

Overview of the New Illinois RPS and the Long-Term Renewable Resources Procurement Plan

May 17, 2017



Agenda

9:00 a.m. – 9:30 a.m. Welcome and introductions
9:30 a.m. – 10:30 a.m. Overview of the new statutory provisions
10:30 a.m. – 11:30 a.m. Overview of the plan development process
11:30 a.m. – 12:00 p.m. Discussion

- Adjustable Block Workshop will begin at 1:00 p.m.
- Tomorrow
 - Community Solar
 - Illinois Solar for All
- Next week in Springfield (Wednesday, May 24)
 - Programs for Rural Communities
 - Note new location: Abraham Lincoln Hotel, Ottawa Room



Goal of the Workshop

- This workshop is intended to introduce to stakeholders key provisions of the new law, and key concepts and provisions under consideration by the Illinois Power Agency for the Long-Term Renewable Resources Procurement Plan
- The workshop is also intended to be a forum for stakeholders to provide feedback to the Agency. Additional opportunities will also be available at later dates
- Discussion of potential approaches to the development and implementation of the Long-Term Renewable Resources Procurement Plan, new programs, and new procurements should be considered preliminary in nature.
- The Agency will release a draft Plan for comments, and file a Plan for approval by the Illinois Commerce Commission.



Presenting Today

- Anthony Star, Director
- Brian Granahan, Chief Legal Counsel
- Levitan and Associates, Planning Consultant
 - John Bitler
 - Edward Tsikirayi



Background on the Illinois Power Agency and the Illinois Renewable Portfolio Standard



Background on IPA and Procurement Approach

- IPA created in 2007 as part of resolution of debate on how to procure power for customers who did not switch to alternative suppliers (eligible retail customers)
- Key responsibilities include:
 - Developing annual procurement plan, subject to Illinois Commerce Commission (ICC) approval
 - Running procurements via third-party procurement administrator. Results subject to ICC approval
- In 2011 became independent Agency under the oversight of the Illinois Executive Ethics Commission
- Entrusted by legislation to conduct procurement activities with transparency, objectivity, and in an ethical manner



Power Procurement

- Procurement of energy (and capacity for Ameren Illinois) to meet the load requirements of "eligible retail customers"
- Criteria in the Illinois Power Agency Act:

"Develop electricity procurement plans to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability."

- 2008 through 2012 one procurement per year
- 2013 no procurement needed
- 2014 to present two procurements per year
- Approach has been to procure each year standard energy blocks to meet 100% of expected load in the current delivery year, 50% in the following year, and 25% in the next year.
 - This allows for a multi-year laddered approach to managing supply risks
- Starting in 2016 also manage supply for a portion of MidAmerican's load
- Current serving approximately 50% of ComEd's potentially eligible load, 30% of Ameren's potentially eligible load, and 15% of MidAmerican's load
 - Municipal Aggregation main driver of customer switching



2017 Procurement Plan

2017



ELECTRICITY PROCUREMENT PLAN

2017 Final Plan

April 18, 2017

Prepared in accordance with the Illinois Power Agency Act (20 ILCS 3855), and the Illinois Public Utilities Act (220 ILCS 5), and in conformance with the Illinois Commerce Commission's Final Order in Docket No. 16-0453, dated December 13, 2016

Table of Contents

- 1 Executive Summary
- 2 Legislative/Regulatory Requirements of the Plan
- 3 Load Forecasts
- 4 Existing Resource Portfolio and Supply Gap
- 5 MISO and PJM Resource Adequacy Outlook and Uncertainty
- 6 Managing Supply Risks
- 7 Resource Choices
- 8 Renewable Resources Availability and Procurement
- 9 Energy Efficiency
- **10 Procurement Process Design**



An Example of Analyzing Supply Gap





Managing Risk

- When analyzing power procurement approaches, Agency weighs uncertainties related to:
 - Forecast Load (customer switching)
 - Load Modifiers (weather, consumption patterns)
 - Cost of Hedging
- Agency balances value and stability through block energy procurements and balancing in real-time energy markets
 - Energy markets are liquid, supply matches demand in real time
- Renewables procurements will have a different value proposition
 - Mandated programs and procurements
 - Achieving RPS percentage goals
 - Demand may exceed supply
 - Will need to balance short term and long term costs



