

Vistra Corp.'s Comments to Illinois Power Agency for the 2026 Long-Term Plan

Vistra Corp. (Vistra) is submitting the following comments to the Illinois Power Agency (IPA) for the IPA's consideration in preparing its 2026 Long-Term Renewable Resources Procurement Plan (2026 Plan). Vistra is responding to the IPA's June 25, 2025 announcement extending the time to submit comments to July 10, 2025.

Vistra's comments are focused on the objective of increasing participation in the IPA's renewable resources procurements, and in increasing the numbers of projects and RECs selected in the procurements so that Renewable Portfolio Standards (RPS) goals are met, in the context of brownfield photovoltaic (brownfield) projects (although Comment no. 4 below could be applicable to any competitive procurement). Vistra notes that the IPA's procurements of RECs from brownfield projects have a checkered history of outcomes ranging from zero participation by developers, to procurement of less than the targeted numbers of RECs, to selection of projects providing the full targeted amounts of RECs. These outcomes have characterized Vistra's experiences in brownfield procurements as well. Further, currently, Vistra has potential brownfield projects under development in Illinois at multiple locations, with aggregate capacity of about 231 MW, which, depending on the achieved capacity factor, could produce approximately 365,000 to 445,000 RECs per year towards meeting RPS goals, if these projects were selected in the IPA's brownfield procurement events.

Vistra also supports the comments previously filed by the Illinois Farm Bureau (IFB) on June 20, 2025. IFB's comments illustrate that brownfield procurements should be viewed as having two important public policy objectives: first, of course, procuring RECs to meet RPS goals; and second, to provide incentives (i.e., long-term contracts for RECs) for the redevelopment of former utility and other industrial sites, by providing projects on such sites with enhanced eligibility to be selected in RPS procurements.

Vistra offers the following specific proposals for incentivizing increased development of brownfield sites and increased likelihood of selection in IPA procurements.

1. Photovoltaic projects located on properties that include, but are not limited to, a specific remediation site on the property, should be eligible to participate and be selected in RPS procurements. Presently, the IPA requires that, to be eligible, the brownfield project must be located entirely on the remediation area. This results in smaller brownfield projects, with limited numbers of RECs and therefore higher costs per REC, than if the project could also be located on some or all of the remainder of the property that is not under remediation. This would allow for larger projects, producing more generation and therefore more RECs, and with lower costs per REC. In addition, it would provide greater incentives to developers to develop photovoltaic projects on larger properties that currently are not considered to be eligible for selection, because only a small portion of the property is regulated under a remediation program, and not cost-effective for brownfield project development because only a small area of the property is under remediation.

Section 1-10 of the IPA Act defines "brownfield site photovoltaic project" as photovoltaics "located at a site that is regulated by any of the following entities under the following programs." What constitutes being "located at a site" is not further defined or explained in the statute. Vistra

submits that the IPA, as the expert agency to whom the General Assembly has delegated the responsibility to conduct REC procurements to meet the State's RPS goals, has the authority and discretion to construe "located at a site that is regulated by any of the following entities under the following programs" to include the entirety of a discrete property (as defined by its legal description) a portion of which is regulated by one of the listed entities under one of the listed programs. (To be clear, under Vistra's proposal, some portion of the brownfield project would have to be located on the portion of the property that is in a remediation program).

The IFB's comments submitted June 20, 2025 note that as increasing amounts of agricultural property are acquired for development of utility-scale solar projects, and thus are rendered no longer available for agricultural purposes, there is an increasing interest in seeing that former utility and industrial sites are redeveloped as brownfield projects, rather than developing solar projects on productive agricultural properties. Public policy should recognize that redevelopment options and opportunities are limited for former utility and industrial sites – if these sites are not eligible and cannot be used for photovoltaic projects, even on the portion of the site that is not under environmental remediation, they may likely sit idle and undeveloped forever, benefitting no one – while agricultural properties continue to be taken out of farming to be developed as solar projects.

2. Raise the percentage of the RPS targeted RECs amount of 45 million RECs from 3% to 5%. With the statutory authority it now has to change the percentages of RECs to be procured from the various renewable energy technologies, the IPA should increase the percentage of the total targeted RECs allocated to brownfield projects, to allow for selection of more brownfield projects. If fully utilized, an increase from 3% to 5% would allow for procurement of 900,000 additional RECs from brownfield projects. This increase would facilitate and be consistent with allowing brownfield projects to be developed on larger properties as recommended in Comment no. 1 above.

Further, some developers may eschew developing brownfield projects and participating in IPA brownfield procurements because of the limited number and size of projects and RECs that can be selected with a "cap" of only 3%. The cap of 3% of the 45,000,000 total RECs means that, in total, only 1,350,000 RECs can be procured from brownfield projects in the 2022-2030 time frame. In at least one previous instance, Vistra bid a brownfield-eligible project into the utility-scale solar procurement event because the size of the project almost exceeded the entirety of the brownfield project RECs available for selection under the 3% cap. Going forward, one of Vistra's brownfield projects under development will likely exceed the number of RECs that the IPA can procure given the 3% cap.

3. Make brownfield projects larger than 5 MW capacity eligible for the bid preference for projects located in areas eligible to receive Energy Transition Community Grants. Section 1-75(c)(1)(P) of the IPA Act allows the IPA to provide a bid preference for "utility-scale projects that are located in communities eligible to receive Energy Transition Community Grants pursuant to Section 10-20 of the Energy Community Reinvestment Act." The IPA has developed and implemented such a bid preference but, for reasons not articulated, limits its availability to utility-scale wind and solar projects, and has not applied the bid preference to brownfield projects. However, the authorizing statutory language uses the term "utility-scale," which is defined in Section 1-10 of the IPA Act as having a capacity greater than 5 MW. Further,

the statutory text does not limit the applicability of the bid preference to only wind and non-brownfield solar projects. Therefore, the PA should apply the bid preference it has developed pursuant to Section 1-75(c)(1)(P) to brownfield projects with capacity greater than 5 MW.

4. **Use the “soft cap” approach in selecting the winning bidders in brownfield procurements (and possibly in other competitive procurements).** The IPA may or may not already be using the “soft cap” approach described in this comment in selecting the winning bidders and projects in its brownfield procurements (and other REC procurements). Under this approach, if the IPA’s procurement target for brownfield project RECs is (for example) 5,000 REC, and the 3 lowest strike price bids are from projects that will total 4,800 RECs, and the next lowest strike price bid (which is below the confidential benchmark), is for 1,000 RECs, the IPA should select that last bidder and the full amount of its offered RECs, even though this results in a total procurement of RECs from brownfield projects of 5,800 RECs, which exceeds the original target. This “soft cap” approach is similar to the approach recommended by the Illinois Commerce Commission Staff, in its May 1, 2025 Energy Storage Procurement Report pursuant to §16-135(g) of the Public Utilities Act, for selecting winning storage projects in a storage procurement event.

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