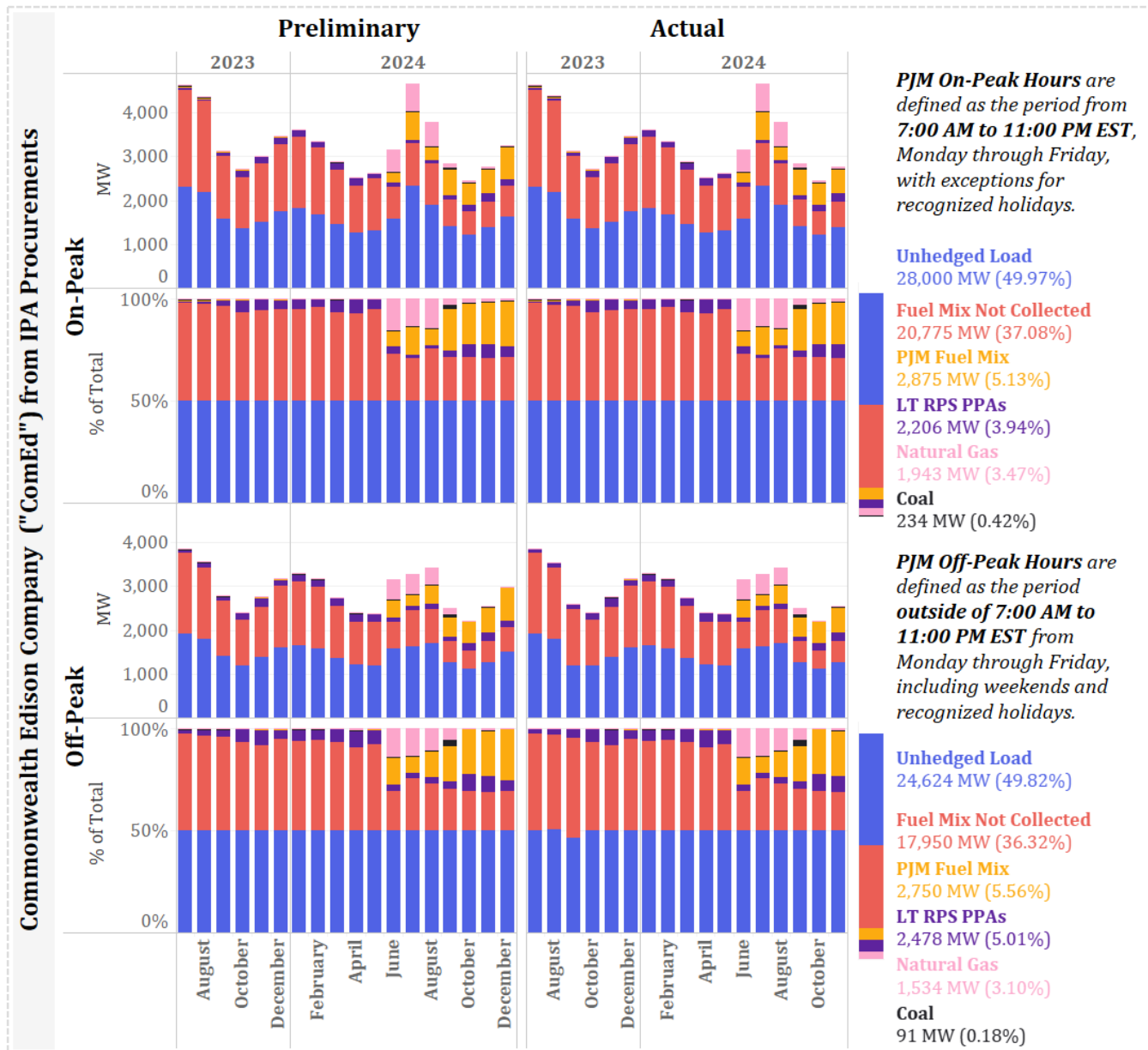
## Electricity Procurement - Fuel Mix



**Note:** The collection of Fuel Mix data started with the Spring 2023 electricity procurement. The IPA does not have fuel mix data for electricity procured in 2021 or 2022 procurement events. The visualizations reflect available Preliminary data from July 1, 2023 - December 31, 2024 and Actual data from July 1, 2023 - November 30, 2024. The Megawatt (MW) totals reflect Actual data.

Figure 2: ComEd Block Energy Fuel Mix by Peak Status over July 1, 2023 – December 31, 2024

## Electricity Procurement - Fuel Mix



**Source:** Planning and Procurement Bureau, Illinois Power Agency (December 2024)

**Note:** The collection of Fuel Mix data started with the Spring 2023 electricity procurement. The IPA does not have fuel mix data for electricity procured in 2021 or 2022 procurement events. The visualizations reflect available Preliminary data from July 1, 2023 - December 31, 2024 and Actual data from July 1, 2023 - November 30, 2024. The Megawatt (MW) totals reflect Actual data.

#### FY 24 (July 1, 2023- June 30, 2024) Key Highlights and Activities:

- The procurement of capacity for Ameren Illinois customers remained a challenge, falling well short of procurement targets. A variety of factors likely contributed to uncertainty in the procurement process that constrained participation, such as changes to the MISO capacity market design including the implantation of seasonal capacity products and uncertainty of a proposed (and subsequently adopted) change from a vertical to a sloped demand curve. As described below, the Agency has made a change to capacity procurement process that will be implemented in 2025 with the goal of improving procurement results.
- Starting in June 2023, the Agency began collecting information from winning bidders in electricity procurements on the expected fuel mix of winning bids, and then information on actual fuel mixes of delivered blocks of electricity on a biannual basis after that. The tables above illustrate the expected and actual fuels mixes starting with the 2023-2024 delivery year.

#### Key Highlights and Activities (July 1, 2024 – December 31, 2024):

- The MISO seasonal ZRC procurements in the Agency's Fall 2024 Procurement Event for Block Energy and Capacity resulted in an increased number of ZRCs procured compared to the Agency's Fall 2023 and Spring 2024 Block Energy and Capacity procurement events.
- The ICC approved the 2025 Electricity Procurement Plan on December 19, 2024.<sup>3</sup> The 2025 Electricity Procurement Plan largely follows the approach contained in the 2024 Plan with two key changes. First, the hedging levels for ComEd were adjusted to 50% in summer months and 30% in non-summer months as a refinement of recognizing the impact that CMCs can provide to eligible retail customers in offsetting energy price changes. Second, the Agency will introduce a new option for Ameren capacity procurements: the procurement of Financial ZRCs, in addition to traditional ZRCs. Financial ZRCs are structured as a fixed-for-float swap and do not require the delivery of actual ZRCs to Ameren. Financial ZRCs will provide the same hedging value to Ameren Illinois eligible retail customers while potentially expanding the size of the potential market of bidders.

<sup>3</sup> <https://www.icc.illinois.gov/docket/P2024-0727/documents/359340/files/629502.pdf>



# INCENTIVES TO SUPPORT AT-RISK NUCLEAR PLANTS



## Carbon Mitigation Credits

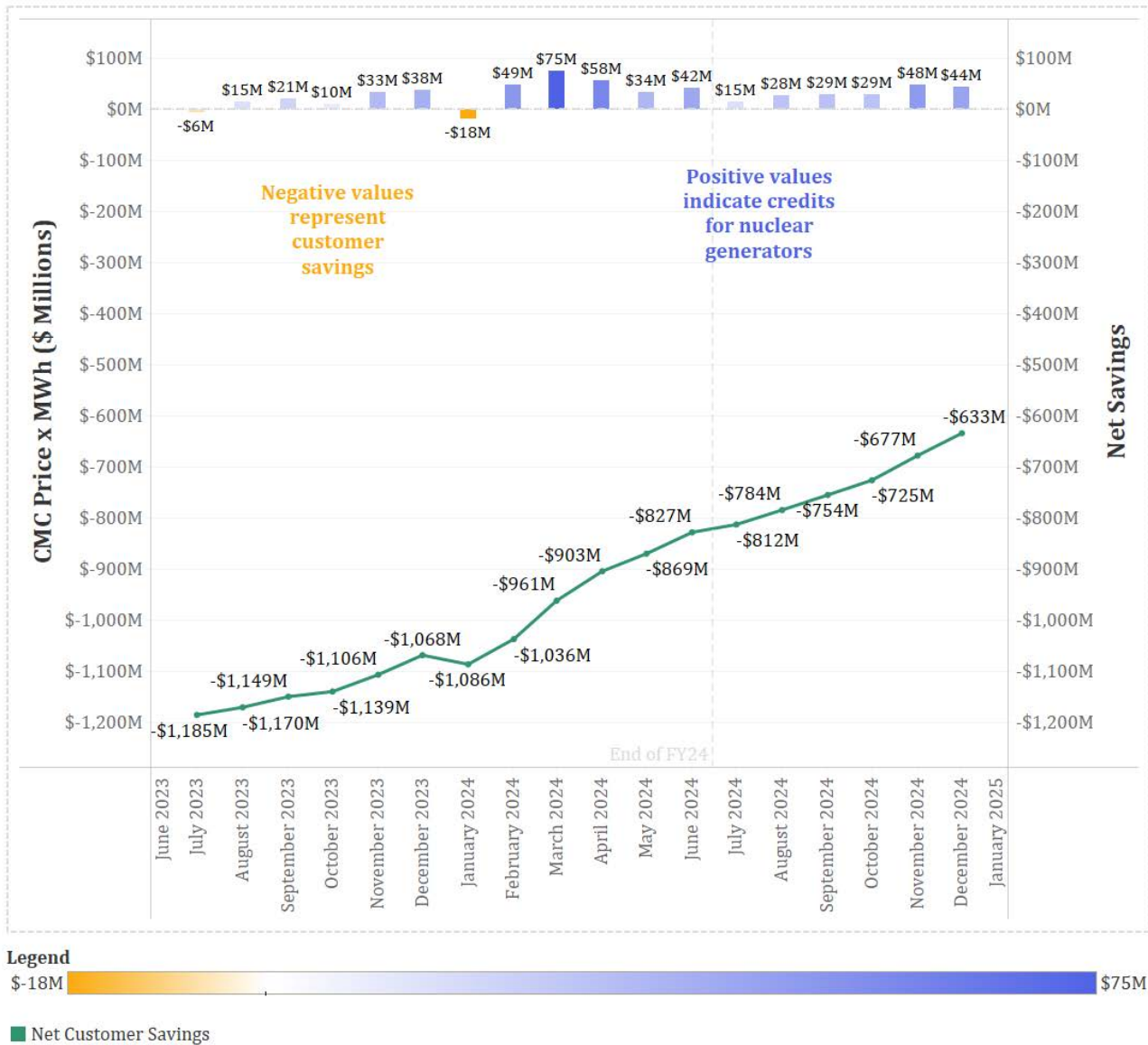
Public Act 102-0662 (“the Climate and Equitable Jobs Act” or “CEJA”) required the IPA to develop a Carbon Mitigation Credit procurement plan and administer a procurement for Carbon Mitigation Credits (“CMCs”), which occurred in the fall of 2021. The goal of this plan was to help preserve existing carbon-free, nuclear generation facilities. The IPA’s procurement of CMCs has ensured the continued operation of three nuclear plants through 2027.

The CMC model is different from the Agency’s previous Zero Emissions Standard procurement which also support two other nuclear plants through 2027, as CMC prices change upward or downward based on wholesale electricity and capacity prices changes. This approach serves as a form of price protection for ComEd ratepayers, as CMC prices fall and can even be negative when energy or capacity prices spike.

Following trends seen in 2023, wholesale electricity and capacity prices have remained largely flat and low from July 2023 through June 2024. This has resulted in a positive monthly CMC price in all but two months of the reporting period, and an estimated total payment of \$352 million from ComEd ratepayers during that time. The CMC plan continues to maintain a net negative cost and as of January 2025, has resulted in a total bill credit to ratepayers of over \$633 million since its inception (largely due to negative CMC prices in 2022).

**Figure 3: Carbon Mitigation Credits ("CMCs") – Price x MWh and Net Savings by Month over July 1, 2023 – December 31, 2024**

Carbon Mitigation Credits ("CMCs")	Average CMC Price (\$/ MWh):	July 1, 2023 - June 30, 2024	July 1, 2024 - December 31, 2024	July 1, 2023 - December 31, 2024
		\$6.41	\$7.28	\$6.70
	Total Cost to Ratepayers:	\$351,497,060	\$193,913,856	\$545,410,916
	Net Credit to Ratepayers:	-\$827,154,920	-\$633,241,064	-\$633,241,064



**Source:** Planning and Procurement Bureau, Illinois Power Agency (December 2024)

**Note:** When the CMC price is negative, customers in Illinois receive the credit. Conversely, when the CMC price is positive, the nuclear generator receives the credit.



# ADVANCING & ACCELERATING RENEWABLES



## Long-Term Renewable Resources Procurement Plan

The IPA's Long-Term Renewable Resources Plan, which is developed and published every two years, details goals and strategies for the IPA's renewable energy programs and procurements.

The IPA's 2024 Long-Term Plan was approved by the ICC<sup>4</sup> on February 20, 2024, and a final version was published on April 19, 2024.<sup>5</sup>

The plan was the culmination of a process that began in the spring of 2023 with requests for feedback from stakeholders, followed by the release of a draft plan for public comment on August 15, 2023. Initially filed with the ICC for approval on October 20, 2023, the 2024 Long-Term Plan guides activities from June 2024 through May 2026.

In addition to outlining the IPA's programs and procurements used to support new renewable energy project development, the 2024 Long-Term Plan contained several refinements and expansions to the Agency's renewable energy-related activities:

- A suite of solutions to address persistent oversubscription of the Group A Large Distributed Generation ("DG") and Small DG program categories of the Illinois Shines Program. Group A projects are located in the service territories of Ameren Illinois, MidAmerican Energy Company ("MidAmerican"), Mt. Carmel Public Utility, and rural electric cooperatives and municipal utilities located in MISO.
- A workshop process for determining the viability of downstream negotiations of Indexed Renewable Energy Credit ("REC") contracts used to support utility-scale wind, utility-scale solar, and brownfield site photovoltaic projects.
- A Solar Restitution Fund to provide economic assistance to customers who have been harmed through financially detrimental experiences with solar companies for projects participating in Illinois Shines or Illinois Solar for All.
- An Escrow Process to ensure customers who have been promised a portion of the REC incentive payment do in fact receive the payment through utilization of an escrow agent as a payee. This initiative answers a concern that has arisen in the context of Illinois Shines Distributed Generation customers, where some Approved Vendors ("AVs") have not passed through promised REC incentive payments.
- A Stranded Customer REC Adder to incentivize AVs to assist stranded customers. The REC Adder creates an economic incentive for AVs of the IPA's solar incentive programs to take on "stranded" customers whose original solar company has stopped moving forward with their projects due to ceased or limited operations, or for other reasons, such as disciplinary action.

<sup>4</sup> <https://www.icc.illinois.gov/docket/P2023-0714/documents/347306/files/606518.pdf>

<sup>5</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/final-2024-long-term-renewable-resources-procurement-plan-19-apr-2024.pdf>



- Additional funding made available through the CleanChoice Settlement Fund for the ILSFA program. Funding will be utilized to support work done by Low Income Home Energy Assistance Program (“LIHEAP”) service providers connecting eligible LIHEAP recipients to the ILSFA program and ILSFA Community Solar projects through the Clean Energy Connector.
- A system of labor reporting procedures established to ensure that contractors and employees are compensated fairly in accordance with Illinois state law when performing tasks related to the installation, construction, and maintenance of Illinois Solar for All: Community Solar (“Community Solar”) and Illinois Solar for All: Non-Profit and Public Facilities (“Non-Profit and Public Facilities”) sub-programs projects.

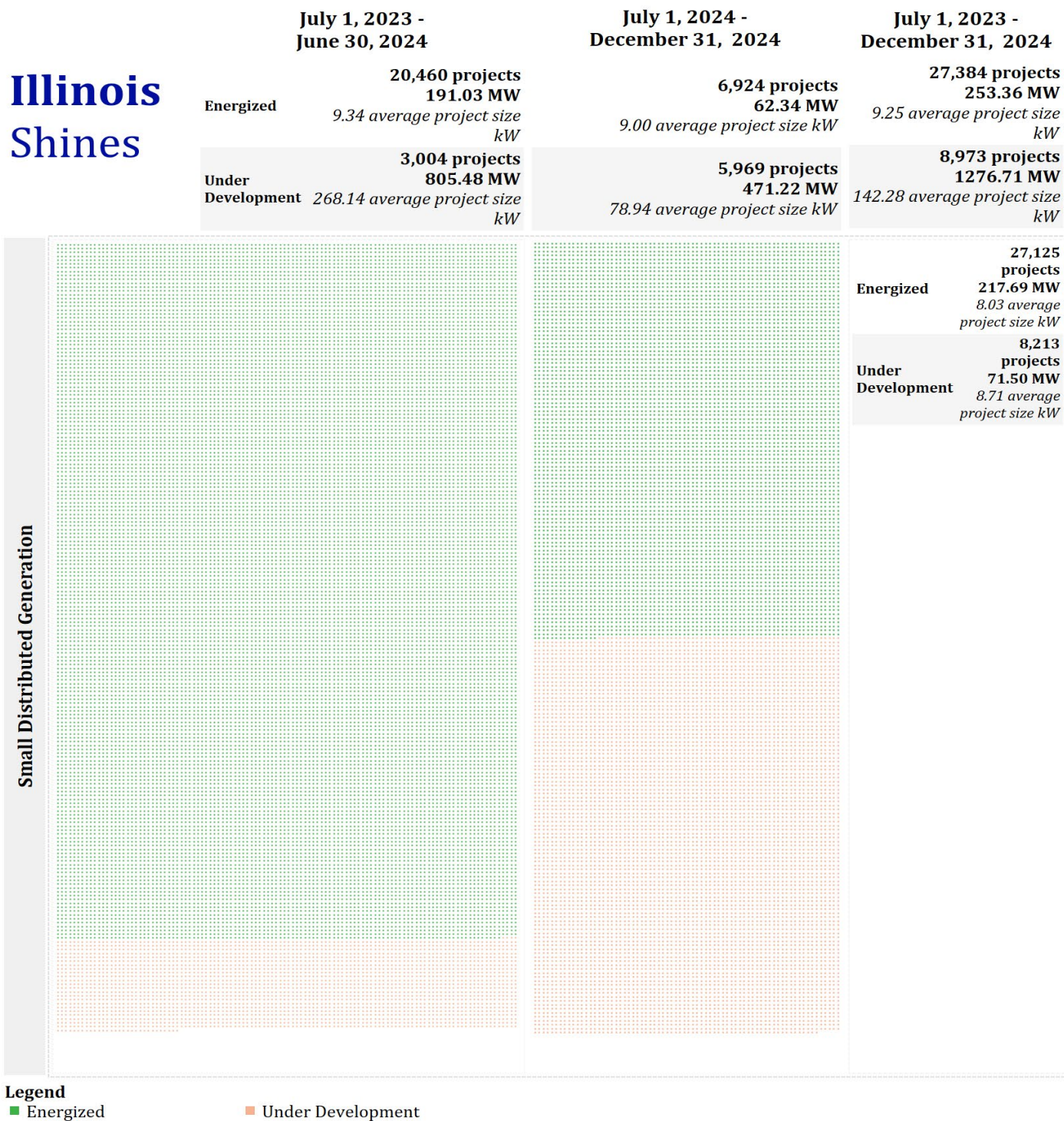
The Agency will begin the process of preparing the 2026 Long-Term Plan in Spring 2025.



## Illinois Shines

Illinois Shines (statutorily defined as the Adjustable Block Program), supports the development of on-site solar (distributed generation) as well as community solar projects. Illinois Shines makes going solar more affordable for residents and businesses across Illinois through valuable incentives. With valuable incentives, step-by-step guidance, robust consumer protections, and an emphasis on equity, Illinois Shines ensures everyone in Illinois can play a role in its clean energy future.

**Figure 4: Illinois Shines ICC Approved Small Distributed Generation Projects over July 1, 2023 – December 31, 2024**

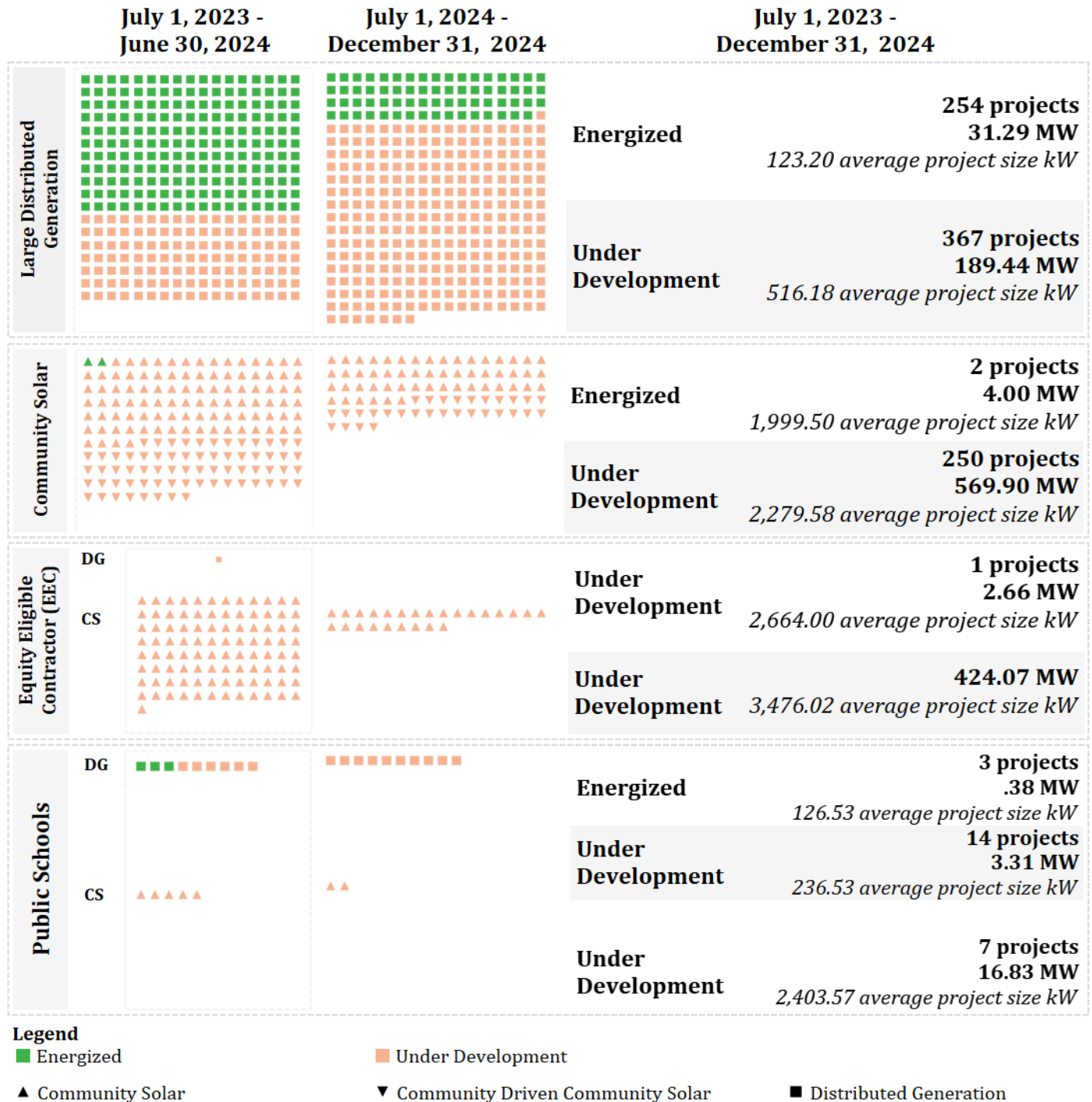


**Source:** Illinois Shines, Illinois Power Agency (December 2024)

**Note:** The Fiscal Year (FY) 2024 corresponds to the period from July 1, 2023 to June 30, 2024. The data visualized by Category includes projects that were ICC Approved during July 1, 2023 - December 31, 2024.

Figure 5: Illinois Shines ICC Approved Projects over July 1, 2023 – December 31, 2024

# Illinois Shines



**Source:** Illinois Shines, Illinois Power Agency (December 2024)

**Note:** The Fiscal Year (FY) 2024 corresponds to the period from July 1, 2023 to June 30, 2024. The data visualized by Category includes projects that were ICC Approved during July 1, 2023 - December 31, 2024.



## FY 24 (July 1, 2023 - June 30, 2024) Key Highlights and Activities:

- The Climate and Equitable Jobs Act amended the IPA Act to expand “priority access to the clean energy economy for businesses and workers from communities that have been excluded from economic opportunities in the energy sector, have been subject to disproportionate levels of pollution, and have disproportionately experienced negative public health outcomes.” This includes the creation of an Equity Accountability System (“EAS”), which includes the Minimum Equity Standard applicable to all AVs and Designees participating in the Agency’s Illinois Shines program and competitive procurements. Beginning in Program Year 2023-2024, which commenced June 1, 2023, the MES requires that at least 10% of the project workforce for each entity that participates in Illinois Shines comprise Equity Eligible Persons (“EEPs”). This first Program Year of the MES was a trailblazing effort that included companies completing three reports to ensure compliance with this equity requirement: a MES Compliance Plan, a Mid-Year Report, and a MES Year-End Report.
- Since the Program’s launch in 2019, the Group A (projects located in the service territories of Ameren Illinois, MidAmerican, Mt. Carmel Public Utility, and rural electric cooperatives and municipal utilities located in MISO) Small Distributed Generation and Large Distributed Generation categories have exhausted available capacity at a faster rate than Group B (projects located in the service territories of ComEd, and rural electric cooperatives and municipal utilities located in PJM). To address the growing interests of project development and the ongoing need for continuity in incentive availability in central and southern Illinois, beginning with the 2024-25 Program Year on June 3, 2024, the Agency removed the Group A and B capacity split from the Small Distributed Generation and Large Distributed Generation Program categories.
- In October 2023, the IPA launched an initial pilot of a Mentorship Program for Approved Vendors (“AVs”) and Designees, with a focus on Equity Eligible Contractors (“EECs”) and/or businesses that are woman-owned, veteran-owned, disability-owned, or are considered small businesses.<sup>6</sup> The Mentorship Program provided participants, or mentees, with training and presentations to help them successfully navigate Program requirements, application procedures, CEJA equity requirements, and other aspects of the Illinois Shines program. The pilot consisted of a cohort of 12 mentees and offered eight weeks of Program training that concluded in December 2023. Mentees from the first cohort in Program Year 2023-24 shared positive experiences from the Pilot Program.<sup>7</sup> In testimonials given after its conclusion, mentees stated that the Mentorship Program was an “invaluable experience” and “instrumental” in building confidence and knowledge on the renewable energy landscape.

<sup>6</sup> Equity Eligible Contractor means a business that is majority-owned by Equity Eligible Persons, or a nonprofit or cooperative that is majority-governed by Equity Eligible Persons or is a natural person that is an Equity Eligible Persons offering personal services as an independent contractor as defined in Section 1-10 of the IPA Act. 20 ILCS 3855/1-10.

<sup>7</sup> <https://illinoisshines.com/wp-content/uploads/2024/03/Mentorship-Pilot-Program-Final-Report-01March2024.pdf>



- In FY 24, the IPA launched a Disclosure Form “Deep Dive” tool in support of consumer education.<sup>8</sup> Since the inception of the Illinois Shines and ILSFA programs, the IPA has required that standard Disclosure Forms be provided to customers for their signature, with those customer-executed forms then submitted to the appropriate Program Administrator. The customer must sign their completed Disclosure Form prior to signing a Distributed Generation contract, or in the case of a Community Solar project, a subscription agreement. This tool is an interactive forum that helps customers understand the details of their Disclosure Form by walking them through the document, section by section. The tool is part of the Agency’s commitment to bring more information to consumers so their decision to go solar and participate in Agency incentive programs is well informed.
- A key feature of the Equity Accountability System is the ability of EECs to request an advance of a portion of REC Contract value prior to the associated project’s energization. This capital advancement pre-energization constitutes a significant departure from the standard structure utilized under Illinois Shines REC contracts – which feature payment only after verification of system energization – and is intended to serve EEC-certified businesses exhibiting true need and to support a more diverse Approved Vendor pool. Due to the number, scale, and content of the requests for advanced capital that the Agency received in Program Year 2023-24, the Agency concluded that the original process for requesting such capital was insufficient to provide a fair and transparent process. In the interest of prudent stewardship of State-administered funding, collected from Illinois ratepayers, the Agency refined and strengthened the process and criteria for requesting advanced capital under the EEC category of Illinois Shines. The IPA outlined a more detailed and precise application review and approval process to ensure that only advance of capital requests that demonstrate genuine need for overcoming barriers to accessing capital are approved. This new process was implemented December 12, 2023.

#### Key Highlights and Activities (July 1, 2024 – December 31, 2024):

- During this period, the Agency prepared for changes to net metering, effective January 1, 2025. Net metering is a billing mechanism whereby customers earn credit for the power their system produces that is sent to the grid for others to utilize. Historically, Illinois utilities have been required to provide customer bill credits for excess energy produced by their residential or small commercial solar system at the full retail rate. Under CEJA, net metering offerings changed to “supply-only” for new customers starting January 1, 2025. The IPA prepared for this transition by providing resources to the market including FAQs, hosting webinars, soliciting feedback on how these changes will affect the AVs, and updating the Program portal and Disclosure Forms ahead of this change.<sup>9</sup>
- On June 3, 2024, registration for the new EEC Subcontractor distinction was released in an effort to further support equity in the renewable energy marketplace in Illinois. The EEC Subcontractor registration was created for businesses that qualify as an EEC and seek to participate in the Program but do not yet have a relationship with an AV and/or do not have a customer-facing role

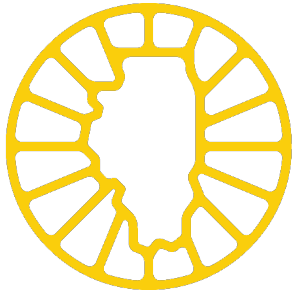
<sup>8</sup> <https://illinoisshines.com/disclosure-forms/>

<sup>9</sup> <https://illinoisshines.com/net-metering-credits/>

for projects submitted to the Program as Designees do. Subcontractors may register as an EEC Subcontractor and will be listed on the Program website and the Agency's Energy Workforce Equity Portal for reference.<sup>10</sup> As of January 30, 2025, the Program has seen 11 EEC Subcontractors register and utilize this new distinction.

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<sup>10</sup> <https://energyequity.illinois.gov/>

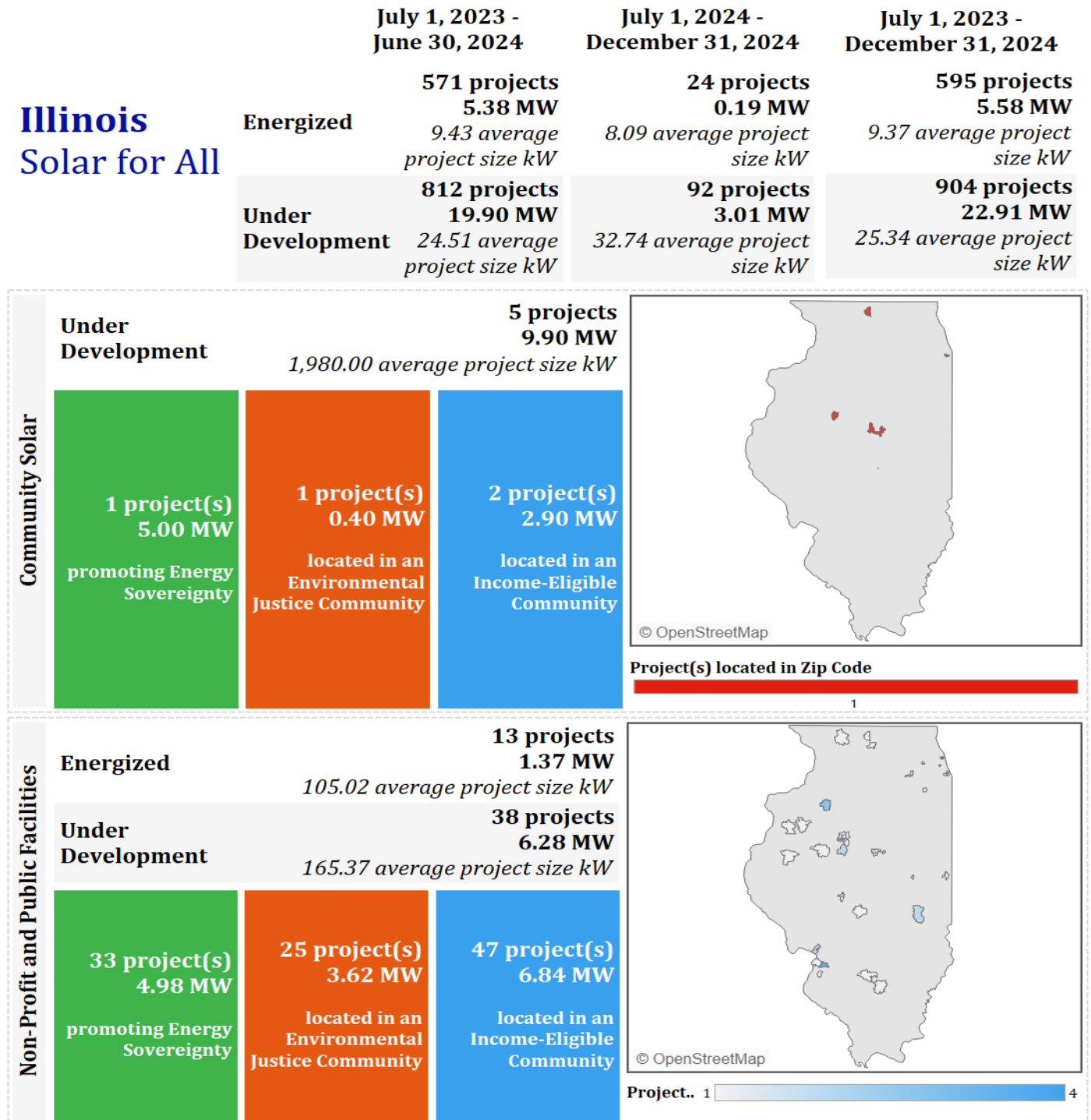


# Illinois Solar for All

## Illinois Solar for All

Illinois Solar for All (“ILSFA”) is a state program that brings the benefits of solar energy to income-eligible households, nonprofit organizations, and public facilities. Through the program, eligible participants work with program AVs to receive affordable solar installations and save money on electric bills. ILSFA helps to ensure that every resident and community in Illinois can access clean and affordable energy.

