SYNOPSIS AS INTRODUCED:

See Index

AN ACT concerning regulation.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Article 1. Findings

Section 1-5. Findings. The General Assembly finds that:

(a) The growing clean energy economy in Illinois can be a vehicle for expanding equitable access to public health, safety, a cleaner environment, quality jobs, economic opportunity, and wealth-building, particularly in economically disadvantaged communities and communities of black, indigenous, and people of color that have had to bear the disproportionate burden of dirty fossil fuel pollution.

(b) Placing Illinois on a path to 100% renewable energy is vital to a clean energy future. To bring this vision to fruition, our energy policy must prioritize a just transition that incentivizes renewable development and other carbon-reducing policies, such as energy efficiency, beneficial electrification, and peak demand reduction, while ensuring that the benefits and opportunities of a carbon-free future are accessible in economically disadvantaged communities, environmental justice communities, and communities of black, indigenous, and people of color.

(c) In the wake of federal reversals on climate action,
the State of Illinois should pursue immediate action on policies that will ensure a just and responsible phase out of fossil fuels from the power sector to reduce harmful emissions from Illinois power plants, support power plant communities and workers, and allow the clean energy economy to continue growing in every corner of Illinois.

(d) Energy efficiency should form the basis of any robust clean energy policy. It is the cheapest clean energy resource, and efficiency upgrades help customers manage their energy bills directly by reducing the energy they need, and indirectly by holding demand and prices down statewide.

(e) The transportation sector is now the leading source of carbon pollution in Illinois, responsible for roughly one-third of all carbon emissions. The State of Illinois should set forth an ambitious goal to remove the equivalent of more than 1,000,000 gasoline and diesel-powered vehicles from our roads by quickly implementing new policies that expand access to transit, promote walking and biking mobility, and increase electric vehicle adoption. If managed appropriately, electric vehicle adoption will drastically reduce emissions from transportation, and could save Illinois residents billions of dollars.

(f) In addition to better air quality and a safer climate, Illinois residents who do not use electric vehicles also benefit from greater adoption through lower electric bills resulting from the greater use of the electric grid during
off-peak hours.

(g) The State of Illinois should set forth an ambitious goal to transition all vehicle fleets operated by or on behalf of public agencies to full electric power. The transition to zero-emission fleets should be leveraged to promote increased investment in domestic manufacturing capacity within the emerging electric vehicle industry. The resulting new, high-skilled production jobs can also provide pathways into the middle class for racially, economically, and geographically marginalized communities. When procuring electric vehicles, public agencies shall use high-road economic development standards, like the U.S. Employment Plan. By using the U.S. Employment Plan or a Local Employment Plan, public agencies will incentivize electric vehicle companies to create and retain high-skilled manufacturing jobs with living wages and benefits; invest in domestic manufacturing facilities; and propose plans to recruit, train, and hire workers who face structural barriers to family-sustaining jobs and career pathways.

(h) Energy storage, such as batteries, can provide many services to the electricity grid that benefit the grid, including managing (or shaving) peak load, frequency regulation, voltage support, reserve capacity, and black-start capability. If that storage facilitates greater use of renewables, it can allow for more clean energy to be accessible, reduce pollution, and provide multiple benefits.
(i) Illinois needs to adopt a broad-based policy approach to decarbonize Illinois' electric sector (including electricity production and consumption) in a just and equitable manner that puts our State on track to phase out carbon dioxide emitting power plants by 2030.

(j) Illinois' policy approach must ensure the reduction of co-pollutant emissions that cause serious local health impacts, prioritizing environmental justice communities near power plants.

(k) As we decarbonize Illinois' electric sector, Illinois must create new investment to stimulate the economic and environmental well-being of communities disproportionately impacted by the historical operation of, and recent or expected closures of, fossil fuel power plants and coal mining operations.

(l) On January 23, 2019, Governor Pritzker signed an executive order committing Illinois as a signatory to the U.S. Climate Alliance to reduce state-based greenhouse gas emissions consistent with the 2015 Paris Agreement. This commitment identifies natural and working lands as a principal initiative to meet the associated carbon emissions reduction targets for Illinois. As Illinois works to reduce carbon emissions from the power generation and transportation sectors, Illinois can also lead the nation in recognizing the benefits of nature as a tool to both mitigate and adapt to climate change.
Article 5. Clean Jobs, Workforce and Contractor Equity Act

Part 1. Governance

Section 5-101. Short title. This Article may be cited as the Clean Jobs, Workforce and Contractor Equity Act.

Section 5-105. Findings.

(a) The General Assembly finds that the clean energy jobs sector, including renewables, energy efficiency, energy storage, and other related fields, is a growing sector in the State of Illinois and that programs to support a growing workforce and robust businesses in this sector would benefit from a centralized structure for community input and oversight and regional program administration to reduce costs, support knowledge sharing, and facilitate access to the programs.

(b) The General Assembly finds that the State of Illinois should build upon the success of the Future Energy Jobs Act and the Illinois Solar for All program by further expanding statewide equitable access to quality training, jobs, and economic opportunities across the entire clean energy sector in and throughout Illinois, including solar, wind, energy efficiency, transportation electrification, and other related clean energy industries, especially for members of the following communities across the State to enter and complete
the career pipeline for clean energy jobs, with the goal of 

serving all of the following groups distributed across the 

network: (i) low-income persons and families; (ii) persons 

residing in environmental justice communities; (iii) BIPOC 

persons; (iv) justice-involved persons; (v) persons who are or 

were in the child welfare system; (vi) energy workers; (vii) 

members of any of these groups who are also women, 

transgender, or gender nonconforming persons; and (viii) 

members of any of these groups who are also youth, especially 

those who have had to bear the disproportionate burden of 

dirty fossil fuel pollution. The General Assembly further 

finds that the programs included in the Clean Jobs, Workforce 

and Contractor Equity Act are essential to equitable, 

statewide access to quality training, jobs, and economic 

opportunities across the clean energy sector.

(c) The General Assembly finds that the State of Illinois 

should build upon the success of the Future Energy Jobs Act and 

the Illinois Solar for All program by ensuring small, BIPOC 

clean energy businesses and contractors have equitable access 

to economic opportunities, including new clean energy jobs and 

investment created by the growing clean energy sector in 

Illinois.

(d) The General Assembly finds that serious challenges are 

posed for Illinois small business owners due to income and 

wealth disparities, that market barriers disproportionately 

impact BIPOC contractors and small business owners, obtaining
certifications and program qualifications are an essential part of doing business in the clean energy economy and that discriminatory lending policies limit these businesses' access to capital.

(1) This finding is informed by a July 2020 analysis of 2018 U.S. Census American Community Survey data by the Center for American Progress which found that "while Black Americans make up 13 percent of the U.S. population, they own less than 2 percent of small businesses with employees. By contrast, white Americans make up 60 percent of the U.S. population but own 82 percent of small employer firms. If Black Americans enjoyed the same business ownership and success rates as their white counterparts, there would be approximately 860,000 additional Black-owned firms employing more than 10 million people." (A Blueprint for Revamping the Minority Business Development Agency, Center for American Progress July 31, 2020).

(2) This finding is also informed by the Federal Reserve Bank of Atlanta's December 2019 Small Business Credit Survey which examined and found disparities in reliance on personal funds/credit scores, loan application outcomes, reliance on higher cost and lower transparency credit products, loan approval rates and lender satisfaction. The survey concluded "Minority-owned firms more frequently reported financial challenges."
Seventy-eight percent of Black-owned firms, and 69% of Asian- and Hispanic-owned firms did so, compared to 62% of White-owned businesses." (Small Business Credit Survey 2019 Report on Minority-Owned Firms, Federal Reserve Bank of Atlanta, December 2019).

(3) The General Assembly further finds that these disparities continue as businesses develop. This finding is informed by a December 2016 Stanford Institute for Economic Policy Research study that concluded "We find that African-American business ventures start smaller in terms of overall financial capital and invest capital at a slower rate in the years following startup. This means that funding differences present at the firm's founding persist and even worsen over time."

(4) For these reasons, the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator Program is narrowly tailored to encourage and sustain the growth of BIPOC contractors in the Illinois clean energy economy through individualized coaching, specialized training, mentorships with established clean energy firms, operational support, appropriate business certifications and program enrollments and access to capital.

(e) The General Assembly finds that the clean energy jobs sector, including renewables, energy efficiency, energy storage, and other related fields, is a growing sector in the
State of Illinois, that returning residents will be well
served by considering employment in this field, and that the
residents of the State of Illinois will benefit from the
continued growth of jobs in this sector.

Section 5-110. Power of the Department. The Department may
adopt such rules as the Director deems necessary to carry out
the purposes of this Act.

Section 5-115. Definitions. As used in this Act:

"Advisory Board" means the Equity and Empowerment in Clean
Energy Advisory Board as established in this Act.

"Black, indigenous, and people of color" and "BIPOC" are
defined as people who are members of the groups described in
subparagraphs (a) through (e) of paragraph (A) of subsection
(1) of Section 2 of the Business Enterprise for Minorities,
Women, and Persons with Disabilities Act.

"Clean Energy Jobs" means jobs in the solar energy, wind
energy, energy efficiency, solar thermal, geothermal, and
electric vehicle industries, and other renewable energy
industries, including related industries that manufacture,
develop, build, maintain, or provide ancillary services to
renewable energy resources or energy efficiency products or
services, including the manufacture and installation of
healthier building materials that contain fewer hazardous
chemicals. "Clean Energy Jobs" include administrative, sales,
and other support functions within these industries.

"Community-based organization" means an organization in which:

1. the majority of the governing body consists of local residents;
2. at least one main operating office is in the community;
3. priority issue areas are identified and defined by local residents;
4. solutions to address priority issues are developed with local residents; and
5. organizational program design, implementation, and evaluation components have local residents intimately involved in leadership positions in the organization.

"Department" means the Department of Commerce and Economic Opportunity, unless the text solely specifies a particular Department.

"Director" means the director of the Department of Commerce and Economic Opportunity.

"Energy Efficiency" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"Energy worker" has the meaning set forth in Section 20-10 of the Energy Community Reinvestment Act.

"Environmental Justice Community" means the definition of that term based on existing methodologies and findings, used as may be updated by the Illinois Power Agency and its program
administrator in the Illinois Solar for All program.

"Low-income" means persons and households whose income does not exceed 80% of the area median income, adjusted for family size and revised every 2 years.

"Primes Program Administrator" means the entity defined as such by Part 15 of this Act.

"Regional Administrator" means the entities selected according to Section 5-130 of this Act.

"Regional Primes Program Lead" means the entities defined as such by Part 15 of this Act.

"Renewable energy resources" has the meaning set forth in Section 1-10 of the Illinois Power Act.

Section 5-120. Purpose. The Equity and Empowerment in Clean Energy Advisory Board shall be established to advise and assist the Illinois Department of Commerce and Economic Opportunity in its efforts to administer the following programs as set forth in this Act: the Clean Jobs Workforce Hubs Program; the Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program; the Returning Residents Clean Jobs Training Program; and the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator. The Illinois Department of Commerce and Economic Opportunity shall contract with 3 Regional Administrators as described in this Part to assist in the implementation of several of these programs, and shall develop a system of
Section 5-125. Equity and Empowerment in Clean Energy Advisory Board.

(a) Purpose. To ensure success and equity in the clean energy industry in Illinois, the General Assembly hereby creates an Equity and Empowerment in Clean Energy Advisory Board to oversee and advise the Department on the administration of the following programs set forth in this Act:

(1) the Clean Jobs Workforce Hubs Program;

(2) the Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program;

(3) the Returning Residents Clean Jobs Training Program; and

(4) the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator.

(b) Meetings. The Department shall provide administrative support for and convene the Equity and Empowerment in Clean Energy Advisory Board within 90 days after the effective date of this Act. The Department shall convene at least one meeting of the Advisory Board every quarter. All meetings shall be accessible, with rotating locations, call-in and videoconference options, and materials and agendas circulated well in advance, and there shall also be opportunities for
input outside of meetings from those with limited capacity and
ability to attend, via one-on-one meetings, surveys, and calls
subject to compliance with the Open Meetings Act.

(c) Duties. The Advisory Board:

(1) shall review reported program performance metrics,
and may recommend harmonizing metrics across programs and
additional metrics for collection, including, but not
limited to, metrics tailored to a specific program or
program delivery area;

(2) shall ensure program performance metrics are
published and available to the public within 30 days after
each advisory board meeting. Program performance metrics
may be anonymized where necessary to prevent disclosure of
private information about individuals. The Department
shall also post Advisory Board meeting minutes on its
website within 14 days after Board approval;

(3) shall ensure that notices of open requests for
proposals and other business opportunities associated with
the programs are widely circulated and available in the
communities where each program is located and among
communities who benefit from the programs;

(4) shall develop recommendations at least once every
3 months to aid the Department, program implementers, and
other program partners in tracking and improving the
performance of the Program;

(5) shall provide recommendations to the Department,
program implementers, and other program partners to troubleshoot emergent challenges and identify emergent opportunities to improve the delivery of program elements in addition to those captured in collected metrics. The recommendations may be targeted toward any level or geographic area of implementation;

(6) shall collaborate with the Board Liaison, Department, and other program partners and vendors to inform updates to the public about Advisory Board activities;

(7) shall advise the Department, Regional Administrators, and Primes Program Administrator on the development of dispute resolution processes; and

(8) shall perform any other duties assigned to it by this Act.

(d) Composition and Terms. The Department shall appoint the Advisory Board within 90 days after the effective date of this Act and shall appoint new Advisory Board members as members' terms expire or members leave the Board. Members of the Advisory Board shall serve without compensation, but may be reimbursed for their reasonable and necessary expenses incurred in performing their duties. The Department shall provide administrative support to the Advisory Board, including the selection of a Department staff member to serve as a Board Liaison between the Department and the Advisory Board. The Department shall appoint interim members to the
Advisory Board upon departures of members. The Advisory Board shall consist of the following 15 members that reflects the diversity and demographics of the State of Illinois:

(1) 2 low-income persons residing in communities listed in paragraphs (1) through (3) in subsection (b) of Section 5-130 of this Part;

(2) 2 residents of Environmental Justice Communities served by a Hub Site, as defined in Part 5 of this Act;

(3) one current or former participant trainee in the Clean Energy Entrepreneurship and Contractor Incubator Network Program. For the initial board term, the Department may select a current or former participant of a utility-supported contractor incubator program for this position;

(4) 2 members from community-based organizations in environmental justice communities and community-based organizations serving low-income persons and families;

(5) 2 members who are policy or implementation experts on small business development, contractor incubation, or small business lending and financing needs;

(6) 2 members who are policy or implementation experts on workforce development for populations and individuals such as low-income persons and families, environmental justice communities, BIPOC communities, justice-involved persons, persons who are or were in the child welfare system, energy workers, gender nonconforming and
transgender individuals, and youth;

(7) 2 representatives of clean energy businesses, nonprofit organizations, worker-owned cooperatives, and other groups that provide clean energy contracting opportunities; and

(8) 2 representatives of labor unions.

