September 15, 2025

Illinois Power Agency
Via Email: ipacontactus@illinois.gov

Ameren Illinois Company d/b/a Ameren Illinois' Comments on Draft 2026 Draft Electricity Procurement Plan

Ameren Illinois Company d/b/a Ameren Illinois (Ameren Illinois or the Company) respectfully submits these comments to the Draft 2026 Electricity Procurement Plan (the Plan), which the Illinois Power Agency (IPA) released for public review and comment on August 15, 2025. Once a docket proceeding has been initiated following the filing of the plan with the Illinois Commerce Commission (Commission), Ameren Illinois may provide additional comments and recommendations.

Ameren Illinois compliments the IPA regarding its past success and the thoughtful manner in which the Plan was developed.

I. Internal Comments regarding the Plan

1. Section 1.1 and Section 5.2.3

The IPA is seeking stakeholder feedback regarding the potential inclusion of "multi-year all-season" capacity contracts alongside current capacity solicitations. Section 5.2.3 provides further information on this feedback requests including the following questions below:

Questions for stakeholder feedback:

1. Should a multi-year, all-season capacity contract be added to the existing seasonal and annual contract options in future capacity solicitations?
2. If pursued, what portion (percent) of capacity procurement should be procured through multi-year, all-season capacity contracts?
3. In addition to purchase of ZRCs, should a multi-year financial hedge be offered?
4. What should the duration (total length) and start date (current year, subsequent year, or two years in the future) options be for bidders to consider?
5. Should multi-year, all-season capacity contracts be procured twice per year with the seasonal and annual contract options, or only once per year?
6. How should multi-year, all-season capacity contracts be evaluated and compared to seasonal and annual contract options?
7. Are there other impacts to customer rates that should be considered in pursuing multi-year, all-season capacity contracts?

Ameren Illinois supports the idea of multi-year, all-season capacity contracts as long as customer affordability is a top priority. Annual or multi-year offers should consider non-summer season pricing in addition to summer pricing in the bench marking process. Non-summer season prices should not be unreasonably high in order to fill an annual or multi-year contract with a competitive summer price. Additionally, higher priced annual or multi-year offers should not take precedence over lower priced seasonal offers. Finally, Ameren Illinois asks that the IPA and its consultants consider the current issue occurring at MISO regarding the LOLE continuing error that has greatly affected what the cost of capacity was for the MISO 2025-26 Planning Resource Auction.

2. Section 3.5.4

In Section 3.5.4 Ameren Illinois suggests the removal of the phrase "a bit" in describing the drop of PTC for non-summer seasons. The phrase “a bit” is not a term that can be easily measured or quantified and therefore its use may lead to parties making incorrect assumptions regarding the projected drop. The Company proposes removing the phrase "drop down a bit in" and replacing it with "have a substantial decrease in" this will remove ambiguity that may have been caused by the previous wording and more accurately reflect what will occur with Ameren Illinois' PTC. Therefore, Ameren Illinois recommends the IPA make the proposed modification prior to filing the final Plan with the Commission.

"Capacity prices for the Summer 2025 MISO PRA cleared at $666.50/MW-day, over 20 times higher than the Summer 2024 MISO PRA, which cleared at $30/MW-day. Following this summer period, Ameren's PTC is projected to have a substantial decrease in the non-summer period. It is reasonable to assume that switching behavior by individual customers (other than those who chose an ARES rate that is not an “apples-to-apples” comparison to the utility rate, or one that offers additional perceived

value) will not be a significant factor in the load forecast, except for transition to municipal aggregation, opt-out from municipal aggregation, and return from municipal aggregation."

3. Section 5.2.2

Around the time of the draft Plan being distributed, MISO discovered a programming error which appears to have resulted in inappropriately high clearing prices. Ameren Illinois would appreciate the IPA providing its opinion on this error and its expectations on future Planning Resource Auctions.

II. Technical Errors Discovered in Review

During the Company's review of the Plan, Ameren Illinois identified several technical errors that the IPA should consider revising. These include grammatical inconsistencies, references to incorrect years, switching statistics that may need updated, and discrepancies within tables and graphs. Ameren Illinois recommends addressing these items prior to submitting the Plan to the Commission to ensure clarity and accuracy.