**Figure 6: Illinois Solar for All ICC Approved Community Solar and Non-Profit and Public Facilities Projects over July 1, 2023 – December 31, 2024**



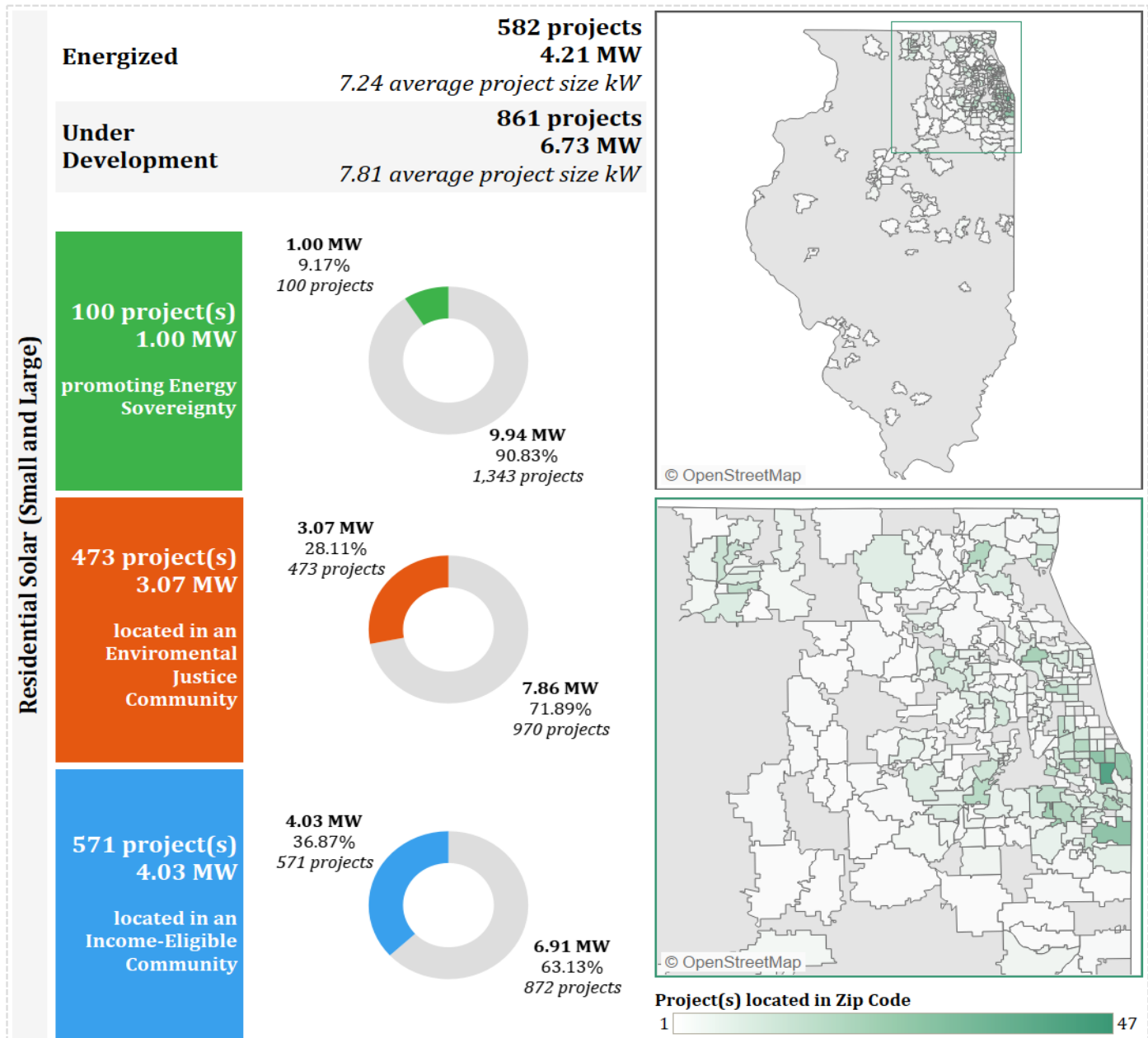
**Source:** Illinois Solar for All, Illinois Power Agency (December 2024)

**Note:** The Fiscal Year (FY) 2024 corresponds to the period from July 1, 2023 to June 30, 2024. The data visualized by Sub-Program includes projects that were ICC Approved during July 1, 2023 - December 31, 2024.

***Figure 7: Illinois Solar for All ICC Approved Residential Solar (Small and Large) Projects over July 1, 2023–December 31, 2024***

# Illinois Solar for All

**July 1, 2023 - December 31, 2024**



**Source:** Illinois Solar for All, Illinois Power Agency (December 2024)

**Note:** The Fiscal Year (FY) 2024 corresponds to the period from July 1, 2023 to June 30, 2024. The data visualized by Sub-Program includes projects that were ICC Approved during July 1, 2023 - December 31, 2024.

## FY24 (July 1, 2023 - June 30, 2024) Key Highlights and Activities:

- On November 17, 2023, ILSFA was named one of five grand prize winners of the DOE's American-Made 2023 Sunny Awards, a competition that recognizes community solar projects and programs that employ best practices to increase equitable access to the meaningful benefits of community solar for income-eligible residential subscribers and their communities. ILSFA was the only state program winner of a 2023 Grand Prize Sunny Award for serving as a blueprint for community solar programs that increase low-to-moderate-income household access to community solar subscriptions while providing electricity bill savings.
- In July 2023, ILSFA introduced the Home Repairs and Upgrades Pilot initiative in the Illinois Solar for All: Residential Solar (Small) ("Residential Solar (Small)") sub-program, seeking to garner participation among AVs through an educational training session.<sup>11</sup> The Pilot is intended to improve participation in the sub-program by offering incentives that help address home repair costs. One project was approved by the end of the ILSFA Program Year in May 2024, and nine projects submitted during the Program Year were approved after its close. To support the ILSFA program in reducing barriers to affordable solar, the Home Repairs and Upgrades Pilot also gathered information on the frequency and extent of electrical and roof repair needs.
- On August 1, 2023, the Bright Neighborhoods Pilot initiative was launched, seeking to identify barriers to ILSFA's Residential Solar (Small) sub-program by shifting subscriber acquisition from AVs to the Program Administrator.<sup>12</sup> The initiative was piloted in three communities, an urban neighborhood (West Garfield Park, Chicago), a suburban city (Waukegan), and downstate region (Carbondale-Marion Micropolitan).
- The Clean Energy Connector was officially launched on March 15, 2024, in three pilot states, including Illinois.<sup>13</sup> Developed by the U.S. Department of Energy ("DOE"), National Community Solar Partnership, and the U.S. Department of Health and Human Services, the digital platform is intended for Low Income Home Energy Assistance Program (LIHEAP) recipients, and seeks to make community solar subscriptions with savings more accessible to households participating in government-run low-income support programs, such as the LIHEAP Program. The ILSFA program has partnered with the Illinois Department of Commerce and Economic Opportunity ("DCEO") Office of Community Assistance and nine LIHEAP agencies across the state to engage households applying for LIHEAP and expand access to the solar market. In September 2024, Illinois added its first solar vendor on the platform and opened ILSFA Community Solar subscription capacity available for household enrollment for LIHEAP Agency referrals in January 2025.
- The Residential Solar (Small) sub-program experienced a substantial increase in the number of households served. In FY24, 1,340 Residential (Small) projects were ICC approved, totaling 10.33 MW of capacity and \$32.86 million in REC incentives. This significant growth represents a 700% increase in the amount of ICC approved projects for 1-4 unit residences, compared to the previous

<sup>11</sup> <https://www.illinoisfa.com/program/home-repairs-and-upgrades/>

<sup>12</sup> <https://www.illinoisfa.com/program/bright-neighborhoods/>

<sup>13</sup> <https://www.energy.gov/communitysolar/clean-energy-connector>



fiscal year. FY24 saw five AVs supporting Residential Solar (Small) offers, with 93% of the projects submitted coming from one AV that cleared a backlog of projects during this period. Although submissions have decreased since then, the Program continues to receive applications at a steady pace.

- The enactment of Public Act 103-0188<sup>14</sup> applied prevailing wage requirements to projects in the Community Solar and Non-Profit and Public Facilities sub-programs, submitted after June 30, 2023.<sup>15</sup> ILSFA tracked and managed labor-related documentation for 32 ICC approved projects subject to prevailing wage requirements, including seven Part II approved projects that submitted IDOL Certified Transcripts of Payroll (“CTPs”).

#### Key Highlights and Activities (July 1, 2024 – December 31, 2024):

- During this period, the IPA and ILSFA Program Administrator prepared for net metering changes by educating and informing AVs and Designees of the changes, which became effective January 1, 2025. ILSFA currently requires participating solar companies to provide a level of savings where a participant’s total costs and fees are no more than 50% of the energy value received. To ensure program participants continue to receive meaningful benefits proportional to the upcoming adjustments with net metering, the IPA is currently researching how savings can be modeled under the new net metering structure and has released FAQs,<sup>16</sup> hosted webinars,<sup>17</sup> and solicited feedback from stakeholders to make any necessary program adjustments in anticipation of this change.<sup>18</sup>
- The Inflation Reduction Act (“IRA”) authorized the EPA to create and implement the Greenhouse Gas Reduction Fund to support clean energy and climate solutions across the country. In April 2024, the EPA announced the Illinois Finance Authority (IFA or Illinois Climate Bank) was selected to receive \$156 million through the Solar for All grant competition to deliver the benefits of solar to low-income and disadvantaged households. The IFA, as the primary grantee on the award, will lead the program on behalf of the state and work with the IPA to provide financial and technical assistance to ILSFA participants, including support for energy sovereignty and community-driven projects, health and safety upgrades, and incorporation of energy storage paired with solar systems. ILSFA worked with the IFA in Fall 2024 on a plan to layer this federal funding with

<sup>14</sup> [Public Act 103-0188](#) was enacted on June 30, 2023

<sup>15</sup> Prevailing Wage is a minimum compensation level set by the Illinois Department of Labor (“IDOL”) for construction activities related to public works, including installation, operations and maintenance, and system commissioning. All projects submitted to ILSFA after June 30, 2023, are subject to the requirements of the Prevailing Wage Act, with the exception of residential distributed generation projects or projects serving houses of worship that do not exceed 100 kW AC.

<sup>16</sup> <https://www.illinoissfa.com/upcoming-changes-to-illinois-net-metering-bill-credits-impacting-the-ilsfa-program/>

<sup>17</sup> <https://ipa.illinois.gov/events/ipa-power-hour-7--upcoming-illinois-net-metering-changes.html>

<sup>18</sup> <https://www.illinoissfa.com/announcements/2024/09/view-stakeholder-feedback-on-the-proposed-updates-to-disclosure-forms/>

existing incentives to best reduce barriers to low-income participation, and hopes to begin rollout of funds in early 2025.

## Utility-Scale Brownfield Solar, Solar and Wind



As part of administering the Illinois RPS, the IPA conducts competitive procurement events for RECs from new utility-scale wind, utility-scale solar, and brownfield site photovoltaic projects. Utility-scale projects are larger in scale than the projects participating in the Illinois Shines Program, which supports specific homes or businesses. Solar projects sited on brownfields help incentivize development on blighted or contaminated land that meets certain statutory criteria for eligibility.

These procurement events are conducted twice a year. Renewable energy project developers submit bids to sell RECs from their proposed projects for a twenty-year term, with Ameren Illinois, ComEd, and MidAmerican as the buyers of those RECs. The Agency's procurement of RECs from utility-scale wind, solar, hydropower and brownfield projects utilize an Indexed REC pricing approach established by CEJA under which REC prices are indexed to wholesale energy market prices.

**Figure 8: Utility-Scale Projects by Indexed REC Procurements over July 1, 2023 – December 31, 2024**

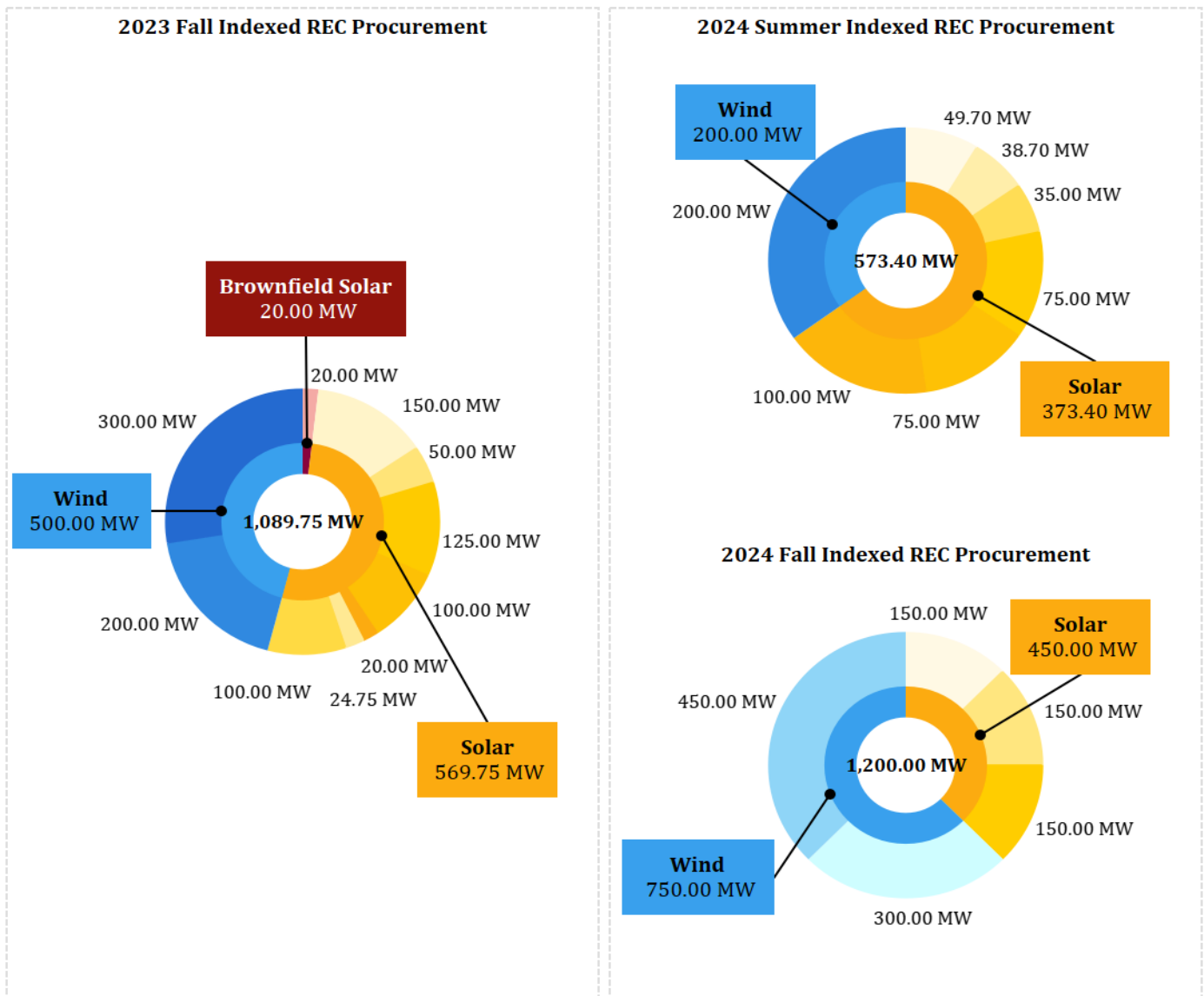
## Indexed REC Procurements

July 1, 2023 - June 30, 2024

**1,089.75 MW**  
**10 projects**

July 1, 2024 - December 31, 2024

**1,773.40 MW**  
**12 projects**



### Legend

■ Brownfield Solar ■ Solar ■ Wind

**Source:** Planning and Procurement Bureau, Illinois Power Agency (December 2024)

**Note:** These visualizations and totals capture projects that were ICC Approved during the periods referenced. The Fiscal Year (FY) 2024 corresponds to the period from July 1, 2023 to June 30, 2024, which includes the 2023 Fall Indexed REC Procurement. Fall Indexed RECs (2023) were approved by the ICC on December 14, 2023. Summer Indexed RECs (2024) were approved by the ICC on July 24, 2024. Fall Indexed RECs (2024) were approved by the ICC on December 5, 2024.

**Figure 9: Utility-Scale Projects by Energy Source over July 1, 2023– December 31, 2024**

## Indexed REC Procurements

July 1, 2023 - December 31, 2024

**22 projects**  
(2,863.15 MW)

**Brownfield Solar**

**1 project(s)**  
(0.70%)

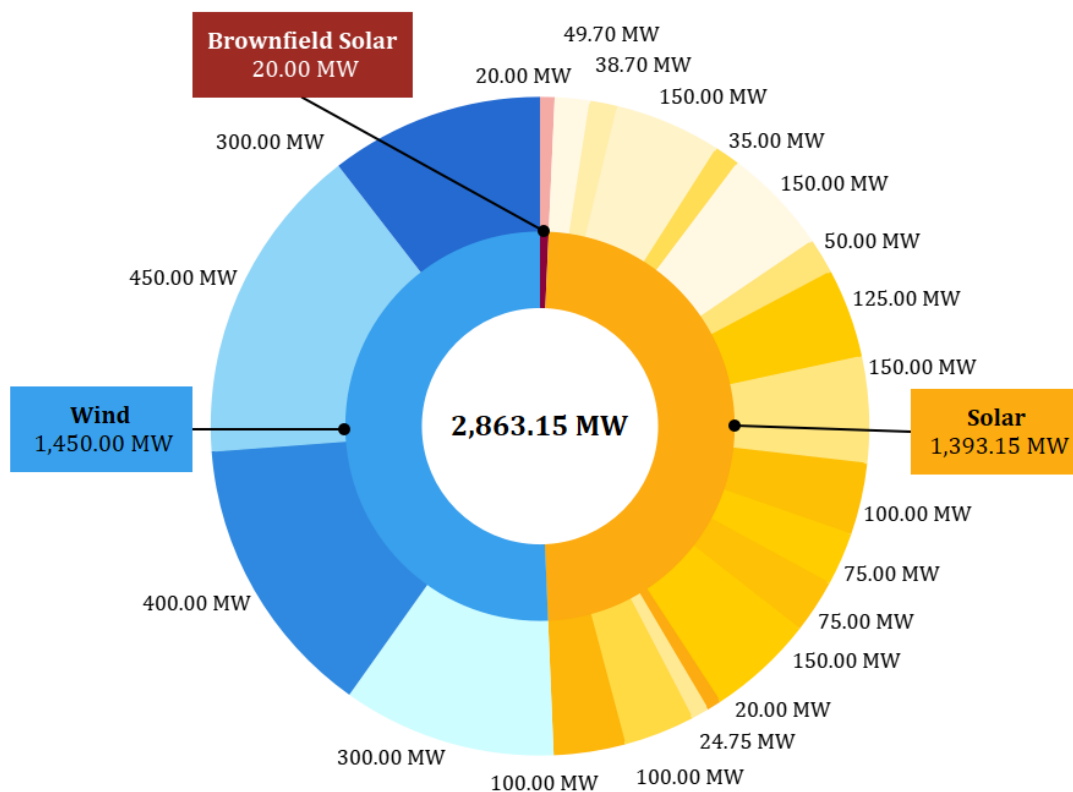
**Solar**

**16 project(s)**  
(48.66%)

**Wind**

**5 project(s)**  
(50.64%)

Cumulative of Procurement Events from July 1, 2023 - December 31, 2024



### Legend

■ Brownfield Solar      ■ Solar      ■ Wind

**Source:** Planning and Procurement Bureau, Illinois Power Agency (December 2024)

**Note:** These visualizations and totals capture projects that were ICC Approved during the periods referenced. The Fiscal Year (FY) 2024 corresponds to the period from July 1, 2023 to June 30, 2024, which includes the 2023 Fall Indexed REC Procurement. Fall Indexed RECs (2023) were approved by the ICC on December 14, 2023. Summer Indexed RECs (2024) were approved by the ICC on July 24, 2024. Fall Indexed RECs (2024) were approved by the ICC on December 5, 2024.



### FY 24 (July 1, 2023 - June 30, 2024) Key Highlights and Activities:

- On December 14, 2023, the ICC approved the bids for Indexed RECs from the Fall 2023 Indexed REC Procurements to support the development of over 1000 megawatts (MW) of new renewable energy projects: two new utility-scale wind projects (500 MW), seven new utility-scale solar projects (569.75 MW) and one new brownfield site photovoltaic project (20 MW). The average winning bid price was \$74.10.<sup>19</sup>
- In response to concerns about the limited results of the Indexed REC procurements for wind projects, the Agency, the IPA and the Procurement Administrator, NERA, engaged in extensive research and efforts highlighted in last year's Annual Report and continues to do so.<sup>20</sup>
- New, modernized, and retooled hydropower projects at existing dams were added to the set of utility-scale projects that the Agency seeks to procure RECs from as established by Public Act 103-0380.
- In response to concerns about increasing transparency of benchmark development and allowing for potential bidders to provide information to the Procurement Administrator for review, the IPA conducted a new comment process as part of the benchmark development process for each Indexed REC procurement event, per Chapter 5.8 of the 2024 Long-Term Plan.

### Key Highlights and Activities (July 1, 2024 – December 31, 2024):

- On July 24, 2024, the ICC approved the bids for Indexed RECs from the Summer 2024 Indexed REC Procurements to support seven new utility-scale solar projects (573.4 MW). The average winning bid price was \$73.06.<sup>21</sup>
- On December 5, 2024, the ICC approved the bids for Indexed RECs from the Fall 2024 Indexed REC Procurements to support three new utility scale solar projects (450 MW) and two new utility scale wind projects (750 MW).<sup>22</sup> The average winning bid price was \$76.98/MWh.<sup>23</sup>
- The IPA's 2024 Long-Term Plan outlined a process for exploring post-award REC delivery contract term changes for utility-scale wind and utility-scale solar projects.<sup>24</sup> The Agency conducted a series of five workshops, running from July 2024 through December 2024, to explore the post-

<sup>19</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/public-notice-of-december-2023-wind-solar-and-brownfield-indexed-rec-procurement-results-2023-12-14.pdf>

<sup>20</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20240215-annual-report-fy23--final.pdf>

<sup>21</sup> <https://www.ipa-energyrfp.com/wp-content/uploads/2024/07/Public-Notice-of-July-2024-Wind-Solar-Hydropower-and-Brownfield-Indexed-REC-Procurement-Results-2024-7-24.pdf>

<sup>22</sup> [https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20241205\\_public-notice-dec-2024-wind-solar-hydropower-brownfield-indexed-rec-procurement-results.pdf](https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20241205_public-notice-dec-2024-wind-solar-hydropower-brownfield-indexed-rec-procurement-results.pdf)

<sup>23</sup> The bid prices listed are strike prices, not the actual price paid for RECs. The actual price paid for RECs will be determined each month once projects are completed by subtracting an indexed wholesale energy price from the strike price for each project.

<sup>24</sup> <https://ipa.illinois.gov/renewable-resources/stakeholder-engagement/downstream-negotiation-for-indexed-rec-contracts.html>

award REC delivery contract term changes. The Indexed REC contract post-award negotiation process may be finalized for inclusion in a compliance filing with the ICC by mid-February 2025.

## Self-direct Program

CEJA directed the IPA to develop a new Self-direct Renewable Portfolio Standard Compliance Program ("Self-direct Program"). The Self-direct Program encourages large electric load Illinois customers to retire RECs acquired through private long-term contracts with new utility scale-wind and/or solar projects. These customers must be served by ComEd or Ameren Illinois and must have aggregated demand over 10 MW. In exchange, those customers receive a reduction in RPS charges on their electric bills.



**FY24 (July 1, 2023 - June 30, 2024) Key Highlights and Activities:**

- For the second program year, which began on June 1, 2024, the Agency approved applications from the City of Chicago, Loyola University, and State Farm Insurance.<sup>25</sup> All three participants will have RECs supplied by the Double Black Diamond Solar Project. In the Agency's 2024 Long-Term Plan, the Agency had set a maximum program size of 4 million RECs annually for the 2024-2025 program year. The combined total of approved applications is approximately 1 million RECs annually.

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<sup>25</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20240516-self-direct-program-2024-2025.pdf>



# STRENGTHENING DIVERSITY, EQUITY, AND INCLUSION





## DIVERSITY, EQUITY, AND INCLUSION



The IPA is steadfast in its commitment to Diversity, Equity, and Inclusion (“DEI”). Recognizing that DEI is both central to our mission and imperative to our work, the IPA strives to: ensure the uniqueness and dignity of all individuals, foster a culture of belonging and strive for equity, ensure DEI principles inform our work in the clean energy sector, and strengthen and advance equity in the clean energy industry by increasing access to the growing clean energy economy for communities that have been historically excluded from economic opportunities with the energy sector.

The passage of CEJA marked a significant milestone in advancing equity in Illinois' clean energy sector. The IPA has taken transformative steps to prioritize equity in the clean energy sector. Central to this effort is the development and implementation of an EAS, a comprehensive framework designed to ensure diversity among contractors and workers participating in the Agency's solar incentive programs and renewable resource procurements. The EAS encompasses key initiatives designed to prioritize equity, including a Minimum Equity Standard (“MES”) for workforce participation, a dedicated project category in the Illinois Shines program for Equity Eligible Contractors (“EECs”), access to an advance of capital

within the EEC project category, bid selection preferences for utility-scale projects, and the Energy Workforce Equity Portal to connect clean energy companies with Equity Eligible Persons (“EEPs”).<sup>26</sup>

The MES is designed to increase the participation of Equity Eligible Persons and Equity Eligible Contractors in Illinois’ clean energy sector. First implemented in the 2023-2024 Program Year, the MES requires that at least 10% of the project workforce for entities participating in the Illinois Shines program and the IPA’s competitive procurements consist of EEPs or EECs, with this percentage set to gradually increase to 30% by 2030. MES compliance is monitored through structured submissions of Compliance Plans, Mid-Year Reports, and Year-End Reports, with entities facing potential ineligibility for future program participation if they fail to meet the MES without securing an approved waiver. To support the MES rollout, the IPA and Illinois Shines Program Administrator launched extensive outreach and education efforts, including addressing over 1,200 MES-specific inquiries, developing over a dozen compliance resources, conducting dedicated webinars, and continuously updating MES-related content online. This comprehensive support framework ensured that participants received clear guidance on compliance requirements while laying the foundation for ongoing equity advancements in the clean energy sector.

## EEC Category & Advance of Capital

The EEC category within the Illinois Shines program is designed to foster equitable participation of EECs in the clean energy sector.<sup>27</sup> This category ensures that businesses majority-owned by EEPs have exclusive access to dedicated program capacity for distributed generation and community solar projects, with at least 10% of the Illinois Shines program’s capacity reserved for EECs. To support EECs, the Program offers a range of services, including personalized assistance from a dedicated EEC Sector Strategist, one-on-one meetings with the Program Administrator, weekly office hours, and EEC roundtable discussions that facilitate feedback and program improvements. Additionally, the Illinois Shines Mentorship Program provides tailored training and support, particularly for minority-owned, woman-owned, veteran-owned, and small businesses, equipping them with the skills and knowledge to thrive in the clean energy sector.

<sup>26</sup> Equity Eligible Persons mean “persons who would most benefit from equitable investments by the State designed to combat discrimination, specifically: (1) persons who graduate from or are current or former participants in the Clean Jobs Workforce Network Program, the Clean Energy Contractor Incubator Program, the Illinois Climate Works Pre-apprenticeship Program, Returning Residents Clean Jobs Training Program, or the Clean Energy Primes Contractor Accelerator Program, and the solar training pipeline and multi-cultural jobs program created [by the Future Energy Jobs Act]; (2) persons who are graduates of or currently enrolled in the foster care system; (3) persons who were formerly incarcerated; (4) persons whose primary residence is in an equity investment eligible community.” 20 ILCS 3855/1-10.

<sup>27</sup> <https://illinoisshines.com/equity-accountability-system/>

Additionally, the Advance of Capital (“AoC”) mechanism of the EEC category provides upfront financial assistance to EECs, helping them overcome barriers related to initial project costs.<sup>28</sup> While the AoC mechanism was intended to support small and emerging businesses demonstrating financial need, early implementation of the AoC revealed challenges, including an influx of requests from well-established firms and unclear evaluation criteria. In response, the Agency paused the process in Fall 2023 to develop clearer guidelines based on stakeholder feedback. The revised evaluation criteria that the IPA developed aims to identify EECs that have barriers to participation in the solar market to ensure funds are directed toward businesses that genuinely need support. The Agency has also enhanced support through the integration of AoC guidance into the Illinois Shines Mentorship Program, reaffirming its commitment to supporting EEC participation in the clean energy economy.

To promote equity in utility-scale renewable energy projects, the IPA has implemented an equity bid adjustment process to incentivize developers to exceed the Minimum Equity Standard by providing bid evaluation advantages to projects with higher commitments to employing EEPs and contracting with EECs. This mechanism integrates equity considerations into the bid evaluation process by offering a price adjustment to proposals that demonstrate higher utilization of EECs and a significant portion of contract value flowing to EECs. In addition to requiring that at least 10% of the project workforce in utility-scale solar, wind, and brownfield site photovoltaic projects consists of EEPs or EECs—gradually increasing to 30% by 2030—the equity bid adjustment provides a competitive advantage to projects exceeding these minimums. However, participation in this adjustment process has been limited, and the IPA has not yet seen bidders formally use this preference in Indexed REC procurement events. To encourage broader adoption, the Agency is reviewing the bid adjustment’s effectiveness and exploring refinements that may enhance its impact in future procurements.

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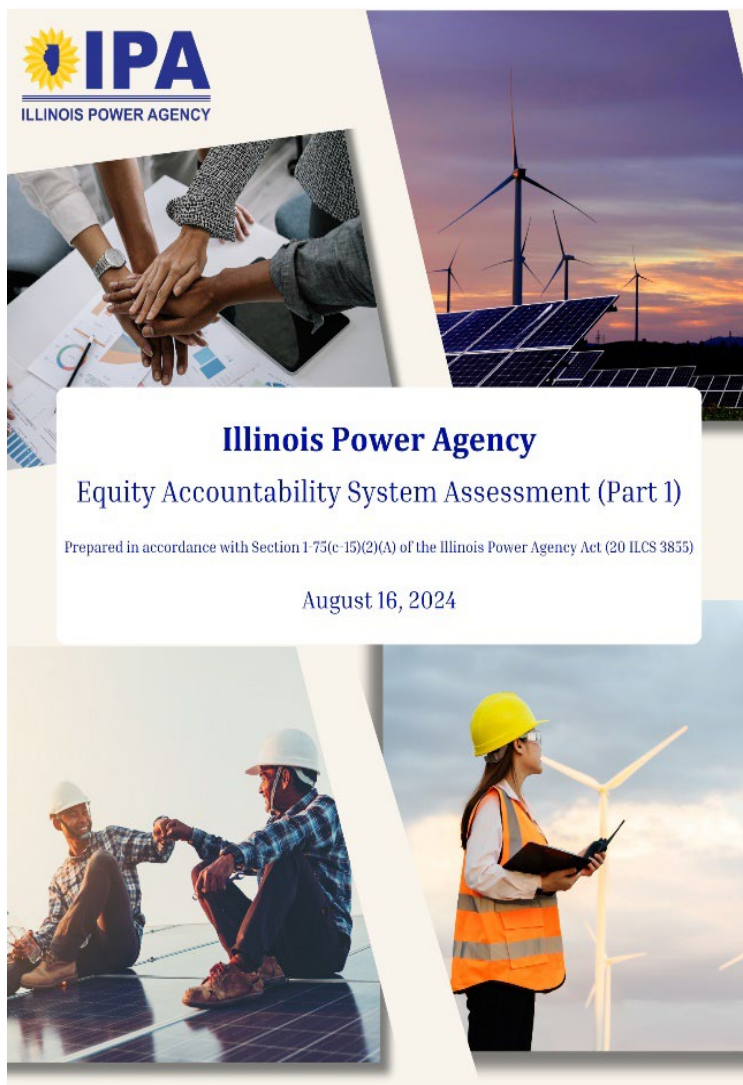
<sup>28</sup> EEC-certified AVs within Illinois Shines program are eligible to submit projects to the Equity Eligible Contractor block within Illinois Shines, which also enables them to apply for advancement of pre-development capital for that project. By receiving advances on incentive capital, the IPA helps reduce barriers for eligible small and emerging businesses and diversifies the AV pool.