At any time, the Board must contain at least 4 members who reside in each of the North, Central, and Southern sections of Illinois. The terms of the initial members of the Advisory Board shall be such that 5 members have initial 3-year terms, 5 members have initial 2-year terms, and 5 members have initial 1-year terms. After initial terms are complete, all members of the Advisory Board shall have 3-year terms. A majority of Board members shall constitute a quorum.

Section 5-130. Regional administrators.

(a) Within 180 days after the effective date of this Act, the Department shall convene and complete a comprehensive stakeholder process that includes, at minimum, representatives from community-based organizations in environmental justice communities, community-based organizations serving low-income persons and families, community-based organizations serving energy workers, and labor unions. The stakeholder process must include measures for process transparency to be posted on the Department website or initial program websites, such as a timeline for key decision points, detailed criteria
implementing requirements specified in subsection (b) of this Section, and identification of opportunities for stakeholder participation and review. After completing the stakeholder process, the Department, in consultation with and with the approval of the Advisory Board, shall select 3 Regional Administrators to administer and coordinate the work of the following programs set forth in this Act:

(1) the Clean Jobs Workforce Hubs Program;

(2) the Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program; and

(3) the Returning Residents Clean Jobs Training Program.

(b) The Department shall select 3 unique Regional Administrators: one Regional Administrator for coordination of the work in the Northern Illinois Program Delivery Area, one Regional Administrator selected for coordination of the work in the Central Illinois Program Delivery Area, and one Regional Administrator selected for coordination of the work in the Southern Illinois Program Delivery Area. For purposes of this Act:

(1) The Northern Illinois Program Delivery Area includes areas in or near Chicago (South Side), Chicago (Southwest Side), Waukegan, Rockford, Aurora, Joliet, and one of the 3 sites to be selected based on the gap analyses described in subsection (b) of Section 5-515 of Part 5 of this Act and subsection (b) of Section 5-1010 of Part 10 of
(2) The Central Illinois Program Delivery Area includes areas in or near Peoria, Champaign, Danville, Decatur, and one of the 3 sites to be selected based on the gap analyses described in subsection (b) of Section 5-515 of Part 5 of this Act and subsection (b) of Section 5-1010 of Part 10 of this Act.

(3) The Southern Illinois Program Delivery Area includes areas in or near Carbondale, East St. Louis, and Alton, and one of the 3 sites to be selected based on the gap analyses described in subsection (b) of Section 5-515 of Part 5 of this Act and subsection (b) of Section 5-1010 of Part 10 of this Act.

(c) The Regional Administrators shall have strong capabilities, experience, and knowledge related to program development and fiscal management; cultural and language competency needed to be effective in their respective communities to be served; expertise in working in and with BIPOC and environmental justice communities; knowledge and experience in working with providers of clean energy jobs; and awareness of industry trends and activities, workforce development best practices, regional workforce development needs, regional and industry employers, and community development. The Regional Administrators shall demonstrate a track record of strong partnerships with community-based organizations.
(d) The Regional Administrators shall work together to coordinate the programs listed in paragraphs (1) through (3) of subsection (a) to ensure execution, performance, partnerships, marketing, and program access across the State that is as consistent as possible while respecting regional differences. The Regional Administrators shall work with Program Administrators and partner community-based organizations in their respective regions and Program Delivery Areas to deliver these programs and shall establish mechanisms to fund these partner community-based organizations for their work on these programs. Each of the Regional Administrators shall convene the community-based organizations delivering program elements in their Program Delivery Areas for a meeting once per quarter, at minimum, as well as monthly calls, at minimum. Each year, the Department shall convene a meeting of the Regional Administrators, contracted community-based organizations, and subcontracted entities.

(e) The Department shall oversee the coordination undertaken by all 3 Regional Administrators to ensure high-quality and equivalent service provision statewide. The Department shall require, at minimum, monthly coordination meetings including the Department and all 3 Regional Administrators to develop joint planning processes and coordination mechanisms with each of the Regional Administrators and among the 3 Regional Administrators such that they are functioning effectively and delivering parallel
administration in their respective regions, and the Department shall also work to create joint planning opportunities and coordination mechanisms to enable the Regional Administrators to collaborate, particularly enabling the Regional Administrators to coordinate and collaborate to enhance program delivery within their respective program delivery areas.

(f) Regional Administrators shall present a regional status report consisting of, at minimum, the performance metrics detailed in the programs described in subsection (a) of this Section to the Advisory Board at each of its quarterly meetings.

(g) Regional Administrators shall take on additional duties related to the program administration as assigned by the Department.

Section 5-135. Corrective action.

(a) The Department shall maintain a performance management system to support the Primes Program Administrator, Regional administrators, and Regional Primes Program Leads in ensuring effective and high-quality implementation of the programs listed in Section 5-120 of this Part.

(b) If the Primes Program Administrator, a Regional Administrator, a Regional Primes Program Lead or contracted community-based organization or other vendor does not deliver contractually obligated program elements, objectives, or
outcomes, even after multiple corrective action plans have been implemented, the Department or, in the case of community-based organizations or other vendors, the Regional Administrator may place the organization on probationary status, or as needed, terminate their services. The Department shall develop procedures to enable Regional Administrators to procure expedited replacement contracts to avoid any resulting disruption to the affected programs.

(c) If the Primes Program Administrator, a Regional Administrator, a Regional Primes Program Lead or contracted community-based organization or other vendor does not deliver contractually obligated program elements, objectives, or outcomes after corrective action has been implemented, the Department may take additional corrective action, including, but not limited to, a legally binding dispute resolution process.

(d) The Department, Primes Program Administrator, and Regional Administrators shall develop uniform guidelines for minimum components of corrective action plans, and guidelines for when probationary status or termination is deemed warranted for the Primes, Program Administrator, Regional Administrators, a Regional Primes Program Lead, contracted community-based organizations or other vendors. The Department, Primes Program Administrator, and Regional Administrators, with input from the Advisory Board, shall develop a uniform, legally binding mechanism for dispute
resolution between contracted community-based organizations and their subcontracted entities to be implemented under the Primes Program Administrator, Regional Administrators or other identified mediator.

Section 5-140. Statewide program support lead. The Department may contract with an outside vendor to assist with program administration, contract management, management of Regional Administrators, or other functions, as needed.

Section 5-145. Agreements. All agreements entered into between the Department and entities for the purpose of implementing the programs listed in Section 5-120 of this Part shall contain provisions that provide for the implementation of this Act.

Section 5-150. Administration; rules. The Department shall administer this Act and shall adopt any rules necessary for that purpose.

Part 5. Clean Jobs Workforce Hubs Network Program

Section 5-505. Definitions. As used in this Part:
"Program" means the Clean Jobs Workforce Hubs Network Program.
Section 5-510. Clean Jobs Workforce Hubs Network Program.

(a) The Department shall develop, and through Regional Program Administrators administer, the Clean Jobs Workforce Hubs Network Program to create a network of 16 Program delivery Hub Sites with program elements delivered by community-based organizations and their subcontractors geographically distributed across the State.

(b) The Program shall provide direct and sustained support to members of one or more of the following members of communities across the State to enter and complete the career pipeline for clean energy jobs, with the goal of serving all of the following groups distributed across the network: (i) low-income persons; (ii) persons residing in environmental justice communities; (iii) BIPOC persons; (iv) justice-involved persons; (v) persons who are or were in the child welfare system; (vi) energy workers; (vii) members of any of these groups who are also women, transgender, or gender nonconforming persons; and (viii) members of any of these groups who are also youth.

(c) The Clean Jobs Workforce Hubs Network Program must:

(1) leverage community-based organizations, educational institutions, and community-based and labor-based training providers to ensure members of disadvantaged communities across the State have dedicated and sustained support to enter and complete the career pipeline for clean energy jobs; and
(2) develop formal partnerships, including formal sector partnerships between community-based organizations and (i) trades groups, (ii) labor unions, and (iii) entities that provide clean energy jobs, including businesses, nonprofit organizations, and worker-owned cooperatives to ensure that Program participants have priority access to high-quality preapprenticeship, apprenticeship, and other employment training and hiring opportunities.

Section 5-515. Clean Jobs Workforce Hubs Network.

(a) The Department must develop and, through Regional Administrators, administer the Clean Jobs Workforce Hubs Network.

(b) The Clean Jobs Workforce Hubs Network shall be made up of 16 Program delivery Hub Sites geographically distributed across the State, including at least one Hub Site located in or near each of the following areas: Chicago (South Side), Chicago (Southwest Side), Waukegan, Rockford, Aurora, Joliet, Peoria, Champaign, Danville, Decatur, Carbondale, East St. Louis, and Alton. Three additional Hub Sites shall be determined by the Department within 240 days after the effective date of this Act based on a gap analysis identifying areas with high concentrations of low-income residents, environmental justice communities, and energy workers that are otherwise underserved by the other 13 Hub Sites, as well as
review of advisory recommendations from the Advisory Board specified in subsection (d) of Section 5-520. One of the additional sites shall be located in the Northern Illinois Program Delivery Area covering Northern Illinois, one of the additional sites shall be located in the Central Illinois Program Delivery Area covering Central Illinois, and one of the additional sites shall be located in the Southern Illinois Program Delivery Area covering Southern Illinois as specified in Section 5-130 of Part 1 of this Act.

(c) Program elements at each Hub Site shall be provided by a local community-based organization that shall be initially competitively selected by the Department within 330 days after the effective date of this Act and shall be subsequently competitively selected by the Department every 5 years. Community-based organizations delivering program elements outlined in subsection (d) may provide all elements required or may subcontract to other entities for provision of portions of program elements, including, but not limited to, administrative soft and hard skills for program participants, delivery of specific training in the core curriculum, or provision of other support functions for program delivery compliance. The Department and the Regional Administrators, with input from the Advisory Board, shall develop uniform minimum contractual requirements for competitively selected community-based organizations to provide the Program, uniform minimum contractual requirements for all Program subcontracts,
and uniform templates for requests for proposals for all Program subcontracts.

(d) The Clean Jobs Workforce Hubs Network shall provide all of the following program elements:

1. Community education and outreach about workforce and training opportunities to ensure the following persons are informed of clean energy workforce and training opportunities: (i) low-income persons; (ii) persons residing in environmental justice communities; (iii) BIPOC persons; (iv) justice-involved persons; (v) persons who are or were in the child welfare system; (vi) energy workers; (vii) members of any of these groups who are also women, transgender, or gender nonconforming persons; and (viii) members of any of these groups who are also youth.

2. Implementation of the Clean Jobs Curriculum, which may include, but is not limited to training, preapprenticeship, certification preparation, job readiness, and skill development, including soft skills, math skills, technical skills, certification test preparation, and other development needed for Program participant members of disadvantaged communities specified in subsection (b) of Section 5-510.

3. Development of strategies to ensure that participant members of communities specified in subsection (b) of Section 5-510 are invited, supported, and given preference in applying for both community-based and
labor-based training opportunities, including apprenticeship and preapprenticeship programs, as well as degree and certificate credentials training programs. Strategies shall include, but are not limited to, targeted outreach and recruitment activities and events, and strategies may include, but are not limited to, articulation or matriculation agreements and memoranda of understanding with community-based and labor-based training opportunities, including preapprenticeship and apprenticeship programs, as well as degree and certificate credential training programs where relevant.

(4) A living wage-equivalent stipend program for Program participants to compensate for time in clean energy jobs-related training programs and help them pay for necessary living expenses during the training. This stipend shall be supplemented by funding for transportation, child care, certification preparation and testing fees, textbooks, tools and equipment, as well as other services and supplies needed to reduce barriers to their continued training and future employment during the length of programs.

(5) Job readiness, placement, and retention support services, which may include, but are not limited to, assistance in creating a resume, training in professional networking skills, training in job interview skills and preparation, on-the-job support and counseling, conflict
resolution skills, financial literacy and coaching, and
training in how to find open positions and pursuing
opportunities to meet hiring contractors in training and
apprenticeship programs to connect trainees to both union
and nonunion career options with businesses, nonprofit
organizations, worker-owned cooperatives, and other
entities that provide clean energy jobs opportunities and
to provide a direct resource for industry to identify
qualified workers to meet program hiring or subcontracting
requirements including, the workforce equity building
actions required under Section 1-75 of the Illinois Power
Agency Act and Section 16-128B of the Public Utilities
Act. Placement activities shall include outreach to public
agencies and utilities, as well as outreach to businesses,
nonprofit organizations, worker-owned cooperatives, and
other entities that provide clean energy jobs
opportunities.

(6) Recruitment, communications, and ongoing
engagement with potential employers, including, but not
limited to, activities such as job matchmaking
initiatives, hosting events such as job fairs, and
collaborating with other Hub Sites to identify and
implement best practices for employer engagement.

(e) Within 90 days after the effective date of this Act,
the Department shall competitively select a community-based
organization to assist with pre-Program launch public
communications and stakeholder tracking, which shall begin within 120 days after the effective date of this Act and shall continue through Program launch. The Department may elect to initiate pre-Program communication of updates to the public between the effective date of this Act and competitive selection of a community-based organization to assist. Pre-Program launch communications and stakeholder tracking functions shall include, but are not limited to: (1) developing an initial email subscription list so that interested stakeholders and interested members of the public may sign up to receive email updates about the status of Program implementation, (2) develop an initial basic website including the initial email list subscription form and a page where public pre-Program updates shall be posted, (3) develop initial social media accounts where public pre-Program updates shall be posted, and (4) coordinate with the Department, Regional Administrators, and Advisory Board members to solicit information for the purposes of updating the public, as approved by the Department. Pre-Program updates shall include, but are not limited to, information about implementation timelines, selection of Hub Sites, selection of Advisory Board members, selection of Regional Administrators, selection of contracted organizations, updates from the Advisory Board, and other significant Program Administration updates. Pre-Program updates shall be disseminated to the public through the website, email list, and social media accounts no less
frequently than once per month. Following Program launch, the Department shall either (A) assume direct fulfillment of all responsibilities of public communications and stakeholder tracking directly or (B) elect to continue to competitively select a community-based organization to continue these functions and develop all initial functions into ongoing Program functions. If the Department elects to continue to competitively contract these functions, the Department may either: (i) elect to extend the contract to the competitively selected community-based organization delivering these functions during the pre-Program launch period, and may do so for a period to be determined by the Department, but to not exceed 2 years following Program launch; or (ii) elect to competitively select another community-based organization to fulfill communications and stakeholder tracking functions. The Department shall subsequently competitively select a community-based organization to fulfill communications and stakeholder tracking functions every 2 years.

