

IPA Long-Term Clean Energy Procurement Workshop – Meeting #1 on 05/05 – Stakeholder Questions

Advanced Energy United (“United”) respectfully submits these comments related to the Illinois Power Agency’s (“IPA”) request for stakeholder feedback as it develops a new procurement mechanism for the IPA’s Electricity Procurement Plan that is/will be informed by the Resource Adequacy (RA) Study and the Integrated Resource Plan (IRP).

United is a national trade association that educates, engages, and advocates for policies that allow its member companies to compete to power the economy with 100% clean energy. United is the only national trade association that represents a broad spectrum of clean energy providers and facilitators. Members include front-of-meter and behind-the-meter renewable energy and battery storage manufacturers and developers, electric vehicle (“EV”) and EV charging equipment suppliers, providers of energy efficiency, demand response, and virtual power plants, as well as larger users of energy wanting to ensure that clean energy is available on the grid to facilitate corporate sustainability goals. United works with decision-makers at the federal and state levels of government as well as regulators of energy markets to achieve this goal. The businesses United represents, which include several businesses operating in Illinois, are lowering consumer costs, creating thousands of new jobs every year, and providing the full range of clean, efficient, and reliable energy and transportation solutions.

On May 5, 2026, the IPA held a workshop meeting focused on overviewing this impending new procurement mechanism that is being developed by the IPA. Following this workshop meeting, the IPA issued a request for stakeholder feedback focused on several questions that were listed at the conclusion of the IPA’s presentation at the May 5 workshop meeting. United’s responses to the specific questions asked by the IPA at the conclusion of the May 5 workshop meeting are included below.

1. What guidelines should govern the design and use of this new procurement mechanism to balance the priorities and needs identified by the state agencies with the ongoing functioning of the regional markets (including the PJM and MISO capacity markets) and Illinois’s competitive retail market structure?

United does not have an opinion at this time on how this procurement mechanism should balance the functioning of the regional markets and Illinois’s competitive retail market structure.

2. How should the need or procurement target of eligible resources or products be determined (i.e. stemming from need identified in IRP process or mitigation plan)?

As discussed within the presentation provided on May 5th, this procurement mechanism will be informed by the results of the Resource Adequacy (RA) Study (and subsequent Mitigation Plan) as well as the Integrated Resource Plan (IRP). The procurement target and need for eligible resources will be clearly identified within both the RA Study and IRP. In United's experience, it is typical for an IRP (or IRP-like process) to identify a specific resource portfolio that includes explicit details on the type of resource that should be procured, the amount of resources that should be procured, and the timing of the procurement of resources. This information will accurately identify the need and procurement target that is being identified by this procurement mechanism. Furthermore, the need and procurement target should be greatly influenced and align with Illinois' existing clean energy goals and requirements under both the Climate and Equitable Jobs Act (CEJA) and the Clean and Reliable Grid Affordability (CRGA) Act.

3. How frequently should these procurements be conducted and what would trigger and justify a procurement event?

The cadence and frequency of these procurement events should be evaluated and determined within the RA Study and IRP results, as these processes will identify the type of resources needed, the amount of resources needed, and the timing of when the resources will be needed. This assessment will provide more information on how frequently procurement events should occur in the future. Because the IRP process is slated to occur every four years after 2026, it may be useful to at least initially plan for a procurement event every year or every two years (procuring specific tranches of resources identified in the RA Study and IRP). Regularly scheduled procurements provide developers with the ability to plan and mature projects in alignment with expected procurement windows, allowing projects to be more fully de-risked prior to bidding, reducing development and execution uncertainty. In contrast, infrequent or irregular procurement opportunities may incentivize developers to advance projects prematurely to remain competitive, which can increase bid pricing as developers incorporate additional risk premiums. Predictable procurement cycles therefore



support more competitive pricing and higher-quality project participation. Furthermore, there should be an allowance for additional procurement events to be triggered if a procurement target is not met.

4. How should the resources or products be evaluated in isolation and against one another to meet the need or procurement target described above? Respondents may consider differences in resource type, cost, contract length, or commercial operation date?

The resources procured should be evaluated based on their ability to: 1) facilitate Illinois in meeting its clean energy goals and requirements under CEJA and CRGA, and 2) meet Illinois' resource adequacy needs (as identified within the RA Study and the IRP). These two criteria should serve as the overarching principles that all resources should be evaluated upon initially (and should be used to identify specific resource types). Beyond this initial evaluation, when comparing resources within a specific resource type, the cost (on a cost-benefit analysis basis) should be evaluated. Additional evaluations when comparing costs within a specific type should include the commercial operation date (i.e. ability for a resource to come online to adequately meet electricity demand), as well as supply chain constraints. Specifically for supply chain constraints, the ability to procure critical items that will be needed for a specific resource should be analyzed between resources (i.e. in specific reference to the existing supply chain constraints that are occurring for natural gas turbine materials). Similarly, fuel costs and fuel cost volatility should be considered when analyzing resources that are being procured through this procurement mechanism. Finally, the resource costs for any non-clean resources being considered (i.e. natural gas) should assume the addition of and incorporate the costs of carbon capture and storage technology to ensure that clean energy goals and requirements under CEJA and CRGA are being met.

5. Should there be any cost caps or other guardrails on the procurements to protect Illinois customers from increased rates? If so, please describe.

Yes, cost caps and general affordability guardrails should be applied to the procurement process and considered in conjunction with maintaining reliability and meeting the decarbonization goals in CEJA and CRGA to protect Illinois customers from unreasonable rate increases resulting from the selection of non-



cost effective resources or resources that will not move Illinois closer to its decarbonization goals. Additionally, specific details surrounding cost caps and affordability guardrails should be considered only after the IPA determines and provides specific information regarding how resources and resource costs will be evaluated against each other, as this will further refine the scope of a cost cap. One method that warrants attention is to set a specific percentage of bill increase by customer class that the procurement results should attempt to remain within. If the results exceed the targeted percent, depending on the amount of overage and effect on reliability and statutory goals, the IPA may wish to consider initiating a second procurement event seeking different resources.

