



# FERC Order and the Clean Energy Jobs Act



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Alberta Electric System Operator

Electric System Operator (IESO)

Midcontinent ISO (MISO)

New York ISO (NYISO)

New England ISO (ISO-NE)

PJM

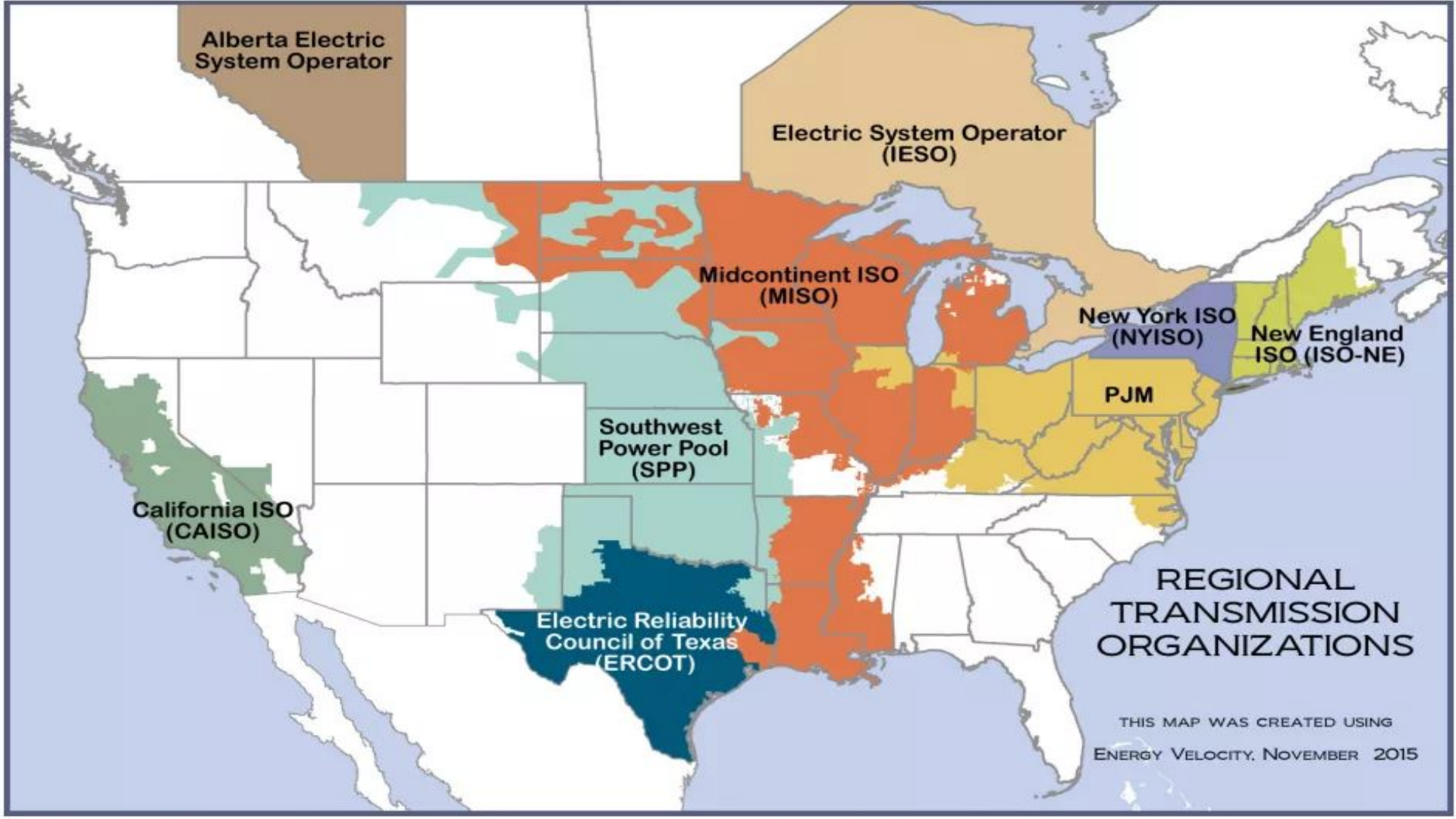
Southwest Power Pool (SPP)

