

2025 Illinois Resource Adequacy Study October Stakeholder Questions

Clean Grid Alliance (“CGA”) submits the following feedback on the Illinois Resource Adequacy Study (“the Study”), per the October 8th Workshop #2 Session (“the Workshop”) and feedback solicitation. We thank the Illinois Commerce Commission, the Illinois Power Agency, and the Illinois Environmental Protection Agency (“the Agencies”) for the opportunity to engage.

Question 2. Do stakeholders have any follow-up questions to the responses that could be addressed by the Agencies, either through the RA Study process or that could be considered in future RA Study efforts or activities? Please provide a list of questions or additional considerations.

CGA requests follow-up information in regard to intra-RTO capacity transfers. As mentioned on slide 21 from the Workshop presentation and in response to stakeholder question #7, the Agencies explained that interchange limits will rely on MISO’s CIL/CEL Final Results Report for the 2026-2027 Planning Year and PJM’s published CETO/CETL limits within the 2026/2027 RPM Base Residual Auction Planning Period Parameters.

- Given that transfer limits are updated by the RTOs annually, how are interchange limits calculated for the later years of the Study (i.e., each planning year from 2027-2030)?
- Will the modeling assume the 2026/2027 planning period interchange limits from MISO and PJM as a baseline?

Question 3. What key issues or challenges do stakeholders believe are most important to consider in the analysis of future resource adequacy needs within the next five years (to 2030)? Do the identified issues or challenges change for a 2030-2035 study period? If yes, how? Please describe.

Regarding the Workshop presentation on key issues or challenges related to the analysis of future resource adequacy needs through 2030, and how those issues or challenges might change in a 2030-2035 study period, CGA builds on our July 16th comments under the Agencies’ first feedback solicitation and emphasizes the importance of the following:

- **State and federal energy and environmental policy changes.** Evolving federal policy, which today prioritizes traditional generation over renewable resources and environmental regulations, but within this Study period – and again in the 2030-2035 timeframe – could shift to again favor renewables and environmental regulations *or* continue on the current trajectory. Similarly, state policy priorities could shift towards or away from certain resources over the next 10 years. Policy changes and associated impacts at both levels of governance will require constant attention and evaluation.
- **Generation resource procurement under the Long-Term Renewable Resource Procurement Plan (“LTRRPP”) and Electricity Procurement Plan.** Recent price volatility in the MISO and PJM capacity auctions signals an increased reliability risk.

PJM's Base Residual Auction cleared at \$270 and \$329/MW-day in 2025-26 and 2026-27, respectively, and MISO's 2025 auction cleared at \$217/MW-day. To further support its clean energy transition and provide additional ratepayer protections amidst increasing energy costs, Illinois should procure long-term capacity contracts for clean energy resources under the existing capacity procurement structure and under a new procurement focused solely on long-term capacity contracts from new and existing clean energy resources, with an emphasis on geographically diverse resources that help meet our resource adequacy goals. While the LTRRPP covers the Indexed Wind, Solar, Brownfield, and Hydropower procurements, CGA recognizes that IPA also hosts Block Energy and Capacity Procurements for IL's energy needs. Clean energy resources do not often participate in these procurements because the short-term nature of these contracts, 3 to 5 years, are financially prohibitive. Allowing long-term capacity contracts, in tandem with the existing Indexed-REC contract structure, would reduce reliance on these capacity markets and hedge against price risk, while encouraging development of renewable resources and simultaneously reducing reliability threats.