1. Table 1-2

On Table 1-2, the header currently reads “Fall 202 Procurement”. Ameren Illinois believes this is in error and the header is missing the "6" in "2026". Ameren Illinois recommend correcting this prior to filing the Plan with the Commission. Please see the table below for reference.

Spring 2026 Procurement			**Fall 202 Procurement**		
June 2026-May 2027 (Upcoming Delivery Year)	Upcoming Delivery Year+1	Upcoming Delivery Year+2	October 2026-May 2027	Upcoming Delivery Year + 1	Upcoming Delivery Year + 2

2. Table 1-3

In Table 1-3, the incorrect year (2025) was used for the Spring 2026 hedge procurement target for Delivery Year (DY) 2027-28. This line under DY 2027-28 of Table 1-3 should read

"50% in Spring 2026". Ameren Illinois recommends the IPA correct this error prior to filing the Plan with the Commission. Please see the screenshot below for reference.

June 2026-May 2027	June 2027-May 2028	June 2028-2029
12.5% in Spring 2024	12.5% in Spring 2025	12.5% in Spring 2026
25% in Fall 2024	25% in Fall 2025	25% in Fall 2026
50% in Spring 2025	50% in Spring 2025	Remainder to be determined in 2027 Plan.
75% in Fall 2025	75% in Fall 2026	
100%, MISO PRA	100%, MISO PRA	

3. Table 1-6

In Table 1-6, the incorrect electricity procurement plan is referenced in the "Capacity" column. This line under Ameren Illinois' DY 2028-29 of Table 1-6 should read "Remaining balance to be determined in 2027 Plan". Ameren Illinois recommends the IPA correct this error prior to filing the Plan with the Commission. Please see the table below for reference.

	Delivery Year	Energy	Capacity[15] [16]
Ameren Illinois	2026-2027	Up to 425 MW forecasted requirement (Spring Procurement) Up to 250 MW additional forecasted requirement (Fall Procurement)	Up to 12.5% in Spring 2024 Up to 25% in Fall 2024 Up to 50% in Spring 2025 Up to 75% in Fall 2025 Remaining balance from MISO PRA
	2027-2028	Up to 225MW forecasted requirement (Spring Procurement) Up to 225 MW additional forecasted requirement (Fall Procurement)	Up to 12.5% in Spring 2025 Up to 25% in Fall 2025 Up to 50% in Spring 2026 Up to 75% in Fall 2026 Remaining Balance from MISO PRA
	2028-2029	Up to 100 MW forecasted requirement (Spring Procurement) Up to 150MW additional forecasted requirement (Fall Procurement)	Up to 12.5% in Spring 2026 Up to 25% in Fall 2026[17] Remaining balance to be determined in 2026 Plan

4. Section 2.7

A technical error regarding the acronym "EO" not being defined previously was found on page 14 of the Plan. Paragraph 3 of page 14 states "The EO also directs the Secretary…". However, "EO" was not previously defined. The term "executive order" is first mentioned in paragraph 2 of page 14 and should be defined there. Ameren Illinois recommends the IPA correct this error prior to filing the Plan with the Commission. Please see below for reference.

> Similarly, the enactment of the Inflation Reduction Act ("IRA") in 2022 was (at the time of enactment) expected to result in substantial greenhouse gas reductions through providing extensive tax incentives supporting wind and solar energy projects, the development of nuclear power technology, geothermal energy, carbon capture and storage, and zero-carbon fuels, along with improved methane abatement in the oil and gas industries. Under the IRA, greenhouse gas reductions were expected to be reduced by a cumulative 6.3 billion metric tons through 2032.[82] The IRA was expected to impact electricity markets through increased section 45Q tax credits[83] providing incentives to install economically viable carbon capture and storage technologies at new and existing natural gas power plants and existing coal power plants. In an effort to increase the impact of the IRA in supporting new green energy developments, the U.S. Treasury Department and Internal Revenue Service released clarifying guidance in 2023 regarding the investment tax credit and production tax credit provisions of the IRA.[84] In July of 2025, however, new federal legislation was enacted which includes the rapid-phase out of the IRA's flagship tax credits. Additionally, an executive order issue on July 7, 2025, instructs the Secretary of the Treasury to "take all action as the Secretary of the Treasury deems necessary and appropriate to strictly enforce the termination of the clean electricity production and investment tax credits under sections 45Y and 48E of the Internal Revenue Code for wind and solar facilities. This includes issuing new and revised guidance as the Secretary of the Treasury deems appropriate…[.]"[85] The Agency understands that this guidance is required to be released on or by August 18, 2025 per the Executive Order.
>
> Additionally, the Agency has observed a federal policy shift related to the planned retirements of certain fossil generating plants. On April 8, 2025, the White House issued Executive Order 14262, which directed the Secretary of Energy to establish a protocol to identify regions with what the Secretary deems as insufficient reserve margins.[86] The EO also directs the Secretary to create a mechanism to "ensure any generation resource identified as critical within an at-risk region is appropriately retained as an available generation resource" and prevent any generation unit of at least 50 MW from closing or switch fuel sources, if such switch resulted in a decreased accredited capacity.[87] On May 23, 2025, the Secretary of Energy issued an emergency order pursuant to EO 14262 and claimed statutory authority under the Federal Power Act requiring the Midcontinent Independent System Operator and Consumers Energy to delay the planned shutdown of the Campbell coal-fired power plant in West Olive, MI on May 31, 2025. The order requires that the plant remain dispatchable through August 21, 2025.[88]