## Equity Accountability System Assessment

In August 2024, the IPA published Part I of its EAS Assessment, a comprehensive evaluation of the EAS's effectiveness in advancing equity across Illinois' clean energy economy by increasing participation of EECs and EEPs in IPA-administered programs and procurements.<sup>29</sup> Recognizing the complexity and scope of this analysis, the EAS Assessment is being released in two parts. Part I, published in August 2024, focuses on the implementation of the EAS during its first year, analyzing data from mid-year compliance reports, stakeholder interviews, surveys, and other feedback.<sup>30</sup> This initial analysis provides insights into the impact of the MES, the EEC category, the advance of capital, equity prioritizations in competitive procurements, and an evaluation of the Energy Workforce Equity Portal's early performance.

Given the nature of the Program Year and reporting, the EAS assessment was split into two distinct reports to account for the MES compliance reporting review cycles. With comprehensive Program Year 2023-2024 data accounted for, a more complete review of the effectiveness and success of the EAS is published Part II published in EAS Assessment.<sup>31</sup> Part II of the EAS Assessment builds on findings of Part I by providing a detailed analysis of the first full year of MES compliance data, offering insights into successes, challenges, and areas for improvement.

The EAS Assessment serves as a critical tool for evaluating the effectiveness of the Agency's equity policies and programs, helping to measure how



<sup>29</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20240816-equity-accountability-system-assessment-final-081624.pdf>

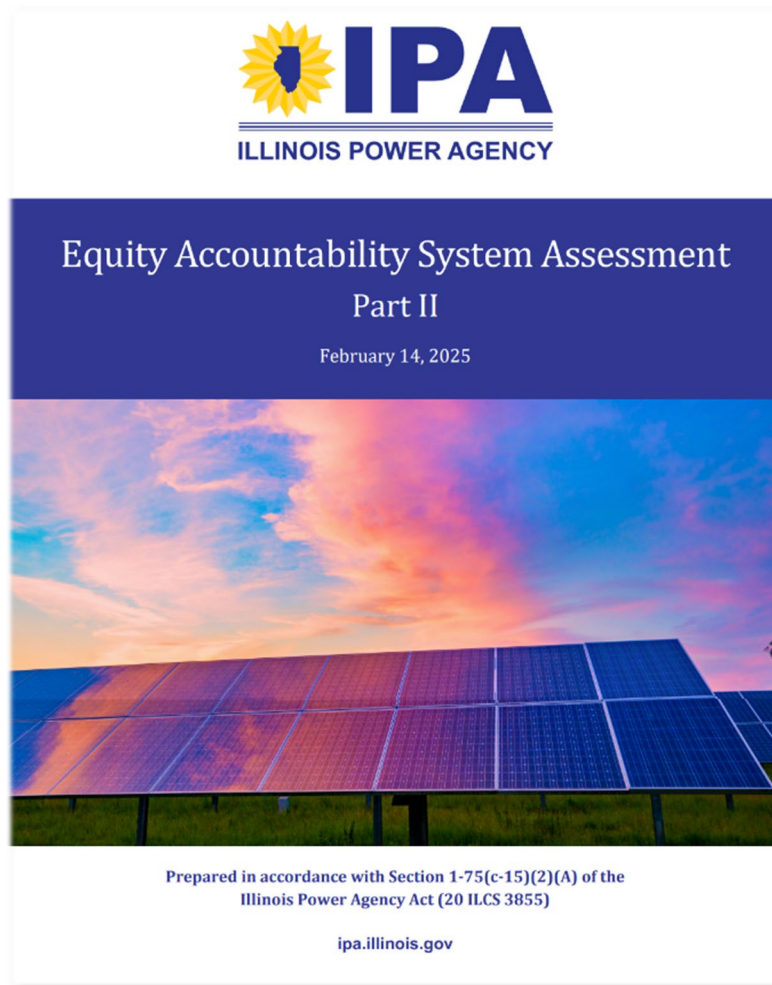
<sup>30</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20240816-equity-accountability-system-assessment-final-081624.pdf>

<sup>31</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20250214-equity-accountability-system-assessment-part-2-final.pdf>



successfully they are fostering inclusive participation in Illinois' clean energy economy. While one year of operation does not provide a sufficient timeline to fully assess long-term impact, preliminary findings of the EAS Assessment indicate promising progress. Notably, 78% of entities complied with the MES, with 18% of the workforce engaged in Illinois Shines program projects consisting of EEPs. Additionally, over 80 EECs have registered in the Program, with registrations continuing to rise. While the EAS lacks a historical baseline for comparison, these initial metrics reflect a positive trajectory, suggesting that equitable participation in the Illinois' clean energy economy is on the right track.

Through stakeholder engagement and program analysis, the Agency has identified key areas for targeted improvements to strengthen the EAS. Recommendations include enhancing protection within the EEC category to prevent misuse, refining the Advance of Capital process to better support small and emerging businesses, and adjusting to the equity bid process in utility-scale procurements to encourage broader participation. More detailed information regarding these recommendations can be found in chapter six of the EAS Assessment Part II.<sup>32</sup>



<sup>32</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20250214-equity-accountability-system-assessment-part-2-final.pdf>





## Energy Workforce Equity Portal

Launched on January 31, 2023, the Energy Workforce Equity Portal (“Equity Portal”) is a critical tool developed to enhance equity and inclusion within Illinois’ clean energy economy.<sup>33</sup> The Equity Portal connects clean energy companies with EEP job seekers that are looking for jobs in the clean energy sector. The Equity Portal features:

- Information on qualifications and requirements for job seekers to become EEPs
- An application form to be certified as an EEP
- Job postings from clean energy companies seeking to hire EEPs
- A listing of EEPs who have voluntarily chosen to identify themselves to potential clean energy companies
- Information on clean energy workforce training programs administered by DCEO
- An Equity Investment Eligible Community (“EIEC”) map that can be utilized by anyone to determine if they, or someone they know, reside in an equity investment eligible community
- Contact information for EECs participating in the Illinois Shines program

Beginning in July 2023, the Agency introduced several enhancements and expansions to the Equity Portal, aimed at improving the user experience and expanding functionalities. These enhancements include:

- Information on resources for skill development to connect job seekers to FEJA and CEJA workforce training programs as well as other education and training programs
- Publication of the FEJA Grantees List that allows clean energy companies to identify specific job training programs that qualify individuals to become EEPs
- Expansion of the EEP registration form to allow for employers and training providers to register EEPs

<sup>33</sup> <https://energyequity.illinois.gov/>

- Information on grants and funding opportunities for organizations at the state, federal, and local level
- EIEC map updates:
  - Access to downloadable files of the EIEC map data
  - Additional layers to the EIEC map allowing users to overlay Illinois county, Illinois House and Senate district, and Chicago ward boundaries onto the map
  - In April 2024, the Agency refreshed its Equity Investment Eligible Community (EIEC) map. This update incorporated newly identified R3 Areas — communities identified for restorative justice investment — based on updated data from the Illinois Criminal Justice Information Authority (ICJIA), reflecting new 2020 census information, unemployment and child poverty indicators, and broader geographic analysis over a five-year time span. The updated map includes both newly identified R3 Areas and those from previous analyses, significantly increasing the number of qualifying communities in central and southern Illinois.
  - In June 2024, the Agency updated the EIEC map, reflecting the removal of 2022 Environmental Justice Community (EJC) areas used in the previous program year. These EJC designations, determined by the ILSFA Program, are based on updated data from the U.S. Census and the EPA's EJ Screen tool.

**Figure 10: Equity Eligible Persons (EEPs) Registered in the Energy Workforce Equity Portal by Demographics**

## Energy Workforce Equity Portal

July 1, 2023 -  
June 30, 2024

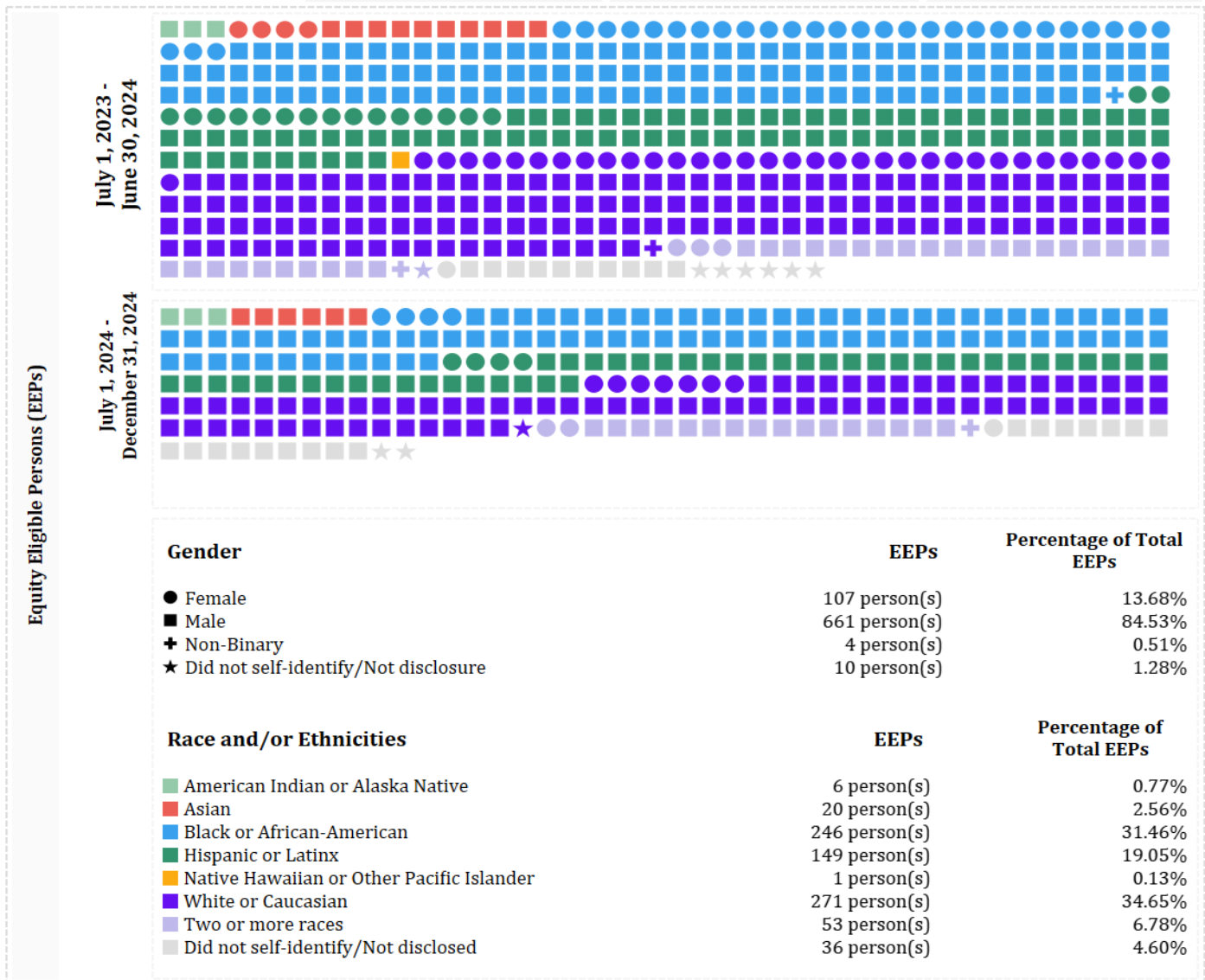
513 persons

July 1, 2024 -  
December 31, 2024

269 persons

July 1, 2023 -  
December 31, 2024

782 persons



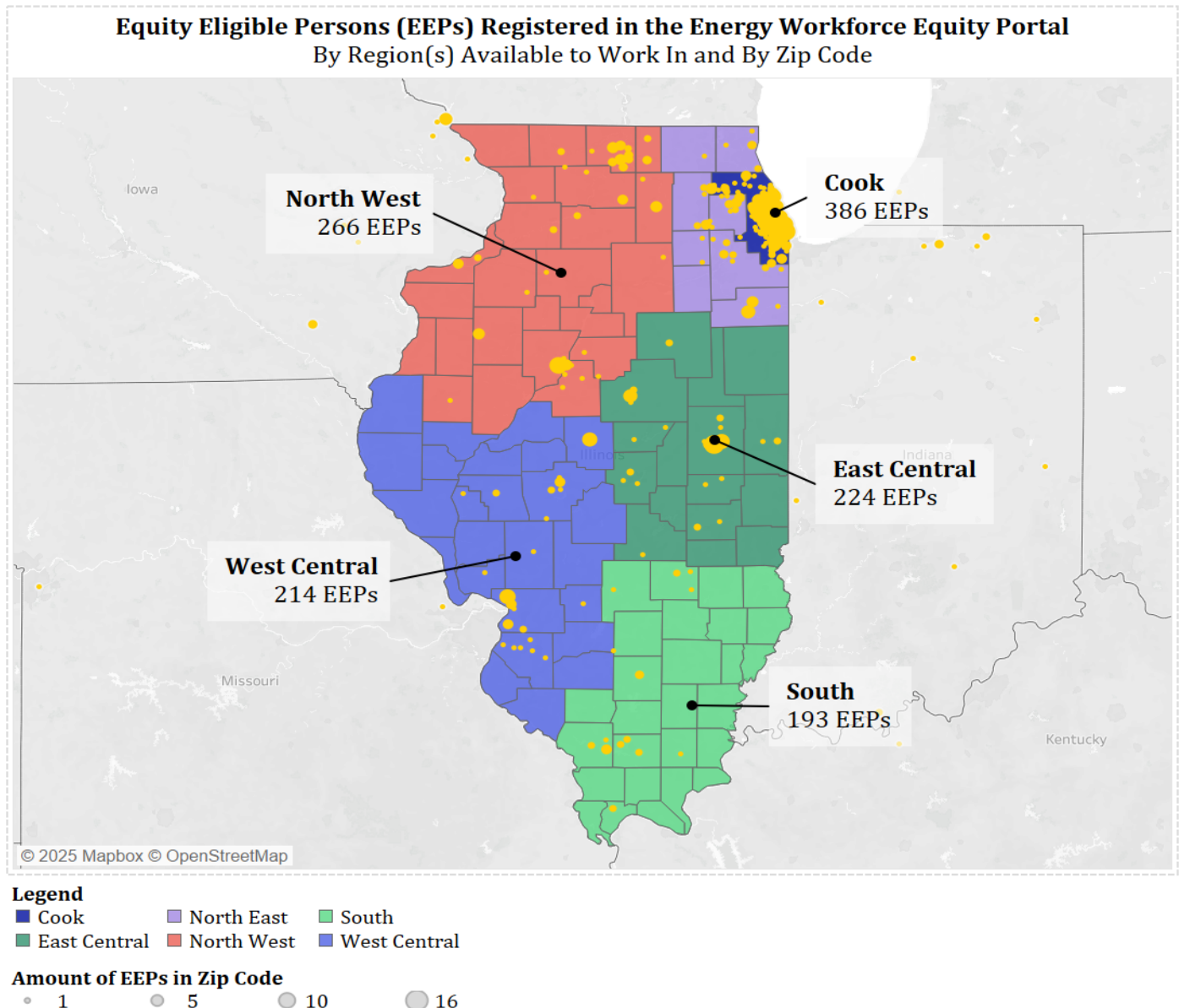
**Source:** Diversity, Equity, and Inclusion Bureau, Illinois Power Agency (December 2024)

**Note:** The gender, race and/or ethnicity reflected is collected during the EEP registration process on the Portal. The option of *Two or more races* is available as its own option. For the purpose of this visualization when two or more races were reported, they are reported as under the *Two or more races* option.

**Figure 11: Equity Eligible Persons (EEPs) Registered in the Energy Workforce Equity Portal by Regions Available to Work in and by Zip Code**

## Energy Workforce Equity Portal

July 1, 2023 - December 31, 2024



**Source:** Diversity, Equity, and Inclusion Bureau, Illinois Power Agency (December 2024)

**Note:** During registration, EEPs may select which regions they are available to work in (Cook, East Central, North East, North West, South, West Central). These These Regions are defined using Illinois Solar for All's Illinois Regions. EEPs can select multiple regions or choose "Not Applicable." Since multiple options are available, the total number of EEPs available to work in all regions may not match the total number of registered EEPs, as an EEP may be reflected in more than one region.

## DEI Advisory Committee

In November 2024, the IPA established a Diversity, Equity, and Inclusion (“DEI”) Advisory Committee to create an inclusive and structured platform for Illinois’ clean energy sector stakeholders to engage in dialogue, provide input, and offer feedback on the Agency’s equity initiatives.<sup>34</sup> The IPA DEI Advisory Committee is composed of 10-15 members and includes representatives from the following categories: Coalitions, Community-Based Organizations, Community Action Agencies, Equity Eligible Persons, Equity Eligible Contractors, Environmental Justice Advocates, Clean Energy Companies, Unions, and Educational Institutions.

The committee aims to ensure that the implementation of IPA-related equity initiatives of the Climate and Equitable Jobs Act are informed by diverse stakeholders in Illinois’ clean energy economy, enhancing the effectiveness and inclusivity of these programs.

The committee held its inaugural meeting on November 14, 2024.



<sup>34</sup> <https://ipa.illinois.gov/diversity-equity-and-inclusion/dei-advisory-committee.html>



## Small and Emerging Business Hub

On September 26, 2024, the IPA launched a dedicated Small and Emerging Business Hub, Small and Emerging Business Hub (“Hub”), with a goal of providing centralized industry-specific information to help small and emerging businesses navigate the clean energy sector successfully.<sup>35</sup> The Hub serves as a tool to provide entities a helpful starting point in navigating business development and growth, thus allowing enhanced access to the clean energy economy for all. Energy Workforce Equity Portal, provides access to resources for small and emerging businesses navigating the solar landscape in Illinois. This includes information on essential aspects of the IPA’s solar incentive programs, step-by-step guidance on becoming an AV with Illinois Shines and Illinois Solar for All, benefits of participation, financial incentives, and support services tailored to the needs of small and emerging businesses navigating the programs and their requirements.

The Hub also features a wide range of local, state, and federal resources, including business planning, entrepreneurial development, grants and funding, workforce training and human resources, and more. Small and emerging businesses can leverage the Hub’s wide range of materials to help them start and grow their businesses.

### Small & Emerging Business Hub



**Are you a small business looking to get more involved in the clean energy industry in Illinois? The Small & Emerging Business Hub (Hub) is here to help! The Illinois Power Agency (IPA) launched the Hub as an effort to centralize key resources, tools, and information in one place to help small businesses navigate the clean energy landscape seamlessly.**

**STAY UPDATED!**

Sign up for IPA emails and announcements by clicking the button above.

<sup>35</sup> <https://energyequity.illinois.gov/small-emerging-business-hub.html>

## Small and Emerging Business Guide

In February 2024, the IPA developed the Small and Emerging Business Guide to support businesses navigating Illinois' solar programs, such as Illinois Shines and Illinois Solar for All.<sup>36</sup> The Guide walks small and emerging solar companies through the step-by-step process of becoming an AV with Illinois Shines and ILSFA. It provides businesses with supplemental information to access the solar market, including business certification, market participation, and incentive program qualification requirements.

By offering comprehensive insights, the Guide aims to empower small and emerging businesses to access opportunities within Illinois' growing clean energy economy.

## Small and Emerging Business Workshops

To help meet the needs of small and emerging businesses interested in taking part in ILSFA, the ILSFA Program Administrator, Elevate Energy, has been engaging community organizations and leaders to host a series of webinars and in-person training workshops.<sup>37</sup> Workshop topics include business planning, marketing, access to capital, government certifications, and more. In addition to workshops, ILSFA provides support services to AVs and Designees participating in the Program, providing one-on-one assistance with the Program Administrator, office hours, and guidance on program resources, networking, industry support, and referrals.

## Racial Disparity Study

In May 2024, the IPA issued a Request for Qualifications to identify a consultant to conduct a complete, comprehensive, and legally supportable Racial Disparity and Availability Study to assess the presence and impact of racial discrimination or disparities in Illinois' clean energy economy.

IPA anticipates the study commencing 4-6 weeks after awarding of contract. The Agency estimates the study will take 12-18 months to conduct, with additional months for the consultant to engage in up to five public presentations across Illinois to explain the scope, methodology, findings, and recommendations of the study.

The IPA's commitment to equity is reflected in the measurable progress of its programs. As the Agency continues to build on these efforts, it remains dedicated to fostering a clean energy future that prioritizes diversity, equity, and inclusion.

<sup>36</sup> <https://illinoisshines.com/wp-content/uploads/2024/03/ILSFA-Small-Emerging-Business-Guide-v27-27Feb2024.pdf>

<sup>37</sup> <https://energyequity.illinois.gov/small-emerging-business-hub/illinois-solar-for-all-small-and-emerging-businesses.html>

# SOLAR ENERGY SUCCESS STORIES



## Illinois Shines Mentorship Program

*"The Mentorship Program has been instrumental in enhancing my understanding of the SREC program. Its well-structured approach and detailed information have equipped me with a thorough grasp of the program's intricacies, ensuring that I now comprehend its various aspects completely. Thank you for setting this up for the approved vendors."*

- General Energy Corporation

*"I wanted to reach out to say that I continue to be impressed with the volume and depth of communications about the [Illinois Shines Program]. This program is quite complicated and takes plenty of work to manage successfully, but all the weekly info, info on the Illinois Shines website, and so forth is well organized to minimize our work, so thank you for your hard work organizing it all."*

- Aurelien Windenberger, Ideal Energy





## Landlord Cuts Electricity Costs with Solar

Alejandra Flores, a landlord and single-family homeowner in the Chicago Lawn neighborhood, shared her ILSFA experience and excitement that the program helped cut her monthly electricity bills from \$185 to \$39.

*"What drew me to solar energy was the savings."*



- Alejandra Flores, a landlord and single – family homeowner in the Chicago Lawn neighborhood.

## Urbana Non – Profit Saves of \$16,000 Annually on Energy Through Illinois Solar for All

Cunningham Children’s Home, a non-profit that works with youth and families experiencing hardship in Urbana, saves over \$16,000 in energy costs with solar energy. These savings allow the organization to direct additional resources toward the youth and families it serves.

*"It really was an easy process – from the application process all the way to the installation... we will save over \$16,000 a year, which will help us, now, direct some of those resources to the youth and families that we serve... Whether you’re a nonprofit or whether you’re a private homeowner, this is something that I would really recommend."*

- Ginger Mills,  
Director of  
Advancement,  
Cunningham  
Children’s  
Home, Urbana,  
Illinois





# CONNECTING WITH KEY STAKEHOLDERS

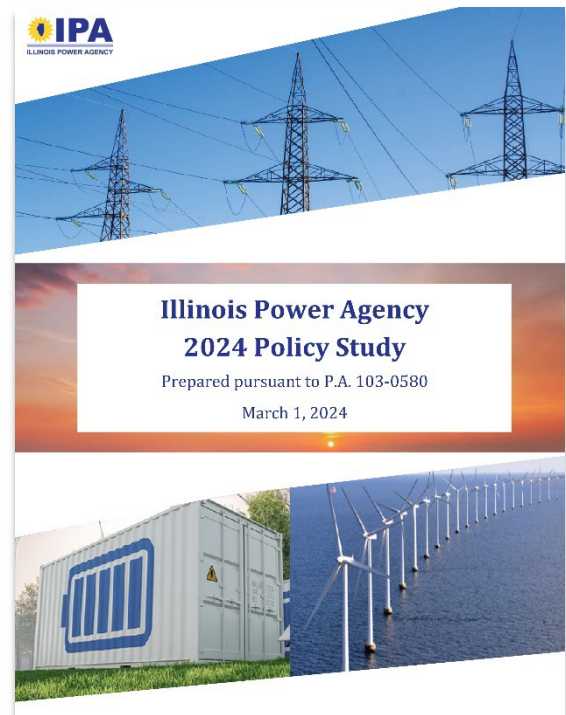


## Policy Study

In accordance with Section 1-129 of the IPA Act, enacted through Public Act 103-0580,<sup>38</sup> the IPA released its final Policy Study on March 1, 2024.<sup>39</sup> The Policy Study analyzed three policy proposals considered during the Spring 2023 session of the Illinois General Assembly: Agency-led planning and procurement to support the development of energy storage systems, the development of a utility-scale offshore wind project in Lake Michigan, and the construction of an underground high-voltage direct current (“HVDC”) transmission line to deliver power in the PJM market.

Prior to releasing the final Policy Study, the Agency released a draft Policy Study on January 22, 2024, and received stakeholder feedback on that draft. The Agency took stakeholder comments into consideration in preparing the final Policy Study.

Each of the proposed policies were evaluated based on their potential impacts on 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. Stakeholder communication and other relevant materials related to the Policy Study—including the Policy Study itself, an Executive Summary, appendices outlining modeling work, and legislative recommendations—can be found on the IPA website.<sup>40</sup>



<sup>38</sup> [https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/sb1699\\_103-0580.pdf](https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/sb1699_103-0580.pdf)

<sup>39</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/ipa-policy-study-1-march-2024.pdf>

<sup>40</sup> <https://ipa.illinois.gov/ipa-policy-study.html>

## Clean Energy Dashboard

On October 2, 2024, the IPA launched Phase I of the Illinois Clean Energy Dashboard.<sup>41</sup>

IPA staff designed and built the Clean Energy Dashboard website to track the progress and impact of renewable energy development across Illinois. The Dashboard tracks renewable energy projects within and outside of the Illinois RPS, and it serves as a tool for stakeholders and policymakers to quickly answer common questions about the growth of renewable energy in Illinois.

**“** *The IPA’s Clean Energy Dashboard is the product of well over one year of work corraling numerous different data sets and transforming that data into visualizations to provide a consolidated, in-depth, visualized overview of the growth of the Illinois clean energy economy. IPA staff is commonly asked basic questions about how many new renewable energy projects have come online or how our progress in Illinois compares to progress in other states, and I’m very proud of our team’s efforts in developing the Clean Energy Dashboard as a helpful resource.*

- IPA Director Brian Granahan **”**

The Dashboard uses charts and graphs to visually demonstrate Illinois’ evolution in electricity generation – from traditional to renewable energy – compared to its Midwest counterparts. Additionally, the Dashboard provides a look at the overall growth of renewable energy and progress on equity initiatives, bolstering public understanding of how the IPA’s renewable energy programs and procurements support that growth. The data on the Dashboard further highlights how legislation like FEJA and CEJA has played a critical role in accelerating renewable energy development in Illinois.

Launching in 2025, Phase II of the Illinois Clean Energy Dashboard will include interactive dashboards, accessible on desktop and mobile devices.



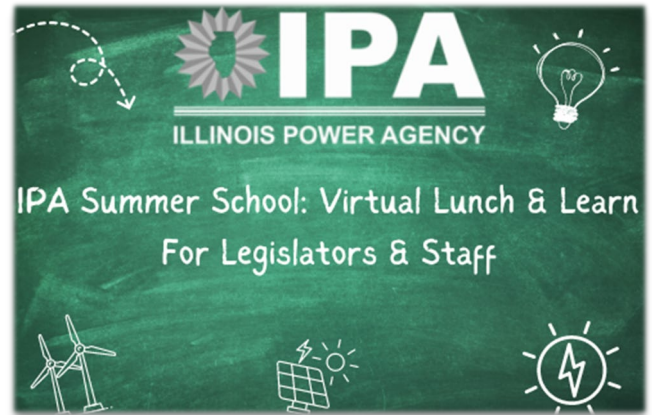
<sup>41</sup> <https://cleanenergy.illinois.gov/>

## Events and Outreach

### IPA Summer School: Legislative Lunch and Learn

In July 2024, the IPA launched a new educational webinar series titled “IPA Summer School: Lunch & Learn for Legislators and Staff.”<sup>42</sup> The Agency hosted four webinars designed to increase the Illinois legislative community's visibility into IPA-administered solar incentive programs, consumer protection and equity initiatives, and renewable energy development through data visualizations.

- Session 1: Understanding the IPA's Solar Incentive Programs
- Session 2: How Consumer Protections for the IPA's Solar Incentive Programs Work
- Session 3: Advancing IPA's Equity Initiatives in the Clean Energy Transition
- Session 4: IPA's Clean Energy Dashboard & Progress Towards State Clean Energy Goals



### Power Hour Webinar

Between February 2024 to November 2024, the IPA hosted seven Power Hour educational webinars on a wide range of clean energy issues and themes:

- Clean Energy Future for Public Schools: Benefits and Challenges
- Renewable Energy Projects Financing: Distributed Solar
- Climate change and Health Equity
- Prevailing Wage and Project Labor Agreements
- Tax Incentives for Solar Energy: the 101 on the Inflation Reduction Act
- Long-Term Regional Transmission Planning, State Initiatives, and the Power Grid
- Upcoming Illinois Net Metering Changes



From its inception in October 2021 to November 2024, the Agency has hosted 35 Power Hour webinars to help inform policymakers, clean energy companies, energy trade organizations, educational institutions, and the public on topics relevant to them. The webinars have served as educational and training materials for clean energy advocates, union members, media, and educational institutions with a focus on sustainability and energy law. Recordings and presentations of the Power Hour Webinars can be found on the IPA website.<sup>43</sup>

<sup>42</sup> <https://ipa.illinois.gov/about-ipa/ipa-events/summer-school--legislative-lunch-and-learn.html>

<sup>43</sup> <https://ipa.illinois.gov/about-ipa/ipa-events/previous-power-hour-events.html>



## External Events Featuring IPA Staff and Program Administrators

### IPA Director Presents at ICC Resource Adequacy Policy Sessions

On December 19, 2024, IPA Director Brian Granahan presented at the ICC Resource Adequacy Policy Sessions in Springfield, Illinois, alongside representatives from ICC, Illinois Environmental Protection Agency (IEPA), utilities, energy storage industry representatives, energy efficiency advocates, and consumer advocates. Sessions discussed resource adequacy issues in Illinois, examining prospective solutions to resource adequacy constraints linked to expected load growth and planned fossil fuel retirements, including energy storage and efficiency measures. Sessions also explored cost implications and proposed policy solutions.

During the policy sessions, Brian presented on two panels. The first—titled “The State of Illinois’ Current and Future Resource Adequacy (RA)” —discussed the state of resource adequacy in Illinois, explored existing policy mechanisms that incentivize clean energy generation in Illinois, and highlighted the purpose and scope of the Resource Adequacy Study produced by the IPA, IEPA, and ICC and to be completed in 2025. The second panel, titled “Examining Electric Energy Efficiency, Utility-Scale Storage, and Customer Costs,” addressed how energy efficiency and utility-scale storage as potential solutions.

### IPA Staff Presents at National Consumer Law Center Webinar

On December 3, 2024, IPA Deputy Legal Counsel Sarah Duffy presented on a panel titled “Community Solar: Expanding Access and Safeguarding Low-Income Families,” hosted by the National Consumer Law Center (NCLC). The panel explored a new report jointly created by the NCLC and the U.S. Department of Energy (DOE), which examined existing community solar programs and highlighted important consumer protection safeguards for customers.

During the panel, Sarah highlighted consumer protection requirements and best practices for customers of IPA-administered solar incentive programs. Additionally, she discussed several IPA consumer protection initiatives being developed to better protect customers.



## IPA Director Presents at New Project Media DG Development and Finance Forum 2024

On October 24, 2024, IPA Director Brian Granahan presented at New Project Media's DG Development & Finance Forum 2024. The forum was attended by DG and community solar developers, financiers, investors, advisors, and utilities, and included discussions on renewable energy procurements, energy planning policies, solar markets, DG expansion, and more.

