

To: Illinois Power Agency

From: Members of the Renewables Subcommittee, IL Clean Jobs Coalition

Re: Illinois Power Agency Requests Stakeholder Feedback for 2024 Long-Term Plan
Development - Chapter 4

Date: June 16, 2023

The Renewables Subcommittee was convened to help implement CEJA as envisioned by the Illinois Clean Jobs Coalition ([ICJC](#)). Our focus includes renewable programs and procurements, with a particular interest in ensuring the IPA helps facilitate the attainment of the state's renewable portfolio standards while also meeting its equity goals. The ICJC is made up of environmental advocacy organizations, businesses, community leaders, consumer advocates, environmental justice groups, and faith-based and student organizations working together to improve public health and the environment, protect consumers, and create equitable, clean jobs across the state.

The below-signed members of the Renewables Subcommittee thank the IPA for an opportunity to provide input on the Long-Term Renewable Resources Procurement Plan (LTRRPP). Please do not hesitate to contact us with questions or comments.

Signatories include:

Central Road Energy LLC

Faith in Place

Illinois Environmental Council

Sierra Club Illinois

Vote Solar

Union of Concerned Scientists

Chapter 4: REC Eligibility

TOPIC: Adjacent State Project Eligibility

Background - Chapter 4 contains information on eligibility of Renewable Energy Credits (“RECs”), including those arising from utility-scale projects located in states adjacent to Illinois. In its first Long-Term Plan, the Agency developed a methodology for scoring projects in adjacent states to determine if the projects met the statutory requirement that they “maximize the State’s interest in the health, safety, and welfare of its residents, including but not limited to minimizing sulfur dioxide, nitrogen oxide, particulate matter and other pollution that adversely affects public health in this State, increasing fuel and resource diversity in this State, enhancing the reliability and resiliency of the electricity distribution system in this State, meeting goals to limit carbon dioxide emissions under federal or State law, and contributing to a cleaner and healthier environment for the citizens of this State.”¹ In the 2020 Revised Long-Term Plan and the 2022 Long-Term Plan, the Agency maintained that methodology and only updated inputs (e.g., updated emissions and weather data). For the 2024 Long-Term Plan, the Agency plans to again update inputs but not make any substantive changes to this methodology, believing that the approach has been effective to date (2 out of 13 utility-scale wind and solar projects selected in the 2022 procurements were located in adjacent states).

3. Adjacent state projects that participate in Indexed REC procurements are required to comply with the Minimum Equity Standard, which has a focus on the Illinois workforce. What eligibility requirements can be modified for adjacent state projects that could help ensure projects in adjacent states are held to the same standards as in-state projects?

The Minimum Equity Standards are a crucial part of CEJA’s vision for an equitable clean energy workforce in Illinois. Projects in adjacent states provide less economic development and fewer job opportunities than projects in Illinois, so we appreciate the scoring system that the IPA has implemented that has, in practice, protected these priorities alongside the health and environmental goals listed in the LTRRPP scoring criteria.

If the pathway for compliance for projects in adjacent states is too loose or is somehow easier than the compliance options in Illinois, the IPA risks creating a perverse incentive for companies to explore development in neighboring states at the expense of Illinois job-seekers. We, therefore, recommend that the compliance options to adjacent states should be at least as strict as the standard for Illinois-based projects, ideally even more robust to ensure equitable workforce and contracting.

Projects in adjacent states should have the opportunity to certify their workforce based on their status as returning residents or foster care alumni, just as an Illinois project can. They do not have access to the IL-specific maps that we use to create Equity Investment

Eligible Communities (EIECs). Given that residency is likely to be the primary path to compliance for most companies in Illinois, the status quo might allow for a disincentive to develop in adjacent states.

That said, members of the ICJC are in the process of exploring other place-based criteria for building out a proxy for EIECs in adjacent states. We are eager to avoid developers having an easy route to a waiver solely based on their projects being located in adjacent states. The [White House's Climate and Economic Justice Screening Tool \(CEJST\)](#) might provide an opportunity to ensure equitable hiring from projects in adjacent states, for example. We hope to weigh in later in the process of drafting the LTRRPP to provide an analysis of how closely CEJST maps onto EIEC communities in Illinois.