5. Section 3.2.3

Language regarding Ameren Illinois switching includes switching statistics from the July 2024 Forecast Submittal utilized in the 2025 Plan. Ameren Illinois believes these figures are outdated and should be updated to reflect statistics found in the July 2025 Forecast Submittal. Ameren Illinois recommends the IPA correct this error prior to filing the final Plan with the Commission. Please see below for reference.

Ameren Illinois has also developed additional switching scenarios that address high and low switching scenarios for this planning period. A low switching scenario envisions a situation where a larger return of residential and, to a lesser extent, commercial customers, is realized. These scenarios reflect various switching rates which are the reflection of the percentage of load that is being served by alternative retail electric suppliers. Residential and small commercial switching rates under the low switching and a corresponding high load scenario are forecasted to be 47% and 60%, respectively, in May 2025, 39% and 53%, respectively, in May 2026, and 11% and 24%, respectively, by the end of the planning horizon.

Conversely, should future Ameren Illinois tariff rates exceed customers' perceived value of ARES contracts, a higher switching scenario is possible. Thus, Ameren Illinois' high switching and a corresponding low load scenario assumes that residential and small commercial switching rates will approach 60% and 73%,

[97] See Ameren Load Forecast Submittal, Appendix B at https://ipa.illinois.gov/electricity-procurement/electricity-procurement-plan/2026-appendices.html.

[98] If some, or all, of these municipalities do not renew their contracts and customers return to default service, that additional load will be reflected in the March 2025 load forecasts and procurement volumes adjusted accordingly.

respectively, in May 2025, 55% and 75%, respectively, in May 2026, and 78% and 97%, respectively, by the end of the planning horizon.

6. Footnote 98

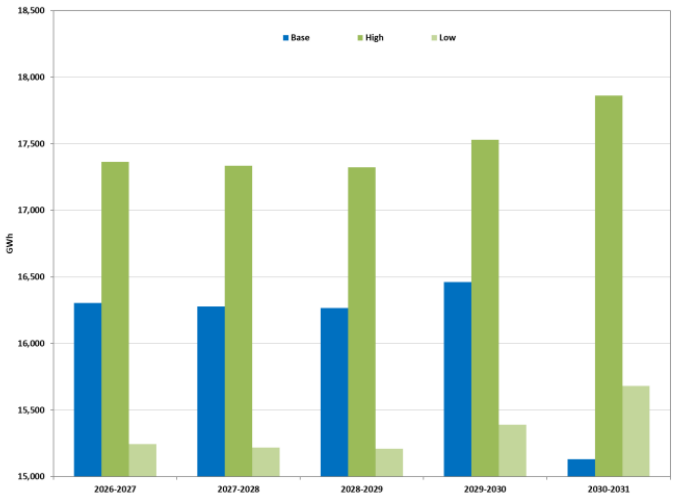
Footnote 98 currently reads "If some, or all...in the March 2025 load..." This footnote should be updated to reflect "March 2026". The Company recommends the IPA correct this error prior filing the final Plan with the Commission. Please see below for reference.

[98] If some, or all, of these municipalities do not renew their contracts and customers return to default service, that additional load will be reflected in the March 2025 load forecasts and procurement volumes adjusted accordingly.