At the event, Brian's presentation focused on best practices for community solar programs by outlining the past, present, and future of community solar in Illinois. Illinois is now one of the country's largest community solar markets, with over 1,500 MW of community solar projects having received REC delivery contracts through IPA programs.



*IPA Director Brian Granahan presents on a panel at New Project Media DG Development and Finance Forum.*

## IPA Staff Joins Coalition for Community Solar Access Panel Discussion

On October 16, 2024, IPA Chief Legal Counsel Kelly Turner spoke on a panel hosted by the Coalition for Community Solar Access, sharing the panel with ICC Chairman Doug Scott and Illinois State Representative Marcus C. Evans, Jr. The discussion highlighted how landmark policies like the Energy Infrastructure Modernization Act, FEJA, and CEJA have made significant strides in Illinois' renewable energy landscape. The panel also touched on key challenges in Illinois community solar implementation, and how policymakers, government, utilities, and developers can work together to overcome these challenges while positioning the state as a continued leader in the clean energy space.



*IPA Chief Legal Counsel, Kelly Turner, speaks on a panel with ICC Chairman Doug Scott and Illinois State Representative Marcus C. Evans, Jr.*

## IPA Staff Attend Institute for Regulatory Policy Studies Conference



*IPA staff, including Chief Legal Counsel Kelly Turner presents on a variety of topics at the Institute for Regulatory Policy Studies Conference in Springfield, Illinois.*

Between October 8-9, 2024, Agency staff attended Illinois State University's Institute for Regulatory Policy Studies Conference, titled "Energizing Illinois: Technology, Policy, and Initiatives in the Energy Transition," in Springfield, Illinois.

IPA Senior Program Manager for ILSFA Jennifer Schmidt presented on how the ILSFA Program promotes equity in the clean energy transition and detailed ILSFA incentives for going solar. IPA Senior Advisor Anthony Star presented on a panel discussing decarbonization efforts, grid interconnection challenges, and regulatory incentives for renewable energy deployment. IPA Chief Legal Counsel Kelly Turner spoke on a panel

exploring the role of Regional Transmission Organizations in electricity planning and discussed key transmission challenges and opportunities in Illinois.

## IPA Staff Attend and Present at Illinois Renewable Energy Conference

Across October 1-2, 2024, IPA staff attended the Illinois Renewable Energy Conference in Bloomington-Normal, Illinois.

IPA Chief Strategy and Communications Officer Megha Hamal and Chief DEI Officer Tanvi Shah presented on the Agency's equity progress and initiatives, including the Small and Emerging Business Hub.

IPA Data Analytics Manager Abigail Ramirez presented a plenary session on the Agency's new Clean Energy Dashboard. IPA Senior Advisor Anthony Star delivered a presentation



*IPA staff gathers to attend and present at the Illinois Renewable Energy Conference in Bloomington-Normal, Illinois.*

on the future of Illinois' renewable energy landscape and highlighted challenges facing the clean energy transition.<sup>44</sup>

Additionally, Program Associate for Illinois Shines Emily Asbury and Senior Trade Manager for Illinois Shines Program Administrator Energy Solutions, Jozsef Raduly, presented on how the Public Schools category within Illinois Shines supports solar projects at public schools in Illinois. Their presentation highlighted various challenges, solutions, and benefits of solar power for schools.

### **IPA Staff Join Panels at Midcontinent Clean Energy Summit**

Across August 20-21, 2024, IPA Director of Renewable Energy Finance Chandrika Mital spoke on a panel at the Midcontinent Clean Energy Summit, presented by Infocast. The panel, titled "Expanding Utility-Scale Solar & Wind," highlighted transmission constraints for utility-scale renewable energy projects, including siting and permitting challenges, workforce limitations, and new policies that are changing the development outlook for the next few years.

Additionally, IPA Chief Legal Counsel Kelly Turner spoke on a panel titled "Expanding Community Solar & DERs." The panel discussion focused on current regulations and incentives that are encouraging growth in community solar and other distributed energy resources, infrastructure expansions and incentive programs that are needed for continued growth of community solar and distributed generation in the MISO footprint, and more. The Summit also served as a forum for clean energy developers, corporate energy buyers, policymakers, consultants, utilities, Munis, and Co-ops to learn industry best practices and to connect with one another.

### **IPA Staff Attend Clean Energy States Alliance Members Meeting in Chicago**

Across June 3-4, 2024, the IPA co-hosted the annual Clean Energy States Alliance ("CESA") 2024 Members Meeting in Rosemont, IL. Thirteen IPA staff members attended the two-day sessions. IPA Director and former CESA Board Vice President Brian Granahan delivered the meeting's welcome remarks, underscoring the importance of sharing knowledge across states and outlining the value of platforms like CESA in helping state officials learn best practices from their nationwide peers.



*IPA staff gathers to attend the Clean Energy States Alliance Members meeting in Chicago, Illinois.*

<sup>44</sup> <https://cleanenergy.illinois.gov/>



The CESA Annual Meeting provides an opportunity for CESA members — mostly state agencies, including the IPA — to collaborate on multi-state efforts, learn from

each other about emerging clean energy challenges, and learn best practices from other policy experts across the country.

This year's event featured two distinct tracks of sessions — energy equity and energy storage — and provided members a learning opportunity on best practices and lessons learned. This year's meeting included a trip to see the rooftop solar system at the Shedd Aquarium, and to learn the challenges Shedd has faced with battery storage and frequency regulation.

### IPA Staff Present at National Energy and Utility Affordability Coalition's 2024 Annual Conference

Across May 21-24, 2024, IPA Deputy Legal Counsel Sarah Duffy and IPA Senior Program Manager for ILSFA Jennifer Schmidt presented at the National Energy and Utility Affordability Coalition's 2024 Annual Conference.

Jennifer joined ILSFA Program Administrator, Elevate Energy, and ILSFA Evaluator ILLUME Advising for a presentation on small residential uptake challenges. The presentation explored best practices for community solar developers across the country to implement the U.S. Environmental Protection Agency's Greenhouse Gas Reduction Fund Solar for All funding.



*IPA Deputy Legal Counsel Sarah Duffy presents at the National Energy and Utility Affordability Coalition 2024 Annual Conference in Rosemont, Illinois.*

Sarah participated a panel presentation on community solar, discussing the potential for reducing energy burdens of Low- and Moderate-Income households, and the U.S Department of Energy's efforts to expand community solar for those communities. Additionally, Sarah outlined key IPA consumer protections that ensure communities can benefit from ILSFA community solar projects.



## IPA Director Joins 2024 Midwest Solar Expo Fireside Chat

On May 21, 2024, IPA Director Brian Granahan joined Vote Solar Senior Midwest Director John Delurey for a fireside chat at the Midwest Solar Expo 2024. The discussion included updates on the Agency's renewable energy efforts, consumer protection issues, and critical challenges for the Agency and the state in the years to come.

*IPA Director Brian Granahan participates in a fireside chat at the 2024 Midwest Solar Expo.*

## IPA Staff and Program Administrator Present at Illinois Association of Regional Superintendents of Schools

On May 16, 2024, Illinois Shines Program Associate Emily Asbury and Illinois Shines Program Administrator Energy Solutions presented on the Illinois Shines Public Schools category at the Illinois Association of Regional Superintendents of Schools. The presentation highlighted public school incentives within Illinois Shines along with information on school electricity savings and educational opportunities for students to learn about solar energy.

## IPA Program Administrator Presents at Access to Capital Workshop for Small and Emerging Businesses

On March 26, 2024, ILSFA Program Administrator Elevate Energy presented at the Access to Capital Workshop for Small and Emerging Businesses, hosted at the NAACP Chicago Westside Branch. ILSFA was proud to partner with the Austin African American Business Networking Association in recruiting small and emerging businesses interested in solar energy to attend this informational workshop.

The in-person event familiarized small and emerging businesses with available funding options to help them grow their businesses. The workshop addressed barriers to



*ILSFA Program Administrator Elevate Energy presents on entering the clean energy economy at Access to Capital Workshop for Small and Emerging Businesses in Chicago, Illinois.*



participation in the clean energy economy and included an in-depth summary of the ILSFA solar incentive program. Presenters from lending institutions, community organizations, and government programs provided information on microloans, commercial lending, grants, and other funding tools. Industry professionals in attendance then had the opportunity to network with small and emerging businesses, members of the EEC, AVs, and more.

### **IPA Presents at Midwest Labor Union Contractor Webinar**

On March 20, 2024, IPA Chief Legal Counsel Kelly Turner, Chief Strategy & Communications Officer Megha Hamal, and IT Manager Ganita Young presented for the Laborers' International Union of North America (Midwest Chapter). The presentation focused on the IPA's renewable energy incentive programs and procurements, and key initiatives that prioritize equity and Prevailing Wage Act requirements in the clean energy industry in Illinois.

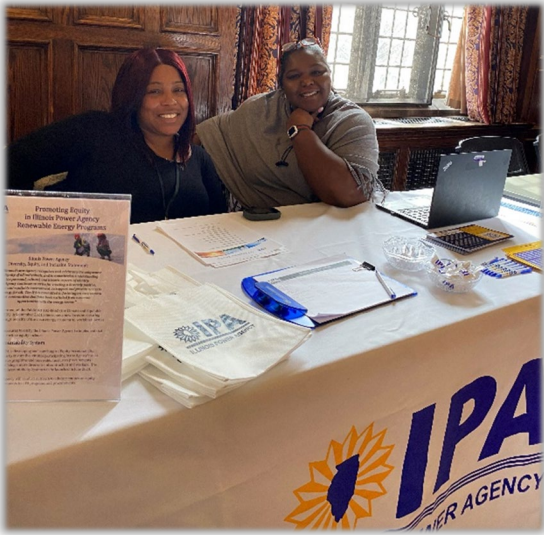
The presentation also featured a tour of the Energy Workforce Equity portal, which connects clean energy companies with EEPs that want to participate in the clean energy industry.

### **IPA Presents at III FFC Public Construction Summit**

On March 12, 2024, IPA Deputy Legal Counsel Sarah Duffy and Data Analytics Manager Abigail Ramirez presented at the Indiana, Illinois, Iowa Foundation for Fair Contracting Public Construction Summit in Moline, IL. The event hosted contractors, public employees, city attorneys, and local officials from across the state. The IPA's presentation outlined how residents and businesses can participate in the IPA's solar incentive programs. The presentation also discussed prevailing wage and equity requirements for IPA's renewable energy programs and procurements with an emphasis on how the Agency is strengthening and advancing equity in the clean energy industry through various initiatives.



*IPA Deputy Legal Counsel Sarah Duffy presents on solar incentive programs in Illinois at III FFC Public Construction Summit in Moline, Illinois.*



*IPA staff including HR Manager LaTisha Jude and DEI Outreach Associate Kina Askew participate in active outreach at the Harris Energy and Environmental Association Career Fair.*

### **IPA Attends Harris Environmental and Energy Association Career Fair**

On February 22, 2024, the IPA HR and outreach staff attended the Harris Energy and Environmental Association Career Fair. The event was geared toward students interested in pursuing careers in the energy or environmental spaces. The IPA team engaged with approximately 40 students currently pursuing their master's in public policy, and shared information about the Agency's fellowship opportunities and other open positions.

### **IPA Director Speaks at Energy Storage Conference**

Across January 29-30, 2024, the IPA Director Brian Granahan spoke at two energy panels at the IEEE Electrical Energy Storage Applications and Technologies Conference (EESAT) in San Diego, California. Brian's first session was the conference's keynote session titled The Scale of the Challenge, and his presentation focused on three items: basic background on the Illinois energy economy; the Illinois path to decarbonization and the aggressive deployment of new renewable energy projects; and the role of energy storage as part of that transition. Illinois was highlighted as exemplary of the challenges and opportunities facing many states through our nation's effort to decarbonize our electricity supply.

Brian's second session was a panel discussion with state policymakers representing California, New Jersey, Michigan, and Illinois titled State Policy Perspectives: Charting the Path for Energy Storage in Diverse Markets. Panelists provided perspectives on how their individual states are approaching energy storage policy development and implementation. Brian's presentation outlined the energy storage deployment approach outlined in Senate Bill 1587 and shared preliminary conclusions reached about that approach from the IPA's draft Policy Study.

## Contractors Briefed on How to Participate in Illinois Shines and Illinois Solar for All

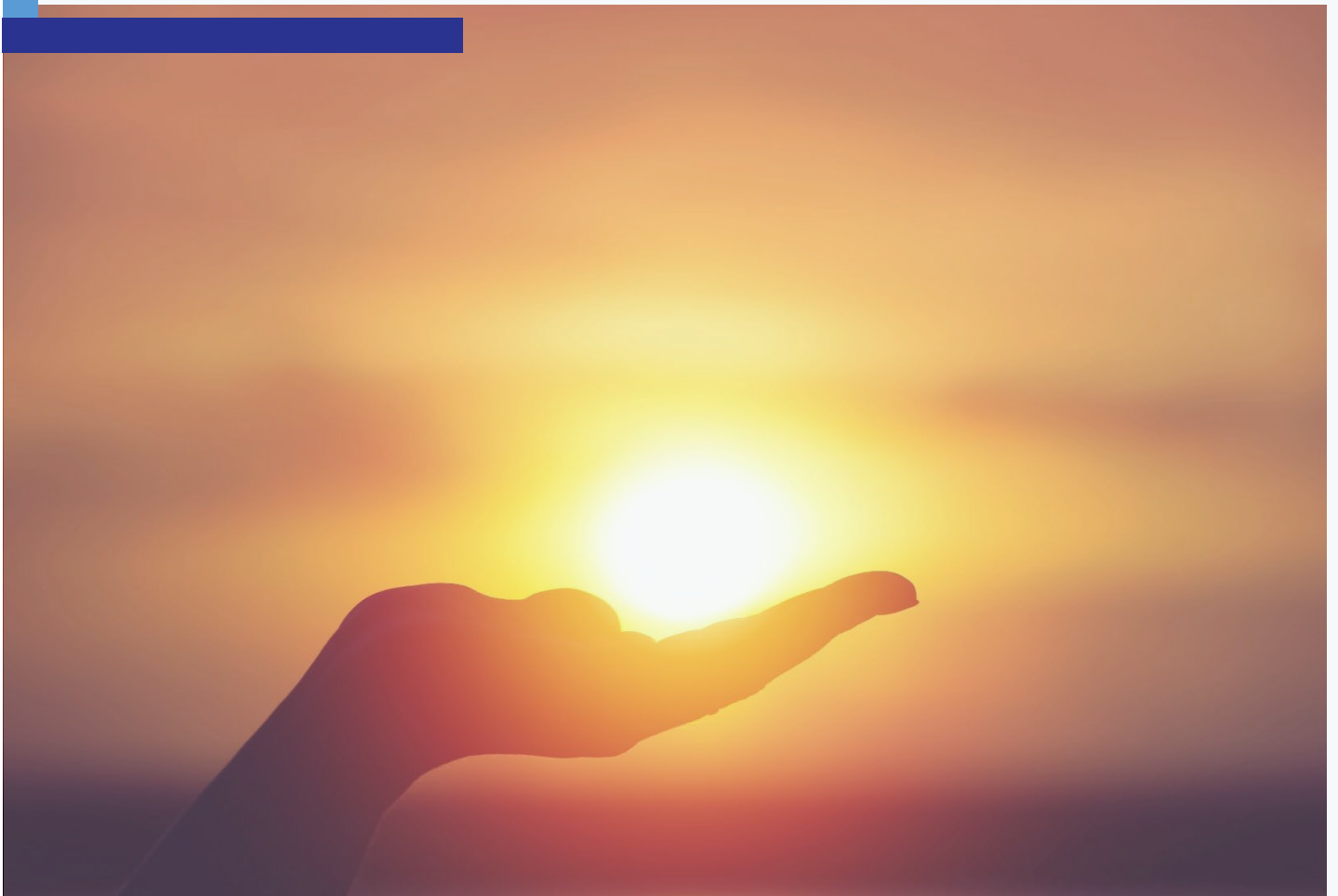


*IPA Program Administrators from Energy Solutions and Elevate connect with contractors interested in the solar industry and provide insight on navigating the solar journey.*

On January 23, 2024, the IPA Program Administrators for the Illinois Shines program (Energy Solutions) and Illinois Solar for All program (Elevate Energy) presented at the Chicago Urban League's Renewable Energy Contractor Clinic event.

The Urban League event was targeted to contractors that are interested in transitioning into the solar industry but have limited exposure around how best to do so. The presentations from the Program Administrators highlighted the IPA's two solar incentive programs and provided a roadmap for how contractors can navigate their solar journey, including opportunities for Equity Eligible Contractors within the IPA's Illinois Shines program.

# LOOKING AHEAD





## Resource Adequacy Study

As requires by Section 9.15(o) of the Illinois Environmental Protection Agency Act (enacted through CEJA), the IPA, ICC, and Illinois EPA will jointly prepare and issue a Reliability and Resource Adequacy Study to the General Assembly by no later than December 15, 2025. Publicly released every five years beginning in 2025, the study will inform whether Illinois anticipates facing reliability or resource adequacy challenges given its decarbonization trajectory, and if so, the report must propose solutions for any findings.

Preliminary meetings between the IPA, the ICC, and the IEPA for preparing the Section 9.15(o) report commenced in 2024 and are expected to ramp up in early 2025. The IPA's Procurement Planning Consultant (E3) is expected to support the IPA's contributions to the development of this report.

## Energy Storage

In early January 2025, the outgoing 103rd General Assembly passed H.B. 587, a small energy package. The legislation requires the ICC to run a workshop process in consultation with the IPA to produce recommendations by May 1, 2025, for a process to conduct energy storage procurement.<sup>45</sup>

The workshop process is intended to position the IPA with sufficient clarity to conduct and conclude an initial energy storage procurement event by no later than August 26, 2025. Workshop topics to be discussed include: the contracting structure for a procurement event, geographic and project maturity considerations, and the roles and responsibilities of regulated utilities as the counterparties to energy storage-related contracts. Energy storage is also likely to be a primary topic of discussion across the Spring 2025 session of the Illinois General Assembly.



<sup>45</sup>

<https://www.ilga.gov/legislation/BillStatus.asp?DocNum=587&GAID=17&DocTypeID=HB&LegId=142420&SessionID=112&GA=103>



## RPS Funding

On October 17, 2024, the IPA released its RPS REC and Budget Forecast Update outlining the challenges faced by the RPS budget based on current projections. That Update outlined that while RPS Budget funding should be sufficient to support additional REC delivery contract awards through the 2025-2026 program year, shortfalls may begin thereafter.

Statutory changes introduced as part of H.B. 587 should ensure that existing REC delivery contract holders to continue to receive payment even if projections indicate the statutory annual rate impact cap may be exceeded. In determining whether a shortfall may be on the horizon, the IPA will be releasing quarterly RPS Budget Updates across the coming year and will be closely monitoring market conditions for any changes. Further statutory changes may be necessary to ensure that RPS Budget funding is sufficient to meet the state's ambitious renewable energy goals.

## Indexed REC Procurements

The IPA conducts Indexed REC procurements twice annually to support the development of utility-scale wind, utility-scale solar, and brownfield site photovoltaic projects. While the IPA has had significant success in attracting robust successful participation from utility-scale solar developers, maximizing participation for the utility-scale wind and brownfield site photovoltaic project categories has proven more challenging. The IPA's December 2024 Indexed REC procurement was a significant step forward, as 750 MW new utility-scale wind projects received REC delivery contract awards, and the IPA hopes to build on that success in the year ahead.

One pain point for developers of these large renewable energy projects is the rigidity of Indexed REC contract awards. Contracts are awarded at the fixed "Strike Price" at which the entity bids in a competitive procurement event. But as market conditions change, that offered price may prove insufficient to cover project development, construction, operation, and maintenance costs.

To introduce more flexibility into the Indexed REC process and avoid contract defaults, the IPA initiated a Downstream Negotiation for Indexed REC Contracts workshop process. These workshops, conducted across the second half of 2024, explored potential processes for the downstream, post-award renegotiation of REC delivery contract terms—including changes to the bidder's Strike Price.<sup>46</sup> The IPA's downstream negotiation proposal will be filed with the ICC in February 2025 and the Agency hopes to introduce any new processes and adjustments into its Summer 2025 Indexed REC procurement event.

<sup>46</sup> <https://ipa.illinois.gov/renewable-resources/stakeholder-engagement/downstream-negotiation-for-indexed-rec-contracts.html>.

## Consumer Protection Initiatives

As part of the IPA's commitment to consumer protection, the Agency is in the process of launching three new consumer protection initiatives.<sup>47</sup> These initiatives were originally proposed in the 2024 Long-Term Plan, approved by the ICC on February 20:

The Escrow Process will be used when necessary to ensure that customers who have been promised a portion of the REC incentive payment do in fact receive that payment through utilization of an escrow agent as a payee. This initiative answers a concern that has arisen in the context of Illinois Shines Distributed Generation customers, where some Approved Vendors have not passed through promised REC incentive payments.

The Restitution Program will provide economic assistance to customers who have been harmed through financially detrimental experiences with solar companies for projects participating in Illinois Shines or ILSFA.

The Stranded Customer REC Adder creates an economic incentive for Approved Vendors of the IPA's solar incentive programs to take on "stranded" customers whose original solar company has stopped moving forward with their projects due to ceased or limited operations, or for other reasons, such as disciplinary action.

While the majority of Illinoisans choosing to install solar projects at their homes or businesses have positive experiences, the IPA is dedicated to addressing issues as they arise within the state's fast-evolving solar industry. To follow along the progress of these initiatives, visit the Consumer Protection Initiatives page on the Illinois Shines website.

## Greenhouse Gas Reduction Fund and IPA's work with Illinois Finance Authority

The Inflation Reduction Act directed the U.S. EPA to create a national Solar for All competition to provide \$7 billion to support residential rooftop solar, residential-serving community solar, associated storage, and enabling upgrades. In April 2024, the EPA announced an award to Illinois of over \$156 million for its Solar for All proposal.<sup>48</sup>



<sup>47</sup> <https://illinoisshines.com/consumer-protection-initiatives/>

<sup>48</sup> <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20240425-ggrf-announcement-final.pdf>

The IPA has not traditionally received federal funding, and this funding will expand and support the existing ILSFA program with additional financial assistance while also supporting several new initiatives. Through the IPA, IFA, and other partners, that funding will be leveraged to provide grants and loans to support solar site suitability upgrades, incorporate energy storage, expand the oversubscribed low-income community solar subprogram, expand residential solar, support energy sovereignty and community-driven projects and provide critical capital to diverse solar vendors to grow their business.

The IFA is the primary grantee of this funding and IPA is a subgrantee, receiving a portion of that funding to directly expand the ILSFA budget. The IFA continues to work through the contracting process with EPA and hopes to begin transferring funds to the IPA in early 2025. The IPA continues to collaborate with IFA in developing the detailed requirements and guidance for rolling out that funding.

### Cross-Agency Collaboration

In addition to supporting the finalization and deployment of the federal Solar for All funding, the IPA also collaborates with the IFA on several other financing opportunities that can help grow the solar and clean energy sector in Illinois. First, the IPA provides consultation to the IFA on how its State Small Business Credit Initiative can help small businesses participate in the ILSFA program. Second, the IPA, DCEO, and IFA are collaborating on strategies to engage targeted stakeholders on the opportunities presented by the IRA tax credits available for investments in clean energy projects. Third, as part of the state's work under the federal Climate Pollution Reduction Grant, the IPA will work with the ICC, IEPA, and other state agencies to model the state's progress toward its clean energy targets and what policies might best address any shortfalls in renewable energy capacity while maintaining reliable and affordable electric service.

# STATUTORY REPORT

## STATUTORY REPORT

20 ILCS 3855/1-125(a) requires that, by February 15 of each year, the Agency shall report annually to the Governor and the General Assembly on the operations and transactions of the Agency.<sup>49</sup> The annual report shall include, but not be limited to, each of the following:

- (1) The average quantity, price, and term of all contracts for electricity procured under the procurement plans for electric utilities.
- (2) (Blank)<sup>50</sup>
- (3) The quantity, price, and rate impact of all energy efficiency and demand response measures purchased for electric utilities, and any measures included in the procurement plan pursuant to Section 16-111.5B of the Public Utilities Act.
- (4) The amount of power and energy produced by each Agency facility.
- (5) The quantity of electricity supplied by each Agency facility to municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois.
- (6) The revenues as allocated by the Agency to each facility.
- (7) The costs as allocated by the Agency to each facility.
- (8) The accumulated depreciation for each facility.
- (9) The status of any projects under development.
- (10) Basic financial and operating information specifically detailed for the reporting year and including, but not limited to, income and expense statements, balance sheets, and changes in financial position, all in accordance with generally accepted accounting principles, debt structure, and a summary of funds on a cash basis.
- (11) The average quantity, price, contract type and term and rate impact of all renewable resources procured under the long-term renewable resources procurement plans for electric utilities.
- (12) A comparison of the costs associated with the Agency's procurement of renewable energy resources to (A) the Agency's costs associated with electricity generated by other types of generation facilities and (B) the benefits associated with the Agency's procurement of renewable energy resources.
- (13) An analysis of the rate impacts associated with the Illinois Power Agency's procurement of renewable resources, including, but not limited to, any long-term contracts, on the eligible retail customers of electric utilities. The analysis shall include the Agency's estimate of the total dollar impact that the Agency's procurement of renewable resources has had on the annual electricity bills of the customer classes that comprise each eligible retail customer class taking service from an electric utility.
- (14) (Blank).

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<sup>49</sup> As February 15, 2025 is a Saturday and Monday, February 17, 2025 Presidents Day, this Report is being released on February 18, 2025.

<sup>50</sup> Previous Illinois Power Agency Annual Reports included a Section (2) that provided information on, "The quantity, price, and rate impact of all renewable resources purchased under the electricity procurement plans for electric utilities." That provision was repealed through Public Act 99-0536 while consolidating the Agency's Annual Report and its previously-required separate report on the Cost and Benefits of Renewable Resource Procurement. Information comparable to what was previously reported in Section (2) can be found in Section (11) of this Report.



(15) 20 ILCS 3855/1-125(b), established through Public Act 102-0662, requires that in addition to reporting on the transactions and operations of the Agency, the Agency shall also endeavor to report on the following items through its annual report, recognizing that full and accurate information may not be available for certain items:

- (1) The overall nameplate capacity amount of installed and scheduled renewable energy generation capacity physically located in Illinois.
- (2) The percentage of installed and scheduled renewable energy generation capacity as a share of overall electricity generation capacity physically located in Illinois.
- (3) The amount of megawatt hours produced by renewable energy generation capacity physically located in Illinois for the preceding delivery year.
- (4) The percentage of megawatt hours produced by renewable energy generation capacity physically located in Illinois as a share of overall electricity generation from facilities physically located in Illinois for the preceding delivery year.
- (5) The renewable portfolio standard expenditures made pursuant to paragraph (1) of subsection (c) of Section 1-75 and the total scheduled and installed renewable generation capacity expected to result from these investments. This information shall include the total cost of REC delivery contracts of the renewable portfolio standard by project category, including, but not limited to, renewable energy credits delivery contracts entered into pursuant to subparagraphs (C), (G), (K), and (R) of paragraph (1) of subsection (c) Section 1-75. The Agency shall also report on the total amount of customer load featuring renewable portfolio standard compliance obligations scheduled to be met by self-direct customers pursuant to subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75, as well as the minimum annual quantities of renewable energy credits scheduled to be retired by those customers and amount of installed renewable energy generating capacity used to meet the requirements of subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75.

In addition to these requirements, Section 16-115D(d)(4) of the Public Utilities Act requires that, beginning April 1, 2012, and by April 1 of each year thereafter, the Agency shall submit the following information to the General Assembly, the Commission, and alternative retail electric suppliers:

A report of the alternative compliance payment mechanism fund that shall include ...

- (A) the total amount of alternative compliance payments received in aggregate from alternative retail electric suppliers by planning year for all previous planning years in which the alternative compliance payment was in effect;
- (B) the total amount of those payments utilized to purchased [sic] renewable energy credits itemized by the date of each procurement in which the payments were utilized; and
- (C) the unused and remaining balance in the Agency Renewable Energy Resources Fund attributable to those payments.

This Annual Report for Fiscal Year 2024 addresses each of the above requirements, including reporting alternative compliance payment and expenditure information.

## (1) The average quantity, price, and term of all contracts for electricity procured under the procurement plans for electric utilities.

The IPA's 2024 Electricity Procurement Plan, approved by the Illinois Commerce Commission in Docket No. 23-0665, continues the use of the risk management and procurement strategy as employed in previous procurement plans hedging load by procuring on and off-peak blocks of forward energy in a three-year ladder approach. This strategy is consistent with the strategy used for the 2023 Plan featuring two annual block energy procurements, one held in the Spring and one held in the Fall. The hedging strategy for Ameren Illinois and MidAmerican calls for the procurement of electricity under which 100% of the projected eligible retail customer load is to be under contract for the 2024 – 2025 delivery year (starting June 1, 2024),<sup>51,52</sup> 50% for the 2025-2026 delivery year (with June, July, and August at 75%), and 25% for the 2026-2027 delivery year (with June, July, and August at 30%). The hedging strategy for ComEd calls for the procurement to meet 50% of the projected eligible customer load for the 2024-2025 year, 25% for the 2025-2026 delivery year with 37.5% for June, July, and August, and 12.5% for the 2026-2027 delivery year with 15% for June, July, and August.<sup>53</sup> Each procurement uses an updated load forecast provided by the utilities to match procured volumes with actual demand more accurately. The Procurement Plan covers a calendar year of Agency activities, while energy deliveries are based on an industry-standard energy delivery year that starts June 1 (and thus is one month different from the State Fiscal Year). In Fiscal Year 2024, the IPA held two energy procurements: the first occurred in September 2023 pursuant to the 2023 Plan; the second took place in April 2024 pursuant to the 2024 Plan.

The Fall 2023 Capacity procurement event approved as part of the 2023 Electricity Procurement Plan was held on September 15, 2023 in which the IPA received bids for the sale of Zonal Resource Credits ("ZRCs") to Ameren Illinois Company. Starting with the spring 2023 capacity procurement event, capacity in IPA's bilateral procurements is now procured for each season: summer (June to August), fall (September to November), winter (December to February) and spring (March to May).

Below are a series of tables that provide the names of winning suppliers along with aggregated quantity (MW), price, and term for electricity contracts procured across two energy procurement events and the Ameren Illinois capacity procurement held during FY 2024.<sup>54</sup> The specific months and quantities procured reflect the load forecasts provided by Ameren Illinois, ComEd and MidAmerican. For Ameren Illinois summary results refer to Tables 1-1 through 1-4 and 1-7 through 1-10. For ComEd summary results refer

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<sup>51</sup> Delivery year is synonymous with planning year and used interchangeably in this Report.

<sup>52</sup> This percentage total is 106% for July and August, on-peak.

<sup>53</sup> The lower hedging percentages for ComEd reflect an approach approved by the Illinois Commerce Commission for the 2023 Plan that accounts for the impact of Carbon Mitigation Credits for ComEd customers.

<sup>54</sup> Under Section 16-111.5(h) of the Public Utilities Act, "the names of the successful bidders and the load weighted average of the winning bid prices for each contract type and for each contract term shall be made available to the public." This information is included in the tables that follow. However, as the IPA "shall maintain the confidentiality of all other supplier and bidding information," individual supplier contract quantities, prices, and terms may not be disclosed and have not been included in this report or in prior annual reports.

to Tables 1-5 through 1-6, 1-11, and 1-12. For MidAmerican summary results refer to Tables 1-13 and 1-14.

Fall 2023 Procurement<sup>55</sup>

Ameren Illinois

Table 1-1: Winning Suppliers

AEP Energy Partners, Inc.
Constellation Energy Generation, LLC
J. Aron & Company, LLC
Macquarie Energy LLC
Mercuria Energy America LLC
Shell Energy North America (US) L.P.
Tidal Energy Marketing (U.S.) Inc.
TransAlta Energy Marketing (U.S.) Inc.

