

## ComEd Response to IPA's Clean Energy Procurement Questions

April 28, 2026

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ComEd appreciates the opportunity to participate in the IPA's stakeholder process to develop a long-term clean energy procurement framework as directed under the P.A. 104-0458, Section 16-111.5. In response to the IPA's Request for Comments issues on April 8, 2026, ComEd provides these initial responses to the IPA's preliminary questions in advance of the upcoming stakeholder workshop on May 5, 2026, and it looks forward to the additional question sets and robust stakeholder collaboration throughout the process.

### Request for Comments - Question Set 1

**1. What do stakeholders see as the purpose of this procurement mechanism in the context of the other IPA procurement mechanisms (i.e. the IPA's Electricity Procurement Plan, Long-Term Renewable Resources Procurement Plan, and forthcoming Energy Storage Procurement Plan)?**

The additional provisions of Section 16-11.5 (b-10) of the Illinois Public Utilities Act as modified through Public Act 104-0458 (commonly referred to as the Clean and Reliable Grid Affordability Act, or "CRGA") should be understood as a specifically-targeted mechanism to secure additional clean energy resources that are needed to support resource adequacy as the grid decarbonizes, particularly where existing procurements - the Illinois Power Agency's (IPA's) Electricity Procurement Plan, Long-Term Renewable Resources Procurement Plan (LTRRPP), and forthcoming Energy Storage Procurement Plan - and market structures may be insufficient in scale, development timing, term, or realizing the full benefits locally of the environmental attributes of clean energy. Rather than disrupting existing IPA procurement programs, this mechanism is best viewed as a tool that bridges the gap between the existing IPA procurement mechanisms and Illinois' clean energy policy objectives and resource adequacy needs identified through Illinois' recent Resource Adequacy Study and the ongoing Integrated Resource Planning processes. That said, we believe a successful development and implementation of this mechanism has the possibility of rendering other procurement mechanisms less necessary and ultimately serving as the path forward to best align the state's economic and energy policy goals.

The Resource Adequacy Study concluded that, under certain future conditions, a resource adequacy shortfall was likely to emerge over the study's horizon. In response to the identified risks, the IPA and IEPA are developing a Resource Adequacy Mitigation Plan to evaluate potential pathways to alleviate projected shortfalls, assess scenarios and strategies to maintain electric reliability, and

ensure sufficient resources are available to meet demand. The Mitigation Plan will inform and support the ICC's Integrated Resource Planning process which, in turn, will provide a roadmap to system reliability, affordability, and long-term planning in Illinois. With the impending retirement of fossil resources and increased load growth, despite the increased deployment of clean, renewable, and increasingly flexible resources capable of supporting reliability, in our view, the procurement authority of Section 16-111.5(b)(10) serves as a vehicle to deliberately procure long-term clean energy resources that also contribute to resource adequacy, reliability, and affordability, rather than relying on disparate and largely short-term (e.g. 3-year forward, single year capacity pricing and ratable 3-year energy procurements) market outcomes or emergency measures as shortfalls materialize (e.g. PJM's in-development Reliability Backstop Procurement) that may occur independent of progress on Illinois' clean energy goals.

**2. What gaps exist in the current IPA procurement mechanisms, or in the competitive market structures, that this procurement mechanism could address in part or in full?**

The long-term clean energy procurement mechanism, if properly designed and implemented, could efficiently integrate electricity (energy and capacity products) and clean energy procurement. For example, if all load-serving entities were required to match all 8,760 hours of customer demand in a year with a physically deliverable mix of resources - such as nuclear, wind, solar, storage, and fossil generation - while meeting RPS targets on an *hourly* basis, Illinois could achieve the 2030 RPS target, as each hour of demand would be supported by a resource mix that is at least 40% clean. Under such a construct, utilities and RESs would submit to the IPA and/or the ICC hourly load forecasts and resource plans that meet hourly RPS targets and ensure physical deliverability within transmission and reliability constraints. Facilitated by the IPA, utilities and RESs could enter into long-term bilateral Power Purchase Agreements (PPAs) with resource developers for all or part of the required supply, with IPA electricity procurements, including the existing mechanisms, serving as a level of backstop to protect consumers in case of supplier default or insufficient procurement.

Bundling energy, capacity, and clean attributes harmonizes clean energy incentives with system reliability needs by providing financial certainty for developers and encouraging development of clean energy resources - especially storage (addressed further below) - that align renewable generation with customer demand, geographically and across time periods. This long-term clean energy procurement

mechanism complements the existing IPA procurement mechanisms in several important ways, addressing a variety of gaps and/or missed opportunities to better support the state's energy and economic goals.

The California example is instructive. Faced with the challenge of transitioning to a carbon-neutral energy future while maintaining a reliable grid, California initiated an Integrated Resource Planning process to align procurement with state policy goals. The process, administered by the California Public Utilities Commission (CPUC), is structured to meet the state's electricity needs over a 10–20-year horizon. Each LSE submits an hourly demand forecast and plan demonstrating how it will meet the forecasted demand on an hourly basis. The plan must align with the CPUC's Reference System Portfolio, which is a modeled optimal mix of resources to meet demand reliably while achieving greenhouse gas reduction targets. The CPUC aggregates all the plans from each LSE into one plan, which guides statewide procurement through a combination of LSE and centralized procurement with a goal of ensuring the approved resource mix is physically available to meet demand in the planned year. While we believe there are opportunities to improve upon the approach to better fit Illinois, it nonetheless demonstrates a model where resource adequacy and resource mix are addressed in tandem.