Section 5-520. Regional administrators.
(a) The Clean Jobs Workforce Network Hubs Program shall be administered by 3 Regional Administrators as described in Section 5-130 of Part 1 of this Act.
(b) The Advisory Board shall have the duties given to it by Part 1 of this Act as it relates to the Program. In addition, the Advisory Board shall provide recommendations to the
Department to complement the gap analysis and selection of 3
Primary Hub Sites as specified in Section 5-130 of Part 1 of
this Act.

(c) The Department shall require submission of quarterly
reports including program performance metrics by each Hub Site
to the Regional Administrator of their Program Delivery Area,
as specified in subsection (a) of Section 5-1015 of Part 10, in
a time and manner as prescribed by the Department. Each
Regional Administrator shall collect, track, and
simultaneously submit quarterly reports to the Department and
the members of the Advisory Board, including program
performance metrics reported in a format that allows for
review of the metrics both (i) for each individual Hub Site and
(ii) aggregated by Program Delivery Area. Each Regional
Administrator shall provide technical assistance to each
individual Hub Site in their Program Delivery Area in building
systems and capacity to collect data. Program Performance
metrics include, but are not limited to, the following
information collected for each Program trainee, where
applicable:

(1) demographic data, including racial, gender, and
geographic distribution data, on Program trainees entering
the Program;

(2) demographic data, including racial, gender, and
geographic distribution data, on Program trainees
graduating the Program;
(3) demographic data, including racial, gender, and geographic distribution data, on Program trainees who are placed in employment, including the percentages of trainees by race, gender, and geographic categories in each individual job type or category and whether employment is union, nonunion, or nonunion via temp agency;

(4) trainee job retention statistics, including the duration of employment (start and end dates of hires) by race, gender, and geography;

(5) hourly wages, including hourly overtime pay rate, and benefits of trainees placed into employment by race, gender, and geography;

(6) percentage of jobs by race, gender, and geography held by Program trainees or graduates that are full-time equivalent positions, meaning that the position held is full-time, direct, and permanent based on 2,080 hours worked per year (paid directly by the employer, whose activities, schedule, and manner of work the employer controls, and receives pay and benefits in the same manner as permanent employees); and

(7) qualitative data consisting of open-ended reporting on pertinent issues, including, but not limited to, qualitative descriptions accompanying metrics or identifying key successes and challenges.

The Department shall also, on a quarterly basis, make the
program performance metrics provided under this subsection (c) available to the public on its website and on the Program website.

(d) Within 3 years after the effective date of this Act, and subsequently at least once every 3 years thereafter, the Department shall select an independent evaluator to review and prepare a report on the performance of the Program and the Regional Administrators. The evaluation shall be based on, but not limited to, the quantitative and qualitative program performance metrics specified in subsection (g) and objective criteria developed through a comprehensive public stakeholder process. In preparing the report, the independent evaluator shall include participation and recommendations from persons including, but not limited to, members of the Advisory Board, additional Program participants who are not already serving as members of the Advisory Board, and additional Program stakeholders including organizations in environmental justice communities and organizations serving low-income persons and families. The report shall include a summary of the evaluation of the Program, as well as an appendix including a review of submitted recommendations and a compilation of reported program performance metrics for the period covered by the evaluation. The report shall be posted publicly on the Department's website and the Program website, and shall be used, as needed, to improve implementation of the Program. Between evaluation due dates, the Department shall maintain
the necessary records and information required to satisfy the evaluation requirements.

Section 5-525. Clean jobs curriculum.

(a) Within 90 days after the effective date of this Act, the Department shall convene a comprehensive stakeholder process that includes representatives from the Illinois State Board of Education, the Illinois Community College Board, the Department of Labor, community-based organizations, workforce development providers, labor unions, building trades, educational institutions, residents of BIPOC and low-income communities, residents of environmental justice communities, as well as clean energy businesses, nonprofit organizations, worker-owned cooperatives, other groups that provide clean energy jobs opportunities, and other participants to identify the career pathways and training curriculum needed to prepare workers to enter clean energy jobs as defined in Section 5-115 and build careers. The curriculum shall:

   (1) identify the core training curricular competency areas needed to prepare workers to enter clean energy jobs as defined in Section 5-115, such as those included in, but not limited to, the Multi-Craft Core Curriculum, U.S. Department of Labor Employment and Training Administration-sponsored CareerOneStop Renewable Energy Competency Model, the Electric Vehicle Infrastructure Training Program;
(2) identify a set of certifications relevant for clean energy job types to be included in respective training programs and used to inform core training Curricular competency areas, such as, but not limited to, North American Board of Certified Energy Practitioners (NABCEP) Board Certifications, Interstate Renewable Energy Council (IREC) Accredited Certificate Programs, American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) ANSI/ISO accreditation standard certifications, Electric Vehicle Infrastructure Training Program Certifications, and UL Certification for EV infrastructure;

(3) identify a set of required core cross-training competencies provided in each training area for clean energy jobs with the goal of enabling any trainee to receive a standard set of skills common to multiple training areas that would provide a foundation for pursuing a career composed of multiple clean energy job types;

(4) include approaches to integrate broad occupational training to provide career entry into the general construction and building trades sector and any remedial education and work readiness support necessary to achieve educational and professional eligibility thresholds;

(5) identify, directly or through references to external resources, career pathways for clean energy jobs
types, such as, but not limited to, pathways identified in: IREC Careers in Climate Control Technology Map, IREC Solar Career Map for Workforce Training, NABCEP Certification Career Map, and U.S. Department of Labor's Bureau of Labor Statistics Green Jobs Initiative; and

(6) identify on-the-job training formats, where relevant; and identify suggested trainer certification standards, where relevant.

(b) Within 180 days after the stakeholder process is convened, the Department shall publish a report that includes the findings, recommendations, and core curriculum identified by the stakeholder group and shall post a copy of the report on its public website. The Department shall convene the process described to update and modify the recommended curriculum every 3 years to ensure the curriculum contents are current to the evolving clean energy industries, practices, and technologies.

(c) Organizations that receive funding to provide training under the Clean Jobs Workforce Hubs Network Program, including, but not limited to, community-based and labor-based training providers, and educational institutions must use the core curriculum that is developed under this Section.

Section 5-530. Funding. To provide direct, sustained support for the Program, the Department shall be responsible for overseeing the development and implementation of the
Program, and each year shall, subject to appropriation, allocate at least $1,000,000 to each of the 16 community-based organizations providing program elements at the 16 Hub Sites described in this Act, including for the purposes of providing Program elements through subcontracted entities. Funding of $26,000,000 for the Program shall be made available from the Energy Community Reinvestment Fund.

Section 5-535. Administrative review. All final administrative decisions, including, but not limited to, funding allocation and rules issued, made by the Department under this Part are subject to judicial review under the Administrative Review Law and its rules. No action may be commenced under this Section prior to 60 days after the complainant has given notice in writing of the action to the Department.

Part 10. Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program

Section 5-1001. Definitions. As used in this Part:

"Program" means the Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program.

Section 5-1005. Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program.
(a) The Department shall develop and, through Regional Program Administrators, administer the Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program to create a network of 16 Program delivery Hub Sites with program elements delivered by community-based organizations and their subcontractors geographically distributed across the State.

(b) The Program shall provide direct and sustained support for the development and growth of BIPOC participant contractors and provide the needed resources for entities to be able to effectively compete for, gain, and execute clean energy-related projects that create clean energy jobs. The Program shall provide direct and sustained support for a portion of disadvantaged BIPOC contractors in the Program who are previous graduates of the Clean Jobs Workforce Hubs Network Program to further develop wealth-building opportunities, and career paths in clean energy contracting and the creation of clean energy jobs.

Section 5-1010. Expanding Clean Energy Entrepreneurship and Contractor Incubator Network.

(a) The Department shall develop and, through Regional Program Administrators, administer the Expanding Clean Energy Entrepreneurship and Contractor Incubators Network.

(b) The Clean Energy Entrepreneurship and Contractor Incubator Network Program shall be made up of 16 Program delivery Hub Sites geographically distributed across the
State, including at least one Hub Site located in or near each of the following areas: Chicago (South Side), Chicago (Southwest Side), Waukegan, Rockford, Aurora, Joliet, Peoria, Champaign, Danville, Decatur, Carbondale, East St. Louis, and Alton. Three additional sites shall be determined by the Department within 240 days after the effective date of this Act based on a gap analysis identifying areas with high concentrations of low-income residents, environmental justice communities, and energy workers that are otherwise underserved by the other 13 Hub Sites, as well as review of advisory recommendations from the Advisory Board. One of the additional sites shall be located in the Northern Illinois Program Delivery Area covering Northern Illinois, one of the additional sites shall be located in the Central Illinois Program Delivery Area covering Central Illinois, and one of the additional sites shall be located in the Southern Illinois Program Delivery Area covering Southern Illinois as specified in Part 1 of this Act.

(c) Program elements at each Hub Site shall be provided by a local community-based organization that shall be initially competitively selected by the Department within 330 days after the effective date of this Act and shall be subsequently competitively selected by the Department every 5 years. Community-based organizations delivering program elements required in subsection (d) of this Section may provide all of the elements required at each Hub Site or may subcontract to
other entities for the provision of portions of program elements, including, but not limited to, administrative soft and hard skills for program participants, delivery of training in the core curriculum, or the provision of other support functions for program delivery compliance. The Regional Administrators, with input from the Program Advisory Board, shall develop uniform minimum contractual requirements for competitively selected community-based organizations to provide the Program, uniform minimum contractual requirements for all Program subcontracts, and uniform templates for requests for proposals for all Program subcontracts.

(d) The Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program shall provide the following program elements:

(1) access to low-cost capital for small and BIPOC clean energy businesses and contractors to be able to compete on a level playing field with more established, capitalized businesses across the entire clean energy sector in Illinois, including solar, wind, energy efficiency, transportation, electrification, solar thermal, geothermal, and other renewable energy industries;

(2) support for obtaining financial assurance, including, but not limited to: bonding; back office services; insurance, permits, training and certifications; business planning; and other needs that will allow BIPOC
participant contractors to effectively compete for clean
energy-related projects, incentive programs, and approved
vendor and qualified installer opportunities;

(3) development, mentoring, training, networking, and
other support needed to allow BIPOC participant
contractors to: (i) build their businesses and connect to
specific projects, (ii) register as approved vendors where
applicable, (iii) engage in approved vendor subcontracting
and qualified installer opportunities, (iv) Develop
partnering and networking skills, (v) compete for capital
and other resources, and (vi) execute clean energy-related
project installations and subcontracts;

(4) outreach and communications capability to ensure
that BIPOC participant contractors, community partners,
and potential contractor clients are aware of and engaged
in the Program;

(5) prevailing wage compliance training and back
office support to implement prevailing wage practices; and

(6) recruitment, communications, and ongoing
engagement with potential entities that hire contractors
and subcontractors, and program administrators of programs
providing renewable energy resource-related projects,
incentive programs, and approved vendor and qualified
installer opportunities, including, but not limited to,
activities such as matchmaking initiatives, hosting
events, and collaborating with other Hub Sites to identify
and implement best practices for engagement.

(e) Within 90 days after the effective date of this Act, the Department shall competitively select a community-based organization to assist with pre-Program launch public communications and stakeholder tracking, which shall begin within 120 days after the effective date of this Act and shall continue through Program launch. The Department may elect to initiate pre-Program communication of updates to the public between the effective date of this Act and competitive selection of a community-based organization to assist. Pre-Program launch communications and stakeholder tracking functions shall include, but are not limited to, the following: (1) developing an initial email subscription list so that interested stakeholders and interested members of the public may sign up to receive email updates about the status of Program implementation, (2) develop an initial basic website including the initial email list subscription form and a page where public pre-Program updates shall be posted, (3) develop initial social media accounts where public pre-Program updates shall be posted, and (4) coordinate with the Department, Regional Administrators, and Advisory Board members to solicit information for the purposes of updating the public, as approved by the Department. Pre-Program updates shall include, but are not limited to, information about implementation timelines, selection of Hub Sites, selection of Advisory Board members, selection of Regional Administrators, selection of
contracted organizations, updates from the Advisory Board, and other significant Program Administration updates. Pre-Program updates shall be disseminated to the public through the website, email list, and social media accounts no less frequently than monthly. Following Program launch, the Department shall either (A) assume direct fulfillment of all responsibilities of public communications and stakeholder tracking directly or (B) elect to continue contracting with a competitively selected community-based organization to provide these functions and develop all initial functions into ongoing Program functions. If the Department elects to continue to competitively contract these functions, the Department may either (i) extend the contract to the competitively selected community-based organization delivering the functions during the pre-Program launch period, and may do so for a period to be determined by the Department, but not to exceed 2 years following Program launch, or (ii) elect to competitively select another community-based organization to fulfill communications and stakeholder tracking functions. The Department shall subsequently competitively select a community-based organization to fulfill communications and stakeholder tracking functions once every 2 years.

Section 5-1015. Regional administrators.

(a) The Clean Energy Entrepreneurship and Contractor Incubator Network Program shall be administered by 3 Regional
Administrators as described in Section 5-130 of Part 1 of this Act. In addition, the Regional Administrators shall administer the Departments loan and grant programs, where relevant, as specified in subsection (a) of Section 5-1010 of this Part.

(b) The Advisory Board shall have the duties given to it by the Part 1 of this Act as they relate to the Program. In addition, the Advisory Board shall provide recommendations to the Department to complement the gap analysis and selection of 3 Primary Hub Sites as specified in Section 5-130 of Part 1 of this Act.

(c) The Department shall require submission of quarterly reports including program performance metrics by each Hub Site to the Regional administrator of their Program Delivery Area as specified in subsection (a) of Section 5-1015 in a time and manner prescribed by the Department. Each Regional Administrator shall collect, track, and simultaneously submit quarterly reports to the Department and the Advisory Board, including program performance metrics reported in a format that allows for review of the metrics both (i) for each individual Hub Site and (ii) aggregated by Program Delivery Area. Each Regional Administrator shall provide technical assistance to each individual Hub Site in their Program Delivery Area in building systems and capacity to collect data. Program performance metrics include, but are not limited to, the following information collected for each Program participant:
(1) demographic data, including racial, gender, and geographic distribution data, on BIPOC participant contractors entering and graduating the Program;

(2) number of projects completed by BIPOC participant contractors, solo or in partnership;

(3) number of partnerships with BIPOC participant contractors that are expected to result in contracts for work by the BIPOC participant contractor;

(4) changes, including growth, in BIPOC participant contractors' business revenue;

(5) number of new hires by BIPOC participant contractors;

(6) demographic data, including racial, gender, and geographic distribution data as well as average wage data, for new hires by BIPOC participant contractors;

(7) demographic data, including racial, gender, and geographic distribution data of ownership of BIPOC participant contractors;

(8) certifications held by BIPOC participant contractors, including, but not limited to, registration under Business Enterprise for Minorities, Women, and Persons with Disabilities Act program and other programs intended to certify BIPOC entities;

(9) number of Program sessions attended by BIPOC participant contractors;

(10) indicators relevant for assessing general
financial health of BIPOC participant contractors; and
(11) qualitative data consisting of open-ended reporting on pertinent issues, including, but not limited to, qualitative descriptions accompanying metrics or identifying key successes and challenges.

