

**Staff Report**  
**Public Utilities Bureau**

September 24, 2021

**Subject:**

Commission action necessary to ensure timely compliance with certain deadlines prescribed in the Energy Transition Act and related legislation, Public Act 102-0662, signed into law by Governor JB Pritzker on September 15, 2021 (Energy Transition Act).

**Recommended Action:**

The Energy Transition Act obligates the Commission to take various actions to implement new programs, initiatives and directives to further the State's goals of transitioning the State to 100% clean energy; supporting a responsible transition away from carbon-intensive power generation; increasing public participation in regulatory matters; and encouraging further diversity and inclusion within the renewable energy industry.

While the Commission's role in implementing the Energy Transition Act will necessitate on-going, long-term program development and oversight, the Staff of the Public Utilities Bureau (PUB) has identified several measures that require the Commission to take prompt action. Those measures include initiating a workshop process for the purpose of soliciting input on the design of beneficial electrification programs that Commonwealth Edison Company (ComEd) and Ameren Illinois Company d/b/a Ameren Illinois (Ameren) shall offer; approving an "opt-out" form for large private energy customers that elect to opt out of ComEd and Ameren electric energy efficiency programs; selecting an administrator for the newly created Intervenor Compensation Fund; initiating workshops for the purpose of facilitating the development of performance and tracking metrics for ComEd and Ameren; and establishing an interconnection working group. Details of each of these programs, together with Staff's recommended action to meet the statutory deadline, follow. Staff recommends the Commission adopt its recommendations as to each of these program areas.

**Energy Transition Act Programs Requiring Immediate Commission Action**

***Beneficial Electrification***

*Statute:* 20 ILCS 627/45

*Purpose:* This new statute is intended to increase access to electric vehicles for all citizens of Illinois, with a goal of increasing the adoption of electric vehicles within the State to 1,000,000 by 2030.

*Required*

*Action:* Hold Workshops  
*Deadline:* November 30, 2021 (initiation of the workshop process)  
February 28, 2022 (conclusion of the workshop process)

The Energy Transition Act requires the Commission to initiate a workshop process to solicit input from a diverse group of stakeholders, including representatives of environmental justice and low-income communities, on the design of beneficial electrification programs to be offered by ComEd and Ameren. Programs may include time-of-use or hourly pricing electric rates; programs that encourage vehicle charging at times that are optimal for grid stability; incentives for electrification for various vehicles, in eligible communities and to encourage development; and low-income programs and support for low-income communities. The process should ensure equitable opportunities for participation and should take into consideration the benefits of electric vehicle adoption, barriers to adoption, enabling rate structures, other opportunities for bill reduction, and environmental benefits.

Workshops should conclude no later than February 28, 2022. Following the workshop, Staff is required to submit a report to the Commission summarizing the recommendations for transportation electrification investment and incentives. The report should be filed no later than March 31, 2022 and should identify the participants in the process, program designs proposed during the process, estimates of the costs and benefits of those program, any material issues that remain unresolved, and any recommendations for workshop process improvements.

*Recommendation:*

Staff recommends the Commission direct Staff to initiate a workshop process to discuss beneficial electrification programs in Illinois no later than November 30, 2021. Staff further recommends the Commission authorize Staff, should Staff find it advantageous and practicable, to engage a facilitator to conduct the workshops. Staff further recommends the Commission direct Staff to conclude the workshops by February 28, 2022, and to file a report on the workshop process no later than March 31, 2022. Workshops should be conducted in accordance with the directives summarized in this report and detailed in the Energy Transition Act.

**Energy Efficiency**

*Statute:* 220 ILCS 5/8-103B

*Purpose:* Revisions to this statute allow large private energy customers to opt-out of mandated energy efficiency programs.

*Required*

*Action:* Prescribe the form for notice required to opt out of energy efficiency programs.

*Deadline:* 45 days after the effective of the Energy Transition Act

(October 30, 2021)

*Recommendation:*

Staff recommends the Commission prescribe the form appended to this Staff Report as Appendix A as the form to be used by large private energy customers who wish to inform ComEd or Ameren of their intention to opt out of electric energy efficiency programs.

***Intervenor Compensation Fund***

*Statute:* 220 ILCS 5/9-229

*Purpose:* Revisions to this statute create an Intervenor Compensation Fund to enable consumer interest representatives increased opportunities to participate in Commission proceedings by allowing representatives who meet certain qualifications to apply to have some portion of their participation expenses paid for by the fund.

