

ComEd Response to IPA's Long-Term Clean Energy Procurement Question Set 3

June 11, 2026

ComEd appreciates the continuing opportunity to participate in the IPA's stakeholder process to develop a long-term clean energy procurement framework as directed under the Clean and Reliable Affordability Grid Act, P.A. 104-0458, Section 16-111.5 (CRGA).

In the stakeholder responses to the IPA's first and second sets of questions on the Long-Term Clean Energy Procurement (LTCEP) process, there emerged a general consensus that the LTCEP should address future resource adequacy shortfalls by providing long-term signals that the short-term PJM and MISO capacity markets and existing Illinois Power Agency (IPA) programs do not, through a process that reduces customer exposure to energy and capacity price volatility and aligns with the goals of the Climate and Equitable Jobs Act, P.A. 102-0662 (CEJA) and CRGA, the Integrated Resource Plan (IRP), and the Resource Adequacy (RA) Mitigation Plan. Stakeholders view the procurement mechanism as a supplemental tool to fill in gaps, with a focus on reliability and accredited capacity, preservation of existing market structures, and adoption of a competitively neutral structure. There is also broad consensus of the IRP and RA Mitigation Plan being the foundation for the determination of the resource adequacy needs and the targets meant to fill those needs.

ComEd continues to see the LTCEP as a bridge toward an integrated planning and procurement model that focuses on new, clean, capacity resources, and that comprehensively values the energy, capacity, and renewable attributes of those resources. In this response to the IPA's Third Request for Comments issued on May 28, 2026, ComEd builds upon its previous comments and those of the other stakeholders to address the IPA's follow-up questions on the components of the LTCEP in the IPA's 2027 Electricity Procurement Plan and beyond, adjustments to the statutory framework underlying the LTCEP, coordination with the IRP and RA Mitigation Plan, cost allocation issues, and the components of the first clean energy procurements. Across these five areas, ComEd reiterates that the LTCEP should function as a targeted, gap-filling reliability tool, anchored in the findings of the IRP and RA Mitigation Plan, implemented incrementally, adaptively, flexibly, and transparently, and adhering to fair cost allocation principles.

Request for Comments - Question Set 3

- 1. What components of the new procurement mechanism framework should be detailed in the 2027 EPP, and why? What components should be deferred to being detailed in the 2028 EPP or 2029 EPP, after the first IRP will have been released and litigated, and why?**

Given the timing of the IRP and RA Mitigation Plan, the LTCEP framework should be implemented in a phased manner that balances the need for near-term action with the importance of planning alignment and market stability. In practical terms, the IPA's 2027 Electricity Procurement Plan (EPP) should establish the foundational framework and enable limited, pilot-scale procurements, while the 2028 and 2029

EPPs should define the program’s full scale and operational detail based on IRP-driven need and real-world procurement experience. This sequencing best ensures that the mechanism is implemented in a manner that is prudent, adaptive, and aligned with Illinois’ reliability, market, and customer protection objectives.

In the 2027 EPP, the Agency should focus on defining the core structure, guiding principles, and initial implementation tools for the LTCEP, while preserving flexibility and avoiding overcommitment ahead of the first IRP. At this stage, it is important to establish the “rules of the road” without locking in material long-term decisions that would be better informed by forthcoming planning outputs. This includes clearly articulating the role of the LTCEP as a targeted, gap-filling mechanism that complements existing PJM and MISO markets and Illinois programs, setting high-level eligibility parameters that ensure resources are deliverable and market-compatible, and establishing a baseline procurement cadence with authority for limited, pilot-scale procurements subject to volume and budget constraints. The 2027 EPP should also outline a high-level evaluation framework - centered on net cost, accredited capacity value, deliverability, and timing - while maintaining flexibility in how those criteria are applied, and should incorporate cost discipline tools such as competitive solicitations, staged procurement, and transparency. It should also require robust reporting and monitoring so that the IPA can evaluate outcomes, understand market response, and refine the program over time. Taken together, these elements allow the Agency to gain practical experience, evaluate assumptions, and iterate on the design while maintaining limited exposure for customers.

Following completion and litigation of the first IRP and RA Mitigation Plan, the 2028 and 2029 EPPs should transition the mechanism into a more mature phase by defining its scale, specificity, and optimization. At that point, the Agency will be positioned to establish procurement targets directly tied to identified reliability gaps, refine resource requirements such as location, timing, and performance attributes, and develop more granular evaluation methodologies that appropriately balance cost, capacity value, and other system needs. The later EPPs should also standardize contract structures based on observed market participation and financing considerations, implement more advanced cost containment measures informed by actual bid data and rate impacts, and clarify procurement triggers and scaling rules so that the program evolves in response to changes in system conditions, including load growth, retirements, and market performance.