Under the current system in Illinois, electricity procurement (conducted by the IPA) is separated from capacity procurement (conducted by PJM), and then clean attribute procurement (conducted by the IPA) is separated from energy and capacity. Additionally, the IPA and Retail Electric Suppliers (RESs) procure electricity separately from the utilities' purchase of clean energy credits (RECs, ZECs, and CMCs) – as awarded by the IPA through its programs – to achieve RPS compliance. The primary issue with this approach is that it does not ensure that clean resources are physically deliverable to serve the Illinois load, where it is needed and when it is needed.

First, while the implementation of the IPA's existing Electricity Procurement Plan mechanism facilitates short-term energy and capacity procurement for default service customers, it relies heavily on the PJM market, which has recently proven its limitations in ensuring enough new, clean, and renewable capacity is built to support an energy system that is growing and decarbonizing. Indeed, even if some of the emerging backstop mechanisms under development by PJM are successful, such mechanisms would not necessarily be aligned with Illinois' policy goals and reliability needs. A long-term clean energy procurement could serve to fill this gap by enabling long-term commitments to clean resources and providing revenue

certainty over a sufficiently lengthy period to support more timely and certain development of capital-intensive clean technologies, development that the current markets are not driving. Additionally, procuring clean energy in a more comprehensive manner ensures a greater likelihood that what is being procured will match the load, both in terms of where it is and when it occurs. It also provides an opportunity for the IPA to hold all LSEs – both the utilities as the default providers as well as the Alternative Retail Electric Suppliers (ARES) – accountable to meet RPS goals.

Second, the LTRRPP is primarily designed to meet Illinois' RPS goals, with a focus on Renewable Energy Credits (RECs) and technology-specific targets. While this mechanism is essential for incentivizing emissions reductions, it does not necessarily ensure that capacity resources are available during, for example, system peaks. Indeed, the LTRRPP's REC-only construct is likely increasingly insufficient to support the scale of the new, clean energy resources Illinois requires to meet its RPS goals in the face of unprecedented load growth. Utility-scale developers increasingly require bundled, long-duration offtake (energy plus capacity plus renewable attributes) to satisfy lender underwriting standards and to hedge basis and curtailment risk. The long-term clean energy procurement will allow the IPA to procure financeable clean energy resources for reliability, including combinations of energy, capacity, and resource adequacy attributes beyond the existing REC-only or energy-only products. However, although the focus of this procurement is on utility-scale resources, nothing should preclude the participation of distributed generation (DG) – including the Illinois Shines/Adjustable Block and Community Supply resources – that is able to otherwise meet eligibility and performance criteria, as those resources enjoy interconnection advantages at the distribution level that utility-scale projects do not.

Third, and finally, the Energy Storage Procurement Plan currently under development will play a critical role in managing variability and short duration reliability needs. However, storage alone may not ensure clean energy and capacity resources can meet extended seasonal peak events, and it may even inadvertently extend the life of older, more carbon-intensive assets. This new procurement mechanism can complement storage by focusing on those clean, dispatchable, or hybrid resources (including potentially clean firm generation paired with storage) that provide resource adequacy benefits over longer time periods.

The IPA's existing procurement mechanisms have certainly helped the state maintain an advantage in terms of having ample amounts of clean power and

making further progress on its energy goals. And they will remain critical for the foreseeable future for continuing to support the procurement of power and clean attributes. As such, this long-term clean energy procurement mechanism should not displace the IPA's other procurement mechanisms, but it does allow the state to increasingly integrate the policy objectives of a cleaner, more reliable, and more affordable grid as legacy resources exit and/or significant load growth materializes. It also provides the IPA the opportunity to leverage its centralized planning functions for stronger confidence in the ability for the energy supply cost trajectory to match state policy goals. Indeed, in the longer term, a successfully designed and implemented program may begin to render some or all the existing procurement mechanisms unnecessary. Additionally, such a mechanism also provides the IPA greater latitude to consider a wide variety of approaches and tools, including a backstop option to address any deficiencies that may arise in the procurement relative to needs and expectations. Such flexibility to improve technology, cost, and temporal risk diversification in procuring a comprehensive product ensures the IPA has greater certainty in achieving the long-term goal of procuring clean, reliable, and affordable energy for its residents and businesses.

**3. What resources (including specific technologies and characteristics such as fuels or emissions) or products (energy, capacity, renewable energy credits (RECs), etc.) should be targeted within this procurement mechanism and why?**

As intended by Section 16-111.5 (b-10), the long-term clean energy procurement mechanism should focus on long-term resource adequacy attributes beyond existing procurement mechanisms and PJM capacity products. It is therefore, by definition, not technology neutral. As a result, it should consist of only those clean energy resources that, at a minimum, meet the emission standards embedded in the Climate and Equitable Jobs Act ("CEJA") and Illinois' broader clean-energy deadlines and materially contribute to resource adequacy; in other words, accredited capacity resources in PJM or MISO as defined in IPA Act 1-10 that advance decarbonization *and* reduce the resource adequacy shortfall identified in the Resource Adequacy Study or Integrated Resource Plan.

**What contract lengths should be considered for the targeted resources or products and why?**

ComEd does not propose a specific contract length at this early stage of the process, other than to suggest that given the nature of this procurement the IPA should be willing to consider a term sufficient to meet the statutory criteria that "any procurements proposed... feature long term contracts" and meet resource

adequacy objectives. ComEd does believe that providing suppliers with options for a mix of contract lengths enables greater opportunity for market competition to price risks, and it also gives the IPA the best chance to build a portfolio of contracts that avoid customers bearing undue or unnecessary risk. While the form of contracts (e.g., sourcing agreement, PPA, or other instrument) is yet to be determined, contracts should also include provisions for full and timely utility cost recovery, a balanced approach to interconnection and other risks for developers and customers that avoid negative financial impacts on utilities, and pricing structures that ensure stable, reliable, and competitively neutral allocations of costs and responsibilities.