The Department shall, on a quarterly basis, make program performance metrics provided under this subsection (g) available to the public on its website and on the Program website.

(d) Within 3 years after the effective date of this Act, and subsequently at least once every 3 years, the Department shall select an independent evaluator to evaluate and prepare a report on the performance of the Program and Regional Administrators. The evaluation shall be based on the quantitative and qualitative program performance metrics and reports specified in subsection (g) and objective criteria developed through a comprehensive public stakeholder process. The process shall include participation and recommendations from Program participants, Advisory Board members, additional current and former Program participants who are not already serving as members of the Advisory Board, and additional Program stakeholders, including organizations in environmental justice communities and serving low-income persons and families. The report shall include a summary of the evaluation of the Program, as well as an appendix that includes a review of submitted recommendations and a compilation of reported
program performance metrics for the period covered by the evaluation. The report shall be posted publicly on the Department's website and shall be used, as needed, to improve implementation of the Program. The Department shall maintain the necessary information and records required to satisfy the evaluation requirements.

Section 5-1020. Jobs and Environmental Justice Grant Program.

(a) In order to provide upfront capital to support the development of projects, businesses, community organizations, and jobs creating opportunity for Black, Indigenous, and People of Color, the Program shall create and administer a Jobs and Environmental Justice Grant Program. The grant program shall be designed to help remove barriers to project, community, and business development caused by a lack of capital.

(b) The grant program shall provide grant awards of up to $1 million per application to support the development of renewable energy resources as defined in Section 1-75 of the Illinois Power Agency Act, and Energy Efficiency projects as defined in Sections 8-103B and 8-104.1 of the Public Utilities Act. The amount of a grant award shall be based on a project size and scope. Grants shall be provided upfront, in advance of other incentives, to provide businesses and organizations with capital needed to plan, develop, and execute a project.
Grants shall be designed to coordinate with and supplement existing incentive programs, such as the Adjustable Block Program, the Solar for All Program, the Community Solar Program, and renewable energy procurements as described in the Illinois Power Agency Act, as well as utility Energy Efficiency programs as described in Sections 8-103B and 8-104.1 of the Public Utilities Act.

(c) Grants shall be awarded to businesses and nonprofit organizations for costs related to the following activities and project needs:

   (1) planning and project development, including costs for professional services such as architecture, design, engineering, auditing, consulting, and developer services;
   (2) project application, deposit, and approval;
   (3) purchasing and leasing of land;
   (4) permitting and zoning;
   (5) interconnection application costs and fees, studies, and expenses;
   (6) equipment and supplies;
   (7) community outreach, marketing, and engagement;
   (8) staff and operations expenses.

(d) Grants shall be awarded for projects that meet the following criteria:

   (1) provide community benefit, defined as greater than 50% of the project's energy provided or saved that benefits low-income residents, not-for-profit
organizations providing services to low-income households, affordable housing owners, or community-based limited liability companies providing services to low-income households. In the case of Community Solar projects, projects must provide preferential or exclusive access for local subscribers or donated power;

(2) are located in environmental justice communities, as that term has been defined based on existing methodologies and findings used by the Illinois Power Agency and its Administrator of the Illinois Solar for All Program;

(3) provide on-the-job training, as time and scope permits;

(4) contract with contractors who are participating or have participated in the Expanding Clean Energy Entrepreneurship and Contractor Incubators Network Program, or similar programs, for a minimum of 50% of project costs; and

(5) employ a minimum of 51% of its workforce from participants and graduates of the Clean Jobs Workforce Hubs Network Program and Returning Residents Program as described in this Act.

(e) Grants shall be awarded to applicants that meet the following criteria:

(1) achieve a minimum of 105 points in the equity points systems described in paragraph (7) of subsection
(c) of Section 1-75 of the Illinois Power Agency Act, or meet the equity building criteria in paragraph (9.5) of subsection (g) of Section 8-103B of the Public Utilities Act or in paragraph (9.5) of subsection (j) of Section 8-104.1 of the Public Utilities Act; and

(2) provide demonstrable proof of a historical or future, and persisting, long-term partnership with the community in which the project will be located.

(f) The application process for the grant program shall not be burdensome on applicants, nor require extensive technical knowledge, and be able to be completed on less than 4 standard letter-sized pages.

(g) The Program shall coordinate its grant program with the Clean Energy Jobs and Justice Fund to coordinate grants under this program with low-interest and no-interest financing opportunities offered by the fund.

(h) The grant program shall have a budget of $20,000,000 per year, for a minimum of 4 years, and continued after that until funds are no longer available or the program is ended by the Department.

Section 5-1025. Funding. To provide direct, sustained support for the Program, the Department shall be responsible for overseeing the development and implementation of the Program, and each year shall, subject to appropriation, allocate at least $800,000 to each of the 16 community-based
organizations providing program elements at the 16 Hub Sites described in this Act, including for the purposes of providing program elements through subcontracted entities. Funding of $21,000,000 per year for the Program shall be made available from the Energy Community Reinvestment Fund, and funding of $20,000,000 per year for the Jobs and Environmental Justice Grant Program shall be made available from the Energy Community Reinvestment Fund.

Section 5-1030. Administrative review. All final administrative decisions, including, but not limited to funding allocation and rules issued, made by the Department under this Part are subject to judicial review under the Administrative Review Law and its rules. No action may be commenced under this Section prior to 60 days after the complainant has given notice in writing of the action to the Department.

Part 15. Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator

Section 5-1501. Definitions. As used in this Part:

"Approved Vendor" means the definition of that term used and as may be updated by the Illinois Power Agency.

"Contractor Incubator" means an incubator authorized under Part 10 of this Act.

"Mentor Company" means a private company selected to provide business mentorship to Program participants as described in Section 5-1535 of this Part.

"Minority Business" means a minority-owned business as described in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Minority Business Enterprise certification" means the certification or recognition certification affidavit from the State of Illinois Department of Central Management Services Business Enterprise Program or a program with equivalent requirements more narrowly tailored to the needs of prime contractors.

"Primes Program Administrator" means the entity or person selected to be responsible for management of the Program as established in Section 5-1505 of this Part.

"Regional Primes Program Lead" means the entity or person selected to be responsible for management of the Program as established in Section 5-1505 of this Part.

"Program" means the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator Program.

"Participant" means the persons and organizations selected to participate in the Program.
"Returning Resident" is defined as in Part 20 of this Act.

"Workforce Hub" means a workforce training program authorized under Part 5 of this Act.


(a) The Department of Commerce and Economic Opportunity shall create and implement, consistent with the requirements of this Part, an Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator. The offerings for Program participants shall include the following:

(1) a 5-year, 6-month progressive course of one-on-one coaching designed to assist each participant in developing an achievable five-year business plan, including review of monthly metrics, advice on achieving the Program participant's goals such as obtaining relevant business certifications and preparing for prime contracting opportunities;

(2) operational support grants not to exceed $1 million annually;

(3) interest-free and low-interest loans available through the Illinois Clean Energy Jobs and Justice Fund or comparable financial mechanism;

(4) business coaching by outside consultants, based on the participant's individual needs;
(5) a mentorship of approximately 2 years provided by a qualified company in the participant's field;

(6) full access to Contractor Incubator services including courses and workshops, informational briefings about opportunities created by the Clean Energy Jobs Act and other Illinois focused clean energy opportunities, access to jobs and project portals, contractor networking, job fairs, and monthly contractor cohort meetings;

(7) technical assistance with applying for Minority Business Enterprise certification and other relevant certifications as well as Approved Vendor status for Illinois programs offered by utilities or other similar entities;

(8) technical assistance with preparing bids and Request for Proposal applications for programs created by the Clean Energy Jobs Act and other Illinois focused clean energy opportunities;

(9) opportunities to participate in procurement programs organized by the Department to provide bulk discounts on tools, equipment, and supplies; and

(10) opportunities to be listed in any relevant directories and databases organized by the Department.

(b) The Department and Primes Program Administrator shall coordinate Program events and training designed to connect the Program participants with the programs created in Parts II and III of this Act.
(c) The Department and Primes Program Administrator shall coordinate with the Illinois Power Agency's Adjustable Block Program and Illinois Solar For All program to connect Program participants with funding opportunities created by the Adjustable Block Program and Illinois Solar For All program.

(d) The Department and Primes Program Administrator shall coordinate with the electric, gas and water utilities to connect Program participants with Approved Vendor and other service provider and incentive opportunities in areas including energy efficiency and electric vehicles.

(e) The Department and Primes Program Administrator shall coordinate financial development assistance programs such as zero- and low-interest loans with the Illinois Clean Energy Jobs and Justice Fund or a comparable financing mechanism. The Department and Primes Program Administrator shall retain authority to determine loan repayment terms and conditions.

Section 5-1510. Program administration.

(a) The Department shall, in consultation with the Advisory Board, hire or contract a Primes Program Administrator within 180 days after the effective date of this Act.

(b) The Department shall select a Primes Program Administrator with the following qualifications:

(1) experience running a large contractor-based or Approved Vendor business in Illinois;
experience coaching businesses;
(3) experience participating in or managing a mentorship program;
(4) experience in the Illinois clean energy industry;
(5) experience working with diverse, underserved, and environmental justice communities; and
(6) experience working with or participating in businesses owned by BIPOC persons.

(c) Responsibilities of the Primes Program Administrator.
The Primes Program Administrator shall be responsible for the following:
(1) managing the Regional Primes Program Leads to develop an 18-month Program budget as well as a 6-year forecast to guide expenditures in the regions;
(2) working with the Regional Primes Program Leads to design a Program application including a shareable description of how participants will be selected;
(3) working with the Regional Primes Program Leads and the partners in the programs described in Parts 5 and 10 of this Act to publicize the Program;
(4) working with the Regional Primes Program Leads and the Advisory Board to implement the recommendations on acceptance of potential Program participants and awarded funding;
(5) working with the Regional Primes Program Leads to design and implement a mentorship program including
stipend level recommendations and guidelines for any Mentor Company-mentee profit sharing or purchased services agreements;

(6) working with the Regional Primes Program Leads to ensure participants are quickly on-boarded into the Program and begin tapping Program resources;

(7) collecting and reporting metrics related to cohort recruiting and formation to the Department and the Advisory Board;

(8) reviewing the work plans and annual goals of all participants. Reviewing all approved Mentor Companies and the stipends they will be awarded;

(9) conducting an annual assessment of the mentorship program including Mentor Company and mentee interviews, Mentor Company and mentee satisfaction ratings, and input from the Regional Primes Program Leads and creating a consolidated report for Department and the Advisory Board;

(10) consolidating and reporting metrics related to participant contractor engagement in other Illinois clean energy programs such as the Adjustable Block Program, Illinois Solar for All, and the utility-run energy efficiency and electric vehicle programs;

(11) reviewing each participant's annual progress through the Program and any recommendations from the Regional Primes Program Lead about whether the participant should continue in the Program, be considered a Program
graduate, and whether adjustments to ongoing and future grant money, loans and Contractor Incubator service access are needed; and

(12) other duties as required to effectively and equitably administer the Program.

(d) Within 90 days after being hired, the Primes Program Administrator, in consultation with the Department and the Advisory Board, shall contract with 3 Regional Primes Program Leads. The Regional Primes Program Leads will report directly to the Primes Program Administrator.

(e) The Regional Primes Program Leads selected by the Primes Program Administrator shall have the following qualifications:

(1) experience running a large contracting or Approved Vendor business in Illinois;

(2) experience in the Illinois clean energy industry;

(3) experience coaching businesses;

(4) experience with a mentorship program;

(5) relationships with suitable potential Mentor Companies in the region;

(6) experience working with diverse, underserved, and environmental justice communities;

(7) experience working with or participating in businesses owned by BIPOC persons; and

(8) ability and willingness to be located within the region they will be leading.
(f) The Regional Primes Program Leads shall have the following responsibilities:

(1) developing Program marketing materials and working with the Workforce Hubs and Contractor Incubators in the region and their community partners to publicize the Program. The budget shall include funds to pay community-based organizations with a track record of working with diverse, underserved, and environmental justice communities to complete this work;

(2) recruiting qualified Program applicants;

(3) assisting Program applicants in understanding and completing the application process;

(4) coordinating with the Department and the Advisory Board to select qualified applicants for Program participation and determine how to allocate funding among selected participants;

(5) introducing participants to the Program offerings;

(6) upon entry of each Program participant and each year thereafter, conducting a detailed assessment with each participant to identify needed training, coaching, and other Program services;

(7) upon entry of each Program participant and each year thereafter, assisting each participant in developing goals in terms of each Program element, and assessing progress toward meeting the goals established in previous years' work plans;
(8) assisting Program participants in receiving their Minority Business Enterprise certification and any other relevant certifications and Approved Vendor statuses;

(9) matching each participant with Contractor Incubator offerings and individualized expert coaching, including training on working with returning residents and the second chance companies that employ them, as needed;

(10) pairing each Program participant with a Mentor Company;

(11) facilitating connections between each Program participant to potential subcontractors and employees;

(12) dispensing each participant's awarded operational grant funding;

(13) connecting each participant to zero- and low-interest loans from the Illinois Clean Energy Jobs and Justice Fund or a comparable financing mechanism;

(14) ensuring that each participant applies for appropriate project opportunities funded by the State of Illinois or businesses or individuals located within Illinois;

(15) reviewing each participant's progress through the Program and making a recommendation to the Department and the Advisory Board about whether the participant should continue in the Program, be considered a Program graduate, and whether adjustments to ongoing and future grant funding, loans and related service access overseen by the
Advisory Board are needed; and
(16) other duties as required to effectively and
equitably administer the Program.

Section 5-1515. Eligibility for program participation.
(a) The Program will accept applications to become Program
participants from any person with the following
qualifications:
(1) 2 or more years of experience in a clean energy or
a related contracting field;
(2) at least $5,000 in annual business; and
(3) businesses with Minority Business Enterprise
certification or recognition certification affidavit from
the State of Illinois Department of Central Management
Services Business Enterprise program or that meet the
definition of a minority-owned business as described in
Section 2 of the Business Enterprise for Minorities, Women
and Persons with Disabilities Act.
(b) Applicants for Program participation shall be allowed
to reapply for a future cohort if they are not selected for
participation, and the Primes Program Administrator shall
inform each applicant of this option.