California ISO (CAISO)

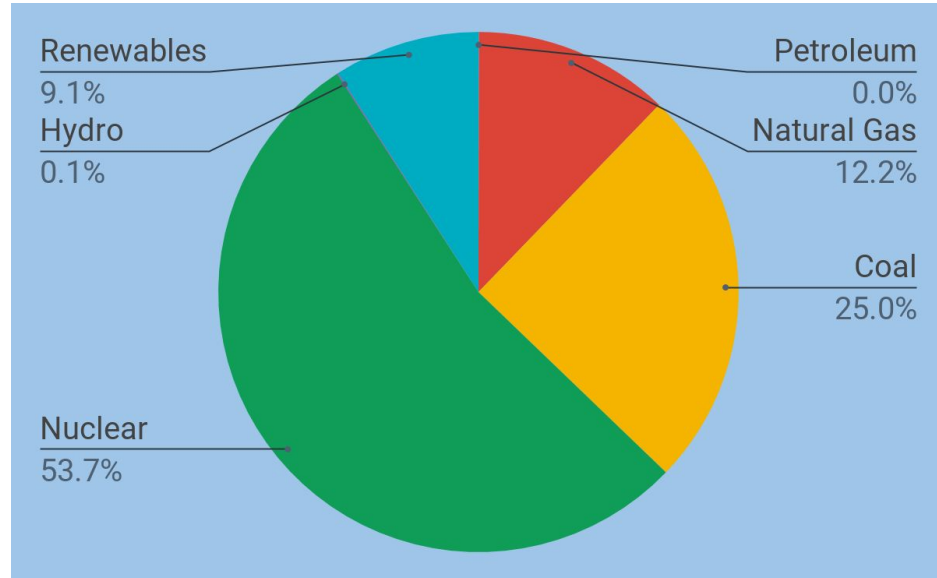
Electric Reliability Council of Texas (ERCOT)