<sup>55</sup> Source: [https://www.ipa-energyrfp.com/wp-content/uploads/2023/09/Fall-2023-BEC-RFP-Block-Energy-Results\\_14-SEP-2023.pdf](https://www.ipa-energyrfp.com/wp-content/uploads/2023/09/Fall-2023-BEC-RFP-Block-Energy-Results_14-SEP-2023.pdf)

**Table 1-2: Average Price and Quantity of Electricity Contracts**

Month(s)	On-Peak		Off-Peak	
	Average Price (\$/MWh)	Quantity (MW)	Average Price (\$/MWh)	Quantity (MW)
October 2023	41.64	175	32.10	150
November 2023	42.25	225	33.08	200
December 2023	47.70	275	39.55	250
January 2024	61.80	300	54.09	275
February 2024	57.24	275	50.09	250
March 2024	45.88	225	37.58	200
April 2024	44.44	175	35.33	175
May 2024	46.45	200	33.06	175
June 2024	48.78	250	33.00	200
July 2024	63.20	300	38.53	225
August 2024	60.73	300	36.22	225
September 2024	49.80	125	33.82	75
October 2024	46.04	100	37.95	75
November 2024	46.00	125	37.39	100
December 2024	51.41	150	40.82	125
January 2025	60.13	150	53.04	125
February 2025	59.19	150	52.61	100
March 2025	48.33	125	39.20	100
April 2025	47.75	100	35.87	75
May 2025	48.69	100	35.02	75
June 2025	51.33	150	34.13	125
July 2025	68.55	200	41.06	150
August 2025	65.68	175	39.19	125
September 2025	52.15	125	35.16	100
October 2025	47.52	100	40.81	50
November 2025	48.19	100	40.06	75
December 2025	53.93	100	44.76	100
January 2026	63.01	125	53.67	100
February 2026	59.43	125	52.31	100
March 2026	47.18	100	39.76	75
April 2026	45.85	50	37.98	25
May 2026	47.83	75	35.83	50

In September 2023, the IPA procured capacity for a portion of the retail customer load of Ameren Illinois. This was the third procurement event for seasonal ZRCs. The following tables provide the names of the winning suppliers, the season, the average price, and the quantities procured.

**Table 1-3 Winning Suppliers**

Enerwise Global Technologies, LLC d/b/a CPower
Dynegy Marketing and Trade, LLC
Voltus, Inc.

**Table 1-4 Average Prices per Zonal Resource Credit (\$/MW-Day)**

Season	Average Price	Quantity
Summer 2024	\$41.10	1
Fall 2024	\$41.10	1
Winter 2024/2025	\$37.50	100
Spring 2025	\$41.10	1
Spring 2026	\$48.91	4



**Table 1-5: Winning Suppliers**

AEP Energy Partners, Inc.
Constellation Energy Generation, LLC
Dynegy Marketing and Trade, LLC
J. Aron & Company, LLC
Mercuria Energy America, LLC
Shell Energy North America (US), L.P.
Tidal Energy Marketing (U.S.) L.L.C.

**Table 1-6: Average Price and Quantity of Electricity Contracts**

Month(s)	On-Peak		Off-Peak	
	Average Price (\$/MWh)	Quantity (MW)	Average Price (\$/MWh)	Quantity (MW)
June 2024	41.99	250	25.78	225
July 2024	57.86	300	31.51	225
August 2024	53.76	250	30.01	200
September 2024	-	-	25.86	25
October 2024	-	-	-	-
November 2024	-	-	-	-
December 2024	-	-	40.58	25
January 2025	-	-	-	-
February 2025	-	-	-	-
March 2025	-	-	-	-
April 2025	-	-	-	-
May 2025	-	-	-	-
June 2025	43.77	200	27.95	175
July 2025	58.95	300	32.62	225
August 2025	58.79	275	31.70	200
September 2025	44.39	125	28.43	100
October 2025	41.43	75	33.26	50
November 2025	43.25	75	32.70	75
December 2025	48.89	125	38.27	125
January 2026	52.28	125	43.07	125
February 2026	51.55	125	41.74	100
March 2026	43.09	75	32.62	75
April 2026	43.68	50	31.89	50
May 2026	43.88	50	30.05	50

### MidAmerican

No procurement events were held for MidAmerican.

## Spring 2024 Procurement<sup>56</sup>

### Ameren Illinois

**Table 1-7: Winning Suppliers**

AEP Energy Partners, Inc.
Constellation Energy Generation Company, LLC
J. Aron & Company LLC
Macquarie Energy LLC
Mercuria Energy America, LLC
NextEra Energy Marketing LLC
Shell Energy North America (US), L.P.
Tidal Energy Marketing (U.S.) L.L.C.
Trafigura Trading LLC
TransAlta Energy Marketing (US), Inc.
Vitol, Inc.

<sup>56</sup> Source: [https://www.ipa-energyrfp.com/wp-content/uploads/2024/04/Spring-2024-BEC-RFP-Block-Energy-Results\\_18-APR-2024.pdf](https://www.ipa-energyrfp.com/wp-content/uploads/2024/04/Spring-2024-BEC-RFP-Block-Energy-Results_18-APR-2024.pdf)

**Table 1-8: Average Price and Quantity of Electricity Contracts**

Month(s)	On-Peak		Off-Peak	
	Average Price (\$/MWh)	Quantity (MW)	Average Price (\$/MWh)	Quantity (MW)
June 2024	44.96	225	32.88	150
July 2024	54.65	275	35.24	150
August 2024	53.56	250	34.93	150
September 2024	47.22	500	32.64	350
October 2024	46.70	175	35.26	150
November 2024	46.13	200	35.74	150
December 2024	46.79	200	36.80	150
January 2025	53.18	225	43.01	225
February 2025	50.00	200	41.44	225
March 2025	46.89	175	35.83	150
April 2025	47.92	125	35.67	100
May 2025	47.92	125	35.67	100
June 2025	51.51	175	36.19	125
July 2025	67.53	200	40.50	150
August 2025	65.83	200	39.63	150
September 2025	53.29	125	38.54	75
October 2025	52.95	75	40.87	50
November 2025	52.95	75	40.44	75
December 2025	52.67	100	47.91	75
January 2026	65.56	125	49.26	100
February 2026	57.30	75	47.98	100
March 2026	53.82	75	41.79	75
April 2026	53.83	75	40.87	50
May 2026	55.30	50	40.87	50
June 2026	57.48	75	37.75	50
July 2026	79.54	125	47.50	75
August 2026	76.91	100	45.40	75
September 2026	58.75	75	38.49	25
October 2026	-	-	-	-
November 2026	-	-	-	-
December 2026	57.24	25	50.99	25
January 2027	72.50	20	61.93	25
February 2027	72.50	25	61.93	25
March 2027	-	-	-	-
April 2027	-	-	-	-
May 2027	-	-	-	-

In the Spring 2024 procurement, the IPA procured capacity for a portion of Ameren Illinois eligible retail customer load as specified in the 2024 Procurement Plan. The following table provides the names of winning suppliers and the average price and term for the seasonal capacity procured in Zonal Resource Credits (ZRCs)

**Table 1-9: Winning Suppliers**

Voltus, Inc.
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**Table 1-10: Term, Average Price of Capacity Contracts<sup>57</sup>**

Term	Zonal Resource Credits	
Season	Average Price (\$/MW-Day)	Quantity
Spring 2026	\$88.97	-

<sup>57</sup> In accordance with the RFP rules and previous Commission orders, quantity information is only provided where the number of successful bidders is greater than two.



**Table 1-11: Winning Suppliers**

AEP Energy Partners, Inc.
Constellation Energy Generation LLC
Dynegy Marketing and Trade, LLC
J. Aron & Company LLC
Macquarie Energy LLC
Mercuria Energy America LLC
Morgan Stanley Capital Group Inc.
Next Era Energy Marketing
NRG Business Marketing, , LLC
Shell Energy North America (US), L.P.
Tidal Energy Marketing (U.S.) L.L.C.
Trafigura Trading LLC
TransAlta Energy Marketing (U.S.), Inc.
Vitol, Inc.

**Table 1-12: Average Price and Quantity of Electricity Contracts**

Month(s)	On-Peak		Off-Peak	
	Average Price (\$/MWh)	Quantity (MW)	Average Price (\$/MWh)	Quantity (MW)
June 2024	43.09	225	27.10	400
July 2024	58.66	650	32.00	225
August 2024	55.24	325	31.63	400
September 2024	43.99	675	28.10	575
October 2024	41.44	300	31.57	250
November 2024	41.56	300	31.42	325
December 2024	42.87	425	32.89	325
January 2025	55.41	400	42.96	350
February 2025	50.94	325	37.76	325
March 2025	43.04	300	32.58	300
April 2025	43.14	250	32.08	250
May 2025	43.91	225	30.07	250
June 2025	47.94	400	30.83	300
July 2025	64.50	450	36.70	375
August 2025	62.45	375	35.19	375
September 2025	49.29	175	32.50	125
October 2025	49.70	125	35.25	125
November 2025	48.53	150	35.19	150
December 2025	48.81	225	36.89	175
January 2026	56.22	175	46.98	200
February 2026	53.96	175	44.06	175
March 2026	49.24	150	36.69	125
April 2026	49.85	125	34.54	125
May 2026	50.28	125	33.71	125
June 2026	52.52	200	33.56	150
July 2026	71.67	275	41.28	200
August 2026	69.25	250	39.82	200
September 2026	52.25	125	32.66	100
October 2026	51.31	75	39.56	50
November 2026	51.31	75	39.56	50
December 2026	51.93	125	43.51	125
January 2027	64.00	100	52.62	125
February 2027	60.70	125	46.36	100
March 2027	50.69	75	40.21	50
April 2027	55.75	25	40.19	25
May 2027	51.32	50	37.38	50

MidAmerican

**Table 1-13: Winning Suppliers**

Tidal Energy Marketing (U.S.), L.L.C.
TransAlta Energy Marketing (U.S.) Inc.

**Table 1-14: Average Prices (\$/MWh) of Electricity Contracts**

Months	Average Price (\$/MWh)
July 2024	56.17
August 2024	54.84

(2) (Blank)

**(3) The quantity, price, and rate impact of all energy efficiency and demand response measures purchased for electric utilities, and any measures included in the procurement plan pursuant to Section 16-111.5B of the Public Utilities Act.**

Consistent with prior years, the IPA did not directly purchase energy efficiency or demand response measures for ComEd or Ameren Illinois in Fiscal Year 2024.

Procurement Plans developed by the Agency for the years 2013 through 2017 included the approval of incremental energy efficiency programs pursuant to Section 16-111.5B of the Public Utilities Act. Those provisions were terminated as part of Public Act 99-0906, which took effect on June 1, 2017, and thus the IPA has not included energy efficiency in its procurement plans since that time.

Under current market and regulatory conditions, the IPA believes that a demand response procurement by the IPA could not meet the standards set forth in Section 16-111.5(b)(3) of the Public Utilities Act. Reasons for this include, for example, the statutory requirement that demand response under this provision must come from “eligible retail customers,” and as the IPA is not aware of any simple, straightforward way of definitively determining whether a non-competitive class customers take supply from the utility or an alternative retail electric supplier for purposes of any demand response aggregation, there may simply be no feasible way to ensure that only eligible retail customers participate. As a result, the IPA has not included demand response procurements in its annual electricity procurement plan and the ICC has approved that determination.

**(4) The amount of power and energy produced by each Agency facility.**

Consistent with prior years, the IPA had no Agency facilities during Fiscal Year 2024.

**(5) The quantity of electricity supplied by each Agency facility to municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois.**

Consistent with prior years, the IPA had no Agency facilities during Fiscal Year 2024.

**(6) The revenues as allocated by the Agency to each facility.**

Consistent with prior years, the IPA had no Agency facilities during Fiscal Year 2024.



## **(7) The costs as allocated by the Agency to each facility.**

Consistent with prior years, the IPA had no Agency facilities during Fiscal Year 2024.

## **(8) The accumulated depreciation for each facility.**

Consistent with prior years, the IPA had no Agency facilities during Fiscal Year 2024.

## **(9) The status of any projects under development.**

Consistent with prior years, the IPA had no Agency facilities under development during Fiscal Year 2024.

Among the Agency's goals and objectives enumerated in the Illinois Power Agency Act are the following:

- *Develop electric generation and co-generation facilities that use indigenous coal or renewable resources, or both, financed with bonds issued by the Illinois Finance Authority.*
- *Supply electricity from the Agency's facilities at cost to one or more of the following: municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois.*<sup>58</sup>

The Act places a number of restrictions on the Agency that severely limit its ability to develop the allowed facilities in the current marketplace. See, for example:

*At the Agency's discretion, it may conduct feasibility studies on the construction of any facility. Funding for a study shall be assessed to municipal electric systems, governmental aggregators, units of local government, or rural electric cooperatives requesting the feasibility study; or through an appropriation from the General Assembly.*

No entities have requested such a study.

*The Agency may enter into contractual arrangements with private and public entities, including but not limited to municipal electric systems, governmental aggregators, and rural electric cooperatives, to plan, site, construct, improve, rehabilitate, and operate those electric generation and co-generation facilities.*

No entities have requested such arrangements.

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<sup>58</sup> 20 ILCS 3855/1-5(C) and (D).

*The first facility that the Agency develops, finances, or constructs shall be a facility that uses coal produced in Illinois. The Agency may, however, also develop, finance, or construct renewable energy facilities after work on the first facility has commenced.*

*Any such facility that uses coal must be a clean coal facility and must be constructed in a location where the geology is suitable for carbon sequestration.*

*The Agency may supply electricity produced by the Agency's facilities to municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois. The electricity shall be supplied at cost. Electric utilities shall not be required to purchase electricity directly or indirectly from facilities developed or sponsored by the Agency.*

Financing of new generation generally requires that there be certainty regarding the contractual obligation to purchase the output of the facility. Even priced at cost, electricity produced by such a facility is likely to be priced significantly above the market price of electricity for the foreseeable future. Without a mandate to purchase such electricity, buyers would not elect to purchase the significantly more expensive electricity from a clean coal facility, let alone enter into a contract featuring the length and terms necessary to finance such a facility's construction. Due to a severely restricted pool of potential buyers and the apparent absence of need among those potential buyers, the development of a new IPA facility is unlikely to be feasible for the foreseeable future.

*The Agency may sell excess capacity and excess energy into the wholesale electric market at prevailing market rates; provided, however, the Agency may not sell excess capacity or excess energy through the procurement process described in Section 16-111.5 of the Public Utilities Act.*

*The Agency shall not directly sell electric power and energy to retail customers. Nothing in this paragraph shall be construed to prohibit sales to municipal electric systems, governmental aggregators, or rural electric cooperatives.*

(Source: P.A. 95-481, eff. 8-28-07; 95-1027, eff. 6-1-09.)

These provisions mean that the Agency may not serve as a seller to retail load in Illinois from any facilities it develops, which serves as a protection for both customers and the market. However, a reduced pool of potential buyers helps ensure that there is not sufficient demand at this time (or in the near future) for the IPA to develop a new facility.

- (10) Basic financial and operating information specifically detailed for the reporting year and including, but not limited to, income and expense statements, balance sheets, and changes in financial position, all in accordance with generally accepted accounting principles, debt structure, and a summary of funds on a cash basis.**

The Agency's Fiscal Year 2024 Financial Statements and Notes are contained in the attached Appendix A. Appendix B contains a summary of funds on a cash basis.

## (11) The average quantity, price, contract type and term and rate impact of all renewable resources procured under the long-term renewable resources procurement plans for electric utilities.

This section of the report, in addition to providing the average quantity, price, contract type and term of all renewable resources purchased, provides a comparison of the costs associated with the procurement of the renewable resources to the costs associated with electricity generated by other types of generation facilities. In this Report, “cost” is used to refer to a quantity procured multiplied by that quantity’s average unit price.

Information on the resources procured and the results of the competitive procurements are presented in Tables 11-1, 11-2, and 11-3 below for the 2023-2024 delivery year for ComEd, Ameren Illinois, and MidAmerican, respectively.<sup>59</sup> To place the costs of renewable resources and conventional generation on a level footing, procurement costs are compared for RECs and electricity contracted or delivered to the utility’s bundled rate customers during the 2023-2024 delivery year. The following costs are tabulated:

- For Ameren Illinois, ComEd, and MidAmerican, the average price and cost of RECs procured in the Competitive Procurements for new Utility-Scale Wind, new Utility-Scale Solar, and Brownfield Site Solar conducted from 2017 through 2019;
- For Ameren Illinois, and ComEd, the average imputed price and cost of RECs delivered under the Adjustable Block Program;
- The average price per MWh and cost of the blocks of electricity procured by the Agency; and
- For Ameren Illinois and ComEd, the 2010 Long-Term Power Purchase Agreements (“LTPPAs”) purchase costs broken down to show the imputed REC and electricity prices,<sup>60</sup> beginning with the 2012-13 delivery year, which is the first year of delivery under those agreements;

With regard to the 2010 LTPPAs, those contracts contain bundled pricing for electricity and RECs. REC prices are “imputed” by subtracting an electricity price from the bundled price. The electricity prices used in those contracts are determined through a forward energy curve calculated at the time of the procurement event. The process of imputing these REC prices is described in Appendix K to the Agency’s 2010

<sup>59</sup> Historical information is available in the Agency’s Report on Costs and Benefits of Renewable Resource Procurement published on April 1, 2016, and in the Fiscal Year 2016, Fiscal Year 2017, Fiscal Year 2018, Fiscal Year 2019, Fiscal Year 2020, Fiscal Year 2021, Fiscal Year 2022, and Fiscal Year 2023 Annual Reports.

<sup>60</sup> In its December 19, 2012 Order, the ICC allowed for the release of the previously confidential “Appendix K” imputed REC prices. The conformed plan (ICC Docket No. 12-0544, 2013 Electricity Procurement Plan Conforming to the Commission’s December 19, 2012 Order at 84) included imputed prices for the five subsequent delivery years 2013-17.

## Procurement Plan.<sup>61</sup>

Although the tables below compare the costs of procured RECs to the costs of procured electricity, it should be noted that these costs are not for equivalent products. RECs represent only the value of the environmental attributes of electricity produced from renewable energy facilities, and not the value of the underlying electricity. Alternatively, the costs shown for electricity procured represent prices of actual electricity procured for delivery and use by the end customer. In general, REC costs are additive to the conventional supply costs when calculating individual customer rate and bill impacts. The Agency also notes that the costs reported herein are only for the supply of electricity and do not include distribution, transmission or other costs related to the provision of electric service.

The Competitive Procurements include the Initial Forward Procurements, Subsequent Forward Procurements, and additional Forward Procurements conducted by the Agency, from 2017 through 2019, for the utilities, as required by Section 1-75(c)(1)(G) of the IPA Act. These procurements were conducted to procure 15-year contracts for RECs to be delivered annually from new utility-scale wind projects, new utility-scale solar projects and brownfield site photovoltaic projects. The REC deliveries were not to start before June 1, 2019 and were to start by June 1, 2022<sup>62</sup> On March 18, 2021, the IPA conducted a procurement for RECs from utility-scale wind projects as a follow up to a procurement held in October 2019 which did not result in any selected bids. The March 2021 procurement also had no selected bids. The average price and cost in Tables 11-1, 11-2, and 11-3 are for all the Competitive Procurements from 2017 through 2019. The average price and cost are based on actual deliveries.

The Agency has conducted competitive procurements of RECs from utility-scale wind, solar, and brownfield site solar projects under a new procurement model under which the price of the REC is indexed to wholesale energy market prices; those “Indexed REC” procurements were conducted in May 2022, December 2022, June 2023, December 2023, July 2024, and December 2024. Under the Indexed REC model, bidders submit a strike price which is used to evaluate bids. The actual REC price (and thus associated costs) are calculated based on the difference between the indexed monthly energy price and that strike price, and can be a positive or negative value.

Through the first Indexed REC procurement event, one wind, three solar, and one brownfield site projects were selected at an average strike price of \$52.43.<sup>63</sup> Through the second procurement event, zero wind, seven solar, and four brownfield site projects were selected at an average strike price of \$72.59.<sup>64</sup>

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<sup>61</sup> Illinois Power Agency, ICC Docket No. 09-373, Supplemental Filing (Nov. 9, 2009).

<sup>62</sup> This deadline was initially set at June 1, 2021 in Public Act 99-0906 and was subsequently extended to June 1, 2022 through Public Act 101-0113 in the event of certain development delays like the establishment of an operating interconnection.

<sup>63</sup> See: <https://ipa-energyrfrp.com/wp-content/uploads/2022/05/Spring-2022-Indexed-REC-RFP-Results-12-May-2022-posted.pdf>.

<sup>64</sup> See: <https://www.ipa-energyrfrp.com/wp-content/uploads/2022/12/Fall-2022-Indexed-REC-RFP-Results-15-Dec-2022-posted.pdf>



Through the third procurement event, zero wind, seven solar, and three brownfield site projects were selected at an average strike price of \$69.83.<sup>65</sup> Through the fourth procurement event two wind, seven solar, and one brownfield site projects were selected at an average strike price of \$74.10.<sup>66</sup> Through the fifth procurement event, one wind, six solar, and zero brownfield site projects were selected at an average price of \$73.06.<sup>67</sup> Through the sixth procurement event, two wind, three solar, and zero brownfield site projects were selected at an average price of \$76.98.<sup>68</sup> As no RECs have yet been delivered under contracts resulting from these procurements in the 2023-2024 delivery year (projects generally take multiple years to be successfully developed, energized, and delivering RECs), the impacts of these Indexed REC procurements are not included in the tables below.

Sections 1-75(c)(1)(K) and (L) of the IPA Act require the Agency to establish an Adjustable Block Program (“ABP”) for the procurement of RECs from new photovoltaic distributed generation systems and from new photovoltaic community renewable generation projects. Procurements under the ABP utilize 15 or 20-year REC delivery contracts, with RECs priced according to a transparent schedule of administratively-set prices developed through the IPA’s biannually-developed Long-Term Renewable Resources Procurement Plan. The average price and cost of ABP RECs in Tables 11-1, 11-2 and 11-3 are based on actual deliveries.

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<sup>65</sup> See: <https://www.ipa-energyrfp.com/wp-content/uploads/2023/06/Summer-2023-Indexed-REC-RFP-Results-29-Jun-2023.pdf>.

<sup>66</sup> See: <https://www.ipa-energyrfp.com/wp-content/uploads/2023/12/Fall-2023-Indexed-REC-RFP-Results-14-Dec-2023.pdf>.

<sup>67</sup> See: <https://www.ipa-energyrfp.com/wp-content/uploads/2024/07/Summer-2024-Indexed-REC-RFP-Results-24-Jul-2024.pdf>

<sup>68</sup> See: <https://www.ipa-energyrfp.com/wp-content/uploads/2024/12/Fall-2024-Indexed-REC-RFP-Results-05-Dec-2024.pdf>

## ComEd

Table 11-1 shows the average quantity, price and contract type of all renewable energy resources procured under the Long-Term Renewable Resources Procurement Plan and a comparison of the cost of RECs relative to the cost of electricity under contract for delivery to ComEd during the 2023-2024 delivery year.

**Table 11-1: ComEd - Comparison of the Cost of RECs Relative to the Cost of Electricity**

	RECs and Electricity Delivered in the 2023-2024 Delivery Year		
Procurements of REC from Renewable Energy Resources	Quantity [RECs]	Average Unit Price	Cost <sup>69</sup>
Competitive Procurements	2,451,287	\$5.62	\$13,782,639
Adjustable Block Program	996,594	\$66.46	\$66,233,637
<u>2010 Long-Term Purchase Agreements - REC Procurement<sup>70</sup></u>	<u>1,261,725</u>	<u>\$11.35</u>	<u>\$14,320,740</u>
Total RECs	4,709,606	\$20.03	\$94,337,016
2010 Long-Term Purchase Agreements - Electricity Procurement <sup>71</sup>	1,261,725	\$57.26	\$72,246,316
Procurements of Electricity from Conventional Resources	Quantity [MWh]	Average Unit Price	Cost
2023 Fall Block Energy Procurement	0		0
2023 Spring Block Energy Procurement	191,625	\$42.67	\$8,176,539
2022 Fall Block Energy Procurement	3,630,975	\$62.03	\$225,227,161
2022 Spring Block Energy Procurement	3,712,600	\$49.19	\$182,637,650
2021 Fall Block Energy Procurement	2,548,625	\$31.15	\$79,384,556
<u>2021 Spring Block Energy Procurement</u>	<u>2,502,975</u>	<u>\$24.83</u>	<u>\$62,149,141</u>
Total Electricity from Conventional Resources	<u>12,586,800</u>	<u>\$44.30</u>	<u>\$557,575,045</u>

<sup>69</sup> Cost = Quantity times Average Unit Price.

<sup>70</sup> This represents the Annual Contract Quantity Commitment of RECs specified in the contract and the imputed REC price.

<sup>71</sup> This represents the energy associated with the Annual Contract Quantity Commitment of RECs specified in the contract and the difference between the Contract Price and the Imputed REC Price.

## Ameren Illinois

Table 11-2 shows the average quantity, price and contract type of all renewable resources procured under the Long-term Renewable Resources Procurement Plan and a comparison of the cost of RECs relative to the cost of electricity under contract for delivery to Ameren Illinois during the 2023-2024 delivery year.

**Table 11-2: Ameren Illinois - Comparison of the Cost of RECs Relative to the Cost of Electricity**

Procurements of REC from Renewable Energy Resources	RECs and Electricity Delivered in the 2023-2024 Delivery Year		
	Quantity [RECs]	Average Unit Price	Cost <sup>72</sup>
Competitive Procurements	1,129,179	\$5.36	\$6,054,367
Adjustable Block Program	395,217	\$64.71	\$25,573,101
<u>2010 Long-Term Purchase Agreements - REC Procurement<sup>73</sup></u>	<u>600,000</u>	<u>\$5.67</u>	<u>\$3,401,000</u>
Total RECs	2,124,396	\$16.49	\$35,028,468
2010 Long-Term Purchase Agreements - Electricity Procurement <sup>74</sup>	600,000	\$57.05	\$34,228,760
Procurements of Electricity from Conventional Resources	Quantity [MWh]	Average Unit Price	Cost
2023 Fall Block Energy Procurement	1,284,800	45.00	\$57,818,154
2023 Spring Block Energy Procurement	1,481,800	50.46	\$74,773,738
2022 Fall Block Energy Procurement	1,597,800	\$63.92	\$102,133,032
2022 Spring Block Energy Procurement	1,250,400	\$55.52	\$69,426,288
2021 Fall Block Energy Procurement	453,400	\$35.80	\$16,230,576
<u>2021 Spring Block Energy Procurement</u>	<u>524,600</u>	<u>\$28.90</u>	<u>\$15,158,982</u>
Total Electricity from Conventional Resources	6,592,800	\$50.90	\$335,540,770

<sup>72</sup> Cost = Quantity times Average Unit Price.

<sup>73</sup> This represents the Annual Contract Quantity Commitment of RECs specified in the contract and the imputed REC price.

<sup>74</sup> This represents the energy associated with the Annual Contract Quantity Commitment of RECs specified in the contract and the difference between the Contract Price and the Imputed REC Price.

## MidAmerican

Table 11-3 shows the price and contract type of all renewable resources procured under the Long-term Renewable Resources Procurement Plan during the 2023-2024 delivery year.

**Table 11-3: MidAmerican - Comparison of the Cost of RECs Relative to the Cost of Electricity**

Procurements of REC from Renewable Energy Resources	RECs and Electricity Delivered in the 2023-2024 Delivery Year		
	Quantity [RECs]	Average Unit Price	Cost <sup>75</sup>
Competitive Procurements	12,720	\$6.94	\$88,233
<u>Adjustable Block Program</u>	<u>5,492</u>	<u>\$216.41</u>	<u>\$1,188,512</u>
Total RECs	18,212	\$70.10	\$1,276,746
Procurements of Electricity from Conventional Resources	Quantity [MWh]	Average Unit Price	Cost
<u>2023 Spring Block Energy Procurement</u>	<u>34,400</u>	<u>\$54.20</u>	<u>\$1,864,480</u>
Total Electricity from Conventional Resources	34,400	\$54.20	\$1,864,480

## Term of REC Contracts for all Utilities

The IPA's procurement of renewable energy resources includes REC procurements of various terms (i.e., length of contract). Table 11-4 shows the term<sup>76</sup> associated with each procurement of renewable resources for delivery to Ameren Illinois, ComEd and MidAmerican during the 2023-2024 delivery year.

**Table 11-4: Term of RECs Contracts for Delivery during the 2023-2024 Delivery Year**

Procurements from Renewable Energy Resources	Ameren Illinois & ComEd Delivery Terms	MidAmerican Delivery Terms
Competitive Procurement RECs under Contract (Procurements Conducted 2017-2019)	15 years	15 years
Adjustable Block Program RECs under Contract (Program Period Starting 2019)	15 years	15 years
Long-Term Power Purchase Agreements (Procurement Conducted 2010)	20 years	-

<sup>75</sup> Cost = Quantity times Average Unit Price.

<sup>76</sup> The term indicated in this section is merely the nominal term for REC deliveries upon a system becoming energized or beginning with its first REC deliveries; the full term applicable to obligations under REC delivery contracts may vary depending on the contracted system's specific development schedule (i.e., contractual obligations may still need to be fulfilled before deliveries commence, and achieving those milestones may occur months or even years later than the month/year specified in Table 4). No 20-year Adjustable Block Program REC contracts have commenced delivery to date.

(12) A comparison of the costs associated with the Agency's procurement of renewable energy resources to (A) the Agency's costs associated with electricity generated by other types of generation facilities and (B) the benefits associated with the Agency's procurement of renewable energy resources.<sup>77</sup>

The costs associated with the Agency's procurement of renewable energy resources and the Agency's costs of electricity generated by other types of generation facilities are presented in the preceding section (11). The environmental and economic benefits that result from the generation of renewable energy are considered in both quantitative and qualitative terms in this section. The primary benefits associated with renewable energy resources are attributable to the reduction of the pollutants emitted by fossil fuel electricity generation that is displaced by electricity generated from renewable resources, and from the economic benefits provided by the construction and operation of these renewable generation facilities. The monetary estimates of the environmental benefits are focused on the reduced costs that result from the avoidance of emissions-related adverse health effects and economic impacts such as crop damage. The economic benefits include increased employment associated with the construction and operation of renewable resource facilities, increased taxes or payments in lieu of taxes, and the local revenue and supply chain benefits available to local businesses which supply products and services to these facilities and their workers.

## 1. Environmental Benefits

The environmental benefits associated with renewable energy generation primarily involve avoiding the pollutants emitted from electricity generated by the combustion of fossil fuels. Emissions from the combustion of fossil fuels—specifically, particulate matter (PM),<sup>78</sup> sulfur dioxide (SO<sub>2</sub>) and nitrogen oxides (NO<sub>x</sub>)—are linked to a wide range of adverse health effects. Adverse health impacts resulting from PM emissions are relative to the size of the particles. The smaller the particle, the greater the potential for damaging health effects. Fine particles referred to as PM<sub>2.5</sub> are the most damaging. These particles are associated with respiratory diseases such as asthma, decreased lung function as well as cardio-pulmonary disease.<sup>79</sup> A recent study of the health effects of PM<sub>2.5</sub> emissions from coal-fired generating plants indicates that these particle emissions are more damaging to human health than previously thought.<sup>80</sup> PM<sub>2.5</sub>

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<sup>77</sup> 20 ILCS 3855/1-125(12).

<sup>78</sup> PM emissions are generally reported as either PM<sub>10</sub>, particulates that have diameters of 10 micrometers or less, or PM<sub>2.5</sub>, particulates of 2.5 micrometers or less.

<sup>79</sup> State of Illinois, Illinois Environmental Protection Agency, Illinois Annual Air Quality Report, 2022. U.S. Environmental Protection Agency, Particulate Matter (PM) Pollution, Health and Environmental Effects of Particulate Matter. Updated July 16, 2024. <https://www.epa.gov/PM-pollution/health-and-environmental-effects-particulate-matter-pm>.

<sup>80</sup> Henneman, Lucas; Choirat, Christine; Dedoussi, I; Dominici, Francesca; Roberts, Jessica; Zigler, Corwin, "Mortality risk from United States coal electricity generation," *Science* 24 November 2023, Vol. 382, Issue 6673, pp. 941-946. Previous studies that



emissions can also damage the surfaces of agricultural crops adversely affecting growth rates and yields. Health impacts associated with SO<sub>2</sub> emissions include irritation and inflammation of tissue exposed to the pollutant, which may exacerbate respiratory diseases. NO<sub>x</sub> emissions can have adverse impacts such as respiratory and eye irritation and reduced crop yield.

SO<sub>2</sub> and NO<sub>x</sub> emissions also add to PM<sub>2.5</sub> emissions impacts with the formation of particulates as some of the SO<sub>2</sub> and NO<sub>x</sub> emissions evolve into nitrate and sulfate particles in the atmosphere after being emitted. NO<sub>x</sub> emissions are also a precursor to the photochemical formation of ozone (O<sub>3</sub>). Elevated levels of O<sub>3</sub> in the atmosphere can result in significant damage to vegetation, as well as lung damage, and can exacerbate respiratory diseases. Carbon dioxide (CO<sub>2</sub>), emitted by the combustion of fossil fuels, contributes to climate change. CO<sub>2</sub> also indirectly impacts public health concerns such as reduced agricultural production, increased waterborne and pest-related diseases, increased storm severity, and ocean acidification.<sup>81</sup>

In Illinois, coal and natural gas power plants are responsible for most of the emissions associated with electricity generation. In 2023, these two generation sources accounted for more than 99% of the CO<sub>2</sub>, SO<sub>2</sub> and PM<sub>2.5</sub> as well as 90% of the NO<sub>x</sub> emissions from electricity generation. Table 5 shows the emissions from these pollutants by electric generation in Illinois in 2023. These data were taken from publications of the U.S. Energy Information Administration (EIA) which reported SO<sub>2</sub>, NO<sub>x</sub> and CO<sub>2</sub> emissions from power generation in the state for 2023.<sup>82</sup> The PM<sub>2.5</sub> emissions were estimated based on U.S. EPA Air Emissions Inventories Air Pollutant Emissions Trends.<sup>83</sup> These emissions are shown in the following table.