IPA Renewables Responsibilities

- Utilities have annual RPS percentage requirements.
 - Through 2016 the IPA included in its annual procurement plan proposed procurements to meet those targets
- IPA administers the Renewable Energy Resources Fund to purchase additional renewables resources (funds collected from alternative suppliers as a portion of their RPS compliance)
- Alternative Suppliers also had an RPS responsibility
 - Payment of Alternative Compliance Payments for at least 50% of their load
 - Payment level designed to mirror the rate that eligible retail customers were paying for RPS compliance
 - Purchase of additional RECs (or self-supply) for the balance of RPS obligations



The Challenges of the Original RPS

- Retail choice meant that customers could switch back and forth between utility service and alternative suppliers leading to budget and target uncertainties
 - Large wave of municipal aggregation starting in 2011 [Public Act 097-0338 enacted 8/12/2011] led to the majority of eligible retail customer load leaving utility service
 - Curtailment of ComEd long-term contracts in 2013 and 2014
- The Renewable Energy Resources Fund encountered challenges as funds were redirected to other purposes, and the wording of the law constrained its use



What Was Accomplished

- Annual REC procurements in 2008 2012
 - Approximately 2 million RECs annually
- Annual SREC Procurements 2015-2016
 - 105,129 total SRECs procured
- Annual wind RECs procurement for MidAmerican 2016
 - 61,198 RECs
- 2010 Long-term procurements
 - 1.2 million annual RECs for ComEd, 600,000 for Ameren. Almost all new wind
- 2012 multi-year "Rate Stability" procurement
 - 4.8 million RECs procured
- Supplemental Photovoltaic procurements in 2015 and 2016
 - 1,200 systems developed or under development
- 2015-2017 Distributed Generation procurements
 - One winning bidder in 2015 and 206; Six in 2017
 - One more procurement scheduled for Fall, 2017 (Apx 8,200 RECs)



Changes Ahead!

- Public Act 99-0906 will fundamentally alter the Illinois RPS
 - Move to single RPS rather than separate mechanisms for customer taking service from alternative suppliers
 - Creation of programs as well as procurements
- Existing procurement approach is well tested and might not need significant modification for future procurements (although the size and scope of renewable resources to be procured will increase significantly)
- New programs will necessitate development of new approaches
- Other changes in law will require consideration of new policy issues



Overview of statutory changes



Overview of Public Act 99-0906

- Negotiations began in 2014-2015 timeframe
- Combines previously separate legislative proposals concerning zero emission credits, renewables, energy efficiency, and other regulatory reforms
- Passed by the Illinois General Assembly on December 1, 2016
- Signed into law by Governor Bruce Rauner on December 7, 2016
- Effective date of June 1, 2017



Changes not being discussed today

- Zero emission standard (nuclear) procurement plan and procurement events
- Expansion of and significant revisions to the state's energy efficiency portfolio standard
- Energy and low-income support program
- Per-kW credit offered for new distributed generation photovoltaic systems and related net metering changes
- Rulemakings being conducted by ICC
- Initial forward procurements?? Some discussion....
- Illinois Solar for All?? Touched on, more tomorrow....



Long-term planning – past challenges

- Prior regime focused on compliance at "lowest total cost over time, taking into account any benefits of price stability"
- Decisions on how to meet RPS goals made through annual procurement planning process
- Existing long-term contracts used up large portion of available funds
- Retail supply market incentives not aligned toward longterm view of industry
- Use of state fund (RERF) fraught with challenges
- No clarity on funding available for future years



Long-term planning: a new focus

- Development of a long-term renewable resources procurement plan
 - Initially filed in 2017
 - Updated every two years, or more frequently as necessary
- Moving toward a single compliance regime
 - Delivery services charge vs supply charge
 - Stability, clarity, and certainty
- New goals and targets
 - Still 25% by 2025, but now of all retail sales
 - Budgets increase in correspondence with scope
 - Specific targets for new build
 - Programs in addition to competitive procurements



Long-term planning: legislative findings

 Legislative finding in P.A. 99-0906 that the State should encourage "the adoption and deployment of costeffective distributed energy resource technologies and devices, such as photovoltaics, which can encourage private investment in renewable energy resources, stimulate economic growth, enhance the continued diversification of Illinois' energy resource mix, and protect the Illinois environment; investment in renewable energy resources, including, but not limited to, photovoltaic distributed generation, which should benefit all citizens of the State, including low-income households"