Section 5-1520. Participant selection.
(a) Each region will select a new cohort of participant
contractors every 18 months.
(b) Each regional cohort will include between 3 and 5 participants.

(c) The application for positions as a program participant shall be standardized across regions and require the following information:

1. company history, financial information, and visibility;

2. list of up to the 5 most recent years' projects with basic information including customer names and locations, partner names if any, community profit-sharing arrangements if any, and total revenues, payroll expenses and subcontracting expenses;

3. list of future projects, if any, with same details as the paragraph (2);

4. a year-by-year plan showing how program-requested operational grants, program-requested zero-interest and low-interest loans and self-funding, private investments and completed project profits will create growth for the applicant company; and

5. details on partnerships, including any community-based organizations partnership for workforce development, subscriber recruitment and conducting information sessions as well as subcontracting relationships and sources of private capital. Projected spending shall be included for these items.

(d) Applicants will be scored up to 50 points based on the
components outlined in subsection (c).

(e) Applications who designate themselves as energy efficiency applicants can be awarded additional points as follows:

(1) Up to 15 points based on projected hiring and industry job creation via subcontracting year-by-year, including description of wages, salaries and benefits;

(2) Up to 15 points based on a clear vision of growing the business in a strategic way;

(3) Up to 10 points based on a clear vision of how increased capitalization would benefit the business;

(4) Up to 10 points based on past project performance in the areas of work quality, adherence to best practices and demonstration of technical knowledge;

(f) Applications who do not designate themselves as energy efficiency applicants pursuant to paragraph (e) of this Section can be awarded additional points as follows:

(1) Up to 10 points based on outside capital and capacity the applicant is anticipated to bring to project development;

(2) Up to 10 points based on ratio of grants to loans requested as a measure of how much of the risk the applicant is willing to assume;

(3) Up to 10 points based on the anticipated revenues from future projects;

(4) Up to 10 points based on projected hiring and
industry job creation via subcontracting year-by-year, including description of wages, salaries and benefits;

(5) Up to 10 points based on any model proposed to build wealth in the larger underserved community through profit sharing, transfer of asset ownership (such as solar panels) and other means.

(g) The Primes Program Administrator shall select Program participants based on the application score, the Program's ability to accommodate the requested grants and loans, and the expectation of a contractor cohort that approximates the racial diversity in the region. The Primes Program Administrator shall cap contractors in the energy efficiency sector at 50% of available cohort spots and 50% of available grants and loans if possible.

(h) Regional Primes Program Leads shall review applications, conduct one-on-one interviews, and, if possible, visit work sites of promising candidates.

(i) Regional Primes Program Leads shall recommend a cohort of selected contractors and a corresponding budget to the Primes Program Administrator for final approval. Applicants not recommended for approval are allowed to petition the Primes Program Administrator, the Department and the Advisory Board for consideration.

(j) Regional Primes Program Leads shall make cohort recommendations to the Primes Program Administrator, the Department and the Advisory Board. Applicants may be asked to
make a short presentation to the Department and the Advisory
Board prior to a final determination on acceptance. Final
selection of contractor participants rests with the
Department.

Section 5-1525. Metrics and goals for program
participants.

(a) Upon each participant's acceptance into the Program,
the Regional Primes Program Leads shall solicit, and Program
participants shall be required to provide, the following
information to prepare a baseline report on the Program
participant's business:

(1) information necessary to understand the financial
health of the Program participant;

(2) income from past project development;

(3) the certifications that the Program participant is
seeking to obtain;

(4) employee data including salaries, length of
service and demographics;

(5) subcontractor data including demographics (if
available or applicable); and

(6) community profit-sharing and joint ownership data
(if available or applicable).

(b) The Regional Primes Program Leads shall to the
greatest extent practical establish a monthly metric reporting
system with each of the participating contractors and track
the metrics for progress against the contractor's work plan
and Program goals. Regional Primes Program Leads shall
compile, and require Program participants to provide
information for, the following metrics on a monthly basis:

(1) information necessary to understand the financial
health of the Program participant;

(2) information about project development including
bids submitted, projects started, projects completed and
related project-based expenses and income, and the
percentage of projects where contractor is acting as the
prime contractor;

(3) the certifications that the Program participant is
seeking to obtain and progress in obtaining those
certifications;

(4) employee data including salaries, length of
service and demographics, as well as whether any newly
hired employees are graduates of programs contained in the
Clean Jobs Workforce Hub Act;

(5) subcontractor data (if applicable) including
demographics, details on salaries, length of service and
demographics of any industry jobs created, and whether the
subcontractors are participants in or graduates of
programs contained in Part 10 of this Act;

(6) community profit-sharing and joint ownership data
(if available or applicable);

(7) amounts of grants and loans provided through the
Program;

(8) log of completed Program activities including personalized training, coaching, and approximate hours of Program support;

(9) log of interaction with the participant's Mentor Company and the participant's satisfaction with the Mentor Company relationship;

(10) information on the Program participant's satisfaction with Regional Primes Program Lead and the Program overall; and

(11) Upon graduation from the Program, participants shall continue to provide metric data outlined in (1), (4), (5) and (6) annually for 10 years.

(c) In accordance with the goal of creating an individualized experience for each participant, nonperformance issues with Program participants will be addressed with one-on-one coaching from the Regional Primes Program Lead and necessary resources. Individual contractor performance issues shall be reported up to the Primes Program Administrator on a quarterly basis with issues designated as "resolved", "in remediation", or "needing a resolution" as appropriate.

(d) Individual contractors can request assignment to a different Mentor Company if warranted.

Section 5-1530. Regional cohort and program-level metrics and goals.
(a) Regional Primes Program Leads shall report the following metrics and progress on indicated goals to the Primes Program Administrator on a timeline established by the Primes Program Administrator:

(1) cohort recruiting efforts, including the geography targeted, events held, budget allocated for recruiting, and audience-appropriateness of language and graphics in all Program materials;

(2) program applications received;

(3) participant selection data including racial and geographic breakdown;

(4) program participants with ongoing issues as described in subsection (c) of Section 5-1525 of this Part;

(5) retention of participants in each cohort;

(6) total projects bid, started, and completed by participants, including information about revenue, hiring, and subcontractor relationships with projects;

(7) total certifications issued;

(8) employment data for contractor hires and industry jobs created including demographic, salary, length of service and geographic data;

(9) grants and loans distributed;

(10) hours logged in activities including the mentorship program; and

(11) program participant satisfaction with the
(b) The Primes Program Administrator shall compile data at both the regional level and the overall Program level and create quarterly reports for the Department and the Advisory Board and an annual report for the Illinois General Assembly. Reporting provided to the Department and General Assembly will be anonymized to protect the data of Program participants, although some reporting by zip code or other geographic segment may be included. It will highlight how the Program is building wealth through increased revenues of participating companies, new hiring, creation of industry jobs, increased revenues of the larger pool of BIPOC subcontractors and through community arrangements that provide for passive income streams and asset ownership.

Section 5-1535. Mentorship Program

(a) The Regional Primes Program Leads shall recruit private companies to serve as mentors to Program participants. The primary role of the Mentor Companies shall be to assist Program participants in succeeding in the clean energy industry.

(b) The Primes Program Administrator may select Mentor Companies with the following qualifications:

1. excellent standing with state clean energy programs;
2. 4 or more years of experience in the field in which
they will serve as a Mentor Company; and

(3) a proven track record of success in the field in which they will serve as a Mentor Company.

(c) The Regional Primes Program Leads shall collaborate with Mentor Companies and the mentee Program participants to create a plan for ongoing contact in opportunities such as on-the-job training, site walkthroughs, business process and structure walkthroughs, quality assurance and quality control reviews, and other relevant activities. Mentor Companies may identify what level of stipend they require.

(d) The Regional Primes Program Lead shall recommend the Mentor Company-mentee pairings and associated Mentor Company stipends to the Primes Program Administrator for approval.

(e) The Regional Primes Program Lead shall conduct an annual review of each Mentor Company-mentee pairing and recommend whether it continues for a second year and the level of stipend that is appropriate. The review will also ensure that any profit-sharing and purchased services agreements adhere to the guidelines established by the Primes Program Administrator.

Section 5-1540. Program budget.

(a) The Department shall allocate $3 million annually to the Primes Program Administrator for each of the 3 regional budgets from the Energy Community Reinvestment Fund.

(b) Each regional budget will be developed collaboratively
by the Primes Program Administrator and the corresponding Regional Primes Program Lead. The budget will cover Program administration, Program publicity and candidate recruitment, training and certification costs, operational support grants for Program participants, Mentor Company stipends and loan loss reserves for contractor capitalization as well as other costs the Primes Program Administrator deems to be necessary or beneficial for the implementation of the Program.

(c) The Primes Program Administrator shall conduct budgeting in conjunction with Illinois Clean Energy Jobs and Justice Fund or comparable financing institution so that loan loss reserves are sufficient to underwrite $7 million in low-interest loans in each of the 3 regions.

(d) All available grant and loan funding should be made available to Program participants in a timely fashion.

Part 20. Returning Residents Program

Section 5-2001. Purpose. The Returning Residents Clean Jobs Training Program shall be established within the Illinois Department of Commerce and Economic Opportunity in an effort to assist inmates in their rehabilitation through training that prepares them to successfully hold employment in the clean energy jobs sector upon their release from incarceration.
Section 5-2005. Definitions. As used in this Part:

"Commitment" means a judicially determined placement in the custody of the Department of Corrections on the basis of conviction or delinquency.

"Committed person" means a person committed to the Department of Corrections.

"Correctional institution or facility" means a Department of Corrections building or part of a Department of Corrections building where committed persons are detained in a secure manner.

"Discharge" means the end of a sentence or the final termination of a detainee's physical commitment to and confinement in the Department of Corrections.

"Program" means the clean energy jobs instruction established by this Part.

"Program Administrator" means the person or entity selected to administer and coordinate the work of the Illinois Returning Residents Clean Jobs Training Program as established in Section 5-2030 of this Part.

"Regional Administrator" means the person or entity selected to administer and coordinate programs as described in Section 5-130 of Part 1 of this Act.

"Returning resident" means any United States resident who is: 17 years of age or older; in the physical custody of the Department of Corrections and scheduled to be re-entering society within 12 months.
Section 5-2010. Program.

(a) General. The Returning Residents Clean Jobs Training Program shall be based on a curriculum designed to be as similar as practical to the Clean Energy Jobs Training Programs available for persons not committed as established in Part 5 of this Act. The program shall include structured hands-on activities in correctional institutions or facilities, including classroom spaces and outdoor spaces, to instruct participants in the core curriculum established in Part 5 of this Act.

(b) Connected Services. The program shall be designed and operated to allow participants to graduate from the program as hireable in the solar power and energy efficiency industries. The program shall provide participants with the knowledge and ability to access the necessary mental health, case management, and other support services, both during the program and after graduation, to ensure they are successful in the clean energy jobs sector.

(c) Recruitment of Participants. The Program Administrators shall implement a recruitment process to educate committed persons on the benefits of the program and how to enroll in the program. This recruitment process must reach both men's correctional institutions and facilities and women's correctional institutions and facilities.

(d) Connection to Employers. The Program Administrators
shall be responsible for connecting program graduates with potential employers in the solar power and energy efficiency and related industries. The Regional Administrators shall assist the Program Administrators with this task.

(e) Graduation. Participants who successfully complete all assignments in the program shall be considered graduates and shall receive a program graduation certificate, as well as any certifications earned in the process.

Section 5-2015. Administrative rules; eligibility.

(a) A committed person in a correctional institution or facility is eligible if the committed person:

(1) is not prohibited by Illinois statute from entering a residence or public building as a result of a previous conviction;

(2) is within 12 months of expected release;

(3) volunteers, or is recommended to participate, with a strong interest in the program and in securing and keeping a clean energy job upon completion of the program and release;

(4) meets all program and testing requirements;

(5) is willing to follow all program requirements; and

(6) is willing to participate in all prescribed program events including the required wrap-around/support services.

(b) The Department of Corrections shall provide data
needed to determine eligibility and work with the Program Administrator to select individuals for the training program.

Section 5-2020. Program entry and testing requirements. To enter the Returning Residents Clean Jobs Training Program, committed persons must complete a simple application, undergo an interview and coaching session, and pass the Test for Adult Basic Education. The Returning Residents Clean Jobs Training Program shall include a one week "pre" program boot camp that ensures the candidates understand and are interested in continuing the program. Candidates that successfully complete the "pre" program boot camp shall continue to the full program.

Section 5-2025. Administrative rules; drug testing. A clean drug test is required to complete the Returning Residents Clean Jobs Training Program. A drug test shall be administered at least once prior to graduation, and, if positive, it shall not result in immediate expulsion, but outreach must be performed to offer assistance and mitigation. An additional clean test is then required to complete the program.

Section 5-2030. Curriculum and program administration.

(a) Curriculum.

(1) General. The Returning Residents Clean Jobs
Training Program shall be based on a curriculum designed to be as similar as practical to the Clean Energy Jobs Training Programs available for persons not committed as established in Part 5 of this Act, with a focus on preparing graduates for employment in the solar power and energy efficiency industries.

(2) Curriculum design and public comment. The Department shall design a draft curriculum for the implementation of the Returning Residents Clean Jobs Training Program by making adjustments to the Clean Energy Jobs Training Programs curriculum to meet in-facility requirements. The Department shall consult with the Department of Corrections to ensure all curriculum elements may be available within Department of Corrections facilities. The Department shall then publish the draft curriculum no more than 120 days after the effective date of this Act, and solicit public comments on the draft curriculum for at least 30 days prior to beginning program implementation.

(3) Curriculum goals and skills. Program participants shall be instructed in skills that prepare them for employment in the clean energy industry. The Program shall focus on solar and energy efficiency training, including both technical and soft skills necessary for success in the field.

(A) Solar power training. Program participants
shall receive training focused on accessing opportunities in the solar industry and earning the necessary certifications to work in the solar industry as a solar tech including installation, maintenance, technical work, and sales.

(B) Energy efficiency training. Program participants shall receive training focused on accessing opportunities in the energy efficiency industry and earning the necessary certifications to work in the energy efficiency industry through training in building science principles, sales of solar technology, installation, maintenance, and the skills needed to become an energy auditor, building analyst, or HVAC Tech.

(C) Additional hard and soft skills for clean energy jobs. Training shall include, but is not limited to, job readiness training, mental health assessment and services, and addiction recovery services.

(4) Guidebook. The Program Administrators shall collaborate to create and publish a guidebook that allows for the implementation of the curriculum and provides information on all necessary and useful resources for program participants and graduates.