# REGIONAL TRANSMISSION ORGANIZATIONS

THIS MAP WAS CREATED USING ENERGY VELOCITY, NOVEMBER 2015



# Generation in Illinois



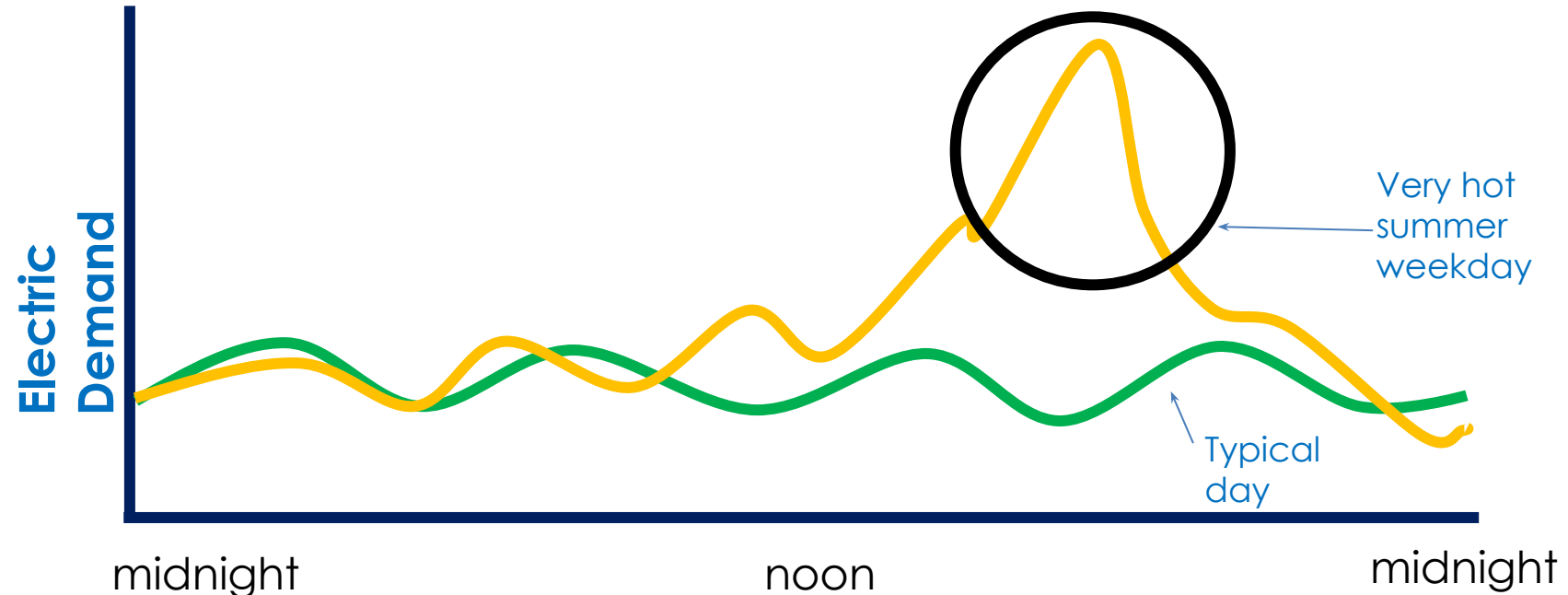
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# Electric Capacity



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# Capacity



- Right now, Northern Illinois' capacity price is determined through auctions run by PJM.
  - Generators pledge capacity to ensure that demand is met during peak.
- We already have to pay for more capacity than we use.
- Capacity makes up about 20% of the average bill in Northern Illinois.
- Capacity market rules favor large, centralized plants and make it difficult for clean energy to compete.



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# FERC & MOPR



- Federal Energy Regulatory Commission (FERC)
  - The Federal Energy Regulatory Commission is the United States federal agency that regulates the transmission and wholesale sale of electricity and natural gas in interstate commerce and regulates the transportation of oil by pipeline in interstate commerce.
- Minimum Price Offer Rule (MOPR)
  - On Dec. 19 FERC voted 2-1 to change the rules to funnel more money to fossil fuel generators
- Fossil generators can't compete with the price of renewables
  - MOPR's "clearing price" ensures that renewables and nuclear are squeezed out of the market, which guarantees that capacity purchases go to fossil generators.
- FERC rejected Trump's original bailout for coal; MOPR was their backdoor bailout.



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# Impacts of the MOPR on the Capacity Market



Credit: Gavin Blade

  
Solar Farm

  
Wind Farm

  
Nuclear Plant

  
Coal Plant

  
Natural Gas Plant



# Consequences

- Paying for capacity we don't need!
  - Up to \$864M/year for ComEd ratepayers.
- Disregards state policies which prioritize renewables.
  - Will result in a massive build out of new natural gas generation.
- A bad precedent to set
  - As coal generation becomes less profitable, rules like this might be used to prop up failing plants.
- If this problem isn't dealt with during the 2020 legislative session, none of these consequences can be avoided.



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# What does CEJA do to fix this?

- Pull Illinois out of the PJM capacity auction and allow the Illinois Power Agency (IPA) to purchase capacity
  - This would put the state fully in charge of its own clean energy policy, creating the opportunity to save consumers money while greatly expanding renewable energy investment in the state.
- Fights \$864M rate hike for Northern Illinois and helps build renewables + jobs for ENTIRE state
  - Guarantees 5% savings directly to consumers
  - Funds a massive expansion of renewable energy projects while protecting consumer costs statewide



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