This phased approach ensures that significant, long-term commitments are made only after the Agency has a clear understanding of system needs and has had an opportunity to gain experience from initial implementation. This approach minimizes risk to customers by avoiding large, potentially misaligned procurements, preserves market integrity by ensuring that the LTCEP complements rather than distorts PJM and MISO market outcomes, and ensures that decisions are data-driven and responsive to actual system conditions rather than preliminary

assumptions. It also allows the IPA to incorporate key lessons learned from early procurements, effectively enabling an initial iteration with relatively limited risk.

Given the accelerated timeline and the possibility of limited near-term project readiness, the Agency may also wish to consider whether there is merit to allowing, on a limited and carefully structured basis, “slices” of existing clean resources or partially developed projects to participate in early procurements. Such an approach could help ensure sufficient competition and liquidity, support price discovery, and reduce the risk of under-subscribed solicitations. Any such participation should be narrowly tailored and structured in a way that supports initial program success without undermining the long-term objective of driving new, incremental resource development.

2. Are there any adjustments or refinements to the statutory framework that would better align the mechanism with its intended policy objectives?

Any adjustments or refinements should be limited to those that clarify the purpose and role of the mechanism, reinforce its integration with Illinois’ planning processes, and ensure it operates in a manner that supports reliability, complements competitive markets, and protects customers.

The LTCEP should continue to be defined as a targeted, gap-filling reliability tool, intended to address residual resource adequacy needs that are not otherwise met through existing market structures or procurement processes. It should not be designed or implemented as a substitute for the PJM or MISO markets, or for existing procurement processes without due consideration. As the LTCEP will be anchored in the findings of the IRP and RA Mitigation Plan, if implemented incrementally to avoid premature or misaligned commitments, it already allows the IPA and the Commission the flexibility to refine program design as system conditions evolve and more information becomes available. Providing this clarity will help ensure that the LTCEP remains a disciplined, planning-driven mechanism, rather than evolving into an open-ended procurement program that could inadvertently distort markets or lead to over-procurement.

In addition to clarifying the purpose of the LTCEP, the statutory framework should continue to integrate three core principles to guide LTCEP implementation. First, the statutory framework should reinforce that the LTCEP is fundamentally a resource adequacy tool, so procurements are not only clean, but also effective in addressing real system reliability challenges. Second, the statutory framework should make clear that the LTCEP must be designed to complement and preserve the functioning of PJM and MISO markets, ensuring that customers continue to benefit from market-based efficiencies and revenues, which help offset procurement costs. Third, customer protections should be embedded through a clear, durable cost allocation framework that reflects the system-wide nature of resource adequacy while ensuring that customers pay only for incremental reliability benefits.

3. Aside from need determination, in what other ways should this procurement mechanism link to the IRP or Resource Adequacy Study/Mitigation Plan processes?

The LTCEP should not operate in a vacuum. Rather, it should function as a direct implementation tool of the IRP and RA Mitigation Plan framework, ensuring that procurement activity is targeted, efficient, and fully integrated with system reliability planning. This linkage is critical to ensure that procurement is precisely calibrated to address real reliability challenges, and delivering value at least cost, while maintaining alignment with Illinois' broader planning, market, and policy objectives.

Beyond identifying how much capacity is needed, the IRP and RA Mitigation Plan processes will provide critical insight into what types of resources are needed, and why. The LTCEP mechanism should incorporate these outputs into procurement design by aligning with capacity accreditation needs, including resources that provide reliable contributions during system peak and risk periods; seasonal reliability requirements, particularly if the IRP or RA Mitigation Plan identifies emerging risks outside of traditional summer peaks (e.g., winter reliability); and operational characteristics, such as dispatchability, duration, or flexibility, where gaps are identified in the resource mix. This ensures that procurement is not simply adding capacity in aggregate but addressing the specific reliability attributes the system lacks.

Accordingly, the LTCEP should be used to target areas where the system appears to be most "behind" relative to IRP expectations or reliability needs, including geographic or zonal constraints, where certain regions face transmission limitations or localized reliability risks; seasonal or temporal gaps, such as underperformance of the system during particular months or hours; insufficient diversity in the resource mix, where over-reliance on certain technologies could increase system risk; and gaps in clean, accredited capacity, where clean energy deployment is not keeping pace with resource adequacy requirements. By explicitly linking procurement to these types of identified gaps, the mechanism can ensure that it is surgically addressing system weaknesses, rather than procuring resources that may be less effective in resolving underlying issues.