7. Figure 3-4

The base forecast scenario for PY 2030-31 is incorrect. The base forecast scenario for PY 2030-31 should be ~16,700 GWh. Ameren Illinois recommends the IPA correct this error prior to filing the final Plan with the Commission. Please see the chart below for reference.

Figure 3-4: Supply Obligation in Ameren Illinois' Forecast Scenarios



8. Section 3.5.4

In Section 3.5.4, "Price to Compare" is not defined and acronym "PTC" is utilized later in the same paragraph. The Company recommends that the IPA define "Price to Compare". Ameren Illinois recommends the IPA correct this error prior to filing the final Plan with the Commission. Please see below for reference.

> a municipal aggregation program. As shown in Table 3-2, this is currently the case because of the appreciable difference between the utility price to compare and representative ARES prices available to eligible utility customers.[109] It appears that, currently, ARES fixed price offers for a 12-month term are higher than the respective utility summer rates and do not appear to offer savings to individual residential customers.[110] The variability of PTC values between summer and non-summer months for Ameren, seen especially in summer of 2025, was largely driven by Ameren's basing the capacity component for summer months on summer capacity

9. Section 4

In Section 4, the paragraph incorrectly references the wrong plan. The language should be updated to "2025 Procurement Plan's". Ameren Illinois recommends the IPA correct this error prior to filing the final Plan with the Commission. Please see below for reference.

> The 2024 Procurement Plan's energy procurement strategy involved procurement of hedges to meet a portion of the hedging requirements over a three-year period and included two procurement events in which the July and August peak requirements were targeted to be hedged at 106% for Ameren Illinois and MidAmerican, while the remaining peak and off-peak requirements were targeted to be hedged at 100% for Ameren Illinois and MidAmerican. The Commission's Final Order approving the 2025 Plan included hedging targets of 50% in June through September and 30% in remaining months for the upcoming delivery year.

10. Section 4

In Section 4, the language is outdated and should be updated to reflect the "fifth and sixth capacity events" in the "Fall 2024" and "Spring 2025" Capacity Procurements. The Company also believes that this could be summarized to state that MISO has moved to a seasonal capacity construct and the IPA held capacity procurements have since been adjusted to procure seasonal ZRCs. Ameren Illinois recommends the IPA correct the error and adopt its recommendations prior to filing the final Plan with the Commission. Please see below for reference.

> In response to FERC's decision on August 31, 2022, approving revisions to the Midcontinent Independent System Operator, Inc. ("MISO") Open Access Transmission, Energy and Operating Reserve Markets Tariff, MISO established a seasonal resource adequacy construct. Following MISO's implementation of this seasonal capacity construct in the 2023-2024 Delivery Year, the Agency held its third and fourth capacity events to procure seasonal Zonal Resource Credits ("ZRCs") in the Fall 2023 Capacity Procurement and the Spring 2024 Capacity Procurement, respectively.

11. Section 4.1

The language in this section does not appear to have not been updated. It should be updated to reflect the latest forecast submittal and the language should read "As of April 202**4**, Ameren Illinois was serving approximately **46**% of its eligible load. However, in response to recent volatile pricing and market conditions, the utility is forecasting a switching percentage of approximately **48**%". Ameren Illinois recommends the IPA correct the errors prior to filing the final Plan with the Commission. Please see below for reference.

Ameren Illinois' existing supply portfolio, including long-term renewable energy resource contracts, is not sufficient to cover the projected load for the 2026-2027 Delivery Year. Additional energy supply will be required for the entire 5-year planning period. As of April 2023, Ameren Illinois was serving approximately 57% of its eligible load. However, in response to recent volatile pricing and market conditions, the utility is forecasting a switching percentage of approximately 45% in its residential load forecast which is discussed in Chapter 3. The Ameren Illinois switching assumptions are summarized in Section 3.2.3.

12. Table 7-8

In Table 7-8, the header contains an error. Specifically, the last column of the header reads "June 2029-2May 030". The Company believes this is in error and should read "June 2029-May 2030". Ameren Illinois recommends the IPA correct this error prior to filing the final Plan with the Commission. Please see the table below for reference.

June 2026-May 2027	June 2027-May 2028	June 2028-May 2029	June 2029-2May 030
100% PJM RPM Auctions*	100% PJM RPM Auctions**	100% PJM RPM Auctions***	100% PJM RPM Auctions****