

## CITY WATER, LIGHT AND POWER CITY OF SPRINGFIELD, ILLINOIS

MISTY BUSCHER, MAYOR Doug Brown, Chief Utility Engineer

July 16, 2025

Acting Director James Jennings, Illinois EPA Chairman Doug Scott, Illinois Commerce Commission Acting Director Brian Granahan, Illinois Power Agency

Re: Resource Adequacy Study Comments

Submitted via email to: IPA.ContactUs@illinois.gov

Dear Chairman Scott, Director Jennings and Director Granahan:

The City of Springfield, Office of Public Utilities d/b/a City Water, Light and Power ("City" or "CWLP") respectfully submits the following comments to the Illinois Environmental Protection Agency ("Illinois EPA"), Illinois Power Agency ("IPA") and Illinois Commerce Commission's ("ICC" or "Commission") (collectively "the Agencies") in response to the request for comments on the Resource Adequacy Study required by Section 9.15(o) of the Environmental Protection Act ("EPAct"). These comments will address <u>Topic 1: Resource Adequacy Study goals and scenario analysis considerations</u>.

The City of Springfield, the capital city of Illinois, owns and operates a municipal utility referred to as City Water, Light and Power that provides electric power to approximately 68,000 customer meters that serve the residents and commercial businesses of Springfield and surrounding areas. CWLP also operates a fully integrated supply, purification, transmission and distribution water utility that provides drinking water to 160,000 people in a service area that includes Springfield, the villages of Grandview, Jerome, Leland Grove, Loami, Rochester and Southern View along with the Sugar Creek Public Water District, the Williamsville-Sherman Water Commission, the Round Prairie Water Commission and certain unincorporated areas adjacent to the City. CWLP currently operates one 200MW coal-combustion generation unit, Dallman Unit 4, that utilizes Illinois coal and came online in late 2009. Three older units placed into service in 1968, 1972 and 1978 (Units 31, 32 and 33, respectively) were taken out of service in 2020 and 2021, following the completion of CWLP's first formal Integrated Resource Plan in recent memory. CWLP also operates three peaking generators, two that are oil-burning and one with dual-fuel operating capabilities, with a combined capacity of 144 MW. CWLP is registered as a distribution provider, generation operator, generation owner, load serving entity, resource planner, transmission operator, transmission owner, and transmission planner within the North American Electric Reliability Corporation (NERC). CWLP also operates as a local balancing authority within the Midcontinent Independent System Operator (MISO). CWLP is directly interconnected with the Ameren transmission system at six locations. The Ameren Lanesville 345/138 kV substation was completed in December 2004 and interconnects the Commonwealth Edison/PJM 345 kV transmission system to the CWLP 138 kV transmission system. The most recent interconnections with Ameren were completed in June 2009 and include the Interstate – San Jose 138 kV (now Interstate – Shockey) and the Interstate – East Springfield 138 kV (now Interstate – Dirksen). In March 2001, CWLP joined MISO as a transmission owner. CWLP has no interconnections with any other facilities in any other RTOs.

Following an introductory summary of the requirements of Section 9.15(o) of the EPAct, the Agencies propose the following initial question for comment:

## Question 1: The Agencies recognize this study process is purposefully targeted in its nature, with Section 9.15(o) providing clear goals and expectations of the resource adequacy study and resulting report. What additional goals, objectives, or evaluation metrics should be considered, either as part of this study process or future resource adequacy study efforts?

Put simply, CWLP comments with a definitive <u>"NONE</u>" to this question with regard to this particular 2025 study process. The Agencies are correct in stating this statutory requirement is purposefully targeted in its nature and should not be watered down, confused or bogged down by additional tasks. In fact, the purpose of submitting these comments at this time is to plead with the decision makers to consider whether the proposed study plan already violates these principles and takes on a task that while laudable in intent, is a distraction or delay from the urgent and essential directive of the statute for the next 5 months.

CWLP urges the Agencies to ground their endeavor in the statutory language. That language provides:

"Every 5 years beginning in 2025, the Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission shall jointly prepare, and release publicly, a report to the General Assembly that examines the State's current progress toward its renewable energy resource development goals, the status of CO<sub>2</sub>e and copollutant emissions reductions, the current status and progress toward developing and implementing green hydrogen technologies, the current and projected status of electric resource adequacy and reliability throughout the State for the period beginning 5 years ahead, and proposed solutions for any findings." 415 ILCS 5/9.15(o).