(b) Program administration.

(1) Program administrators.
(A) Within 210 days after the effective date of this Act, the Department shall complete the following:

(i) Convene a comprehensive stakeholder process that includes, at minimum, representatives from community-based organizations in environmental justice communities, community-based organizations serving low-income persons and families, community-based organizations serving energy workers, and labor unions, to seek input on the administration of this program.

(ii) Gather input from the comprehensive stakeholder process and publish a summary of the input received during the stakeholder process, along with an implementation plan incorporating input from the stakeholder process on the Department website or the initial Program website. The implementation plans shall also be provided to the Advisory Board.

(iii) Hold a 30-day public comment period seeking input on the implementation plans.

(iv) In consultation with the Regional Administrators and Advisory Board, select a Program Administrator for each of the three regions: North, Central, and South, to administer and coordinate the work of the Illinois Returning...
Residents Clean Jobs Training Program. Candidates shall be evaluated with input from the Advisory Board.

(B) The Program Administrators shall have strong capabilities, experience, and knowledge related to program development and economic management; cultural and language competency needed to be effective in the respective communities to be served; expertise in working in and with BIPOC and environmental justice communities; knowledge and experience in working with providers of clean energy jobs; and awareness of solar power and energy efficiency industry trends and activities, workforce development best practices, and regional workforce development needs, and community development. The Program Administrators shall demonstrate a track record of strong partnerships with community-based organizations.

(C) The Program Administrators shall coordinate with Regional Administrators and the Clean Jobs Workforce Hubs Network Program to ensure execution, performance, partnerships, marketing, and program access across the State that is as consistent as possible while respecting regional differences. The Program Administrators shall work with partner community-based organizations in their respective regions and Program Delivery Areas to deliver the
(D) The Program Administrators shall collaborate to create and publish an employer "Hiring Returning Residents" handbook that includes benefits and expectations of hiring returning residents, guidance on how to recruit, hire, and retain returning residents, guidance on how to access state and federal tax credits and incentives, resources from federal and state, guidance on how to update company policies to support hiring and supporting returning residents, and an understanding of the harm in one-size fits all policies toward returning residents. The handbook shall be updated every 5 years or more frequently if needed to ensure its contents are accurate. The handbook shall be made available on the Department's website.

(E) The Program Administrators shall work with potential employers and employers who hire graduates to collect data needed to ensure program participant success and to evaluate success of the program, including, but not limited to:

(i) candidates interviewed and hiring status;

(ii) graduate employment status, such as hire date, salary grade changes, hours worked, and separation date;

(iii) key demographics by project or project
category; and

(iv) continuing education and certifications gained by program graduates.

The Program Administrators will work with potential employers to promote company policies to support hiring and supporting returning residents via employee/employer liability, coverage, insurance, bonding, training, hiring practices, and retention support. The Program Administrator will provide services such as, but not limited to, job coaching and financial coaching to program graduates to support their employment longevity. The Program Administrators shall report data needed to ensure program participant success and to evaluate success of the program to the Department, Regional Administrators, and Advisory Board.

(F) The Program Administrators shall identify clean energy job opportunities and assist participants in achieving employment. The program shall include at least one job fair; include job placement discussions with clean energy employers; establish a partnership with Illinois solar energy businesses and trade associations to identify solar employers that support and hire returning residents, and; involve the Department, Regional Administrators, and the Advisory Board in finding employment for participants and
graduates in the solar power and energy efficiency industries.

(G) The Program Administrators shall work with graduates to maintain contact, including quarterly check-ins, and ensure access to the necessary mental health, case management, and other support services, both during the program and after graduation, to ensure they are successful in the clean energy jobs sector.

(2) Community Organizations. Program Administrators may contract with local community-based organizations to provide program elements at each facility. Contracts with local community-based organizations shall be initially competitively selected by the Department within 330 days after the effective date of this Act and shall be subsequently competitively selected by the Department every 5 years. Community-based organizations delivering the program elements outlined may provide all elements required or may subcontract to other entities for the provision of portions of program elements, including, but not limited to, administrative soft and hard skills for program participants, delivery of specific training(s) in the core curriculum, or provision of other support functions for program delivery compliance. The Department and the Regional Administrators shall collaborate to develop uniform minimum contractual requirements for
competitively selected community-based organizations to provide the Program, uniform minimum contractual requirements for all Program subcontracts, and uniform templates for Requests For Proposals for all Program subcontracts.

(3) Scheduling and Delays. The Department should aim to include training in conjunction with other pre-release procedures and movements. Delays in a workshop being provided shall not cause delays in discharge. Detainees may not be prevented from attending workshops due to staffing shortages, lockdowns, conflicts with family or legal visits, court dates, medical appointments, commissary visits, recreational sessions, dining, work, class, or bathing schedules. In case of conflict or staffing shortages, returning residents must be given full opportunity to attend a workshop at a later time.

(4) Coordination with Clean Jobs Workforce Hubs Network Program, established by Part 5 of this Act to Provide Pre-Release Training. The Program Administrators may establish shortened Clean Jobs Training Programs at facilities that are designed to prepare and place graduates in the Clean Jobs Workforce Hubs following release from commitment. These programs may focus on technical skills that prepare participants for clean energy jobs as well as other generalized workforce and life skills necessary for success. Any graduate of these
programs must be guaranteed placement in a Clean Jobs Workforce Hub training program.

Section 5-2035. Advisory Board and program management.

(a) The Advisory Board shall review the Returning Residents Clean Jobs Training Program, implement and enforce the policies and requirements of the program and the Program Administrators, and review, approve, and make adjustments to the implementation policies and deliverables of the Program Administrators and other program implementers. The Advisory Board shall ensure that metrics and a reporting structure are in place to support successful implementation. These metrics shall include, but are not limited to:

(1) demographics of each entering and graduating class;

(2) percent of graduates employed at 6 and 12 months after release;

(3) recidivism rate of program participants at 3 and 5 years after release; and

(4) information on the type of employment, whether full or part time or seasonal, and pay rates achieved by program graduates.

The metrics and performance outcomes shall be shared with the Department and with Program Administrators and implementers for the program created by Part 5 of this Act. All program implementers should have input before major changes to
policy, metrics, or outcomes are determined. Program metrics and performance outcomes shall be published on the Department's website annually.

(b) The Director of the Department of Corrections shall ensure that the wardens or superintendents of all correctional institutions and facilities visibly post information on the program in common areas of their respective institutions, broadcast the same via in-house institutional information television channels, and distribute updated information in a timely, visible, and accessible manner.

(c) All program content and materials shall be distributed annually to the Community Support Advisory Councils of the Department of Corrections for use in re-entry programs across this State.

Section 5-2040. Returning Residents Clean Jobs Training Program monitoring and enforcement.

(a) The Director of Corrections shall ensure that wardens or superintendents, program, educational, and security and movement staff permit program workshops to take place, and that returning residents are escorted to workshops in a consistent and timely manner.

(b) Compliance with this Part shall be monitored by a report published annually by the Department of Corrections containing data, including numbers of returning residents who enrolled in the program, numbers of returning residents who
completed the program, and total numbers of individuals discharged. Other data that shall be collected include the number of people hired, the type of employment (full-time versus part-time; permanent versus seasonal short-term contract), the salary grade of people hired every 3 months, certifications of people hired every 3 months, the demographic mix of project teams per project, and the recidivism rate over 3 to 5 years. Data shall be disaggregated by institution, discharge, or residence address of resident, and other factors.

Section 5-2045. Funding. The Funding for this program shall be subject to appropriation from the Energy Community Reinvestment Fund and other sources. The Director of the Department of Commerce and Economic Opportunity may, upon consultation with the Director of Corrections, allocate funding to the Department of Corrections as necessary to offset costs incurred by the Departments of Corrections in program implementation.

Section 5-2050. Access. The program instructors and staff shall have access to Department of Corrections institutions and facilities as needed, including, but not limited to, classroom space and outdoor space, with an expectation that they shall follow all facility procedures and protocols.
Article 10. Illinois Clean Energy
Jobs and Justice Fund Act

Section 10-1. Short title. This Article may be cited as the Illinois Clean Energy Jobs and Justice Fund Act. References in this Article to "this Act" mean this Article.

Section 10-5. Purpose.
The purpose of this Act is to promote the health, welfare, and prosperity of all the residents of this State by ensuring access to financial products that allow Illinois residents and businesses to invest in clean energy. Furthermore, the Illinois Clean Energy Jobs and Justice Fund, is designed to fill the following purposes:

(1) Ensure that the benefits of the clean energy economy are equitably distributed;

(2) Make clean energy accessible to all through the provision of innovative financing opportunities and grants for Minority Business Enterprises (MBE) and other contractors of color, and for low-income, environmental justice, and BIPOC communities and the businesses that serve these communities;

(3) Prioritize the provision of public and private capital for clean energy investment to MBEs and other contractors of color, and to businesses serving low-income, environmental justice, and BIPOC communities;
(4) Accelerate the flow of private capital into clean energy markets;

(5) Assist low-income, environmental justice, and BIPOC community utility customers in paying for solar and energy efficiency upgrades through energy cost savings;

(6) Increase access to no- and low-cost loans for MBE and other contractors of color;

(7) Develop financing products designed to compensate for historical and structural barriers preventing low-income, environmental justice, and BIPOC communities from accessing traditional financing;

(8) Leverage private investment in clean energy projects and in projects developed by MBEs and other contractors of color; and

(9) Pursue financial self-sustainability through innovative financing products.

Section 10-10. Definitions. For the purpose of this act, the following terms shall have the following definitions:

"Black, indigenous, and people of color" or "BIPOC" is defined as people who are members of the groups described in subparagraphs (a) through (e) of paragraph (A) of subsection (1) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Board" means the Board of Directors of the Illinois Clean Energy Jobs and Justice Fund.
"Contractor of color" means a business entity that is at least 51% owned by one or more BIPOC persons, or in the case of a corporation, at least 51% of the corporation's stock is owned by one or more BIPOC persons; and the management and daily business operations of which are controlled by one or more of the BIPOC persons who own it. A contractor of color may also be a nonprofit entity with a board of directors composed of at least 51% BIPOC persons or a nonprofit entity certified by the State of Illinois to be minority-led.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings used by the Illinois Power Agency and its Administrator of the Illinois Solar for All Program.

"Fund" means the Illinois Clean Energy Jobs and Justice Fund.

"Low-income" means households whose income does not exceed 80% of Area Median Income (AMI), adjusted for family size and revised every 5 years.

"Low-income community" means a census tract where at least half of households are low-income.

"Minority-owned business enterprise" or "MBE" means a business certified as such by an authorized unit of government or other authorized entity in Illinois.

"Municipality" means a city, village, or incorporated town.

"Person" means any natural person, firm, partnership,
corporation, either domestic or foreign, company, association, limited liability company, joint stock company, or association and includes any trustee, receiver, assignee, or personal representative thereof.


(a) Formation. Not later than 30 days after the effective date of this Act, there shall be incorporated a nonprofit corporation to be known as the "Clean Energy Jobs and Justice Fund."

(b) Limitation. The Fund shall not be an agency or instrumentality of the State Government.

(c) Full faith and credit. The full faith and credit of the State of Illinois shall not extend to the Fund.

(d) Nonprofit status. The Fund shall:

   (1) Be an organization described in subsection (c) Section 501 of the Internal Revenue Code of 1986 and exempt from taxation under subsection (a) of Section 501 of that Code;

   (2) Ensure that no part of the income or assets of the Fund shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses; and

   (3) Not contribute to or otherwise support any political party or candidate for elective office.
Section 10-20. Board of directors.

(a) Board composition. The Fund shall be managed by, and its powers, functions, and duties shall be exercised through, a board to be composed of 11 members. The initial members of the Board shall be selected as follows:

   (1) Appointed members. Five members shall be appointed by the Governor within 60 days after the effective date of this Act. Members of the board shall be broadly representative of the communities that the Fund is designed to serve. Of such members:

   (i) at least one member shall be selected from each of the following geographic regions in the State: northeast, northwest, central, and southern;

   (ii) at least one member shall have experience in providing energy-related services to low-income, environmental justice, or BIPOC communities;

   (iii) At least one member shall own or be employed by an MBE or BIPOC-owned business focused on the deployment of clean energy;

   (iv) at least one member shall be a policy or implementation expert in serving low-income, environmental justice or BIPOC communities or individuals, including environmental justice communities, BIPOC communities, justice-involved persons, persons who are or were in the child welfare system, displaced energy workers, gender nonconforming
and transgender individuals, or youth; and

(v) Board members can fulfill multiple criteria (such as representing the southern region and a MBE or BIPOC-owned business focused on the deployment of clean energy).

(2) Elected members. Six members shall be elected unanimously by the 5 members appointed pursuant to subparagraph (A) within 120 days after the effective date of this Act. Members of the board shall be broadly representative of the communities that the Fund is designed to serve. Of such members:

(i) at least one member shall be selected from each of the following geographic regions in the State: northeast, northwest, central, and southern;

(ii) at least one member shall be from a community-based organization with a specific mission to support racially and socioeconomically diverse environmental justice communities;

(iii) at least one member shall own or be employed by an MBE or BIPOC-owned business focused on the deployment of clean energy;

(iv) at least one member shall be from an organization specializing in providing energy-related services to low-income, environmental justice, or BIPOC communities; and

(v) Board members can fulfill multiple criteria
(such as representing the southern region and an MBE or BIPOC-owned business focused on the deployment of clean energy).

(3) Terms. The terms of the initial members of the Board shall be as follows:

(A) The 5 members appointed and confirmed under paragraph (1) of subsection (a) of this Section shall have initial 5-year terms.

(B) Of the 6 members elected under paragraph (2) of subsection (a) of this Section, 3 shall have initial 4-year terms and 3 shall have initial 3-year terms.

(b) Subsequent composition and terms.

(1) Except for the selection of the initial members of the Board for their initial terms under paragraph (1) of subsection (a) of this Section, the members of the Board shall be elected by the members of the Board.

(2) Disqualification. A member of the Board shall be disqualified from voting for any position on the Board for which such member is a candidate.

(3) Terms. All members elected pursuant to paragraph (2) of subsection (a) of this Section shall have a term of 5 years.

(c) Qualifications. The members of the board shall be broadly representative of the communities that the Fund is designed to serve and shall collectively have expertise in
environmental justice, energy efficiency, distributed renewable energy, workforce development, finance and investments, clean transportation, and climate resilience. Of such members:

(1) not fewer than 2 shall be selected from each of the following geographic regions in the State: northeast, northwest, central, and southern;

(2) not fewer than 2 shall be from an MBE or BIPOC-owned business focused on the deployment of clean energy;

(3) not fewer than 2 shall be from a community-based organization with a specific mission to support racially and socioeconomically diverse environmental justice communities; and

(4) not fewer than 2 shall be from an organization specializing in providing energy-related services to low-income, environmental justice, or BIPOC communities.

