

# **An Introduction To FEJA & Its Renewable Energy Goals**

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Reading Illinois' Current Renewable Power Meter & FEJA's Renewable Objectives  
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# The Renewable Energy Landscape Before Public Act 99-0906: Multiple RPSs

- **Utility annual RPS percentage requirements for eligible retail load**
  - Increasing each year to 25% by 2025
  - Part of IPA annual energy procurement planning process
  - Other than 2010 Long-term Procurement, short term focused procurements
- **Alternative Suppliers had a separate RPS responsibility**
  - Alternative Compliance Payments into the Renewable Energy Resources Fund (RERF)
  - Purchase of additional RECs (or self-supply) for the balance of RPS obligations
- **IPA administered the RERF to purchase additional renewables resources**
  - RERF encountered challenges as funds were redirected to other purposes
  - \$30 million allocated to the Supplemental Photovoltaic Procurement which is helping build approximately 1,300 new projects in the state
- **Customer switching due to retail choice led to budget and target uncertainties**
  - Large wave of municipal aggregation starting in 2011 led to the majority of eligible retail customer load leaving utility service
  - Curtailment of ComEd long-term contracts in 2013 and 2014

# Key Components of Public Act 99-0906 Related to Renewable Energy Development

- **Initial Forward Procurements** to procure new utility-scale wind and new utility-scale solar and brownfield solar
  - Wind/solar procurement scheduled for late August. Additional rounds of solar procurements to follow
- Development of a **Long-Term Renewable Resources Procurement Plan**
  - Draft Plan released in September, ICC approval expected March, 2018, programs and procurements to launch summer 2018
  - Key change is the creation of programs to support renewables in addition to the traditional competitive procurement approach
- Alternative Supplier RPS obligations phases out over the next two years

# Overview of RPS Responsibilities

## Illinois Power Agency

- Initial Forward Procurement
- Development of Long-Term Renewable Resources Procurement Plan
- Running programs and procurements

## Utilities

- Contractual counterparties
- Job training funding
- Net metering
- Inverter Rebates

## Illinois Commerce Commission

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

# RPS Compliance in the Long-Term Renewable Resources Procurement Plan

- Percentage-based targets remain – 25% by 2025 of retail sales
- Quantitative targets for new build
  - New utility-scale wind and solar projects
    - 2,000,000 annual RECs from each technology by end of 2020 delivery year
    - 3,000,000 annual RECs by end of 2025 delivery year
    - 4,000,000 annual RECs by end of 2030 delivery year
  - For Solar
    - 50% from distributed generation/community solar
    - 40% from utility-scale projects
    - 2% from brownfield projects (non-community solar brownfield)
  - Matching requirement between wind and solar (wind cannot get ahead of solar) for “subsequent forward procurements.”
- Adjustable Block Programs
- Illinois Solar for All Programs
- Other procurements to help meet overall percentage goals

# Locational Preference Changes for RECs Qualifying for the Illinois RPS

- Prior regime – Illinois and adjacent states first, then elsewhere
- New regime 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**
  - Long-term Plan “shall describe in detail how each public interest factor shall be considered and weighted for facilities located in states adjacent to Illinois”
- Also new provision that Renewable Energy Credits cannot come from, “a generating unit whose costs were being recovered through rates regulated by this State or any other state or states on or after January 1, 2017.” (20 ILCS 3855/1-75(c)(1)(J))

# Adjustable Block Programs

- Three categories
  - Distributed Generation below 10 kW, upfront payment
  - Distributed Generation between 10 kW and 2 MW, 20% payment when energized, remainder over four years
  - Community Solar, 20% payment when energized, remainder over four years
- Contracts to purchase 15 years of RECs
- Long-term Plan will include proposed approach for the determination of REC prices, block size/schedule, application process/criteria, consumer protections, etc.

# Illinois Solar for All Programs

- “Each contract that provides for the installation of solar facilities shall provide that the solar facilities will produce energy and economic benefits, at a level determined by the Agency to be reasonable, for the participating low income customers.”
- Funded primarily by the Renewable Energy Resources Fund
- Four specific programs
  - Low-Income Distributed Generation Incentive
  - Low-Income Community Solar Project Initiative
  - Initiatives for Non-profits and Public Facilities
  - Low-Income Community Solar Pilot Projects
- Up to 5% of funding to community-based groups for grassroots education
- Agency will define Environmental Justice Communities (targeted for 25%) and approaches to verifying low-income eligibility