Long-term planning: legislative findings

- 20 ILCS 3855/1-5(6)-(8): New focus on the development of new generation – renewables generally, community solar, and brownfield solar – is part of the IPA Act's legislative declarations and findings.
- 20 ILCS 3855/1-5(H): Also now language re: implementing procurements "to diversify Illinois electricity supply, improve reliability, avoid and reduce pollution, reduce peak demand, and enhance public health and well-being of Illinois residents, including low-income residents," which opens the door for more arguments around taking a longer-term view of renewables procurements than simply complying at the lowest cost.



New concept: Long-term Renewable Resources Plan ("LTRRP")

- Published for comment within 120 days after effective date of the statute
- 45 days for stakeholder comment
- 21 days to file with Commission for approval
- 120 day proceeding before Commission
- Approved "if the Commission determines that the plan will reasonably and prudently accomplish the requirements of Section 1-56 and subsection (c) of Section 1-75 of the Illinois Power Agency Act. The Commission shall also approve the process for the submission, review, and approval of the proposed contracts to procure renewable energy credits or implement the programs authorized by the Commission pursuant to a long-term renewable resources procurement plan approved under this Section"



Long-term plan: Necessary Components (220 ILCS 5/16-111.5(b)(5)(ii)(B))

- (aa) Identify the procurement programs and competitive procurement events consistent with the applicable requirements of the Illinois Power Agency Act and shall be designed to achieve the goals set forth in subsection (c) of Section 1-75 of that Act.
- (bb) Include a schedule for procurements for renewable energy credits from utility-scale wind projects, utility-scale solar projects, and brownfield site photovoltaic projects consistent with subparagraph (G) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act
- (cc) Identify the process whereby the Agency will submit to the Commission for review and approval the proposed contracts to implement the programs required by such plan.



Key changes for RPS compliance

- "Renewable energy resources" (20 ILCS 3855/1-10)
 - "Renewable energy resources" includes energy and its associated renewable energy credit or renewable energy credits from wind, solar thermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, crops and untreated and unadulterated organic waste biomass, tree waste, and hydropower that does not involve new construction or significant expansion of hydropower dams, and other alternative sources of environmentally preferable energy. For purposes of this Act, landfill gas produced in the State is considered a renewable energy resource. "Renewable energy resources" does not include the incineration or burning of tires, garbage, general household, institutional, and commercial waste, industrial lunchroom or office waste, landscape waste other than tree waste, railroad crossties, utility poles, or construction or demolition debris, other than untreated and unadulterated waste wood.
- 20 ILCS 3855/1-75(c)(1) focus on "renewable energy credits"



Locational preference changes for RECs qualifying for the IL RPS

- Prior regime Illinois and adjacent states first, then elsewhere
- <u>New regime</u> based on effort to "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" (20 ILCS 3855/1-75(c)(1)(I))
- Projects located in Illinois qualify as meeting this standard
- Projects in adjacent states *may* qualify
 - LTRRP "shall describe in detail how each public interest factor shall be considered and weighted for facilities located in states adjacent to Illinois"



New concept: prohibition against RECs from projects with costs recovered through rates

20 ILCS 3855/1-75(c)(1)(J)

- "Renewable energy credits shall not be eligible to be counted toward the renewable energy requirements of this subsection (c) if they are sourced <u>from a generating unit</u> whose costs were being recovered through rates regulated by this State or any other state or states on or after January <u>1, 2017</u>."
 - How to apply this standard?
 - Process (Propose in LTRRP)
 - Substance?
 - What about municipal utilities & rural co-operatives?
 - Contract termination mechanism and penalty



New concept: Qualified Person Installations

- Extend from rules promulgated by ICC under 220 ILCS 5/16-128A
- Applies to RECs procured from <u>new photovoltaic systems</u> or <u>new</u> <u>distributed generation devices</u>
 - Not new wind projects, such as with initial forward procurement, although certification requirements may still apply
- 20 ILCS 3855/1-75(c)(7) requirement that RECs "must be procured from devices installed by a qualified person in compliance with the requirements of Section 16-128A of the Public Utilities Act and any rules or regulations adopted thereunder
- ICC currently conducting workshops on emergency rules to provide guidance on compliance



