Future Energy Jobs Act

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Protecting Illinois’ Environment

The Illinois Environmental Council has served as the eyes, ears, and voice of the environmental community in Springfield since 1975.
What Does IEC Do? www.ilenviro.org

- Track up to 250 bills a year that impact the environment.
- Environmental News.
- Coordinate eighty different environmental organizations, including lobbying activity and membership coordination. (Lobby Day on April 6!)
- Build relationships with legislators.
- Release environmental scorecard for state legislators.
The Story of a Bill

Copies from a presentation by Wind on the Wires

Fall 2010: ISSUE IDENTIFIED

Research & drafting language

Winter 2010

Spring 2011

1st bill introduced

Spring 2012

2nd bill introduced, Smart Grid Bill passes

Spring 2013

3rd bill introduced

Spring 2014

4th bill introduced

Feb 2015

Clean Jobs Bill introduced, Exelon Bill introduced

May 2016

Illinois Clean Jobs Bill 2.0

Feb 2016

Hybrid Bill introduced

Summer-Fall 2016

Negotiations

Nov-Dec 2016

Veto Session: hearings/votes

DEC 7, 2016: BILL SIGNED!!!
Future Energy Jobs bill

- Illinois will reduce its carbon emissions by more than 50 percent from 2012 levels by 2030.
- Approximately 70% of the funds from the overall legislation will focus on kick starting clean energy.
- The bill will invest more than $750 million in programs for low-income communities.
  - “Illinois Solar for All,” will help low-income customers, nonprofits, and community centers access rooftop solar and community solar.
  - Community Solar
  - Jobs training programs
Renewable Portfolio Standards

- The investor-owned utilities in Illinois must source a certain percentage of all retail electricity sales from renewable energy each year.
- 25% from renewable energy by 2025 and thereafter

- Known as the “Renewable Portfolio Standard” (RPS)

Changes in the definition of “Renewable Energy Resources” to the “Renewable Energy Credits” requires that the funding awarded by the Illinois Power Agency goes to the creation of new renewable energy projects, instead of a lowest-cost strategy that did not incentivize construction properly.

- Section 1-75(c)(1)(B) of the IPA Act establishes percentage-based umbrella goals for RECs required to be procured based on a percentage of applicable retail customer load, but within those umbrella requirements, other, more specific requirements must be also be met. One such requirement is the procurement of RECs from “new wind projects” and “new photovoltaic projects” found in Section 1-75(c)(1)(C). Rather than expressed as a percentage of load, these requirements are expressed on a quantitative basis (i.e., a fixed, statutorily-defined minimum number of RECs) while counting toward the overall renewables procurement requirements.

- IPA, Long Term Procurement Plan
PROJECTED NEW ENERGY

- **2020 → 650MW**
- **2030 → 1350MW**
- **2020 → 1350MW**
- **2030 → 2700MW**
KEY BENEFITS

- Channels over $180 million a year, from utility companies, to build new wind and solar
- Directs $189 million, plus $10 million annually, to incentivize solar development and fund job training programs from existing renewable energy funds
- Invests $5 billion in energy efficiency programs to reduce families’ electricity bills
- Reduces 32 million tons of CO2 air pollution by 2030 by diminishing our reliance on fossil fuels
Community Solar Incentives

In addition to bill credits, Community Solar projects will have access to several other value streams:

1) The IPA will purchase RECs from Community Solar projects at set prices through its Adjustable Block Program to meet the state’s RPS compliance requirements.

2) Utilities will offer a rebate to Community Solar projects that interconnect through a smart inverter. The up-front rebate will initially be set at $250/kW, to be replaced in the future with a more sophisticated “locational value” formula.

3) There will be additional REC-purchase programs for Community Solar projects that serve low-income and environmental justice communities through the Solar For All program.

Community Solar Requirements

The legislation outlines a number of rules and requirements for Community Solar projects:

- Subscribers must be located in the same utility territory as the project
- Subscriptions must be transferable and portable within the same utility territory
- Maximum project size: 2 MW
- No subscriber may own or lease more than 40% of a single project
- Minimum subscription size: 200 W
- Utilities must purchase unsubscribed energy at avoided cost rate
Zero Emissions Credits / Nuclear

- Energy Bills Contain a “Zero Emissions Standard” Charge
  - “[C]ustomers will begin to see a new charge on their bill - approximately $1 per month for the average residential customer - starting in June 2017 for the Zero Emission Standard, which supports zero-carbon energy supplied to Illinois.” - ComEd, 2017

- Awards credits to nuclear facilities in Illinois at prices set based on the “Social Cost of Carbon”. These subsidies are intended to keep several nuclear plants profitable through 2027.
Energy Efficiency

- With changes made by FEJA, Illinois will be a national leader on energy efficiency, creating thousands of jobs, shrinking our state’s impact on the climate, and saving Illinoisans money on electric bills.

- By 2030 ComEd will have to reduce its energy usage by 21.5% while Ameren Illinois will reduce by 16%.
  - ComEd and Ameren’s energy efficiency targets will now be expressed in terms of cumulative persistent savings, which encourage utilities to pursue deeper, longer-lived efficiency measures. (Elevate Energy)
  - ComEd and Ameren now have the potential to receive shareholder incentives on their energy efficiency spending, with bonuses for exceeding savings targets and penalties for falling short. (Elevate Energy)

- Utilities will spend at least $30 million annually on energy efficiency programs for low-income customers.

- The Citizens Utility Board projects each customer in Illinois will see a $14.80 reduction on their electricity bill each year.

Source: Sierra Club, A Thriving Clean Energy Economy for Illinois
Contact Information

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