The LTCEP should also remain linked to the IRP and RA Mitigation Plan in terms of when and how procurement is triggered and scaled. As planning studies are updated and system conditions evolve, the LTCEP should adjust procurement volumes based on updated reliability gaps, respond to changes in load forecasts, retirements, and market performance, and allow for modifications to procurement design based on emerging system needs. This ensures the mechanism remains adaptive and responsive, rather than rigidly following a predetermined path.

4. How should costs be allocated to Illinois customers and via what type of mechanism(s)? Should different procurement products warrant different cost

allocation approaches? Should existing contracts and position be considered, and if so, how?

The cost allocation framework for the LTCEP should be designed to socialize system reliability costs in a fair and transparent manner, while also ensuring that customers pay only for incremental value, that wholesale and retail markets remain functional, and that competitive neutrality is preserved without unnecessary complexity. Because resource adequacy is fundamentally a system-wide need, the benefits of LTCEP-supported resources accrue broadly across Illinois customers, and cost allocation should reflect that shared benefit while avoiding duplicative payments for resources already serving the system.

Consistent with these principles, costs should be allocated to all load-serving entities on a proportional, load-share basis, through a non-bypassable mechanism that applies uniformly to both utility and ARES-served customers. This approach ensures that all customers who benefit from enhanced system reliability contribute equitably, while minimizing opportunities for cost shifting or arbitrage. At the same time, the framework could consider a narrowly defined self-supply alternative, whereby a load-serving entity may demonstrate that it has secured resources providing equivalent, deliverable, and accredited energy, capacity, and clean attributes that directly address the same reliability need.

With respect to different procurement products, the allocation approach should remain as simple and uniform as possible, particularly for core resource adequacy products whose benefits are broadly shared. Nevertheless, where products provide clearly differentiated benefits that can be reasonably attributed, the framework may require modest refinement to ensure costs remain aligned with those benefits. In all cases, however, the guiding objective should be to avoid unnecessary complexity that could undermine transparency or market functionality.

Existing contracts and positions should be considered only to the extent necessary to avoid double payment for the same reliability service. Any recognition of existing resources should be limited to those that provide demonstrable, comparable system value, and should not extend to positions that do not materially contribute to the identified need. This approach ensures that the LTCEP procurement remains focused on delivering incremental reliability benefits, while maintaining a fair and efficient allocation of costs across all Illinois customers.

- 5. Given the IRP and mitigation plan studies will not be completed ahead of the 2027 EPP, should there be any procurement conducted under this mechanism in advance of the final studies? If so, why? How should the need be determined? What considerations (if any) should be part of this procurement decision and process that may differ from future procurements performed after subsequent planning processes such as IRP and Mitigation Plan?**

As noted above, we believe some level of procurement under the LTCEP mechanism has value in advance of the final IRP and RA Mitigation Plan, it should be conducted in a limited, carefully structured manner, not as a full program launch. Given the absence of a finalized assessment of system needs, the appropriate approach may be to pursue a “no-regrets” level of procurement that is sufficiently sized to attract meaningful market participation and support project development timelines, while remaining small enough to limit long-term cost exposure to customers if future planning outcomes differ. In that context, the Agency may also consider whether certain broadly applicable products, such as a full-requirements or baseload-type product with 24/7/365 shaping capability, could provide system value across a wide range of future scenarios and thereby reduce the risk of misalignment with eventual IRP findings.

Without a finalized IRP, the determination of need should rely on a conservative, multi-source proxy approach. This could include existing resource adequacy studies, observable market signals such as capacity prices and reserve margin trends, known or expected retirements, and load growth indicators. The objective should be to identify a minimum, robust level of need that is unlikely to materially change across a range of plausible planning outcomes, rather than attempting to precisely replicate the rigor of a full IRP. Framing procurement volumes at the low end of estimated need ranges will help ensure that early actions are prudent, even in the face of uncertainty.

The design and execution of these early procurements should also differ from post-IRP procurements in several important respects. Pre-IRP procurements should emphasize flexibility, simplicity, and risk management, with limited volumes, broadly defined eligibility criteria, and high-level evaluation frameworks that prioritize deliverability, capacity value, and affordability without over-specification. They should be explicitly treated as pilot or transitional procurements, with a strong emphasis on data gathering, testing market response, and informing future program design.

Once the IRP and RA Mitigation Plan have been completed, procurements can appropriately become larger, more targeted, and fully aligned with validated system needs, including more specific requirements around resource attributes, location, timing, and performance. At that stage, the Agency will also be better positioned to refine evaluation methodologies, contract structures, and cost containment measures based on both planning outputs and real-world experience.

Taken together, this approach will allow Illinois to begin addressing potential reliability risks and development timelines in the near term, while preserving the discipline and flexibility necessary to ensure that the LTCEP program ultimately scales in a manner that is closely aligned with clearly identified system needs and informed by actual market outcomes.