IPA and Illinois EPA are well situated to provide a status update on many of the items in the report list including progress in renewable energy resource development and status of CO2e and copollutant emission reductions. However, the Agencies have proposed using a consultant to address the resource adequacy and reliability component of the report by performing a modeling study specifically targeted

to resource adequacy for the entire State of Illinois. It is understandable the Agencies feel the need for outside resources to answer the question of what is the "current and projected status of electric resource adequacy and reliability" as it has been nearly three decades since the Commission has had experience with reviewing integrated resource plans and other reliability or resource adequacy metrics following deregulation of the State's power sector.

Although this need for outside technical assistance is understandable, CWLP believes the drafters of the statute understood this and set out a more manageable task for the Agencies when it directed the following:

"The Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission shall consult PJM Interconnection, LLC and Midcontinent Independent System Operator, Inc., or their respective successor organizations regarding forecasted resource adequacy and reliability needs, anticipated new generation interconnection, new transmission development or upgrades, and any announced large GHG-emitting unit closure dates and include this information in the report... If the Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission jointly conclude in the report that the data from the regional grid operators, the pace of renewable energy development, the pace of development of energy storage and demand response utilization, transmission capacity, and the CO<sub>2</sub>e and copollutant emissions reductions required by subsection (i) or (k-5) reasonably demonstrate that a resource adequacy shortfall will occur, including whether there will be sufficient in-state capacity to meet the zonal requirements of MISO Zone 4 or the PJM ComEd Zone, per the requirements of the regional transmission organizations, or that the regional transmission operators determine that a reliability violation will occur during the time frame the study is evaluating, then the Illinois Power Agency, in conjunction with the Environmental Protection Agency shall develop a plan to reduce or delay CO<sub>2</sub>e and copollutant emissions reductions requirements only to the extent and for the duration necessary to meet the resource adequacy and reliability needs of the State, including allowing any plants whose emission reduction deadline has been identified in the plan as creating a reliability concern to continue operating, including operating with reduced emissions or as emergency backup where appropriate. The plan shall also consider the use of renewable energy, energy storage, demand response, transmission development, or other strategies to resolve the identified resource adequacy shortfall or reliability violation." 415 ILCS 5/9.15(o)

The legislature did not expect the Commission to undertake a study of this nature or difficulty or expense in adopting Section 9.15(o). The legislature expected the Agencies to rely on the information that is currently available from MISO, PJM, their independent market monitors and NERC on reliability concerns and resource adequacy in their territories including Illinois to determine whether *"the CO<sub>2</sub>e and copollutant emissions reductions required by subsection (i) or (k-5) reasonably demonstrate that a resource adequacy shortfall will occur, including whether there will be sufficient in-state capacity to meet the zonal requirements of MISO Zone 4 or the PJM ComEd Zone, per the requirements of the regional transmission organizations."* 

To that end, on July 2, 2025, Chairman Scott convened a workshop with all the RTOs in the entire country, not just PJM and MISO, to discuss Resource Adequacy issues. CWLP urges the Agencies to listen to the grid operators and reliability regulators in answering the questions posed by Section 9.15(o). In particular, CWLP heard the message delivered loud and clear that has been transmitted to us from MISO for several years now ---- the grid operators need all available resources to remain online while they adapt to the shifting resource mix and face the new challenges of an era of load growth following many years of stable or declining loads.

The State of Illinois took a pathway that no other State has taken so directly in adopting Section 9.15 of the EPAct in 2021 -- to order date certain retirements for certain resources in the absence of information as to what impact that would have on reliability. In order to justify concerns raised by CWLP and others about the impact on reliability, Section 9.15(o) was included to allow the General Assembly to evaluate whether that decision has put Illinois residents in jeopardy in time to avoid a catastrophe. While the study the Agencies plan to undertake will no doubt be interesting, it is also unclear whether it will provide needed information to answer the question the Agencies have been asked. By commissioning new modeling, especially if it reinterprets or replaces the forecasts already produced by the RTOs and NERC, CWLP believes the Agencies risk redundancy or potential conflicts that the stakeholders will struggle to reconcile. The Agencies should instead devote resources to integrating and interpreting existing authoritative forecasts and models rather than creating new ones.

CWLP is grateful for the opportunity to comment on the study plan and remains available to assist the Agencies in their efforts to move Illinois towards clean energy goals while maintaining the reliability our citizen rate payers deserve and have come to expect.

Sincerely,

Deborah J. Williams

Deborah J. Williams Regulatory Affairs Director