



## **Comments of Advanced Energy United concerning the Illinois Power Agency's 2026 Long-Term Renewable Resource Procurement Plan Report – Chapter 5**

### **Introduction:**

Advanced Energy United (“United”) respectfully submits these comments related to the Illinois Power Agency’s (“IPA”) request for stakeholder feedback as it prepares to develop its 2026 Long-Term Renewable Resources Procurement Plan (“LTRRPP”).

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 19, 2025, the IPA issued a request for stakeholder feedback pertaining to the development of the 2026 LTRRPP and specifically focused on six chapters. United’s responses to specific questions relating to Chapter 5: Competitive Procurements are set forth below. The lack of a response to a specific question should not be construed as support for or acquiescence to a particular aspect or proposal for the LTRRPP. United may develop further positions as the process leading to the 2026 LTRRPP continues. Please send any questions regarding these comments to Brett Sproul at [bsproul@advancedenergyunited.org](mailto:bsproul@advancedenergyunited.org).

## **Chapter 5: Competitive Procurements**

### **Topic 1: Enactment of Public Act 103-1066**

1. Are there further adjustments the Agency should consider to ensure sellers receive payment under existing REC contracts in the development of the 2026 Long-Term Plan in light of P.A. 103-1066?

United does not believe that any adjustments are necessary to ensure that sellers receive payment under existing renewable energy credit (“REC”) contracts due to the fact that a utility now has the ability recover the full costs associated meeting existing contractual obligations.

### **Topic 2: Inflation Adjustment Mechanism**

2. Are there any other changes that the Agency should pursue to tackle the larger issue of volatile economics post-award of an Indexed REC Agreement, specifically between the time of contract execution and the start of construction?

United urges the IPA to properly consider the impact of current federal policy volatility when calculating the Inflation Adjustment Mechanism for each technology type. There is a strong concern that the federal government may drastically change the existing federal tax credits and incentives that are applicable towards the development of numerous renewable energy resources under the Inflation Reduction Act.<sup>1</sup> These federal tax credits and incentives are crucial to the viability of renewable energy projects, and many developers rely on these tax credits and incentives to ensure that a project can financially pencil out. Due to developers' reliance on these tax credits and incentives when entering into a REC delivery contract, it is crucial to consider the potential for changes to these credits and incentives when developing a post-contract Inflation Adjustment Mechanism.

### **Topic 3: Utility-Scale Wind and Hydropower Project Participation**

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<sup>1</sup> <https://www.reuters.com/sustainability/climate-energy/us-house-targets-big-climate-clean-energy-rollbacks-budget-proposal-2025-05-12/>



1. What barriers to development under an Indexed REC procurement structure, if any, are uniquely felt by wind projects? How can the IPA work to solve those barriers under the existing provisions of the IPA Act?

United notes that section 5.5 within the 2024 IPA LTRRPP discusses some of the challenges that have plagued utility-scale wind development, which include material costs, supply chain delays, increased labor costs, and land use and permitting issues. United reiterates that many of these problems mentioned in the 2024 IPA LTRRPP are persistent today and will likely remain issues in 2026.

#### **Topic 4: Procurement Quantities and Timing**

1. Is the approach utilized under the 2024 Long-Term Plan optimal, considering both procurement frequency and the quantities of RECs derived as translated to projects size bid (MW) to achieve the RPS targets? If not, what alternative(s) is preferable and why?

United suggests that increasing the frequency of REC procurement events and gradually increasing the amount of RECs procured by each technology type could help further stimulate the renewable energy market in Illinois and assist Illinois in meeting its portfolio goals, so long as the changes and established process are communicated to participating bidders in a transparent fashion. A procurement process that has at least two procurement events each year for each technology type will lead to greater certainty for a bidder to be awarded a bid and allow the bidder to more actively participate in the renewable energy market. I.e. if a bidder is not awarded in one of the procurement events, the bidder does not have to wait an entire year to bid again. Furthermore, the amount of RECs that are being sought in each procurement event should gradually increase over time at a consistent rate to both achieve the 45 million procured REC goal by 2030 and achieve specific annual REC procurement goals. In order to avoid market confusion and reduced competitiveness (as contemplated in the 2024 IPA LTRRPP), the IPA can make forward-looking announcements on the sought-after REC amounts for future bids in advance of the procurement event, as this can further increase transparency afforded to the bidders.<sup>2</sup>

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<sup>2</sup> See Illinois Power Agency's 2024 Long-Term Renewable Resources Procurement Plan Chapter 5 Section 6 P. 122



2. How can the IPA provide more certainty around future procurement schedules to attract increased interest from parties that may seek to participate in repeat solicitations?

See response to Question 1.

### **Topic 5: Brownfield Site Photovoltaic Project Participation**

2. Are there any proposed changes to brownfield site photovoltaic REC procurement methodologies that the Agency should consider implementing to support the continued development of brownfield site photovoltaic projects? Please explain?

United notes that in other jurisdictions, brownfield solar projects are provided specific incentives such as procurement price “adders” or REC multipliers to stimulate the development of solar projects on brownfield sites, although some such additional incentives may require a legislative change to implement in Illinois. For example, in Maryland, solar projects that are on brownfield sites are deemed to generate 1.5 RECs/MWh towards Renewable Portfolio Standard compliance, thus providing an additional incentive for solar projects to be developed on brownfield sites.<sup>3</sup> Before endorsing a specific change, United would want to evaluate the advantages and disadvantages, including any impact on funds available for overall REC procurement.

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<sup>3</sup> See Maryland 2024 Senate Bill 783 “The Brighter Tomorrow Act”