*Required*

*Action:* Initiate the process to engage a third-party program administrator

*Deadline:* None specified

Pursuant to the revised statute, utilities are required to make initial payments into the Intervenor Compensation Fund (Fund) within 60 days of the effective date of the Energy Transition Act. While there is no specific deadline for the Commission to begin the process of establishing the selection criteria and requirements for a third-party administrator, Staff understands that an administrator must be in place before any payments can be disbursed from the Fund and thus believes it is important to move quickly to initiate the process to engage the administrator. The Illinois Procurement Code does not apply to the hiring and payment of the administrator.

Staff will develop selection criteria and requirements for the third-party administrator, and, subject to appropriations, issue a request for qualifications for a third-party administrator based on those requirements and criteria, and select a third-party administrator for Commission approval.

*Recommendation:*

Staff recommends the Commission direct Staff to develop selection criteria and requirements for the third-party administrator, and, subject to appropriations, issue a request for qualifications for a third-party administrator based on those requirements and criteria, and select a third-party administrator for Commission approval.

### **Interconnection Working Group**

*Statute:* 220 ILCS 5/16-107.5(h-5)(1)

*Purpose:* This amended provision requires the Commission to establish an Interconnection Working Group to include stakeholders with a substantial interest in interconnection

*Required*

*Action:* Establish an Interconnection Working Group

*Deadline:* Within 90 days of the effective date of the Energy Transition Act (December 14, 2021)

Staff understands the Interconnection Working Group to be an ongoing endeavor, with discussion tailored to meet issues that are considered most urgent by the group. Staff further anticipates that representative attendees at any meeting will vary depending on the focus of the meeting. The fluid nature of the ongoing group will allow the group to evolve as the industry continues to develop, while spending time and energy on topics most in need of consideration.

To that end, on September 13, 2021, Staff filed a process proposal to initiate discussions to transition to IEEE 1547-2018 in the Commission's ongoing rulemaking to amend the Commission's Interconnection Rules, Docket No. 20-0700. On September 14, 2021, Staff emailed a copy of the Staff report to an email list that includes all parties on the Docket No. 20-0700 service list, as well as all individuals who had been included on emails regarding the workshops that preceded Docket No. 20-0700.

Staff has scheduled the first workshop to discuss 1547-2018 for October 28, 2021, from 10 am to 12 pm. The September 14, 2021 email asks participants to save the date and to submit to staff the names of any additional persons who should be added to the email list. While the process proposal in Docket No. 20-0700 outlined a plan to initiate discussions about the transition to IEEE Standard 1547-2018, Staff believes the list of individuals to whom the process proposal was sent are substantially the same individuals to whom Staff would extend an invitation to the Interconnection Working Group.

*Recommendation:*

Staff recommends the Commission direct it to conduct the workshops on IEEE 1547-2018 as the first actions of the Interconnection Working Group and to expand those workshops to include other interconnection topics. Staff further recommends that the participants in those workshops, as well as those who may join for future discussions, be considered the Interconnection Working Group as that group is

envisioned in the Energy Transition Act, and that workshops or other meetings continue at intervals to be determined by Staff to address interconnection issues.

***Performance and Tracking Measurement***

*Statute:* 220 ILCS 5/16-108.18

*Purpose:* This new provision authorizes electric utilities serving over 500,000 customers to transition from current formula rates to a new performance-based rate structure including the use of performance and tracking measures.

*Required*

*Action:* Initiate a workshop process

*Deadline:* Start: 15 days after the effective date of the Energy Transition Act (September 30, 2021)

End: October 31, 2021

The Commission is required to initiate a workshop process for the purpose of facilitating the development of performance and tracking metrics for ComEd and Ameren. The workshops may be coordinated by Staff, or by a facilitator engaged by Staff, and shall encourage representation from diverse stakeholders and ensures equitable opportunities for participation.

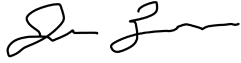
*Recommendation:*

Staff recommends the Commission direct Staff to initiate a workshop process to develop metrics for performance-based ratemaking to conclude no later than October 31, 2021. Staff further recommends the Commission authorize Staff, should Staff find it advantageous and practicable, to engage a facilitator to conduct the workshops. Staff further recommends the Commission direct Staff to file a report on the workshop process, identifying participants in the workshops, metrics proposed during the process, any material issues that remain unresolved at the conclusion of such process, and any recommendations for workshop process improvements. Workshops should be conducted in accordance with the directives summarized in this report and detailed in the Energy Transition Act.

**Summary:**

Staff recommends the Commission take such action and issues such orders and directives as are outlined herein, to ensure the Commission complies with certain directives and deadlines set forth in the Energy Transition Action.

**Recommended and Approved by:**



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Dr. James Zolnierek  
Bureau Chief  
Public Utilities Bureau