**Table 12-1: Illinois Power Generation Emissions 2023 (Tons)**

SO <sub>2</sub>	32,292
NO <sub>x</sub>	19,748
PM <sub>2.5</sub>	1,658
CO <sub>2</sub>	46,510,274

These emissions are significantly lower than what was reported in the Fiscal Year 2023 Annual Report likely due to the displacement of coal generation with increased generation from natural gas plants, within a small decrease in overall power generation.<sup>84</sup> According to the EIA’s annual Power Plant Operations

quantified the mortality associated with coal-fired emissions assumed that PM<sub>2.5</sub> from coal has the same health impacts as PM<sub>2.5</sub> from other sources. See News Release Harvard T.H. Chan School of Public Health, November 23, 2023, “Particulate pollution from coal associated with double the risk of mortality than PM<sub>2.5</sub> from other sources.”

<sup>81</sup> U.S. Environmental Protection Agency, Air Pollution: Current and Future Challenges, [www.epa.gov/clean-air-act-overview/air-pollution-current-and-future-challenges](https://www.epa.gov/clean-air-act-overview/air-pollution-current-and-future-challenges), updated October 17, 2024, accessed November 2024.

<sup>82</sup> U.S. Energy Information Administration, Electricity, Detailed State Data-Final Annual Data for 2023, released in October 2024, accessed November, 2024, [www.eia.gov/electricity/data/state](https://www.eia.gov/electricity/data/state).

<sup>83</sup> U.S. EPA Air Pollutant Emissions Trends Data Criteria Pollutants State Tier 1 CAPS Trends for 1990-2023 updated February 9, 2024. <https://www.epa.gov/air-emissions-inventories/air-pollutant-emissions-trends-data>

<sup>84</sup> [Electric Power Sector Emissions | US EPA](#)

report,<sup>85</sup> in Illinois, year-over-year electricity generation from coal declined by 33.1%, generation from natural gas increased by 43.7%, and total generation decreased by 4.0% between 2022-2023.

Emission factors in this report representing the emissions avoided by renewable energy generation are based on the Avoided Emissions and Generation Tool (“AVERT”) model developed by the U.S. EPA which was updated in April 2024.<sup>86</sup> The AVERT<sup>87</sup> is used to evaluate changes in pollutants (PM<sub>2.5</sub>, CO<sub>2</sub>, NO<sub>x</sub>, SO<sub>2</sub>) emitted from electric power generation due to increases in energy efficiency or renewable resource generation. The AVERT model calculates emission impacts in terms of emissions from coal and natural gas power plants that are avoided by using wind and solar generation. Avoided emission rates are calculated on a regional basis using the AVERT model for the Midwest and Mid- Atlantic regions. The AVERT modeling regions are equivalent to MISO and PJM, respectively. The AVERT emission rates are multiplied by the renewable energy procured by the Agency to determine the avoided emissions which are then multiplied by the estimated environmental impacts (also referred to as “damages”) for each pollutant to provide the monetary benefits associated with the renewable energy represented by the number of RECs delivered each year. Using the AVERT model provides more quantitatively robust estimates of the actual emissions that are avoided by the Agency’s renewable energy procurements. The Agency used the Midwest Region emission factors for determining the costs for Illinois since the avoided emissions profiles for this region are more reflective of the emissions avoided by renewable energy in Illinois than the avoided emissions profiles for the Mid-Atlantic region. For 2023, the generation emission factors (e.g., avoided emissions rates) for onshore wind, utility-scale PV and DG PV are shown in the following table:

**Table 12-2: Midwest Regional Emission Factors 2023**

<b>Pollutant</b>	<b>Onshore Wind</b>	<b>Utility Scale PV</b>	<b>DG PV</b>
CO <sub>2</sub> (lbs/MWh)	1,576	1,612	1,736
SO <sub>2</sub> (lbs/MWh)	108	1.06	1.14
NO <sub>x</sub> (lbs/MWh)	0.86	0.91	0.98
PM <sub>2.5</sub> (lbs/MWh)	0.09	0.11	0.12

Emissions that are displaced by renewable generation can be determined with reasonable specificity, however, assigning monetary values to these emissions benefits is subject to significant uncertainty. Considering this uncertainty, in this report emissions quantities and emissions factors are reported as specific data points, while the monetary benefits of the emissions displaced by wind and solar generation are reported as ranges.

<sup>85</sup> [https://www.eia.gov/electricity/data/state/annual\\_generation\\_state.xls](https://www.eia.gov/electricity/data/state/annual_generation_state.xls)

<sup>86</sup> AVERT v 4.3 Avoided Emission Rates 2017-2023 (April 2024).

<sup>87</sup> AVERT analyzes electric power sector impacts on an hour-by-hour basis to produce marginal emission rates on a regional basis for six categories clean generation resources including onshore wind, utility-scale PV and rooftop-scale PV. <http://epa.gov/avert/avoided-emission-rates-generated-avert>.

Several studies<sup>88,89,90</sup> developed estimates for the marginal impacts from electricity generation emissions. The ranges of impacts in dollars per ton emitted are based on the monetary values reported in these studies converted to Q2 2024 dollars:<sup>91</sup>

**Table 12-3: Ranges for Pollutant Impacts (Q2 2024 \$/ton)**

SO <sub>2</sub>	8,400 – 37,000
NO <sub>x</sub>	2,300 – 17,700
PM <sub>2.5</sub>	13,700 – 127,800

The ranges of estimates provided in Table 12-3 highlight the considerable uncertainties associated with the estimation of monetary values of emission impacts. These estimations are dependent on a varying range of assumptions and inputs between studies. In particular the wide range of impacts for PM<sub>2.5</sub> emissions reflects the importance that some studies place on the health effects associated with these emissions. As a result, the range of estimated values provided below should be understood to be extrapolations and estimates rather than definitive calculations of benefits by the Agency.

Estimates of the avoided damages from displaced CO<sub>2</sub> emissions are based on the social cost of carbon. The U.S. EPA defines the social cost of carbon (social cost of greenhouse gases) as the “monetary value of the future stream of net damages associated with adding one ton of greenhouse gas to the atmosphere.” This metric includes: “the value of all climate change impacts (both negative and positive) including (but not limited to) changes in net agricultural productivity, human health effects, property damage from increased flood risk, changes in the frequency and severity of natural disasters, disruption of energy systems, risk of conflict, environmental migration, and the value of ecosystem services.” However, “because of data and modeling limitations, which prevent full representation of harmful climate impacts, estimates of the social cost of greenhouse gases (SC-GHG) - including the updated values presented in this report – are a partial accounting of climate change impacts and, as such, lead to underestimates of the marginal costs of abatement.”<sup>92</sup> From the EPA’s perspective, the social cost of carbon only includes the costs and benefits associated with CO<sub>2</sub> emissions that can be quantified. While CO<sub>2</sub> emissions have global impacts, the EPA’s

<sup>88</sup> Jaramillo, P. and Muller, N., “Air pollution emissions and damages from energy production in the U.S.: 2002-2011, Energy Policy 90 (2016) pp.202-211.

<sup>89</sup> Goodkind, A.L. et al, “Fine-scale damage estimates of particulate matter air pollution reveal opportunities for location-specific mitigation of emissions,” PNAS, April 30, 2019, vol. 116, no. 18, 8775-8780, [www.pnas.org/cgi/doi/10.1073/pnas.1816102116](http://www.pnas.org/cgi/doi/10.1073/pnas.1816102116).

<sup>90</sup> Holland, S.P.; Mansur, E.T.; Muller, N.; Yates, A.J.; Decompositions and Policy Consequences of an Extraordinary Decline in Air Pollution from Electricity Generation, NBER Working Paper 25339, December 2018.

<sup>91</sup> Prices escalated using U.S. Bureau of Economic Analysis, Gross Domestic Product: Implicit Price Deflator [GDPDEF], retrieved from FRED Federal Reserve of St. Louis December 9, 2024. <https://fred.stlouisfed.org/series/GDPDEF>.

<sup>92</sup> Report on the Social Cost of Greenhouse Gases: Estimates Incorporating Recent Scientific Advances, November 2023, National Center for Environmental Economics, Office of Policy, Climate Change Division, Office of Air and Radiation, U.S. Environmental Protection Agency, Docket ID No. EPA-HQ-OAR-2021-0317.

quantification of the costs is focused on the costs and benefits that affect individuals and accrue to regulated entities in the U.S.

The social cost of carbon is typically presented in terms of dollars per ton of CO<sub>2</sub> which represents the economic impacts that would result from the emissions of an additional ton of carbon. The social cost of carbon measures the estimated future impacts from carbon emissions in terms of present value using a discount rate. Within this estimation is the assumption that the geographic area impacted by CO<sub>2</sub> emissions, either global impacts or domestic impacts is specific to the United States. Since 2008 the estimated values for the social cost of carbon have evolved based on growing scientific data that improved the understanding of the impacts of greenhouse gas emissions. This evolution generated considerable political controversy as the values of the social cost of carbon changed.

For this Annual Report, the Agency considered a range of values for the social cost of carbon used to determine the benefits of displaced CO<sub>2</sub> emissions. The 2023 Annual Report used the domestic social cost of carbon (in 2020 dollars escalated to 2022 dollars) of \$15.50/ton determined using a 5% discount rate and the social cost of carbon of \$152.00/ton determined using a 3% discount rate to provide the range.<sup>93,94</sup> That value for the social cost of carbon was based on estimates and calculations by the Interagency Working Group (“IWG”) developed in 2016. The U.S. EPA’s most recent social cost of carbon estimate (November 2023) uses a 2.5 percent discount rate to arrive at a value of \$120/metric ton for 2020, a significantly higher value than that derived from the 2016 IWG report. Following the EPA’s estimate of the real annual rate of increase of 1.55 percent for this cost, converting the value to Q2 2024 dollars and converting from metric tons to tons gives an equivalent social cost of carbon of \$161/ton. This is the value that the Agency is using as the upper end of the range of social cost of carbon values for the calculation of displaced CO<sub>2</sub> emissions benefits. The Agency notes that the IWG was disbanded on January 20, 2025 through an Executive Order issued by President Trump.<sup>95</sup> As a result, the Agency does not expect any updates to the social cost of carbon to be issued by the Federal government.

Using RECs procured by the Agency and delivered to the utilities for the 2023-2024 delivery year, it is estimated that renewable resource projects under contract generated a total of 4,990,489 MWh, with 3,593,166 MWh from competitive wind and utility PV procurements and 1,397,303 MWh from the ABP (see Tables 11-1 through 11-3 in Section 11 above). The renewable resource generation associated with the RECs procured by the Agency represents more than 19% of the renewable generation in Illinois, which was 25,417,403 MWh for the 2023-2024 delivery year.<sup>96</sup>

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<sup>93</sup> Interagency Working Group on Social Cost of Greenhouse Gases, United States Government, February 2021, Technical Support Document: Social Cost of Carbon, Methane, and Nitrous Oxide, Interim Estimates under Executive Order 13990.

<sup>94</sup> For context the \$16.50/MWh Social Cost of Carbon used for the development of the Zero Emission Standard Procurement Plan translates to \$31.37/ton based on a CO<sub>2</sub> emissions factor of 1,052 lbs./MWh.

<sup>95</sup> See: <https://www.whitehouse.gov/presidential-actions/2025/01/unleashing-american-energy/>.

<sup>96</sup> U.S. EIA, Electric Power Monthly. February 2024 and July 2024 issues. <https://www.eia.gov/electricity/monthly/>.

The ranges of estimated benefits for the emissions displaced by the renewable generation associated with the Agency's REC procurements for the delivery year 2023-2024 are shown in Table 12-4. These values were calculated using the AVERT emissions factors shown in Table 12-2, the impact values shown in Table 12-3, and the MWh of renewable generation shown above.

**Table 12-4: Estimated Benefits of Renewable Resources Procured by the Agency and Delivered to the Utilities in the 2023-24 Delivery Year (Millions Q2 2024\$)**

SO <sub>2</sub>	22.7 - 100.8
NO <sub>x</sub>	5.3 - 40.2
PM <sub>2.5</sub>	3.6 - 33.6
CO <sub>2</sub>	66.9 - 655.8
Total	98.5 - 830.3

The higher estimated benefits for the 2023-2024 delivery year compared to the values of the benefits in last year's Annual Report are primarily due to the increased number of RECs procured by the Agency and the escalation of the values from being presented in 2022 real dollars to being presented in Q2 2024 real dollars (2024\$).

In December 2024 the U.S. EPA updated its assessment of the public health benefits associated with the reduction of emissions by utility scale wind and solar generation in the Midwest from the assessment numbers utilized for last year's annual report which were released in May 2021. When the latest EPA benefits estimates are applied to the Agency's REC procurements in delivery year 2023-2024 the estimated total benefits ranged from an average of \$307.6 million to \$523.3 million (Q2 2024\$).<sup>97</sup> The EPA's public health benefit calculation uses emissions from generation displaced by the renewable generation quantifying the reduction of PM<sub>2.5</sub>, SO<sub>2</sub> and NO<sub>x</sub> emissions, excluding benefits associated with reduced CO<sub>2</sub> emissions. The methodology the EPA utilized for determining the benefits estimates was updated in the Third Edition which resulted in substantial increases in the estimates over the Second Edition when considered on a comparable basis (Q2 2024\$).<sup>98</sup> The total estimated environmental benefits of the IPA's competitive REC procurements, excluding the benefits of displaced CO<sub>2</sub> emissions for the 2023-2024 delivery year range from \$31.6 million to \$174.2 million.

Based on the range of emissions benefits utilized above and the estimated delivery quantity of 1,397,303 ABP RECs for the 2023-24 delivery year, the ABP emissions benefits range from a low of \$9.4 million to a high of \$52.3 million excluding the CO<sub>2</sub> emissions displacement benefits and from \$29.3 million to \$247.5 million including these benefits.

<sup>97</sup> U.S. Environmental Protection Agency, "Public Health Benefits per kWh of Energy Efficiency and Renewable Energy in the United States: A Technical Report," December 2024 – Third Edition.

<sup>98</sup> The revised benefits values in the Third Edition, depending on the renewable resource technology considered, showed increases ranging from 36% for the onshore wind high value to 108% for the DG PV low value.



## 2. Economic Benefits

The increasing integration of renewable energy into the electric grid in Illinois has been driven in large part by the state's RPS requirements which have a primary goal of reducing the adverse health and environmental impacts of electricity generation. In addition to environmental benefits, renewable generation offers economic benefits. The economic benefits attributed to renewable energy include potential electricity price reductions, increased electric system reliability through portfolio diversity, state and regional economic development benefits, including employment and tax revenue benefits. Targeted solar PV distributed generation programs, such as the Solar for All Program, provide additional benefits through incentives for the development of renewable resources in under-served, low-income communities; addressing environmental justice issues affecting these communities; increased job training and employment in high unemployment areas; and improving local distribution system reliability.<sup>99</sup>

### a) Electricity Price Benefits

#### Price Moderation and Portfolio Diversity

Wind and solar power have the potential to lower wholesale electricity costs and increase generation supply portfolio diversity. Wind and solar generation costs are not impacted by fuel price volatility since these resources do not use any fuel. In addition to moderating fuel induced price volatility, wind and solar can provide diversity benefits to a generation portfolio that contains significant incumbent fossil fuel and nuclear generation. Renewable resources offer improved reliability by increasing substitutability in the resource mix where incumbent fossil fuel resources can be adversely impacted by fuel supply and transportation issues, supply disruptions, and the potential delay or avoidance of conventional generation capital expenditures.<sup>100</sup>

An adequate level of fuel diversity involves a mix of different generation technologies that allows for increased generation flexibility and adaptability contributing to grid reliability. PJM lists the benefits of fuel diversity as the ability to withstand equipment failures among similar generation technology types, fuel price volatility, and fuel supply disruptions among other possible electric system shocks while maintaining system reliability.<sup>101</sup>

Ideal fuel diversity reflects an approximately equal contribution to system generation by a mix of resource technologies. Fuel diversity can be augmented by battery storage. Electricity generation in Illinois is

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<sup>99</sup> U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Solar Energy Technologies Office. "Community Solar: Overview, ownership models, and the benefits of locally-owned community solar projects," June 2023. NREL/PR-7A40-86210.

<sup>100</sup> U.S. Environmental Protection Agency, "Quantifying the Multiple Benefits of Energy Efficiency and Renewable Energy: A Guide for State and Local Governments. Part One: The Multiple Benefits of Energy Efficiency and Renewable Energy." 2018 edition.

<sup>101</sup> PJM Interconnection, PJM's Evolving Resource Mix and System Reliability, March 30, 2017.

dominated by nuclear power, which for the delivery year 2023 - 24 provided 54.4% of the state's total generation (followed by natural gas at 16.3%, coal at 14.9%, wind at 12.8%, and solar at 1.2%).<sup>102</sup> As fossil fuel generation is phased out in Illinois, the state's fuel diversity will be dependent on increasing the contributions of wind and solar generation as well as increased deployment of battery storage.

Wind and solar in a diversified portfolio can provide a hedge against cost impacts associated with changes in environmental regulations that could adversely impact the costs of, and ultimately the price of electricity, generated by fossil fuel and nuclear power plants.<sup>103</sup> Wind, solar, and other forms of renewable energy are not subject to uncertainty involving the potential for future carbon taxes, unlike fossil fuel-fired power plants.

Since a majority of the costs associated with wind and solar generation involve upfront investments, these resources have low operating costs once energized. The resulting low marginal costs can result in reduced wholesale prices of electricity by shifting more expensive (on a marginal cost basis) resources out on the supply curve. However, net wholesale pricing benefits attributable to renewable energy resources are difficult to monetize and involve determinations that are impacted by the trade-off between the system costs<sup>104</sup> incurred by higher market penetration and the downward pressure exerted on wholesale electricity prices by higher levels of renewable resource generation.

A comprehensive 2019 study by the Electricity Markets and Policy Group at Lawrence Berkeley National Laboratory ("LBNL") identified and analyzed the impacts of various factors on wholesale electricity prices in various regions of the U.S.<sup>105</sup> These factors included natural gas prices, heat rate improvements at existing fossil fuel and nuclear plants, the retirement of old less efficient generating plants, system interaction costs, and demand growth impacts as well as the addition of wind and solar generating resources.

### Impacts on Locational Marginal Prices

Wholesale electric energy prices for competitive markets such as MISO and PJM are determined on an hourly basis when the quantity of electricity offered in the market meets the quantity demanded. When supply meets demand the electricity market clears, that is prices are set or settled at Locational Marginal Prices ("LMPs"). The LMP is the marginal cost of meeting the next increment of demand that is satisfied by the market and includes the energy price, transmission congestion cost and the cost of marginal losses.

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<sup>102</sup> U.S. EIA Electric Power Monthly, February 2024, July 2024 and July 2023. <https://www.eia.gov/electricity/monthly>  
<https://www.eia.gov/electricity/data/state/>

<sup>103</sup> Loomis, D., Stroup, I., Center for Renewable Energy, Illinois State University, "Economic Impact: Illinois Wind Energy Development," June 2016, at 10.

<sup>104</sup> System costs generally refer to the costs incurred by increasing variable renewable energy penetration involving grid extension and reinforcement, transmission, and balancing.

<sup>105</sup> Andrew D. Mills, Dev Millstein, Ryan Wiser, Joachim Steel, Juan Pablo Carvallo, Seongeun Jeong, Will Gorman, Energy markets and Policy Group, Lawrence Berkeley National Laboratory, "Impact of Wind, Solar and Other Factors on Wholesale Power Prices. An Historical Analysis - 2008 through 2017." November 2019.

The 2019 LBNL study provided a summary of the results of several prior studies which focused on the impacts of increasing renewable resource generation on wholesale prices. For PJM, the price reduction associated with wind generation ranged from \$1.00/MWh to \$5.30/MWh while for MISO the price reduction associated with wind generation ranged from \$4.60/MWh to \$6.70/MWh. These studies which were conducted between 2013 and 2019 involved significant differences in data sources and analytical approaches which limited the comparability of the results. To address the challenges in comparing the results, LBNL conducted its study covering data for the period 2008 through 2017. The results of the LBL study sought to measure the impacts of the primary factors affecting wholesale prices during the study period. While the primary factor affecting wholesale prices was the decline in the price of natural gas, the study showed that increased wind generation in MISO contributed to a reduction in wholesale prices of \$0.61/MWh while in PJM wind generation accounted for \$0.16/MWh in wholesale prices and increased solar generation accounted for another \$0.16/MWh reduction in wholesale prices.<sup>106</sup>

A 2021 study focused on Illinois wholesale electricity markets estimated the impact of renewable resource generation on wholesale energy prices in MISO and PJM as reducing wholesale prices in a range of from \$1.00/MWh to \$6.70/MWh for utility-scale wind projects.<sup>107</sup> These studies show that wind and solar generation have definite price impacts but wholesale electricity prices are also impacted by other factors, notably by fluctuating natural gas prices, changes in electricity demand and adverse weather conditions.

The growing share of renewable energy in competitive wholesale markets has led to increasing periods of negative prices. Renewable resources which bolster revenues through the sale of RECs and obtain financial support through other incentives such as production tax credits may, during periods of low demand and low energy prices, find it advantageous to bid negative prices into the market to ensure dispatch rather than shut down production. While negative prices exert downward pressure on wholesale market energy prices, negative prices also distort price signals in the market that provide the incentive to build new capacity. During 2023, negative prices occurred 1.7% of the time in MISO and 3.0% of the time in PJM. The national average for the occurrence of negative prices was 5.6% and was 18.0% in Texas.<sup>108</sup>

## b) Economic Development Opportunities

The Illinois State University's Center for Renewable Energy issued "Economic Impact: Illinois Wind Energy Development," a report that modeled the economic impact of wind energy on Illinois' economy by entering wind project-specific information into the NREL's Jobs and Economic Development Impact ("JEDI") model. The model was used to estimate the income, economic activity, and number of job opportunities accruing

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<sup>106</sup> By way of comparison the estimated impact of falling natural gas prices during this period accounted for a \$26.36/MWh reduction in wholesale prices in PJM and a \$10.90/MWh reduction in MISO. It should be noted that the decline in natural gas prices during this period resulted primarily for massive increases in the production of natural gas from low-cost shale resources.

<sup>107</sup> "Cost Analysis of Renewable Energy Deployment in Illinois," The Power Bureau, April 2021.

<sup>108</sup> Lawrence Berkeley National Laboratory. The Renewables and Wholesale Electricity (ReWEP) Tool. Version 24.1, updated May 2024.

<https://emp.lbl.gov/renewables-and-wholesale-electricity-prices-rewep><https://emp.lbl.gov/renewables-and-wholesale-electricity-prices-rewep>

to the state from the wind projects that have generating capacities of larger than 50 MW. The report estimated that the development of the 25 largest Illinois wind farms installed at the time of the analysis, accounting for 3,610 MW of nameplate capacity out of a total nameplate capacity for all wind projects in the state of 3,842 MW, was responsible for 20,173 full-time equivalent jobs in Illinois during construction and 869 permanent jobs, and would generate a total economic benefit of \$6.4 billion<sup>109</sup> during the construction and typical 25-year operational lives of the projects of about \$250 million on an annualized basis.

The EIA reported that as of September 2024 installed wind capacity in Illinois was 7,874 MW up 5.1 percent from 7,495 MW in September 2023 and installed solar PV capacity in Illinois was 2,701 MW up 34 percent from 2,017 MW in September 2023.<sup>110</sup> Small-scale solar installations (facilities of less than 1 MW) accounted for 1,376 MW or 51% of the solar capacity, with utility-scale PV capacity accounting for the remaining 1,325 MW.

These wind and solar resources make significant contributions to employment in Illinois both during construction and through the operating life of the projects. The Solar Energy Industries Association (“SEIA”) data on the solar industry in Illinois indicated that solar employment in Illinois in 2023 totaled 5,975.<sup>111</sup> The Clean Jobs Midwest Illinois Fact Sheet reported for 2023 that out of a total of 19,253 jobs in renewable energy in Illinois, 6,988 were involved with solar generation and 9,389 jobs involved wind generation.<sup>112</sup>

A wind report by Illinois State University found that renewable power development leads to the creation of temporary and permanent jobs requiring highly skilled workers in the fields of construction, management, and engineering.<sup>113</sup> Construction phase jobs typically last anywhere from six months to over a year, while operational jobs, including operations and maintenance positions, last the life of the generating facility, typically 20-30 years.<sup>114</sup>

The jobs and economic benefits estimated in the wind report included “turbine and supply chain impacts,” which can also be referred to as “indirect impacts.”<sup>115</sup> Indirect impacts occurred both in the construction and the operation of wind turbines and included construction spending on materials and wind farm equipment and other purchases of goods and offsite services. The supply chain of inputs required to

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<sup>109</sup> Economic Impact: Illinois Wind Energy Development at 6.

<sup>110</sup> U.S. Energy Information Administration, ElectricPower Monthly, Release date November 26, 2024 <https://www.eia.gov/electricity/monthly>.

<sup>111</sup> SEIA, Solar Spotlight Illinois, Illinois Solar Factsheet Q3 2024. <https://seia.org/wp-content/uploads/2024/12/Illinois.pdf>

<sup>112</sup> Clean Jobs Midwest Illinois Fact Sheet. <http://www.cleanjobsmidwest.com/state/illinois>, accessed November 20, 2024.

<sup>113</sup> Economic Impact: Wind Energy Development in Illinois at 23.

<sup>114</sup> Id.

<sup>115</sup> Id. at 19.

produce these goods and services; and project revenues that flow to the local economy in the form of land lease revenue, property tax revenue, and revenue to equity investors are also indirect impacts.<sup>116</sup> The estimated benefits also included local spending by employees working directly or indirectly on the wind farm project who receive their paychecks and then spend money in the community.<sup>117</sup> Additional economic impacts referred to in the study as “induced impacts” were also considered, these impacts result from changes in household spending in the areas surrounding the wind project development due to increased income brought about by the direct and indirect impacts.<sup>118</sup> The solar report showed similar types of economic benefits would be associated with the development of photovoltaic generating facilities.

In an updated analysis following the Illinois State University Wind Report, the 44 largest wind projects in Illinois were estimated to have generated more than \$478 million in property taxes since 2003.<sup>119</sup> Further, this analysis found that utility-scale wind and solar projects paid \$59.1 million in property taxes in 2022 alone. The wind analyses noted that local governments can also receive significant amounts of revenue from permitting fees. Benefits to landowners identified included revenue from leasing their land, which the report found amounted to almost \$14 million annually.<sup>120</sup> Potential local concerns include wear and tear on roads during construction, unfunded decommissioning cost liability, and possibly lowered land values that should be considered when evaluating any specific project’s impacts.

The Agency’s renewable energy procurement plans include support for the development of utility- scale solar as well as community solar and photovoltaic distributed generation (“DG”). DG includes all residential solar and commercial and industrial solar with a capacity of less than 5 MW.<sup>121</sup> The IPA’s incentives for the development of photovoltaic DG projects and community solar projects have a wide range of local impacts as those projects are spread throughout the state. Sellers under REC delivery contracts delivered approximately 1,397,303 DG and community solar RECs in the 2023-24 delivery year through the Adjustable Block and Illinois Solar for All programs. These deliveries provided benefits to Illinois in terms of both emissions reduction benefits and employment benefits. The estimated emissions benefits ranged from \$29.3 million to \$247.5 million. IPA programs have amounted to 1,262.8 MW for Adjustable Block DG, 79 MW for Illinois Solar for All, and 1,589.9 MW for community solar.<sup>122</sup> Using the number of jobs per MW installed – 16.2 for DG, 14.6 for the Illinois Solar for All projects and 13.5 for

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<sup>116</sup> Id. at 20.

<sup>117</sup> Id. at 20.

<sup>118</sup> Id. At 20.

<sup>119</sup> Loomis, David, SER Economic Research, LLC. Illinois Renewable Energy Conference, September 20-21, 2023.

<sup>120</sup> The Illinois State University study noted that these payments to landowners usually extend over the 25-year life of the project and can involve adjustments for inflation which would result in higher payments over time.

<sup>121</sup> Prior to the enactment of Public Act 102-0662, the limit was 2 MW. Note that for data regarding DG PV reported by the U.S. EIA these are defined as projects of less than 1 MW.

<sup>122</sup> See: Illinois Power Agency Clean Energy Dashboard. <https://cleanenergy.illinois.gov/tracking-illinois-progress/ipa-initiatives.html>.



community solar projects – an estimated 43,074 jobs have been created in Illinois.<sup>123</sup>

Distributed generation, community solar, and utility-scale solar PV offer economic and environmental benefits to differing degrees based on the levelized cost of electricity for each technology. On a levelized cost of energy basis (exclusive of federal tax benefits from the Investment Tax Credit and the Production Tax Credit) utility-scale PV costs fall in the range of \$29 to \$92/MWh, \$122 to \$284/MWh for residential rooftop solar, \$54 to \$191/MWh for commercial and industrial rooftop solar including community solar.<sup>124</sup> Lower cost utility-scale PV generation means more solar generation could be supported to maximize environmental and price impact benefits at lowest overall system cost.<sup>125</sup> Distributed Generation compared to utility-scale PV are both heavily impacted by net metering policies. Net metering improves the economics of DG by allowing DG systems to sell excess electricity back to the grid at or near retail prices. Utility-scale systems have more renewable generation capacity and greater emissions benefits for the same cost. DG systems also offer additional benefits, including greater local employment impacts, potential to avoid some transmission and distribution system investments, and distributing the benefits of renewable resource electricity to a more diverse range of participants in terms of income strata and geographic location.

### c) Workforce Diversity and Use of Graduates of Job Training Programs

Prior Annual Reports have included data on workforce diversity and the use of graduates of job training program based on Annual Reports submitted by Illinois Shines Approved Vendors.<sup>126</sup> Starting in 2024, the collection of data on workforce diversity and use of graduates of job training programs shifted to the year-end Minimum Equity Standard reports. Due to a change in the structure of the data collection, the data collected in 2024 is not directly comparable to previously collected data.

Several factors contributed to this difference. First, the consideration of the workforce working directly for the Approved Vendor, and indirectly working for their subcontractors was framed differently in the year end MES reports compared to the previous Approved Vendor Annual Reports. Second, the data collection instrument did not validate data across categories (e.g., ensuring that the total number of employees reported by gender could be different than the total number of employees reported by race). Third, providing the data was not required so not all respondents reported on their workforce and use of job trainees. Additionally, the data was also all self-reported and not independently verified by the Agency.

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<sup>123</sup> IREC 14<sup>th</sup> National Solar Jobs Census 2023. September 2023. Based on the number of jobs and capacity installed nationally for residential, commercial and community solar projects. <https://irecusa.org/census-solar-job-trends/>.

<sup>124</sup> Lazard's Levelized Cost of Energy Analysis, Version 17.0, June 2024, <https://www.lazard.com/research-insights/levelized-cost-of-energyplus/>.

<sup>125</sup> Tsuchida, B. et. al., "Comparative Generation Costs of Utility-Scale and Residential-Scale PV in Xcel Energy Colorado's Service Area," The Brattle Group, July 2015, <https://www.brattle.com/insights-events/publications/comparative-generation-costs-of-utility-scale-and-residential-scale-pv-in-xcel-energy-colorados-service-area/>.

<sup>126</sup> Summary tables are included in the Fiscal Year 2023 Annual Reports, see: <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20240215-annual-report-fy23--final.pdf>.

As a result, it appears that Approved Vendors reported total lower workforce numbers than in previous years. In 2025, The Agency will be updating the Minimum Equity Standard Year-End Report formats to improve the quality and consistency of data collection.

The following tables contain the aggregated information collected from Approved Vendors in their Program Year 2023-2024 Minimum Equity Standard Year-End Reports.