New technological preferences

- <u>Prior regime</u>: 75% wind, 6% PV, 1% DG for overall percentage targets
- <u>New regime</u>: 75% from wind and PV for overall percentage targets
- IN ADDITION: "New" project requirements of RECs from utility-scale wind and RECs from PV (utility-scale, DG/community, brownfield)
- Initial forward procurements also feature wind/PV targets



New project REC delivery requirements

Wind and photovoltaics

- 2,000,000 RECs delivered annually from each technology by end of 2020 delivery year
- 3,000,000 by end of 2025 delivery year
- 4,000,000 by end of 2030 delivery year
- Solar breakdown: 50% from adjustable block program (distributed generation/community solar), 40% from utility-scale projects, 2% from brownfield projects (non-community solar brownfield)
- Matching requirement between wind and PV (wind cannot get ahead of PV) for "subsequent forward procurements"
- Adjustment to plan required if wind is 200,000 RECs ahead of PV



So then what is a "new" project?

20 ILCS 3855/1-75(c)(1)(C) (initial forward procurements): For purposes <u>of this Section</u>:

"New wind projects" means wind renewable energy facilities that are energized after June 1, 2017 for the delivery year commencing June 1, 2017 or within 3 years after the date the Commission approves contracts for subsequent delivery years.

"New photovoltaic projects" means photovoltaic renewable energy facilities that are energized after June 1, 2017. Photovoltaic projects developed under Section 1-56 of this Act shall not apply towards the new photovoltaic project requirements in this subparagraph (C).



New concept: adjustable block program

- TO BE DISCUSSED IN MORE DETAIL THIS AFTERNOON
- Prior approach to renewables procurements
 - Governed by Section 16-111.5 of the PUA
 - Competitive, pay-as-bid, sealed bidding
 - Confidential benchmark applied to bids received
 - Bids selected on the basis of price
 - No post-bid negotiations
 - Contracts executed shortly after Commission approval of procurement results
- Adjustable block program approach
 - Designed for "new" DG solar and "new" community solar
 - Price is transparent and known, block is based on size (RECs or capacity)
 - Price adjusts after block fills
 - Think open-enrollment model



Adjustable Block Program Features (Systems) (20 ILCS 3855/1-75(c)(1)(K)

(i) At least 25% from distributed renewable energy generation devices with a nameplate capacity of no more than 10 kilowatts.

(ii) At least 25% from distributed renewable energy generation devices with a nameplate capacity of more than 10 kilowatts and no more than 2,000 kilowatts. The Agency may create sub-categories within this category to account for the differences between projects for small commercial customers, large commercial customers, and public or non-profit customers.

(iii) At least 25% from photovoltaic community renewable generation projects.

(iv) The remaining 25% shall be allocated as specified by the Agency in the long-term renewable resources procurement plan.



Adjustable Block Program Features (Contracts) 20 ILCS 3855/1-75(c)(1)(L) – Key Provisions

(i) Contracts at least 15 years in length

(ii) For systems <u>10 kW in size and below</u>, the "purchase price shall be paid in full by the contracting utilities at the time that the facility producing the renewable energy credits is interconnected at the distribution system level of the utility and energized."

(iii) For <u>other systems</u> (10 kW to 2 MW, DG or community), "20 percent of the renewable energy credit purchase price shall be paid by the contracting utilities" at interconnection/energization and "the remaining portion shall be paid ratably over the subsequent 4-year period."

(iv) Each contract shall include provisions to ensure the delivery of the renewable energy credits for the full term of the contract.

(v) The utility shall be the counterparty to the contracts executed under this subparagraph (L) that are approved by the Commission under the process described in Section 16-111.5 of the Public Utilities Act.



Old concept: distributed generation

"Distributed renewable energy generation device" means a device that is:

(1) powered by wind, solar thermal energy, photovoltaic cells and panels, biodiesel, crops and untreated and unadulterated organic waste biomass, tree waste, and hydropower that does not involve new construction or significant expansion of hydropower dams;

(2) interconnected at the distribution system level of either an electric utility as defined in this Section, an alternative retail electric supplier as defined in Section 16-102 of the Public Utilities Act, a municipal utility as defined in Section 3-105 of the Public Utilities Act, or a rural electric cooperative as defined in Section 3-119 of the Public Utilities Act;

(3) located on the customer side of the customer's electric meter and is primarily used to offset that customer's electricity load; and

(4) limited in nameplate capacity to no more than 2,000 kilowatts.