(5) Members of the board can fulfill multiple criteria (such as representing the southern region and an MBE or BIPOC-owned business focused on the deployment of clean energy).

(d) Restriction on membership. No officer or employee of the State or any other level of government may be appointed or elected as a member of the Board.

(e) Quorum. Seven members of the Board shall constitute a quorum.
(f) Bylaws. The board shall adopt, and may amend, such bylaws as are necessary for the proper management and functioning of the Fund. Such bylaws shall include designation of officers of the Fund and the duties of such officers.

(g) Restrictions. No person who is an employee in any managerial or supervisory capacity, director, officer or agent or who is a member of the immediate family of any such employee, director, officer or agent of any public utility is eligible to be a director. No director may hold any elective position, be a candidate for any elective position, be a State public official, be employed by the Illinois Commerce Commission, or be employed in a governmental position exempt from the Illinois Personnel Code.

(h) Director, Family Member Employment. No director, nor member of his or her immediate family shall, either directly or indirectly, be employed for compensation as a staff member or consultant of the Fund.

(i) Meetings. The board shall hold regular meetings at least once every 3 months on such dates and at such places as it may determine. Meetings may be held by teleconference or videoconference. Special meetings may be called by the president or by a majority of the directors upon at least 7 days' advance written notice. The act of the majority of the directors, present at a meeting at which a quorum is present, shall be the act of the board of directors unless the act of a greater number is required by this Act or bylaws. A summary of
the minutes of every board meeting shall be made available to each public library in the State upon request and to individuals upon request. Board of Director meeting minutes shall be posted on the Fund's website within 14 days after Board approval of the minutes.

(j) Expenses. A director may not receive any compensation for his or her services but shall be reimbursed for necessary expenses, including travel expenses incurred in the discharge of duties. The board shall establish standard allowances for mileage, room and meals and the purposes for which such allowances may be made and shall determine the reasonableness and necessity for such reimbursements.

(k) In the event of a vacancy on the board, the board of Directors shall appoint a temporary member, consistent with the requirements of the board composition, to serve the remainder of the term for the vacant seat.

(l) The board shall adopt rules for its own management and government, including bylaws and a conflict of interest policy.

(m) The board of directors of the Fund shall adopt written procedures for:

(1) adopting an annual budget and plan of operations, including a requirement of board approval before the budget or plan may take effect;

(2) hiring, dismissing, promoting, and compensating employees of the Fund, including an affirmative action
policy and a requirement of board approval before a position may be created or a vacancy filled;

(3) acquiring real and personal property and personal services, including a requirement of board approval for any non-budgeted expenditure in excess of 5 thousand dollars;

(4) contracting for financial, legal, bond underwriting and other professional services, including requirements that the Fund (i) solicit proposals at least once every 3 years for each such service that it uses, and (ii) ensure equitable contracting with diverse suppliers;

(5) issuing and retiring bonds, bond anticipation notes, and other obligations of the Fund; and

(6) awarding loans, grants and other financial assistance, including (i) eligibility criteria, the application process and the role played by the Fund's staff and board of directors, and (ii) ensuring racial equity in the awarding of loans, grants, and other financial assistance.

(n) The board shall develop a robust set of metrics to measure the degree to which the program is meeting the purposes set forth in Section 5-10 of this Act, and especially measuring adherence to the racial equity purposes set forth there, and a reporting format and schedule to be adhered to by the Fund officers and staff. These metrics and reports shall be posted quarterly on the Fund's website.
(o) The board of directors has the responsibility to make program adjustments necessary to ensure the Clean Energy Jobs and Justice Fund is meeting the purposes set forth in Section 5-10 of this Act. Fund officers and staff and the board of directors are responsible for ensuring capital providers and Fund officers and staff, partners, and financial institutions are held to state and federal standards for ethics and predatory lending practices and shall immediately remove any offending products and sponsoring organizations from Fund participation.

(p) The board shall issue annually a report reviewing the activities of the Fund in detail and shall provide a copy of such report to the joint standing committees of the General Assembly having cognizance of matters relating to energy and commerce. The report shall be published on the Fund's website within 3 days after its submission to the General Assembly.

Section 10-25. Powers and duties.

(a) The Fund shall endeavor to perform the following actions, but is not limited to these specified actions:

(1) Develop programs to finance and otherwise support clean energy investment and projects as determined by the Fund in keeping with the purposes of this Act.

(2) Support financing or other expenditures that promote investment in clean energy sources in order to (i) foster the development and commercialization of clean
energy projects, including projects serving low-income, environmental justice, and BIPOC communities, and (ii) support project development by MBE and other contractors of color.

(3) Prioritize the provision of public and private capital for clean energy investment to MBEs and other contractors of color, and to clean energy investment in low-income, environmental justice, and BIPOC communities.

(4) Provide access to grants, no-cost, and low-cost loans to MBEs and other contractors of color, including those participating in the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator Program.

(5) Provide financial assistance in the form of grants, loans, loan guarantees or debt and equity investments, as approved in accordance with written procedures.

(6) Assume or take title to any real property, convey or dispose of its assets and pledge its revenues to secure any borrowing, convey or dispose of its assets and pledge its revenues to secure any borrowing, for the purpose of developing, acquiring, constructing, refinancing, rehabilitating or improving its assets or supporting its programs, provided each such borrowing or mortgage, unless otherwise provided by the board or the Fund, shall be a special obligation of the Fund, which obligation may be in
the form of bonds, bond anticipation notes or other obligations which evidence an indebtedness to the extent permitted under this chapter to Fund, refinance and refund the same and provide for the rights of holders thereof, and to secure the same by pledge of revenues, notes and mortgages of others, and which shall be payable solely from the assets, revenues and other resources of the Fund and such bonds may be secured by a special capital reserve Fund contributed to by the State.

(7) Contract with community-based organizations to design and implement program marketing, communications, and outreach to potential users of the Fund's products, particularly potential users in low-income, environmental justice, and BIPOC communities. These contracts shall include funding to ensure that the contracted community-based organizations provide materials and outreach support, including payments for time and expenses, to other community organizations, professional organizations, and subcontractors that have an interest in the Fund's financial products.

(8) Collect the following data and perform monthly and quarterly reporting to the board in accordance with the reporting format and schedule developed by the Board of Directors:

(A) baseline data on capital sources/providers, loan recipients, projects funded, loan terms, and
other relevant financial data;

(B) diversity and equity data (race, gender, socioeconomic, geographic region, etc.); and

(C) program administration and servicing data. These reports shall be published to the Fund's website monthly and quarterly. Reports published to the website may be anonymized to protect the data of individual program participants.

(9) Have the purposes as provided by resolution of the Fund's board of directors, which purposes shall be consistent with this Section and Section 5-10 of this Act. No further action is required for the establishment of the Fund, except the adoption of a resolution for the Fund.

(b) In addition to, and not in limitation of, any other power of the Fund set forth in this Section or any other provision of the general statutes, the Fund shall have and may exercise the following powers in furtherance of or in carrying out its purposes:

(1) have perpetual succession as a body corporate and to adopt bylaws, policies and procedures for the regulation of its affairs and the conduct of its business;

(2) make and enter into all contracts and agreements that are necessary or incidental to the conduct of its business;

(3) invest in, acquire, lease, purchase, own, manage, hold, sell and dispose of real or personal property or any
(4) borrow money or guarantee a return to investors or lenders;

(5) hold patents, copyrights, trademarks, marketing rights, licenses or other rights in intellectual property;

(6) employ such assistants, agents, and employees as may be necessary or desirable; establish all necessary or appropriate personnel practices and policies, including those relating to hiring, promotion, compensation and retirement, and engage consultants, attorneys, financial advisers, appraisers and other professional advisers as may be necessary or desirable;

(7) invest any funds not needed for immediate use or disbursement pursuant to investment policies adopted by the Fund's board of directors;

(8) procure insurance against any loss or liability with respect to its property or business of such types, in such amounts and from such insurers as it deems desirable;

(9) enter into joint ventures and invest in, and participate with any person, including, without limitation, government entities and private corporations, in the formation, ownership, management and operation of business entities, including stock and nonstock corporations, limited liability companies and general or limited partnerships, formed to advance the purposes of the Fund, provided members of the board of directors or
officers or employees of the Fund may serve as directors, members or officers of any such business entity, and such service shall be deemed to be in the discharge of the duties or within the scope of the employment of any such director, officer or employee, as the case may be, so long as such director, officer or employee does not receive any compensation or financial benefit as a result of serving in such role; and

(10) all other acts necessary or convenient to carry out the purposes of this Act.

(c) Before making any loan, loan guarantee, or such other form of financing support or risk management for a clean energy project, the Fund shall develop standards to govern the administration of the Fund through rules, policies and procedures that specify borrower eligibility, terms and conditions of support, and other relevant criteria, standards, or procedures.

(d) Capitalization. The Fund shall be capitalized with $100 million from the Energy Community Reinvestment Fund within the first year after the enacted date of this Act. The Fund will receive additional capitalization of $40 million each year thereafter. Funding sources specifically authorized include, but are not limited to:

(1) funds repurposed from existing programs providing financing support for clean energy projects, provided any transfer of funds from such existing programs shall be
subject to approval by the General Assembly and shall be used for expenses of financing, grants and loans;

(2) any federal funds that can be used for the purposes specified in this Act;

(3) charitable gifts, grants, contributions as well as loans from individuals, corporations, university endowments and philanthropic foundations; and

(4) earnings and interest derived from financing support activities for clean energy projects backed by the Fund.

(e) The Fund may enter into agreements with private sources to raise capital.

(f) The Fund may assess reasonable fees on its financing activities to cover its reasonable costs and expenses, as determined by the board.

(g) The Fund shall make information regarding the rates, terms and conditions for all of its financing support transactions available to the public for inspection, including formal annual reviews by both a private auditor conducted pursuant this Section and the Comptroller, and provide details to the public on the Internet, provided public disclosure shall be restricted for patentable ideas, trade secrets, proprietary or confidential commercial or financial information, disclosure of which may cause commercial harm to a nongovernmental recipient of such financing support and for other information exempt from public records disclosure.
The powers enumerated in this Section shall be interpreted broadly to effectuate the purposes established in this Section and shall not be construed as a limitation of powers.

Section 10-30. Primary responsibilities in early program development.

(a) Consistent with the goals of this Act, the Fund has the authority to pursue a broad range of financial products and services. In early development of products and services offered, the Fund should consider the following programs as its initial set of investment initiatives:

(1) a solar lease, power-purchase agreement, or loan-to-own product specifically designed to complement and grow the Illinois Solar for All program;

(2) direct capitalization of contractors of color participating in or graduating from the workforce and business development programs established in the Clean Jobs, Workforce and Contractor Equity Act;

(3) providing direct capitalization of community-based projects in environmental justice communities through upfront grants. Project applications should provide a community benefit, align with environmental justice communities, be in support of this Act's contractor and workforce development goals, and support upfront planning, development, and start up costs that often are not covered
prior to applying for program incentives and other loan products;

(4) Providing loan loss reserve products to secure stable and low-interest financing for individual projects and portfolios consistent with the goals of this Act that would be otherwise unable to receive financing; and

(5) offering financing and administrative services for municipal utilities and rural electric cooperatives to create their own version of the on-bill Equitable Energy Upgrade Program such as the Pay As You Save program developed by the Energy Efficiency Institute.

Section 10-35. Executive director and fund management.

(a) The executive director hired by the board shall have the same qualifications as a director pursuant to subsection (d) Section 10-10 of this Act. The executive director may not be a candidate for the Board of Directors while serving as executive director. The executive director must have 5 or more years of experience in equitable and inclusive financing serving racially and socioeconomically diverse communities.

(b) To hire the executive director, the board shall adhere to any applicable State or federal law prohibiting discrimination in employment.

(c) The board shall require all applicants for the position of executive director of the Fund to file a financial statement consistent with requirements established by the
board. The board shall require the executive director to file a current statement annually.

(d) The Fund shall be administered by the executive director and the staff and overseen by the Board of Directors. Fund officers and staff shall receive training in how to best provide services and support to low-income, environmental justice, and BIPOC communities and on supporting borrowers with loan applications, loan underwriting, and loan services.

Section 10-40. Dissolution. The Fund may dissolve or be dissolved under the General Not for Profit Corporation Act.

Article 15. Community Energy, Climate, and Jobs Planning Act

Section 15-1. Short title. This Article may be cited as the Community Energy, Climate, and Jobs Planning Act. References in this Article to "this Act" mean this Article.

Section 15-5. Findings. The General Assembly makes the following findings:

(1) The health, welfare, and prosperity of Illinois residents require that Illinois take all steps possible to combat climate change, address harmful environmental impacts deriving from the generation of electricity, maximize quality job creation in the emerging clean energy economy, ensure affordable utility service, equitable and
affordable access to transportation, and clean, safe, affordable housing.

(2) The achievement of these goals will depend on strong community engagement to ensure that programs and policy solutions meet the needs of disparate communities.

(3) Ensuring that these goals are met without adverse impacts on utility bill affordability, housing affordability, and other essential services will depend on the coordination of policies and programs within local communities.

Section 15-10. Definitions. As used in this Act:

"Alternative energy improvement" means the installation or upgrade of electrical wiring, outlets, or charging stations to charge a motor vehicle that is fully or partially powered by electricity; photovoltaic, energy storage, or thermal resource; or any combination thereof.

"Disadvantaged worker" means an individual who is defined as: (1) being homeless; (2) being a custodial single parent; (3) being a recipient of public assistance; (4) lacking a high school diploma or high school equivalency; (5) having a criminal record or other involvement in the criminal justice system; (6) suffering from chronic unemployment; (7) being previously in the child welfare system; or (8) being a veteran.

"Energy efficiency improvement" means equipment, devices,
or materials intended to decrease energy consumption or promote a more efficient use of electricity, natural gas, propane, or other forms of energy on property, including, but not limited to, all of the following:

1. insulation in walls, roofs, floors, foundations, or heating and cooling distribution systems;
2. storm windows and doors, multi-glazed windows and doors, heat-absorbing or heat-reflective glazed and coated window and door systems, and additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;
3. automated energy control systems;
4. high efficiency heating, ventilating, or air-conditioning and distribution system modifications or replacements;
5. caulking, weather-stripping, and air sealing;
6. replacement or modification of lighting fixtures to reduce the energy use of the lighting system;
7. energy controls or recovery systems;
8. day lighting systems;
9. any energy efficiency project, as defined in Section 825-65 of the Illinois Finance Authority Act; and
10. any other installation or modification of equipment, devices, or materials approved as a utility cost-saving measure by the governing body.