**Table 12-5: Workforce Diversity**

	<b>Direct (FTE)</b>	<b>Indirect (FTE)</b>	<b>Total (FTE)</b>	<b>Direct (%)</b>	<b>Indirect (%)</b>	<b>Total (%)</b>
<b>Race</b>						
Black or African-American	361	21	382	12.04%	6.75%	11.55%
Hispanic or Latinx	597	55	652	19.93%	17.68%	19.72%
Asian	115	1	116	3.84%	0.32%	3.51%
American Indian or Alaska Native	15	4	19	0.50%	1.29%	0.58%
Native Hawaiian or Other Pacific Islander	13	1	14	0.43%	0.32%	0.42%
Total	1,100	82	1,182	36.75%	26.37%	35.77%
Two or more races	116	7	123	3.88%	2.25%	3.72%
<b>Gender</b>						
Female	466	18	484	15.29%	5.56%	14.35%
Non-Binary	14	-	14	0.46%	0.00%	0.42%
<b>Disabled</b>	19	1	20	0.62%	0.31%	0.59%

**Table 12-6: Job Training Graduate Hiring**

<b>Program</b>	<b>Direct</b>	<b>Direct</b>	<b>Direct</b>	<b>Indirect</b>	<b>Indirect</b>	<b>Indirect</b>
	Full Time	Part Time	Temp.	Full Time	Part Time	Temp.
Solar Training Pipeline Program	71	8	5	0	0	0
Craft Apprenticeship Program	53	6	2	25	25	0
Multi-Cultural Jobs Programs	36	3	2	3	0	0
Total	160	17	9	28	25	0

### (13) Rate Impacts on Eligible Retail Customers

***“An analysis of the rate impacts associated with the Illinois Power Agency’s procurement of renewable resources, including, but not limited to, any long-term contracts, on the eligible retail customers of electric utilities. The analysis shall include the Agency’s estimate of the total dollar impact that the Agency’s procurement of renewable resources has had on the annual electricity bills of the customer classes that comprise each eligible retail customer class taking service from an electric utility.”<sup>127</sup>***

This section of the report estimates bill impacts determined by analysis of the load of each eligible customer class, numbers of customers, and bill estimates contained in publicly available utility tariff and rate case filings. In determining total bill impact, this section of the report includes the same costs included in the statutory RPS spending cap: “the total amount paid for electric service [which] includes without limitation amounts paid for supply, transmission, distribution, surcharges, and add-on taxes.” The bill impacts are presented both as a percentage of an average customer bill for that class and as cents per kilowatt-hour.

This section provides the rate impact attributed to the Agency’s procurement of renewable resources. When multiplied by the overall billing determinants, these values also provide the total dollar impact on the annual electricity bills of each customer class. Results for each electric utility and corresponding customer class are presented for ComEd in Table 13-1 and Table 13-2, for Ameren Illinois in Table 13-3 and Table 13-4, and for MidAmerican in Table 13-5 and Table 13-6.<sup>128</sup>

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<sup>127</sup> 20 ILCS 3855/1-125(13).

<sup>128</sup> ComEd, Ameren Illinois, and MidAmerican provided the information in these tables in response to the IPA’s data requests issued October 31, 2024.

## [ComEd](#)

**Table 13-1: Rate Impact for Customers Taking Supply from ComEd<sup>129</sup>**

Customer Class	Description	2023-2024 Delivery Year
Single Family No Electric Space Heat	Revenue/kWh	\$0.1696
	REC/kWh	\$0.00502
	Ratio (REC/Revenue) <sup>130</sup>	2.96%
Multi Family No Electric Space Heat	Revenue/kWh	\$0.1750
	REC/kWh	\$0.00502
	Ratio (REC/Revenue)	2.87%
Single Family With Electric Space Heat	Revenue/kWh	\$0.1287
	REC/kWh	\$0.00502
	Ratio (REC/Revenue)	3.90%
Multi Family With Electric Space Heat	Revenue/kWh	\$0.1381
	REC/kWh	\$0.00502
	Ratio (REC/Revenue)	3.64%
Watt-hour	Revenue/kWh	\$0.1926
	REC/kWh	\$0.00502
	Ratio (REC/Revenue)	2.61%
Small Load (< 100 kW)	Revenue/kWh	\$0.1447
	REC/kWh	\$0.00502
	Ratio (REC/Revenue)	3.47%

<sup>129</sup> Overall bill (e.g. Revenue/kWh) includes fixed supply charges, RTO services charges, delivery services charges (customer charge, standard metering service charges, distribution facilities charges, and Illinois Electricity Distribution Tax charge), other environmental cost recovery and energy efficiency & demand adjustments, franchise cost additions, and municipal and state taxes. The REC/kWh value is equal to the cost of renewable resources in the delivery year, divided by the sum of the actual load of eligible retail customers.

<sup>130</sup> This value represents the amount that RECs cost each customer of that delivery year class as a percentage of the amount paid for total “annual electricity bills,” including taxes. Thus, a Rate Impact of 2.96% (Single Family No Electric Space Heat) means that 2.96% of the total electricity bill of a customer of that class in the 2023-2024 delivery year was spent on contracts for renewable energy resources.

**Table 13-2: Dollar Impact for Customers Taking Supply from ComEd<sup>131</sup>**

<b>Customer Class</b>	<b>Description</b>	<b>2023-2024 Delivery Year</b>
Single Family No Electric Space Heat	Usage (kWh)	14,537,548,343
	Dollar Impact	\$72,978,493
Multi Family No Electric Space Heat	Usage (kWh)	3,797,712,037
	Dollar Impact	\$19,064,514
Single Family With Electric Space Heat	Usage (kWh)	360,006,464
	Dollar Impact	\$1,807,232
Multi Family With Electric Space Heat	Usage (kWh)	1,001,537,830
	Dollar Impact	\$5,027,720
Watt-hour	Usage (kWh)	138,073,718
	Dollar Impact	\$693,130
Small Load (< 100 kW)	Usage (kWh)	3,828,673,440
	Dollar Impact	\$19,219,941

<sup>131</sup> Usage values were reported by ComEd. Dollar Impact values were calculated by multiplying the Usage by the REC/kWh reported in Table 13-1.



## Ameren Illinois

**Table 13-3: Rate Impact for Customers Taking Supply from Ameren Illinois<sup>132</sup>**

Customer Class	Description	2023-2024 Delivery Year
Residential Service (DS-1)	Revenue/kWh	\$0.153
	REC/kWh	\$0.004580
	Ratio (REC/Revenue) <sup>133</sup>	3.00%
Small General Service (DS-2)	Revenue/kWh	\$0.159
	REC/kWh	\$0.004580
	Ratio (REC/Revenue)	2.89%
General Service & Large General Service (DS-3 and DS-4) <sup>134</sup>	Revenue/kWh	\$0.073
	REC/kWh	\$0.004580
	Ratio (REC/Revenue)	6.23%

<sup>132</sup> Overall bill (e.g., Revenue/kWh) includes fixed supply charges, RTO services charges, delivery services charges (customer charge, standard metering service charges, distribution facilities charges, and Illinois Electricity Distribution Tax charge), other environmental cost recovery and energy efficiency & demand adjustments, franchise cost additions, and municipal and state taxes. The REC/kWh value is equal to the cost of renewable resources in the delivery year, divided by the sum of the actual load of eligible retail customers.

<sup>133</sup> This value represents the amount that RECs cost each customer of that delivery year class as a percentage of the amount paid for total “annual electricity bills,” including taxes. Thus, a Rate Impact of 3.00% (Residential Service) means that 3.00% of the total electricity bill of a customer of that class in the 2023-2024 delivery year was spent on contracts for renewable energy resources.

<sup>134</sup> General Service & Large General Service (DS-3 and DS-4) have been declared fully competitive and therefore these classes can no longer take supply from Ameren Illinois fixed price (Rider BGS). Therefore, calculations represent only the load of customers taking supply from Ameren Illinois real time price supply applicable to larger customers (Rider HSS). The REC/kWh value is as described in the footnote above except it only applies to customers and load on Rider HSS.

**Table 13-4: Dollar Impact for Customers Taking Supply from Ameren Illinois<sup>135</sup>**

<b>Customer Class</b>	<b>Description</b>	<b>2023-2024 Delivery Year</b>
Residential Service (DS-1)	Usage (kWh)	5,595,956,145
	Dollar Impact	\$25,629,479
Small General Service (DS-2)	Usage (kWh)	1,739,947,817
	Dollar Impact	\$7,968,961
General Service & Large General Service (DS-3 and DS-4) <sup>136</sup>	Usage (kWh)	1,256,615,644
	Dollar Impact	\$5,755,300

<sup>135</sup> Usage values were reported by Ameren Illinois. Dollar Impact values were calculated by multiplying the Usage by the REC/kWh reported in Table 13-3.

<sup>136</sup> General Service & Large General Service (DS-3 and DS-4) have been declared fully competitive and therefore these classes can no longer take supply from Ameren Illinois fixed price (Rider BGS). Therefore, calculations represent only the load of customers taking supply from Ameren Illinois real time price supply applicable to larger customers (Rider HSS).

**Table 13-5: Rate Impact for Customers Taking Supply from MidAmerican<sup>137</sup>**

Customer Class	Description	2023-2024 Delivery Year
Residential	Revenue/kWh	\$0.10071
	REC/kWh	\$0.00248
	Ratio (REC/Revenue) <sup>138</sup>	2.46%
Commercial	Revenue/kWh	\$0.08014
	REC/kWh	\$0.00248
	Ratio (REC/Revenue)	3.09%
Industrial	Revenue/kWh	\$0.05294
	REC/kWh	\$0.00248
	Ratio (REC/Revenue)	4.68%
Public Authority	Revenue/kWh	\$0.06626
	REC/kWh	\$0.00248
	Ratio (REC/Revenue)	3.74%
Street Lighting	Revenue/kWh	\$0.14963
	REC/kWh	\$0.00248
	Ratio (REC/Revenue)	1.66%

<sup>137</sup> Overall bill (e.g., Revenue/kWh) includes fixed supply charges, RTO services charges, delivery services charges (customer charge, standard metering service charges, distribution facilities charges, and Illinois Electricity Distribution Tax charge), other environmental cost recovery and energy efficiency & demand adjustments, franchise cost additions, and municipal and state taxes. The REC/kWh value is equal to the cost of renewable resources in the delivery year, divided by the sum of the actual load of eligible retail customers.

<sup>138</sup> This value represents the amount that RECs cost each customer of that delivery year class as a percentage of the amount paid for total “annual electricity bills,” including taxes. Thus, a Rate Impact of 2.46% (Residential) means that 2.46% of the total electricity bill of a customer of that class in the 2023-2024 delivery year was spent on contracts for renewable energy resources.

**Table 13-6: Dollar Impact for Customers Taking Supply from MidAmerican<sup>139</sup>**

<b>Customer Class</b>	<b>Description</b>	<b>2023-2024 Delivery Year</b>
Residential	Usage (kWh) Dollar Impact	627,203,426 \$1,555,464
Commercial	Usage (kWh) Dollar Impact	421,538,676 \$1,045,416
Industrial	Usage (kWh) Dollar Impact	584,797,938 \$1,450,299
Public Authority	Usage (kWh) Dollar Impact	149,730,950 \$371,333
Street Lighting	Usage (kWh) Dollar Impact	5,954,531 \$14,767

<sup>139</sup> Usage values were reported by MidAmerican. Dollar Impact values were calculated by multiplying the Usage by the REC/kWh reported in Table 13-5.

(14) (Blank)

## **(15) Renewable Energy Generation in Illinois**

20 ILCS 3855/1-125(b) requires that in addition to reporting on the transactions and operations of the Agency as included in Sections (11)-(13) above, the Agency shall also endeavor to report on the following items through its annual report, recognizing that full and accurate information may not be available for certain items:

- (1) The overall nameplate capacity amount of installed and scheduled renewable energy generation capacity physically located in Illinois.
- (2) The percentage of installed and scheduled renewable energy generation capacity as a share of overall electricity generation capacity physically located in Illinois.
- (3) The amount of megawatt hours produced by renewable energy generation capacity physically located in Illinois for the preceding delivery year.
- (4) The percentage of megawatt hours produced by renewable energy generation capacity physically located in Illinois as a share of overall electricity generation from facilities physically located in Illinois for the preceding delivery year.
- (5) The renewable portfolio standard expenditures made pursuant to paragraph (1) of subsection (c) of Section 1-75 and the total scheduled and installed renewable generation capacity expected to result from these investments. This information shall include the total cost of REC delivery contracts of the renewable portfolio standard by project category, including, but not limited to, renewable energy credits delivery contracts entered into pursuant to subparagraphs (C), (G), (K), and (R) of paragraph (1) of subsection (c) of Section 1-75. The Agency shall also report on the total amount of customer load featuring renewable portfolio standard compliance obligations scheduled to be met by self-direct customers pursuant to subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75, as well as the minimum annual quantities of renewable energy credits scheduled to be retired by those customers and amount of installed renewable energy generating capacity used to meet the requirements of subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75.



**(1) The overall nameplate capacity amount of installed and scheduled renewable energy generation capacity physically located in Illinois.**

Installed Generation

Table 15-1 shows the overall nameplate capacity of installed renewable energy generation capacity physically located in Illinois, provided by the EIA.

**Table 15-1: Installed Renewable Generation Capacity in Illinois**

Technology	Installed Capacity (MW)
Conventional Hydroelectric	32.9
Biomass	55.2
Onshore Wind Turbine	7,873.7
Solar Photovoltaic	3,825.1 <sup>140</sup>
<b>Total</b>	<b>11,786.9</b>

Source: EIA Electric Power Monthly, December 2024<sup>141</sup>

Of the installed capacity, for wind resources, 1,224 MW (15.5% of total) represents projects supported by IPA procurements, while for utility-scale solar 1,122.6 MW (46.96% of projects over 5 MW); and for distributed generation and community solar, 1,363 MW (94.9% of projects under 5 MW) represents projects supported by IPA programs and procurements (a total of 65% of total installed solar capacity).<sup>142</sup>

Scheduled Generation

The IPA reviewed the estimates of scheduled renewable energy generation capacity additions for Illinois, provided by the EIA, PJM, and MISO. The information provided by PJM and MISO is contained in the RTOs' interconnection queues. The information provided by the EIA is contained in the Electric Power Monthly.

Table 15-2 shows the scheduled renewable energy generation capacity as provided by the EIA and Table 15-3 shows the estimate provided by PJM and MISO in their interconnection queues.

<sup>140</sup> 2,390.1 MW over 5 MW, 1,435 MW under 5 MW. 5 MW is the threshold in Illinois for projects to be considered utility-scale.

<sup>141</sup> U.S. Energy Information Administration, Electric Power Monthly, December 2024, <https://www.eia.gov/electricity/monthly/archive/december2024.pdf>.

<sup>142</sup> The amount of utility-scale wind supported by IPA procurements has been updated from previous Annual Reports to correct for typographical errors and projects supported by previous IPA procurements located outside of Illinois.

**Table 15-2: Scheduled Renewable Generation Capacity in Illinois – EIA Estimate**

IL Total per EIA	Scheduled Renewable Generation Capacity in IL (MW)			
	2025	2026	2027	2028
Solar	462.6	638.0	1,602.5	500
Wind	754.4	605.5	478.0	130
Hydro	10.4			
<b>Yearly Total</b>	<b>1,227.4</b>	<b>1,243.5</b>	<b>2080.5</b>	<b>630</b>
<b>Grand Total</b>	<b>5,181.4</b>			

Source: EIA Electric Power Monthly, November 2024

**Table 15-3: Scheduled Renewable Generation Capacity in Illinois – PJM and MISO Estimate**

IL Total per PJM and MISO	Scheduled Renewable Generation Capacity in IL (MW)			
	2025	2026	2027	2028
Solar	8,253	9,938	5,267	8,459
Wind	3,025	2,552	3,104	5,635
<b>Yearly Total</b>	<b>11,278</b>	<b>12,490</b>	<b>8,371</b>	<b>14,094</b>
<b>Grand Total</b>	<b>46,232</b>			

Source: PJM and MISO Interconnection Queues<sup>143,144</sup>

As shown in Table 15-2 and Table 15-3, the estimates provided by the EIA, PJM, and MISO provide a wide range for the scheduled renewable generation capacity in Illinois. The EIA estimates that up to 5,181.4 MW could be built by 2028 while the interconnection queues in PJM and MISO estimate up to 46,232 MW by 2028.<sup>145</sup> Based on these estimates, the range of scheduled renewable generation capacity is 5,181.4 MW to 46,232 MW by 2028. Projects currently under contract through IPA programs and procurements that are under development include 1,400 MW of wind and 4,329 MW of solar (however, 1,653 MW of that solar is distributed generation or community solar, and would not be reflected in the PJM and MISO interconnection queues).

Projecting how much of that capacity in the interconnection queues of MISO and PJM will actually go into service carries a very high level of uncertainty. While MISO does not publish statistics on the progress of queue positions through the interconnection queue, in particular how much of the total capacity that started the queue process actually went into service, PJM reports that under their previous interconnection process only 26% of the capacity that started the interconnection process ends up signing a generator

<sup>143</sup> The PJM Interconnection Queue can be found at: <https://www.pjm.com/planning/service-requests/serial-service-request-status>

<sup>144</sup> The MISO Interconnection Queue can be found at: <https://www.misoenergy.org/planning/resource-utilization/GI-Queue/gi-interactive-queue/>

<sup>145</sup> The PJM estimate is 20,112, and the MISO estimate is 26,121 MW.

interconnection agreement (“GIA”), and only 15% actually goes into service.<sup>146</sup> Interconnection projects drop out of the queue, and fail to go into service, for a variety of reasons including, but not limited to, delays in queue processing resulting in higher than anticipated interconnection costs. On November 29, 2022, FERC issued an Order accepting PJM’s filing of a comprehensive reform of the PJM interconnection process designed to more efficiently and timely process new interconnection service requests by transitioning from a serial first-come, first-served queue process to a first-ready, first-served clustered style approach.<sup>147</sup> The new interconnection process is already being implemented through use of transitional cluster studies and the “New Cycle” studies to follow. The transitional cluster studies are focused on catching up the queue, with the study processes split into two cycles – transition cycle 1 occurring in 2024 through 2025, and transition cycle #2 occurring in 2025 through 2026. It is possible that through these transitional cycles, projects in queue either drop-out of the queue or move to a later study cycle. The ‘new normal’ process will begin with Cycle #1, with the submission window open in 2023 through 2025, and the study process occurring in 2026 through 2027.<sup>148</sup>

The resource adequacy survey conducted jointly between the Organization of MISO States and MISO (“OMS-MISO Survey”) looked into the treatment of new planning resources that are in the queue in particular the amount of capacity that must be credited to a resource based on its progress through the queue. Stakeholders recommended that a weight be applied to a resource’s capacity to reflect its progress through the MISO interconnection queue, based on its study phase.<sup>149</sup> Up until the 2023 OMS-MISO survey, weights were applied to new planning resources based on their progression in the MISO interconnection queue.<sup>150</sup> However, starting with the 2024 OMS-MISO Survey, the decision was made to no longer apply weights but instead use a range of estimates for new capacity additions based on two methods:<sup>151</sup>

- An assumption based on a three-year historical average of new capacity built, which reflects the impact of lower capacity growth. Based on the 2020-2022 years this assumption results in 2.3 GW/year of new capacity additions. Note that this reflects all new capacity additions not just renewable capacity additions.

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<sup>146</sup> See: <https://www.pjm.com/-/media/DotCom/committees-groups/committees/pc/2021/20211214/20211214-pc-info-only-interconnection-queue-pc-updates.pdf>

<sup>147</sup> FERC Order Accepting Tariff Revisions Subject to Condition - Docket No. ER22-2110-000; ER22-2110-001; Issued November 29, 2022

<sup>148</sup> Refer to the PJM Planning webpage for the latest queue cycle timing and orientation: <https://www.pjm.com/planning>

<sup>149</sup> MISO’s interconnection process has three study phases. Under Phase 1 a preliminary system impact study is conducted. Under Phase 2 a revised system impact study and an initial Facilities study are conducted. Under Phase 3 a final system impact study and a final facilities study are conducted. After the three study phases an interconnection customer can proceed to the signing of a GIA, followed by construction.

<sup>150</sup> See 2023 Annual Report for the weights that were applied in the 2023 OMS-MISO Survey.

<sup>151</sup> See: <https://cdn.misoenergy.org/The%20OMS%20MISO%20Survey638555.pdf>; <https://cdn.misoenergy.org/20240620%20OMS%20MISO%20Survey%20Results%20Workshop%20Presentation635585.pdf>

- An assumption which uses a more aggressive capacity build based on feedback from interconnection customers with projects that have signed generation interconnection agreements. This assumption results in 6.1 GW/year of new capacity additions. Note that this reflects all new capacity additions not just renewable capacity additions.

If PJM’s 15% probability of in-service was applied to the scheduled renewable generation capacity in the PJM interconnection queue, and the MISO estimates of new capacity additions were applied to the scheduled renewable generation capacity in the MISO queue, the 46, 232 MW in Table 15-3 would result in a much lower number more in line with the EIA estimates.

**(2) The percentage of installed and scheduled renewable energy generation capacity as a share of overall electricity generation capacity physically located in Illinois.**

Table 15-4 shows the percentage of installed renewable generation capacity as a share of existing total installed generation capacity physically located in Illinois.

**Table 15-4: Percentage of Installed Renewable Generation Capacity (Per EIA)**

Percentage of Installed Renewable Generation Capacity		
Total Installed Capacity (MW)	Installed Renewable Capacity (MW)	% of Installed Renewable Capacity
46,060.8	10,351.9	22.5%

Source: EIA Electric Power Monthly, November 2024

Table 15-5 shows the percentage of scheduled renewable generation capacity as a share of existing total installed capacity, as estimated by the EIA. Table 15-6 shows the percentage of scheduled renewable generation capacity as a share of total installed capacity, as estimated by PJM and MISO.

**Table 15-5: Percentage of Scheduled Renewable Generation Capacity (Per EIA)**

Percentage of Scheduled Renewable Generation Capacity through 2028 (Per EIA)		
Total Installed Capacity (MW)	Scheduled Renewable Capacity (MW)	% of Scheduled Renewable Capacity
46,060.8	5,181.4	11.2%

Source: EIA Electric Power Monthly, November 2024

**Table 15-6: Percentage of Scheduled Renewable Generation Capacity (Per PJM and MISO)**

Percentage of Scheduled Renewable Generation Capacity through 2028 (Per PJM and MISO)		
Total Installed Capacity (MW)	Scheduled Renewable Capacity (MW)	% of Scheduled Renewable Capacity
46,318	46,232	100%

Source: PJM and MISO Interconnection Queues

Based on the estimates by the EIA, PJM, and MISO presented in Table 15-5 and Table 15-6, the range for the percentage of scheduled renewable generation capacity as a share of total installed generation capacity physically located in Illinois is 11.2% % – 100% by 2028, although as discussed above, the estimate based on the PJM and MISO interconnection queue is likely exaggerated based upon historic context.

**(3) The amount of megawatt hours produced by renewable energy generation capacity physically located in Illinois for the preceding delivery year.**

Table 15-7 reports the amount of MWh produced by renewable generation capacity physically located in Illinois for the 2023-2024 Delivery Year. EIA monthly datasets report that from June 2023 through May 2024 total retail electricity sales in Illinois were approximately 131,651,892 MWh. As a result, total renewable generation production during this same period accounts for approximately 19.3% of total retail electricity sales.

**Table 15-7: MWh Produced by Renewable Generation Capacity**

Technology	MWh Produced in 2023-2024
Hydro	90,698
Landfill Gas	231,685
Wind	22,932,671
Solar	2,162,349
<b>Total</b>	<b>25,417,403</b>

Source: EIA Form 923, November 2024<sup>152</sup>

<sup>152</sup> U.S. Energy Information Administration, Form 923, November 2024, [Form EIA-923 detailed data with previous form data \(EIA-906/920\) - U.S. Energy Information Administration \(EIA\)](#)

**(4) The percentage of megawatt hours produced by renewable energy generation capacity physically located in Illinois as a share of overall electricity generation from facilities physically located in Illinois for the preceding delivery year.**

Table 15-8 shows the percentage of MWh produced by renewable generation capacity as a share of the overall MWh produced from facilities located in Illinois for the 2023-2024 Delivery Year.

**Table 15-8: Percentage of MWh Produced by Renewable Generation Capacity**

Percentage of Energy Generated by Renewable Generation Capacity in 2023-2024		
Total Energy Generated (MWh)	Energy Generated by Renewable Capacity (MWh)	% of Energy Generated by Renewable Capacity
182,375,332	25,417,403	13.9%

Source: EIA Form 923, November 2024

**(5) The renewable portfolio standard expenditures made pursuant to paragraph (1) of subsection (c) of Section 1-75 and the total scheduled and installed renewable generation capacity expected to result from these investments. This information shall include the total cost of REC delivery contracts of the renewable portfolio standard by project category, including, but not limited to, renewable energy credits delivery contracts entered into pursuant to subparagraphs (C), (G), (K), and (R) of paragraph (1) of subsection (c) Section 1-75. The Agency shall also report on the total amount of customer load featuring renewable portfolio standard compliance obligations scheduled to be met by self-direct customers pursuant to subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75, as well as the minimum annual quantities of renewable energy credits scheduled to be retired by those customers and amount of installed renewable energy generating capacity used to meet the requirements of subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75.**

Tables 15-9 through 15-11 show the annualized renewable portfolio standard contract values, expenditures, and associated renewable generation capacity for Ameren, ComEd, and MidAmerican respectively.<sup>153, 154, 155</sup>

<sup>153</sup> Ameren Illinois, ComEd, and MidAmerican provided the information in these tables in response to the IPA’s data requests issued October 31, 2024.

<sup>154</sup> The contract values reported are not for the full contract value but represent the value for the given delivery year. For example, for a 15 year or 20 year contract, only 1/15<sup>th</sup> or 1/20<sup>th</sup> of the contact value is reported.

<sup>155</sup> Quantities related to subparagraph (R) are reported in ranges to protect the confidentiality of participating self-direct customer information. For more information see: <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/42023/self-direct-participant-announcement-41923.pdf>



**Table 15-9: Ameren RPS Expenditures and Associated Generation Capacity**

	<b>2023-2024 Delivery Year</b>
<b>REC Contract Values by Type (\$)</b> <sup>156</sup>	<b>\$72,364,821</b>
Adjustable Block Program	\$62,336,768
Utility-Scale	\$6,627,053
LTPPAs	\$3,401,000
<b>REC Expenditures by Type (\$)</b> <sup>157</sup>	<b>\$112,657,225</b>
Adjustable Block Program	\$103,201,857
Utility-Scale	\$6,054,367
LTPPAs	\$3,401,000
<b>REC Delivery Contracts (MWh)</b>	<b>2,973,271</b>
Adjustable Block Program	1,182,138
Utility-Scale	1,191,133
LTPPAs	600,000
<b>Installed Generation Capacity from REC Contracts (MW)</b>	<b>1,140</b>
<b>Scheduled Generation Capacity from REC Contracts (MW)</b>	<b>1,457</b>
<b>The Total Amount of Customer Load featuring Renewable Portfolio Standard Compliance Obligations Scheduled to be met by Self-Direct Customers (MWh)</b>	40,487
<b>The Total Amount of Customer Load featuring Renewable Portfolio Standard Compliance Obligations Scheduled to be met by Self-Direct Customers (MW)</b>	10

<sup>156</sup> REC Contract Values means the contract amounts that were entered into for the 2023-2024 Delivery Year.

<sup>157</sup> REC Expenditures means the amounts that were actually paid out during the 2023-2024 Delivery Year.

**Table 15-10: ComEd RPS Expenditures and Associated Generation Capacity**

	<b>2023-2024 Delivery Year</b>
<b>REC Contract Values by Type (\$)</b>	<b>\$209,818,407</b>
Adjustable Block Program	\$179,604,388
Utility-Scale	\$15,893,279
LTPPAs	\$14,320,740
<b>REC Expenditures by Type (\$)</b>	<b>\$445,209,296</b>
Adjustable Block Program	\$418,317,051
Utility-Scale	\$13,296,272
LTPPAs	\$13,595,973
<b>REC Delivery Contracts (MWh)</b>	<b>7,252,969</b>
Adjustable Block Program	3,134,631
Utility-Scale	2,856,613
LTPPAs	1,261,725
<b>Installed Generation Capacity from REC Contracts (MW)</b>	<b>2,593</b>
<b>Scheduled Generation Capacity from REC Contracts (MW)</b>	<b>2,985</b>
<b>The Total Amount of Customer Load featuring Renewable Portfolio Standard Compliance Obligations Scheduled to be met by Self-Direct Customers (MWh)</b>	<b>1,042,098</b>
<b>The Total Amount of Customer Load featuring Renewable Portfolio Standard Compliance Obligations Scheduled to be met by Self-Direct Customers (MW)</b>	<b>150</b>

**Table 15-11: MidAmerican RPS Expenditures and Associated Generation Capacity**

	<b>2023-2024 Delivery Year</b>
<b>REC Contract Values by Type (\$)</b>	<b>\$1,269,956</b>
Adjustable Block Program	\$1,188,512
Utility-Scale	\$81,444
<b>REC Expenditures by Type (\$)</b>	<b>\$7,207,948</b>
Adjustable Block Program	\$7,146,989
Utility-Scale	\$60,959
<b>REC Delivery Contracts (MWh)</b>	<b>18,212</b>
Adjustable Block Program	5,492
Utility-Scale	12,720
<b>Installed Generation Capacity from REC Contracts (MW)</b>	<b>3</b>
<b>Scheduled Generation Capacity from REC Contracts (MW)</b>	<b>5</b>

## Alternative Compliance Payment Mechanism Fund Report

***“[T]he Illinois Power Agency shall submit an annual report to the General Assembly, the Commission, and alternative retail electric suppliers that shall include ...”***

- (A) the total amount of alternative compliance payments received in aggregate from alternative retail electric suppliers by planning year for all previous planning years in which the alternative compliance payment was in effect;***
- (B) the total amount of those payments utilized to purchased [sic] renewable energy credits itemized by the date of each procurement in which the payments were utilized; and***
- (C) the unused and remaining balance in the Agency Renewable Energy Resources Fund attributable to those payments.”<sup>158</sup>***

For the delivery year ending May 31, 2017, to the extent an ARES complied with its RPS obligations by procuring renewable energy resources, at least 60% of the renewable energy resources procured by that ARES was required to come from wind generation, while at least 6% of the renewable energy resources procured was required to come from solar PV.<sup>159</sup> If an ARES did not purchase at least the technology-specific sub-target levels of wind or photovoltaic renewable energy resources, then it was required to make additional ACPs at the same rate to meet those obligations. For the delivery years beginning on June 1, 2017 and June 1, 2018, 32% of the renewable energy resources procured by an ARES had to come from either wind or photovoltaics and cannot come from facilities that had their costs recovered through rates regulated by a state. For deliveries years starting June 1, 2019, ARES no longer had RPS obligations.

Up until June 1, 2017, all ACPs were deposited into the Renewable Energy Resources Fund (“RERF”), a state fund administered by the Agency to procure renewable energy resources through the purchase and retirement of RECs.<sup>160</sup> As of June 1, 2017, changes to Section 16-115D(d)(4.5) of the Public Utilities Act contained in Public Act 99-0906 required ACPs to be remitted to the utilities and used to support the procurement of renewable resources for the utilities by the IPA under Section 1-75(c) of the IPA Act.

### A. Total Amount of ACPs Received

This report must provide the total amount of ACPs received in aggregate from ARES for each delivery year in which the ACP was in effect.<sup>161</sup> Under the PUA, a delivery year begins on June 1st of each calendar year.<sup>162</sup> The ACP mechanism was “in effect” by September 1, 2010 to require payments by ARES for the period of

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<sup>158</sup> 220 ILCS 5/16-115D(d)(4).

<sup>159</sup> 220 ILCS 5/16-115D(a)(3) (the 60% statutory wind energy minimum for ARES is lower than the 75% wind standard for utilities).

<sup>160</sup> 20 ILCS 3855/1-56.

<sup>161</sup> 220 ILCS 5/16-115D(d)(4)(A).

<sup>162</sup> See e.g., 220 ILCS 5/16-111.5(b).

June 1, 2009 to May 1, 2010.<sup>163</sup> Therefore, this report provides the aggregate total amount of ACPs for the delivery years 2009-10 through 2017-18. Table 26 shows the total ACPs for each year through 2015-2016 which were collected by the ICC and deposited into the Renewable Energy Resources Fund. Starting with the 2016-2017 delivery year, ACP payments are made to the applicable utility and are reported separately.

**Table ACP-1: Total ACPs Received by the RERF<sup>164</sup>**

<b>Delivery Year</b>	<b>Total ACPs Received</b>
June 2009 – May 2010	\$7,148,261.61
June 2010 – May 2011	\$5,632,587.18
June 2011 – May 2012	\$2,156,777.61
June 2012 – May 2013	\$38,382,345.57
June 2013 – May 2014	\$77,145,921.09
June 2014 – May 2015	\$86,278,411.02
June 2015 – May 2016	\$71,649,805.76
<b>Aggregate Total</b>	<b>\$288,394,109.84</b>

ARES ACP payments were due by September 1<sup>st</sup> following the end of the delivery year. For example, for the delivery year that ended in May 2017, payments were due September 1, 2017.<sup>165</sup> Payments are made in conjunction with a Compliance Report submitted to the ICC.

Table ACP-2 shows total the ACPs collected by the utilities from ARES from for the delivery years 2016-2017, 2017-2018 and 2018-2019, the final delivery year. ComEd reported interests earned from their ACP balance in the 2019-2020 delivery year.