• What is new? 10 kW vs 25 kW, procurement targets, procurement process



New concept: community renewable generation project

- TOPIC OF MUCH MORE DISCUSSION TOMORROW
- General Concept: "Subscribers" have "interest" in centralized facility (i.e., "subscription" to that facility), receive offset for energy generated by facility at subscriber's subscription/interest level
- 20 ILCS 3855/1-75(c)(1)(N): "The long-term renewable resources procurement plan required by this subsection (c) shall include a community renewable generation program," which "shall establish the terms, conditions, and program requirements for community renewable generation projects with a goal to expand renewable energy generating facility access to a broader group of energy consumers, to ensure robust participation opportunities for residential and small commercial customers and those who cannot install renewable energy on their own properties."
- Emphasis in the law on "subscriptions to community renewable generation projects to be portable and transferable."



Community Renewable Generation Project: Key Facets, Requirements, and Restrictions

- Generating facility must be no greater than 2 MW in size
- Subscribers must be in same service territory as project
- No strict geographic proximity requirement
- Can be interconnected with utility, muni, or rural co-op
- Subscriptions expressed in nameplate capacity and must be at least 200 watts in size
- Any given subscription cannot constitute more than 40% of the nameplate capacity of an individual project
 - "Entities that are affiliate by virtue of a common parent" effectively have the same interest for purposes of this threshold
- Adjustable block program appears specific to community solar



New concept: brownfield site photovoltaic project

- 2% of new PV carveout for "brownfield site photovoltaic projects"
- Brownfield PV projects are also eligible for initial forward procurements

Brownfield site PV project definition in Section 1-10 of IPA Act:

- interconnected to an electric utility as defined in this Section, a municipal utility as defined in this Section, a public utility as defined in Section 3-105 of the Public Utilities Act, or an electric cooperative, as defined in Section 3-119 of the Public Utilities Act; and
- (2) located at a site that is regulated by any of the following entities under the following programs:
 - (A) the United States Environmental Protection Agency under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended;
 - (B) the United States Environmental Protection Agency under the Corrective Action Program of the federal Resource Conservation and Recovery Act, as amended;
 - (C) the Illinois Environmental Protection Agency under the Illinois Site Remediation Program; or
 - (D) the Illinois Environmental Protection Agency under the Illinois Solid Waste Program.



New concept: Employment Opportunities

20 ILCS 3855/1-75(c)(7): In meeting the renewable energy requirements of this subsection (c), to the extent feasible and consistent with State and federal law, the renewable energy credit procurements, Adjustable Block solar program, and community renewable generation program <u>shall provide employment</u> <u>opportunities for all segments of the population and workforce, including minority-owned and female-owned business enterprises, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.</u>

- Different considerations than informed our prior procurement planning and processes, as will be discussed further this morning
- Will also discuss further in Illinois Solar for All context



Overview of the plan development process



Overview of RPS Responsibilities

Illinois Power Agency

- Initial Forward Procurement
- Development of Long-Term Renewable Resources Procurement Plan
- Adjustable Block Programs
- Illinois Solar for All Programs
- Other Procurements per the Long-Term Plan

<u>Utilities</u>

- Job training funding
- Net metering
- Inverter Rebates

Illinois Commerce Commission

- Approval of Long-Term Plan
- Approval of contracts
- Installer certification
- ARES compliance