- **The status of the RTOs' generator interconnection ("GI") queues.** The efficacy of queue reforms and expedited generation interconnection processes now underway at both MISO and PJM is most pertinent to the current Study period (i.e., from now to 2030). However, any constraints related to the GI queue status should again be incorporated into a future resource adequacy study.
- **Realized data center demand.** Resource adequacy under both time periods will be impacted by whether large loads *meet, exceed, or are less than* what is forecast today.
- **Transmission constraints and solutions in MISO.** Specifically, resource adequacy prior to 2030 will be impacted by whether MISO's Long Range Transmission Plan Tranche ("LRTP") is energized as scheduled or delayed, and the 2030-2035 period will be further impacted by whether LRTP Tranche 2.1 is energized, cancelled, or delayed. Additionally, the status of the Grain Belt Express transmission line could further influence resource adequacy needs in Illinois; the project's first phase is planned to be online by 2028.
- **Energy market interactions.** Resource adequacy under both time periods will influence (a) whether Illinois is a net energy importer or exporter, (b) the state of the capacity markets (i.e., capacity availability and capacity prices), and (c) RTO transfer limits.
- **Demand-side management ("DSM") programs and participation.** Specifically, whether energy-intensive data centers can participate meaningfully in DSM programs is an open question.¹ Hyper-scaler data centers are nascent enough that potential "flexibility" within the industry is neither well-understood nor widespread, although the

¹ See Electric Power Research Institute's "DC Flex Initiative" for more on data center DSM potential and initiatives. Accessed at: <https://dcflex.sf.epri.com/>

opportunity and potential value of large-load DSM is potentially large.² Robust large-load participation in DSM would impact capacity requirements, particularly under peak load conditions, and should be considered in both the present and future analyses.

Question 4. How should power plant retirements outside of IL (in MISO and PJM) be considered in the analysis?

CGA recommends that power plant retirements be considered in the RA Study analysis through a scenario assuming that 100% of announced or planned retirements between now and 2030 occur, with potential impacts to the capacity markets and intrazonal transfer capabilities considered where appropriate. A recent report sponsored by the U.S. Department of Energy, “Best practices in Integrated Resource Planning,” recommends aligning capacity expansion models with regional reliability models.³ For example:

- The RA Study could incorporate power plant retirement assumptions from the MISO Future Planning Studies (i.e., MISO’s “Futures”) and the annual Organization of MISO States-MISO Survey, as well as any PJM equivalent.⁴
- The RA Study could copy the path of the Michigan Public Service Commission, which is finalizing new Integrated Resource Planning Parameters that will require utilities to align one modeling scenario with MISO’s most aggressive carbon reduction Future. This scenario incorporates region-wide retirement announcements and assumptions and state renewable energy standards, and assumes that 100% of utility IRP goals from across the MISO footprint are met.⁵

However, the RA study should consider more than the impact of retiring power plants external to Illinois and should consider the addition of *new* fossil fuel plants from outside of Illinois and the corresponding emissions-leaking implications for Illinois’ decarbonization requirements, as well. The RA Study could also include a sensitivity analysis subjecting the model to high and low retirement scenarios in both RTOs for better understanding of how possible retirement “futures” could impact market purchases and imports by Illinois utilities, as well as the impact of the regional system on Illinois’ path to decarbonization.

This concludes our remarks; CGA thanks the Agencies for their attention to this feedback.

² See Duke University, Nicholas Institute for Energy, Environment, and Sustainability. “Rethinking Load Growth: Assessing the Potential for Integration of Large Flexible Loads in US Power Systems”. (February 2025). Accessed at: <https://nicholasinstitute.duke.edu/publications/rethinking-load-growth>

³ See Lawrence Berkeley National Laboratory and Synapse Energy Economics. “Best practices in Integrated Resource Planning: A guide for planners developing the electricity resource mix of the future.” (December 6, 2024). See Best practice 23, “Use reasonable market interaction assumptions” on pp. 45-47. Accessed at: https://eta-publications.lbl.gov/sites/default/files/2024-12/irp_best_practices_2024_synapse_lbnl_24-061_0.pdf

⁴ More information about the MISO Future Planning Scenarios can be accessed at: <https://www.misoenergy.org/planning/futures-development/>, and the 2025 OMS-MISO Survey is available here: [OMS-MISO Survey Results Workshop - June 6, 2025](https://www.misoenergy.org/oms-miso-survey-results-workshop-june-6-2025/).

⁵ MPSC. Docket No. U-21570. “Michigan IRP planning parameters draft”. (Filed August 21, 2025).