**Table ACP-2: Total ACPs Collected by the Utilities<sup>166</sup>**

<b>Delivery Year</b>	<b>ComEd<sup>167 168</sup></b>	<b>Ameren Illinois</b>	<b>MidAmerican</b>	<b>Total ACPs</b>
June 2016 – May 2017	\$40,575,311.19	\$23,375,512.09	\$10,532	\$63,961,355.28
June 2017 – May 2018	\$74,147.65	\$76,169.24	\$1,951	\$152,267.89
June 2018 – May 2019	\$228,292.00	\$67,725.00	\$1,073.00	\$297,090.00
<b>Aggregate Total</b>	<b>\$42,731,063.07</b>	<b>\$23,519,406.33</b>	<b>\$13,556.00</b>	<b>\$66,410,713.17</b>

<sup>163</sup> Pub. Act 96-0033 (eff. 7/10/2009); 220 ILCS 5/16-115D(d)(2).

<sup>164</sup> Total ACPs Received does not account for expenditures (or other diversions) from the RERF and, therefore, the Aggregate Total reported in this figure will differ from the RERF balance reported in Table 16. Source: internal IPA records reconciled with the ARES reports submitted to the ICC.

<sup>165</sup> 220 ILCS 5/16-115D(d)(2).

<sup>166</sup> Source: ACP balances provided to the IPA by the respective utility.

<sup>167</sup> ACP payments are received in the subsequent delivery year. For purposes of this schedule, the payments are reflected in the procurement year it relates to.

<sup>168</sup> Interest is earned monthly. For purposes of this schedule, the amounts include the interest earned during the delivery year.

The dramatic decrease in the amount of ACP payments collected by the utilities between the first two Delivery Years appears to be the result of the removal of the requirement that an ARES was required to make ACP payments for 50% of its RPS obligations as well as a very low ACP rate for the 2017-2018 delivery year. ARES appear to have complied with their RPS obligations primarily through the purchase and retirement of Renewable Energy Credits rather than making ACP payments.

The combined total of ACPs received by the Renewable Energy Resources Fund and by the utilities since the ACP compliance mechanisms was first instituted is \$354,658,135.24.

## B. Amount of ACPs used to purchase RECs

### 1. Purchases Made

Prior to May 2013, the only disbursements made from the RERF were temporary transfers of funds to the State's General Revenue Fund pursuant to 30 ILCS 105/5h(a). Of the \$7,148,261.61 in total ACPs received for the 2009-10 delivery year, the State of Illinois transferred \$2,000,000 on September 20, 2010, and \$4,710,000 on October 15, 2010.<sup>169</sup> The remaining \$438,261.61 was not used to purchase RECs and remained in the RERF. The State was required to repay the funds within 18 months of borrowing, and it repaid \$2,000,000 to the RERF in March 2012 and the remaining \$4,710,000 was repaid in April 2012. Because the funds were transferred from a non-interest earning account, no interest was paid.

In 2013, REC deliveries under the 2010 LTPPAs were curtailed due to application of the RPS budget cap.<sup>170</sup> Pursuant to the 2013 Procurement Plan, holders of those LTPPAs were given the option to sell curtailed RECs to ComEd with the purchases supported by the ACPs collected from customers on hourly pricing, which are distinct from ACPs collected from ARES. Those funds were insufficient to purchase all of the curtailed RECs and the IPA offered to voluntarily use the RERF to purchase remaining curtailed RECs. In May 2013, the IPA entered into contracts to purchase RECs associated with ComEd's curtailed long-term contracts that were not otherwise purchased by ComEd.<sup>171</sup> These purchase contracts were for the delivery year June 1, 2013 through May 31, 2014, and were for up to 121,620 RECs with no minimum delivery levels with a total value of \$2.24 million. Due to improved market prices for RECs elsewhere, not all contract holders exercised their rights to deliver RECs to the IPA. A total of 74,402 RECs were delivered in the June 1, 2013 through May 31, 2014 delivery year under these contracts at a total cost of \$1,719,141.52. There was no direct rate impact resulting from these purchases because they used ACP funds previously collected from ARES. As approved in ICC Docket No. 12-0544, ComEd also used ACP funds to purchase

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<sup>169</sup> 30 ILCS 105/5h(a).

<sup>170</sup> Illinois Power Agency, *2013 Annual Report*, December 1, 2013, at 5. This document, which is available at <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/ipa-annual-report-fy13.pdf>, should not be confused with the *2013 Annual Report on the Costs and Benefits of Renewable Resource Procurement in Illinois*.

<sup>171</sup> Of the eight LTPPA-holders, seven elected to enter into contracts.

79,674 RECs curtailed under the operation of LTPPAs in the June 1, 2013 through May 31, 2014 delivery year at a total cost of \$1,647,596.

Effective June 28, 2014, Public Act 98-0672 created new subsection 1-56(i) of the Illinois Power Agency Act requiring the Agency to develop a one-time Supplemental Photovoltaic Procurement plan for the procurement of renewable energy credits from new or existing photovoltaics using up to \$30,000,000 from the RERF. The Supplemental Photovoltaic Procurement Plan was developed by the IPA in 2014 and approved by the ICC on January 21, 2015. Three procurement events were conducted pursuant to the Supplemental Plan (June 2015; November 2015; and March 2016). Table ACP-3 shows the number of RECs contracted for purchase using alternative compliance payments held in the RERF as the result of each procurement event.<sup>172</sup>

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<sup>172</sup> Source: SPV procurement results, internal IPA records.



**Table ACP-3: Supplemental Photovoltaic Procurement RECs and RERF Funds Committed**

<b>Procurement Event</b>	<b>RECs Contracted For Purchase</b>	<b>RERF Funds Committed</b>
June 2015	37,082	\$4,999,963
November 2015	70,096	\$9,999,961
March 2016	91,770	\$14,999,894
Total	198,948	\$29,999,818

Table ACP-4 below documents the expenditures for RECs from those procurements as the photovoltaic projects developed pursuant delivered RECs. 1,062 new photovoltaic projects began operation as a result of this procurement process and delivered 137,253 RECs under five-year delivery contracts.<sup>173</sup> The final deliveries of RECs from these contracts occurred in 2024.

Public Act 99-0002, effective March 26, 2015, authorized the transfer of \$98,000,000 from the RERF to the State's General Revenue Fund. That transfer occurred on April 1, 2015, and did not include a repayment provision, further increasing the differential between ACPs received and the current RERF balance.

Public Act 99-0524, effective June 30, 2016, included an appropriation of \$12 million from the Renewable Energy Resources Fund for deposit into the Illinois Commerce Commission Public Utility Fund. The transfer occurred on June 23, 2017.

Public Act 100-0023, effective July 6, 2017, authorized transfers from special funds (such as the Renewable Energy Resources Fund) to the State's General Revenue Fund with a two-year deadline for repayment provision. On August 10, 2017, \$150 million was transferred from the Renewable Energy Resources Fund to the General Revenue Fund. In April 2018, \$37.5 million was repaid back to the Renewable Energy Resources Fund from the General Revenue Fund. However, on January 22, 2020, an additional \$10 million was transferred from the Renewable Energy Resources Fund to the General Revenue Fund, and on March 23, 2020, another \$20 million was transferred to the Health Insurance Reserve Fund. Subsequently, \$24 million was repaid between October 2021 through January 2022, and the balance in March of 2022.

## **2. Changes in Spending the RERF**

Public Act 99-0906, effective June 1, 2017, substantially revamped Section 1-56 of the Illinois Power Agency Act (which governs how the Agency uses the RERF). Other than expenditures previously committed via the Supplemental Photovoltaic Procurement process as described above, the remaining balance of the RERF was shifted to supporting the Illinois Solar for All Program, which is designed to create incentives for and support to the development of photovoltaic resources benefitting low-income households and communities. (Solar for All is also supported by contracts with the utilities in addition to the RERF funds.)

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<sup>173</sup> Unlike REC purchases as part of the Illinois Solar for All Program which feature upfront payments upon system energization, the Supplemental Photovoltaic Procurement only pays for RECs as they are delivered.

Details of the Illinois Solar for All Program were included in the original Long-Term Renewable Resources Procurement Plan developed by the Agency and approved by the Illinois Commerce Commission in 2018, and subsequently updated in the Revised Long-Term Renewable Resources Procurement Plan approved in 2020, and the 2022 Long-Term Renewable Resources Procurement Plan approved in 2022. See [www.illinoisfa.com](http://www.illinoisfa.com) for more information and details on the program. As of February 15, 2024, REC contracts totaling \$63,715,339.63 have been awarded to Illinois Solar for All projects using funds from the RERF (and an additional \$ \$88,967,165 in contracts funded through utility collections).

Some of the challenges in spending the RERF that have been previously documented are resolved by this change in State law. However, the RERF remains a special State Fund and expenditures from it are only authorized pursuant to the annual appropriations process, and the RERF could be subject to future reallocations of funds to other State purposes if authorized by the General Assembly and Governor.

### C. Balance in RERF

As of February 13, 2025, the RERF balance equals \$92,046,671.41. Table ACP-4 shows the current RERF balance and RERF transactions in Fiscal Year 2024 and to date.<sup>174</sup> As discussed above, ACP payments from ARES were submitted to the utilities in recent years and were not deposited into the RERF.

In January 2025, the Agency received \$11 million from the United States Environmental Protection Agency's Greenhouse Gas Reduction Fund to support the expansion of the Low-Income Community Solar sub-program of Illinois Solar for All. As of the publication of this Fiscal Year 2024 Annual Report, those funds were in the process of being deposited into the RERF.

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<sup>174</sup> Source: internal IPA records. For prior year transactions, please see prior year Annual Reports available at: <https://ipa.illinois.gov/about-ipa/ipa-publications.html>.

**Table ACP-4: IPA RERF Balance Sheet**

Date	Transaction	Amount	Cumulative Balance
Summer 2022	REC Payments / SPV Deposit Returns	(\$380,554.15)	\$134,736,085.29
Summer 2022	ILSfA REC Payments	(\$4,985,481.80)	\$129,750,603.49
Summer 2022	ILSfA Expenses	(\$850,911.04)	\$128,899,692.45
Summer 2022	ILSfA Collateral Deposits	(\$46,250.00)	\$128,853,442.45
Fall 2022	REC Payments / SPV Deposit Returns	(\$262,242.89)	\$128,637,449.56
Fall 2022	ILSfA REC Payments	(\$3,132,827.54)	\$125,504,622.02
Fall 2022	ILSfA Expenses	(\$973,015.44)	\$124,531,606.58
Fall 2022	ILSfA Collateral Deposits	(\$46,250.00)	\$124,485,356.58
Winter 2022-2023	REC Payments / SPV Deposit Returns	(\$225,734.50)	\$124,259,622.08
Winter 2022-2023	ILSfA REC Payments	(\$480,919.70)	\$123,778,702.38
Winter 2022-2023	ILSfA Expenses	(\$2,700.00)	\$123,776,002.38
Winter 2022-2023	ILSfA Collateral Deposits	\$298,190.70	\$124,074,193.08
Spring 2023	SPV REC Payments	(\$57,618.00)	\$124,016,575.08
Spring 2023	ILSfA Expenses	(\$1,584,966.38)	\$122,431,608.70
Spring 2023	ILSfA Collateral Deposits	\$579,909.55	\$123,011,518.25
Spring 2023	Settlement Proceeds <sup>175</sup>	\$175,000.00	\$123,186,518.25
Summer 2023	SPV REC Payments	(\$82,155.00)	\$123,104,363.25
Summer 2023	ILSfA Expenses	(\$1,808,550.42)	\$121,295,812.83
Fall 2023	SPV REC Payments	(\$29,647.40)	\$121,266,165.43
Fall 2023	ILSfA REC Payments	(\$4,013,157.35)	\$117,253,008.08
Fall 2023	ILSfA Expenses	(\$686,459.89)	\$116,566,548.19
Winter 2023 - 2024	SPV REC Payments	(\$14,647.25)	\$116,551,900.94
Winter 2023 - 2024	ILSfA REC Payments	(\$3,812,309.37)	\$112,739,591.57
Winter 2023 - 2024	ILSfA Expenses	(\$3,532,695.78)	\$109,206,895.79
Winter 2023 - 2024	ILSfA Expenses	(\$3,500.00)	\$109,203,395.79
Winter 2023 - 2024	ILSfA Collateral Deposits	(\$13,500.00)	\$109,189,895.79
Spring 2024	ILSfA REC Payments	(\$4,574,525.44)	\$104,615,370.35
Spring 2024	ILSfA Expenses	(\$4,027,257.50)	\$100,588,112.85
Spring 2024	ILSfA Collateral Deposits	\$79,552.74	\$100,667,665.59
Spring 2024	Settlement Proceeds	\$175,000.00	\$100,842,665.59
Summer 2024	SPV REC Payments	(\$4,345.00)	\$100,838,320.59
Summer 2024	ILSfA Expenses	(\$2,230,838.37)	\$98,607,482.22
Summer 2024	ILSfA Collateral Deposits	\$69,969.33	\$98,677,451.55
Fall 2024	ILSfA Expenses	(\$3,998,052.49)	\$94,679,399.06
Winter 2024 - 2025	ILSfA Expenses	(\$2,500.00)	\$94,676,899.06
Winter 2024 - 2025	ILSfA REC Payments	(\$479,101.71)	\$94,197,797.35
Winter 2024 - 2025	ILSfA Expenses	(\$2,151,125.94)	\$92,046,671.41

<sup>175</sup> Settlement proceeds are pursuant the Final Order in ICC Docket No. 20-0499 regarding a complaint case against Clean Choice Energy. For more information see page 251 of the 2024 Long-Term Plan, <https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/final-2024-long-term-renewable-resources-procurement-plan-19-apr-2024.pdf>.

# APPENDIX A

## **Illinois Power Agency Fiscal Year 2024 Financial Statement and Notes**

**UNAUDITED**

**Illinois Power Agency  
Individual Nonshared Governmental Funds  
Balance Sheet  
June 30, 2024**

	Special Revenue		Permanent Trust
	Illinois Power Agency		
	Illinois Power Agency Operations 0425	Renewable Energy Resources 0836	Illinois Power Agency Trust 0424
<b>Assets</b>			
Cash equity in State Treasury	\$ 16,205,690	\$ 98,759,029	\$ 19,956
Investments - Held in the Illinois State Board of Investment Commingled Fund at fair value	2,037,922	19,173	41,664,357
Other receivables, net			
<b>Total Assets</b>	<b>\$ 18,243,612</b>	<b>\$ 98,778,202</b>	<b>\$ 41,684,313</b>
<b>Deferred Outflows of Resources (DOR)</b>			
<b>Total DOR</b>			
<b>Total assets and DOR</b>	<b>\$ 18,243,612</b>	<b>\$98,778,202</b>	<b>\$41,684,313</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 2,451,487	\$ 15,818	19,922
Bid Deposits		3,285,671	
<b>Total Liabilities</b>	<b>2,451,487</b>	<b>3,301,489</b>	<b>19,922</b>
<b>Deferred Inflows of Resources (DIR)</b>			
<b>Fund Balances</b>			
Nonspendable-endowments and similar funds	\$	\$	\$ 41,664,391
Committed			
Employment and economic development	15,792,125	95,476,713	
<b>Total fund balances</b>	<b>15,792,125</b>	<b>95,476,713</b>	<b>41,664,391</b>
<b>Total liabilities, DIR, and fund balances</b>	<b>\$ 18,243,612</b>	<b>\$ 98,778,202</b>	<b>\$ 41,684,313</b>

The Accompanying notes to the financial statements are an integral part of this statement.

**UNAUDITED**  
**Illinois Power Agency**  
**Individual Nonshared Governmental Funds**  
**Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

	Special Revenue		Permanent Trust
		Illinois Power Agency	
	Illinois Power Agency Operations	Renewable Energy Resources	Illinois Power Agency Trust
	0425	0836	0424
Revenues			
Fees	\$ 29,487,211		\$
Interest and other investment income			5,961
Other Revenues	18,701	175,000	
Total Revenue	<u>\$ 29,505,912</u>	<u>\$ 175,000</u>	<u>\$ 5,961</u>
Expenditures			
Employment and Economic Development	\$ 28,969,285	\$ 22,828,633	\$ 19,922
Administrative and other	193,188		14,626
Total Expenditures	<u>\$ 29,162,473</u>	<u>\$ 22,828,633</u>	<u>\$ 34,548</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 343,439</u>	<u>\$ (22,653,633)</u>	<u>(\$28,587)</u>
Other financing sources (uses)			
Transfer In/(Out) to other State fund	2,247,500		(2,247,500)
Transfer In/(Out) from other State fund	4,000,000		
Net other financing sources (uses)	<u>\$ 6,247,500</u>	<u>\$</u>	<u>\$ (2,247,500)</u>
Net Change in fund balances	\$ 6,590,939	\$ (22,653,633)	\$ (2,276,087)
Fund Balance July 1, 2023	<u>\$ 9,201,186</u>	<u>\$ 118,130,346</u>	<u>\$ 43,940,478</u>
Fund Balance June 30, 2024	<u>\$ 15,792,125</u>	<u>\$ 95,476,713</u>	<u>\$ 41,664,391</u>

The Accompanying notes to the financial statements are an integral part of this statement.



**UNAUDITED**  
**ILLINOIS POWER AGENCY**

Individual Nonshared Governmental Funds  
Notes to the Financial Statements

June 30, 2024

**(1) Organization**

The Illinois Power Agency (Agency) is a part of the executive branch of government of the State of Illinois (State) and operates under the authority of and review by the Illinois General Assembly. The Agency actively administers four individual nonshared governmental funds - the Illinois Power Agency Operations Fund, the Illinois Power Agency Trust Fund, the Illinois Power Agency Investment Fund, and the Illinois Power Agency Renewable Energy Resources Fund (collectively, Funds) - described within these Notes to the Financial Statements. A nonshared fund is a fund in which a single agency of the State is responsible for administering substantially all of the financial transactions of the fund. Each of the Funds operate under a budget approved by the Illinois General Assembly in which resources are appropriated for the use of the Agency to meet each one of the Funds specific mission and functions as described within the Illinois Compiled Statutes and the Illinois Administrative Code. All funds appropriated to the Agency from each one of the Funds and all cash received for each one of the Funds are under the custody and control of the State Treasurer.

The Agency, created in Fiscal Year 2008, is dedicated to capturing the benefits of competitive energy markets and facilitating the development of alternative energy technologies for the benefit of Illinois consumers. The Agency meets these objectives by planning and managing competitive procurements and participating in the development of new power generation assets and approaches in Illinois. The Agency is an independent agency subject to the oversight of the Executive Ethics Commission and its activities are subject to the authority of certain departments of the executive and legislative branches of government (such as the Department of Central Management Services (CMS), the Governor's Office of Management and Budget, the State Treasurer's Office, and the State Comptroller's Office) as defined by the Illinois General Assembly.

**(2) Summary of Significant Accounting Policies**

The financial statements of the Funds have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for governmental funds, as prescribed by the Governmental Accounting Standards Board (GASB). To facilitate user understanding of the Funds financial statements, significant accounting policies are summarized below.

**(a) Financial Reporting Entity**

As defined by GAAP, the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable.

The financial statements only present the Funds administered by the Agency and do not purport to, and do not, present fairly the financial position of the Agency or the State as of June 30, 2024, nor changes in the Agency or State's financial position for the year ended in conformity with GAAP.

**UNAUDITED**  
**ILLINOIS POWER AGENCY**

Individual Nonshared Governmental Funds  
Notes to the Financial Statements

June 30, 2024

**(2) Summary of Significant Accounting Policies - Continued**

**(a) Financial Reporting Entity- Continued**

The Funds are not legally separate from the State; therefore, the financial information of the Funds is included in the financial statements of the State. The State's Annual Comprehensive Financial Report (ACFR) may be obtained by writing to the State Comptroller's Office, Division of Financial Reporting, 400 W. Monroe St., 3<sup>rd</sup> floor, Springfield, Illinois, 62704, or accessing its website at [www.illinoiscomptroller.gov](http://www.illinoiscomptroller.gov).

**(b) Basis of Presentation**

In government, the basic reporting entity is a fund. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, inflows, outflows, and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. A balance sheet and statement of revenues, expenditures, and changes in fund balance have been presented for the Funds administered by the Agency.

The Agency administers the following fund types:

**Governmental Fund Type:**

**Special Revenue:**

These funds account for resources obtained from specific revenue sources that are legally restricted or committed to expenditures for specified purposes. Special revenue funds account for, among other things, federal grant programs, taxes levied with statutorily defined distributions, and other resources restricted as to purpose.

**Illinois Power Agency Operations Fund - 425**

This fund was created as a special fund in the State Treasury. The fund is administered by the Agency for Agency operations as specified in the Illinois Power Agency Act. Funding sources include charges for services through fee reimbursements as provided by the Illinois Power Agency Act, transfers of interest and investment income from the Illinois Power Agency Trust Fund, and Statutory Transfers from other State Funds.

**UNAUDITED**  
**ILLINOIS POWER AGENCY**  
Individual Nonshared Governmental Funds  
Notes to the Financial Statements  
June 30, 2024

**(2) Summary of Significant Accounting Policies - Continued**

**(b) Basis of Presentation - Continued**

**Illinois Power Agency Renewable Energy Resources Fund - 836**

This fund was created as a special fund in the State Treasury. This fund is administered by the Agency for the procurement of renewable energy resources. This Fund's funding source was Alternative Compliance Payments remitted by Alternative Retail Electric Suppliers to comply with the State's Renewable Portfolio Standard established by the Public Utilities Act.

**Permanent:**

These funds account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizens.

**Illinois Power Agency Trust Fund -424**

This fund was created as a special fund in the State Treasury. This fund has two distinct purposes:

- 1) This fund may accept, receive, and administer any grants, loans, or other funds made available to it by any source. Any funds received except for interest and investment income shall not be considered income but shall be added to the principal of the Illinois Power Agency Trust Fund. These amounts shall be interfund cash transferred to the Illinois Power Agency Investment Fund to be held for investment by the Illinois State Board of Investment for the purpose of obtaining a total return on investments for the long term as described in the State Finance Act (30 ILCS 105/62-75).
- 2) This fund may accept cash transfers of investment income from the Illinois Power Agency Investment Fund for interfund cash transfer, subject to appropriations from the Illinois General Assembly, to the Illinois Power Agency Operations Fund as described in the State Finance Act (30 ILCS 105/62-75).

**UNAUDITED**  
**ILLINOIS POWER AGENCY**  
Individual Nonshared Governmental Funds  
Notes to the Financial Statements  
June 30, 2024

**(2) Summary of Significant Accounting Policies - Continued**

***(b) Basis of Presentation - Continued***

**Illinois Power Agency Investment Fund -1408**

This fund was created as a locally held fund held by the Illinois State Board of Investment outside of the State Treasury. Any funds received by the Illinois Power Agency Investment Fund from the Illinois Power Agency Trust Fund shall not be considered income but shall be added to the principal of the Fund. In addition, the Agency may interfund cash transfer, subject to the maximum appropriation for the Illinois Power Agency Trust Fund from the Illinois General Assembly, up to 90% of the annual investment income to the Illinois Power Agency Trust Fund for interfund cash transfer to the Illinois Power Agency Operations Fund. Any investment income not interfund cash transferred to the Illinois Power Agency Trust Fund for interfund cash transfer to the Illinois Power Agency Operations Fund shall not be considered income but shall be added to the principal of the Illinois Power Agency Investment Fund.

The Illinois Power Agency Investment Fund has been collapsed into the Illinois Power Agency Trust Fund for financial reporting purposes.

Funding sources for both permanent funds include interest accumulations deposited by the State Treasurer, investment income received through the Illinois State Board of Investment, and any grants, loans, or other funds made available to it by any source.

***(c) Measurement Focus and Basis of Accounting***

The Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the State considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on formal debt issues, claims and judgments, and compensated absences are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of formal debt issues and acquisitions under capital leases and installment purchases are reported as other financing sources. Significant revenue sources which are susceptible to accrual include charges for services and interest and investment income. All other revenue sources including fines, licenses, and other miscellaneous revenues are considered to be measurable and available if they are collected within 60 days of the end of the current fiscal year.

**UNAUDITED**  
**ILLINOIS POWER AGENCY**  
Individual Nonshared Governmental Funds  
Notes to the Financial Statements  
June 30, 2024

**(2) Summary of Significant Accounting Policies - Continued**

**(d) Cash Equity in State Treasury**

Cash equity in the State Treasury includes deposits held in the State Treasury. It also includes cash received and deposited in the Agency's clearing account and in process to the State Treasurer.

**(e) Investments**

Investments are reported at fair value. The Illinois State Board of Investment holds investments for the Illinois Power Agency Trust Fund within the Illinois Power Agency Investment Fund pursuant to the State Finance Act (30 ILCS 105/62-75).

**(f) Interfund Transactions**

The following types of interfund transactions between the Funds and funds of other State agencies may occur:

**Interfund Loans** are amounts provided with a requirement for repayment made in accordance with State law, which are reported as interfund receivables in lender funds and interfund payables in borrower funds. When interfund loan repayments are not expected within a reasonable time, the interfund balances are reduced and the amount that is not expected to be repaid is reported as a transfer from the fund that made the loan to the fund that received the loan.

**Services provided and used** are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the governmental funds balance sheet.

**Reimbursements** are repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

**Transfers** are flows of assets (such as cash or goods) between funds without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the governmental funds making transfers and as other financing sources in the governmental funds receiving transfers.

**UNAUDITED**  
**ILLINOIS POWER AGENCY**  
Individual Nonshared Governmental Funds  
Notes to the Financial Statements  
June 30, 2024

**(2) Summary of Significant Accounting Policies - Continued**

**(g) Fund Balances**

Fund balances are classified in the following categories:

***Non-spendable*** This consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The Illinois Power Agency Trust Fund had a non-spendable fund balance as of June 30, 2024.

***Restricted*** This consists of amounts that are restricted to specific purposes, which is when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. There were no restricted fund balances as of June 30, 2024.

***Committed*** This consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Agency's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Agency removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Agency's highest level of decision-making authority rests with the Illinois General Assembly and the Governor. The State passes Public Acts to commit its fund balances. The Illinois Power Agency Operations Fund, and the Illinois Power Agency Renewable Energy Resources Fund had committed fund balances as of June 30, 2024.

***Assigned*** This consists of net amounts that are constrained by the Agency's intent to be used for specific purposes, but that are neither restricted nor committed. Fund balance assignments can only be removed or changed by action of the General Assembly. There were no assigned fund balances as of June 30, 2024.

***Unassigned*** This consists of residual fund balance (deficit) that has not been designated for specific purposes within the Funds. There were no unassigned fund balances as of June 30, 2024.

The Agency has a general policy to first use restricted resources for expenditures incurred for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available. When expenditures are incurred for which only unrestricted resources are available, the policy is to use committed resources first, then assigned. Unassigned amounts are only used after the other resources have been used.



**UNAUDITED**  
**ILLINOIS POWER AGENCY**  
Individual Nonshared Governmental Funds  
Notes to the Financial Statements  
June 30, 2024

**(2) Summary of Significant Accounting Policies - Continued**

**(h) Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**(i) Future Adoption of GASB Statements**

Effective for the year ending June 30, 2025, the Agency will adopt the following GASB statements:

Statement No. 101, *Compensated Absences*, which is intended to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Statement No. 102, *Certain Risk Disclosures*, State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

Effective for the year ending June 30, 2026, the Agency will adopt the following GASB statements:

Statement No. 103, *Financial Reporting Model Improvements*, the objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-to-use assets, subscription assets, and other intangible assets to be disclosed separately by major class of underlying asset in the capital assets note. The Statement also requires additional disclosures for capital assets held for sale.

The Agency has not yet determined the impact of adopting these statements on its financial statements.

**UNAUDITED**  
**ILLINOIS POWER AGENCY**  
Individual Nonshared Governmental Funds  
Notes to the Financial Statements  
June 30, 2024

**(3) Deposits and Investments**

**(a) Deposits**

The State Treasurer is the custodian of the Funds deposits and investments for funds maintained in the State Treasury. Deposits in the custody of the State Treasurer on June 30, 2024, including cash on hand and cash in transit, totaled \$16.2 million for the Illinois Power Agency Operations Fund, \$98.8 million for the Illinois Power Agency Renewable Energy Resources Fund, and \$20 thousand for the Illinois Power Agency Trust Fund. These deposits are pooled and invested with other State funds in accordance with the Deposit of State Moneys Act of the Illinois Compiled Statutes (15 ILCS 520/11). Funds held by the State Treasurer have not been categorized as to credit risk because the Funds do not own individual securities. Details on the nature of these deposits are available within the State's ACFR.

**(b) Investments**

The Illinois State Board of Investment, an internal investment pool of the State, holds the investments within the Illinois Power Agency Investment Fund pursuant to the State Finance Act (30 ILCS 105/62-75). At June 30, 2024, total investments were \$41.7 million.

The Illinois State Board of Investment manages all assets held by it within a single commingled fund. Disclosures pertaining to these investments are included in the financial statements of the Illinois State Board of Investment. A copy of the financial statements of the Illinois State Board of Investment may be obtained by writing to the Illinois State Board of Investment, 180 North LaSalle Street, Suite 2015; Chicago, Illinois, 60601.

**(3) Other Receivables**

The balances of Other Receivables for the Illinois Power Agency Operations Fund and Illinois Power Agency Renewable Energy Resources Fund include reimbursements owed to the Agency, totaling \$2.1 million.

**UNAUDITED**  
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**(3) Deposits and Investments - Continued**

**(b) Investments**

The Illinois State Board of Investment, an internal investment pool of the State, holds the investments within the Illinois Power Agency Investment Fund pursuant to the State Finance Act (30 ILCS 105/62-75). At June 30, 2024, total investments were \$41.7 million.

The Illinois State Board of Investment manages all assets held by it within a single commingled fund. Disclosures pertaining to these investments are included in the financial statements of the Illinois State Board of Investment. A copy of the financial statements of the Illinois State Board of Investment may be obtained by writing to the Illinois State Board of Investment, 180 North LaSalle Street, Suite 2015; Chicago, Illinois, 60601.

**(4) Other Receivables**

The balance of Other Receivables for the Illinois Power Agency Operations Fund includes reimbursements owed to the Agency, totaling \$2 million.

**(5) Interfund Balances and Activity**

Interfund transfer activity during the year ended June 30, 2024, consisted of the following:

Interfund transfers in (amounts expressed in thousands) for the year ended June 30, 2024, were as follows:

Fund	Transfer in From	Description/Purpose
	Other Agency Funds	
Illinois Power Agency Operations Fund	2,247	Operations transfer of ISBI Funds per 30ILCS 105/62-27

Interfund transfers in from the Department of Commerce and Economic Opportunity (amounts expressed in thousands) for the year ended June 30, 2024, were as follows:

Fund	Transfer in From	Description/Purpose
	Other State Funds	
Illinois Power Agency Operations Fund	4,000	Mandatory transfer pursuant to 20 ILCS 605/605-1075

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Interfund transfers out (amounts expressed in thousands) for the year ended June 30, 2024, were as follows:

Fund	Transfer out to Other Agency Funds	Description/Purpose
Illinois Power Agency Trust	2,247	Operations transfer of ISBI Funds per 30 ILCS 105/6z-27

# APPENDIX B

## Illinois Power Agency Fiscal Year 2024 Summary of Funds on a Cash Basis **UNAUDITED**

	Special Revenue		Permanent Trust
	Illinois Power Agency		
	Illinois Power Agency Operations 0425	Renewable Energy Resources 0836	Illinois Power Agency Trust 0424
<b>Assets</b>			
Cash equity in State Treasury	\$ 16,205,690	\$ 98,759,029	\$ 19,956
Investments - Held in the Illinois State Board of Investment Commingled Fund at fair value			
Other receivables, net			41,664,357
<b>Total Assets</b>	<u>\$ 16,205,690</u>	<u>\$ 98,759,029</u>	<u>\$ 41,684,313</u>
<b>Deferred Outflows of Resources (DOR)</b>			
<b>Total DOR</b>	<u>--</u>	<u></u>	<u></u>
<b>Total assets and DOR</b>	<u>\$ 16,205,690</u>	<u>\$98,759,029</u>	<u>\$41,684,313</u>
<b>Liabilities</b>			
Accounts payable and accrued liabilities			
Bid Deposits		3,285,671	
<b>Total Liabilities</b>		<u>3,285,671</u>	
<b>Deferred Inflows of Resources (DIR)</b>			
<b>Fund Balances</b>			
Nonspendable-endowments and similar funds	\$	\$	\$ 41,684,313
Committed			
Employment and economic development	16,205,690	95,473,358	
<b>Total fund balances</b>	<u>16,205,690</u>	<u>95,473,358</u>	<u>41,684,313</u>
<b>Total liabilities, DIR, and fund balances</b>	<u>\$ 16,205,690</u>	<u>\$ 98,759,202</u>	<u>\$ 41,684,313</u>