 April Energy Procurement Spring DG Procurement 	May • <u>Workshops</u> • <u>Release Request For</u> <u>Comments</u>	June <u>P.A 99-0906 Take Effect (6/1)</u> Release Draft Initial Forward Procurement Contracts <u>Request For Comments</u> <u>Responses Due</u>
July • Deadline To Release Draft ZEC Plan (7/15)	 August Draft Plan Released Initial Forward Procurement (Wind And Solar) IPA Releases Draft 2018 Power Procurement Plan Energy/Capacity Procurement Deadline To File ZEC Plan For ICC Approval 	September • Comments on Draft Plan Due • Deadline To Release Draft Plan (9/29) • IPA Files 2018 Power Procurement Plan For ICC Approval • Fall DG Procurement Begins • Deadline For ICC To Approve ZEC Plan
October • IPA Files Plan For ICC Approval • IPA Issues Program Administrator RFQ • Fall DG Procurement, Cont.	 November Deadline To Hold Wind Initial Forward Procurement (11/8) Deadline For Comments On Draft Plan (11/13) 	 December Deadline To File Plan For ICC Approval (12/4) IPA Issues Program Administrator RFP ICC Approves 2018 Power Procurement Plan
January, 2018	February • ICC Approves Plan • Program Administrator RFP Responses Due	March • Program Administrator(s) Selected
April Deadline For ICC Plan Approval (4/3) Energy Procurement	May	June Through December • <u>Programs Launch</u> <u>(Schedule TBD)</u>

Renewable Resources Timeline

(Draft, dates subject to change)

Color Coding

Statutory Deadline Plan Development Schedule Process Development Schedule Other Renewables Schedule Power Procurement Schedule



Expected Plan Components

- Statutory Overview
- RPS Goals
 - Analysis of load forecasts, existing resources, and annual RPS percentage targets
- Policy considerations
 - Public Interest Criteria
 - Other
- Program Design
 - Adjustable Block
 - Distributed Generation
 - Community Solar
 - Illinois Solar for All
- Procurement Schedule
 - Next Forward Procurements
 - Other procurements to meet annual RPS goals
- Plan for updates/evaluation



Procurement vs. Program

- Traditionally IPA ran competitive procurements for energy and used this model for renewable resources
 - Sealed-bid Request for Proposals
 - Evaluated on the basis of price
 - Pay as bid
- Distributed Generation and Community Solar will shift from a competitive procurement model to an administrative program model (Adjustable Block)
 - Prices determined by methodology developed by IPA
 - Blocks of Renewable Energy Credits available according to a schedule
 - Programs will be ongoing rather than episodic
- Competitive procurements likely to continue to be the model for utility-scale renewables
 - A variety of competitive procurements to meet utility RPS annual goals



Issues

- Geographic Eligibility
- Eligibility of RECs from generating units whose costs are recovered through regulated rates
- Employment Opportunities
- How to Meet RPS Targets



Issue: Geographic Eligibility

- Previously Illinois had a preference that put resources from Illinois and adjacent states first, then would consider resources from elsewhere
- Going forward RPS limited to resources located in Illinois and only those in other states that demonstrate that they meet the public interest criteria 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
- Long-Term Plan must, "describe in detail how each public interest factor shall be considered and weighted for facilities located in states adjacent to Illinois."



Issue: Eligibility of RECs from generating units whose costs are recovered through regulated rates

- Consideration of ICC rules for RECs used Alternative Suppliers for RPS compliance (parallel language on the standard)
 - ARES don't document RPS compliance until after the end of a delivery year
 - IPA procurements are forward looking so eligibility will need to be determined up front
 - Some IPA procurements are unit specific, others are by category
- How to verify?
- What are the limits of this eligibility?
 - Units owned by municipal utilities and rural co-ops
 - Power Purchase Agreements
 - Affiliate ownership



Issue: Employment Opportunities

- "In meeting the renewable energy requirements of this subsection (c), to the extent feasible and consistent with State and federal law, the renewable energy credit procurements, Adjustable Block solar program, and community renewable generation program shall provide employment opportunities for all segments of the population and workforce, including minority-owned and female-owned business enterprises, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status."
- Job training programs are part of Illinois Solar for All programs. What else can be done to meet this goal?



Issue: How To Meet RPS Targets

- Programs and mandated procurements are not likely to meet annual RPS percentage targets
 - Gap increases after Alternative Supplier RPS obligations end in two years
- Pool of eligible RECs smaller than in the past due to geographic and cost recovery eligibility criteria
- Past experience has been that new build RECs with multi-year commitments are more expensive than RECs procured in short-term markets (typically from existing resources)
 - Will this continue to be the case?
- What is the right mix of multi-year and single year REC procurements beyond the mandated programs and forward procurements?
 - How to provide for renewable resources that are not wind or solar?
 - Is there a need for a specific approach for community renewable generation projects (non-solar)?
 - How to best meet the brownfield solar carve out?



Discussion