"Energy project" means the installation or modification of
an alternative energy improvement, energy efficiency improvement, or water use improvement, or the acquisition, installation, or improvement of a renewable energy system that is affixed to a stabilized existing property (including new construction).

"Governing body" means the county board or board of county commissioners of a county or the city council or board of trustees of a municipality.

"Local Employment Plan" means a bidding option that public agencies may include in requests for proposals to incentivize bidders to voluntarily plan to retain and create high-skilled local manufacturing jobs; invest in preapprenticeship, apprenticeship, and training opportunities; and develop family-sustaining career pathways into clean energy industries for disadvantaged workers in a specified local area. The Local Employment Plan only applies to work that is not financed with federal money.

"Local unit of government" means a county or municipality.

"Natural climate solutions" means conservation, restoration, or improved land management actions that increase carbon storage or avoid greenhouse gas emissions on natural and working lands.

"Nature-based approaches for climate adaptation" means actions that preserve, enhance, or expand functions provided by nature that increase capacity to manage adverse conditions created or exacerbated by climate change. "Nature-based
approaches for climate adaptation" includes, but is not limited to, the restoration of native ecosystems, especially floodplains; installation of bioswales, rain gardens, and other green stormwater infrastructure; and practices that increase soil health and reduce urban heat island effects.

"Public agency" means the State of Illinois or any of its government bodies and subdivisions, including the various counties, townships, municipalities, school districts, educational service regions, special road districts, public water supply districts, drainage districts, levee districts, sewer districts, housing authorities, and transit agencies.

"Renewable energy resource" includes energy and its associated renewable energy credit or renewable energy credits from wind energy, solar thermal energy, geothermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, and hydropower that does not involve new construction or significant expansion of hydropower dams. For purposes of this Act, landfill gas produced in the State is considered a renewable energy resource. "Renewable energy resource" does not include the incineration or burning of any solid material.

"Renewable energy system" means a fixture, product, device, or interacting group of fixtures, products, or devices on the customer's side of the meter that use one or more renewable energy resources to generate electricity, and specifically includes any renewable energy project, as defined in Section 825-65 of the Illinois Finance Authority Act.
"U.S. Employment Plan" means a bidding option that public agencies may include in requests for proposals to incentivize bidders to voluntarily plan to retain and create high-skilled U.S. manufacturing jobs; invest in preapprenticeship, apprenticeship, and training opportunities; and develop family-sustaining career pathways into clean energy industries for disadvantaged workers throughout the U.S. The U.S. Employment Plan only applies to work financed with federal money.

"Water use improvement" means any fixture, product, system, device, or interacting group thereof for or serving any property that has the effect of conserving water resources through improved water management, efficiency, or thermal resource.


(a) Pursuant to the procedures in Section 15-20, a local unit of government may establish Community Energy, Climate, and Jobs Plans and identify boundaries and areas covered by the Plans.

(b) Community Energy, Climate, and Jobs Plans are intended to aid local governments in developing a comprehensive approach to combining different energy, climate, and jobs programs and funding resources to achieve complementary impact. An effective planning process may:
(1) help communities discover ways that their local
government, businesses, and residents can control their
energy use and bills;

(2) ensure a cost-effective transition away from
fossil fuels in the transportation sector;

(3) expand access to workforce development and job
training opportunities for disadvantaged workers in the
emerging clean energy economy;

(4) incentivize the creation and retention of quality
Illinois jobs (when federal funds are not involved) in the
emerging clean energy economy;

(5) incentivize the creation and retention of quality
U.S. jobs in the emerging clean energy economy;

(6) promote economic development through improvements
in community infrastructure, transit, and support for
local business;

(7) improve the health of Illinois communities by
reducing emissions, addressing existing brownfield areas,
and promoting the integration of distributed energy
resources;

(8) enable greater customer engagement, empowerment,
and options for energy services, and ultimately reduce
utility bills for Illinoisans;

(9) bring the benefits of grid modernization and the
deployment of distributed energy resources to economically
disadvantaged communities throughout Illinois;
(10) support existing Illinois policy goals promoting energy efficiency, demand response, and investments in renewable energy resources;

(11) enable communities to better respond to extreme heat and cold emergencies; and

(12) explore opportunities to expand and improve carbon sequestration, recreational amenities, wildlife habitat, flood mitigation, agricultural production, tourism, and similar co-benefits by deploying natural climate solutions and nature-based approaches for climate adaptation.

(c) A Community Energy, Climate, and Jobs Plan may include discussion of:

(1) the demographics of the community, including information on the mix of residential and commercial areas and populations, ages, languages, education, and workforce training, including an examination of the average utility bills paid within the community by class and census area, the percentage and locations of individuals requiring energy assistance, and participation of community members in other assistance programs; and also including an examination of the community's energy use, whether of electricity, natural gas, or other fuels and whether for transportation or other purposes;

(2) the geography of the community, including the amount of green space, brownfield sites, farmland,
waterways, flood zones, heat islands, areas for potential
development, location of critical infrastructure such as
emergency response facilities, health care and education
facilities, and public transportation routes;

(3) information on economic development opportunities,
commercial usage, and employment opportunities;

(4) the current status of zero-emission vehicles
operated by or on behalf of public agencies within the
community; and

(5) other topics deemed applicable by the community.

(d) A Community Energy, Climate, and Jobs Plan may address
the following areas:

(1) distributed energy resources, including energy
efficiency, demand response, dynamic pricing, energy
storage, and solar (thermal, rooftop, and community);

(2) building codes (both commercial and residential);

(3) vehicle miles traveled;

(4) transit options, including individual car
ownership, ride sharing, buses, trains, bicycles, and
pedestrian walkways;

(5) community assets related to extreme heat
emergencies, such as cooling and warming centers;

(6) public agency procurements of zero-emission,
electric vehicles; and

(7) networks of natural resources and infrastructure.

(e) A Community Energy, Climate, and Jobs Plan may
conclude with proposals to:

(1) increase the use of electricity as a transportation fuel at multi-unit dwellings;

(2) maximize the system-wide benefits of transportation electrification;

(3) direct public agencies to implement tools, such as the U.S. Employment Plan or a Local Employment Plan, to incentivize manufacturers in clean energy industries to create and retain quality jobs and invest in training, workforce development, and apprenticeship programs in connection to a major contract;

(4) test innovative load management programs or rate structures associated with the use of electric vehicles by residential customers to achieve customer fuel cost savings relative to gasoline or diesel fuels and to optimize grid efficiency;

(5) increase the integration of distributed energy resources in the community;

(6) significantly expand the percentage of net-zero housing and net-zero buildings in the community;

(7) improve utility bill affordability;

(8) increase mass transit ridership;

(9) decrease vehicle miles traveled;

(10) reduce local emissions of greenhouse gases, NOx, SOx, particulate matter, and other air pollutants; and

(11) improve community assets that help residents
respond to extreme heat and cold emergencies.

(f) A Community Energy, Climate, and Jobs Plan may be administered by one or more program administrators or the local unit of government.

(g) To be eligible for participation or funding through the Clean Energy Empowerment Zone pilot projects, as provided under Section 16-108.9 of the Public Utilities Act, or the Carbon-Free Last Mile of Commutes Program, described in Section 35 of the Electric Vehicle Act, a unit of local government shall include in its Community Energy, Climate, and Jobs Plans the information necessary for participation in these programs and projects.

(1) Eligibility for funding or resources from the Clean Energy Empowerment Zone pilot projects shall require, at a minimum, the Plan to include information necessary to determine whether the community qualifies as a Clean Energy Empowerment Zone as described in Section 16-108.9 of the Public Utilities Act.

(2) Eligibility for funding or resources from the Carbon-Free Last Mile of Commutes Program as described in Section 35 of the Electric Vehicle Act shall require, at a minimum, the Plan to include:

(A) information that allows the Department of Commerce and Economic Opportunity to assess current transportation and public transit infrastructure within the boundaries identified by the unit of local
government; and

(B) recommendations by the unit of local government on how to use funds to increase carbon-free last mile commuting.

(3) Units of local government may use previously created Plans or reports to qualify for funding under this subsection (g). The determination of which Plans qualify shall be made liberally by the State agency or department responsible for this determination, subject to the conditions in paragraphs (1) and (2) of this subsection (g).


(a) An effective planning process shall engage with a diverse set of stakeholders in local communities, including: environmental justice organizations; economic development organizations; faith-based nonprofit organizations; educational institutions; interested residents; health care institutions; tenant organizations; housing institutions, developers, and owners; elected and appointed officials; and representatives reflective of each local community.

(b) An effective planning process shall engage with individual members of the community as much as possible to ensure that the Plans receive input from as diverse a set of perspectives as possible.
(c) Plan materials and meetings related to the Plan shall be translated into languages that reflect the makeup of the local community.

(d) The planning process shall be conducted in an ethical, transparent fashion, and continually review its policies and practices to determine how best to meet its objectives.

Section 15-25. Joint Community Energy, Climate, and Jobs Plans. A local unit of government may join with any other local unit of government, or with any public or private person, or with any number or combination thereof, under the Intergovernmental Cooperation Act, by contract or otherwise as may be permitted by law, for the implementation of a Community Energy, Climate, and Jobs Plan, in whole or in part.

Article 20. Energy Community Reinvestment Act

Section 20-1. Short title. This Article may be cited as the Energy Community Reinvestment Act. References in this Article to "this Act" mean this Article.

Section 20-5. Findings. The General Assembly finds that, as part of putting Illinois on a path to 100% renewable energy, the State of Illinois should ensure a just transition to that goal, providing support for the transition of Illinois' communities and workers impacted by closures or reduced use of
fossil fuel power plants, nuclear power plants, or coal mines by allocating new economic development resources for business tax incentives, workforce training, site clean-up and reuse, and local tax revenue replacement.

The General Assembly finds and declares that the health, safety, and welfare of the people of this State are dependent upon a healthy economy and vibrant communities; that the closure of fossil fuel power plants, nuclear power plants, and coal mines across the State have a significant impact on their surrounding communities; that the expansion of renewable energy creates significant job growth and contributes significantly to the health, safety, and welfare of the people of this State; that the continual encouragement, development, growth, and expansion of renewable energy within the State requires a cooperative and continuous partnership between government and the renewable energy sector; and that there are certain areas in this State that have lost, or will lose, jobs due to the closure of fossil fuel power plants, nuclear power plants, and coal mines and need the particular attention of government, labor, and the residents of Illinois to help attract new investment into these areas and directly aid the local community and its residents.

Therefore, it is declared to be the purpose of this Act to explore ways of stimulating the growth of new private investment, including renewable energy investment, in this State and to foster job growth in areas impacted by the closure
of coal energy plants, coal mines, and nuclear energy plants.

Section 20-10. Definitions. As used in this Act, unless the context otherwise requires:

"State agencies" or "agencies" has the same meaning as "State agencies" under Section 1-7 of the Illinois State Auditing Act.

"Board" means the Clean Energy Empowerment Zone Board created in Section 20-20.

"Clean Energy Empowerment Zone" or "Empowerment Zones" means an area of the State certified by the Department as a Clean Energy Empowerment Zone under this Act.

"Commission" means the Energy Transition Workforce Commission created in Section 20-45.

"Department" means the Department of Commerce and Economic Opportunity.

"Displaced energy worker" means an energy worker who has lost employment, or is anticipated by the Department to lose employment within the next 2 years, due to the reduced operation or closure of a fossil fuel power plant, nuclear power plant, or coal mine.

"Energy worker" means a person who has been employed full-time for a period of one year or longer, and within the previous 5 years, at a fossil fuel power plant, a nuclear power plant, or a coal mine located within the State of Illinois, whether or not they are employed by the owner of the power
plant or mine. Energy workers are considered to be full-time if they work at least 35 hours per week for 45 weeks a year or the 1,820 work-hour equivalent with vacations, paid holidays, and sick time, but not overtime, included in this computation. Classification of an individual as an energy worker continues for 5 years from the latest date of employment or the effective date of this Act, whichever is later.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its program administrator in the Illinois Solar for All Program.

"Fossil fuel power plant" means an electric generating facility powered by gas, coal, other fossil fuels, or a combination thereof.

"Low-income" means persons and families whose income does not exceed 80% of area median income, adjusted for family size and revised every 2 years.

"Local labor market area" means an economically integrated area within which individuals reside and find employment within a reasonable distance of their places of residence or can readily change jobs without changing their places of residence.

"Renewable energy enterprise" means a company that is engaged in the production, manufacturing, distribution, or development of renewable energy resources and associated technologies.
"Renewable energy project" means a project conducted by a renewable energy enterprise for the purpose of generating renewable energy resources or energy storage.

"Renewable energy resources" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"Rule" has the meaning set forth in Section 1-70 of the Illinois Administrative Procedure Act.


(a) Purpose. It is the intent of the General Assembly that designation of a community as a Clean Energy Empowerment Zone shall be reserved for communities that have experienced economic or environmental hardship due to the energy transition or fossil fuel power generation and extraction. The purpose of this Section 20-15 is to establish an efficient and equitable process by which the Department and communities across the State may seek the designation of Clean Energy Empowerment Zones, thereby allowing for economic and environmental benefits of the clean energy economy to be obtained by communities that have been deprived of these benefits. The process conducted by the Department, the Board, and participating units of local government shall be as transparent and inclusive as is reasonably practical.

(b) Notification of local governments. Within 30 days after the effective date of this Act, the Department shall
publish a notice on its website stating its intention to begin
the review of potential locations for Clean Energy Empowerment
Zone regional designations, and solicit information from the
public on this topic. Within 45 days after the effective date
of this Act, the Department shall submit a notice to the county
board of each jurisdiction in which a fossil fuel power plant,
coal mine, or nuclear power plant is located, informing the
local governments of their intention to develop a list of
Clean Energy Empowerment Zones, providing a basic explanation
of the benefits of designation as a Clean Energy Empowerment
Zone, and informing them of participation opportunities in the
designation process. The Department may notify other persons
or local government units of this process at any time.

(c) Proposed list of Clean Energy Empowerment Zones.
Within 120 days after the effective date of this Act, the
Department of Commerce and Economic Opportunity shall develop
a proposed list of geographic regions in Illinois that qualify
as Clean Energy Empowerment Zones. The Department shall work
with the Illinois Environmental Protection Agency, the
Commission on Environmental Justice, the Department of Labor,
the Department of Natural Resources, and community
organizations to identify regions impacted by the decline of
coal generation, gas generation, nuclear generation, and coal
mining to develop the recommended list of regions that qualify
for Clean Energy Empowerment Zone designations. The Department
shall furnish maps that identify the proposed boundaries of
proposed Clean Energy Empowerment Zones, and include justification for the inclusion or exclusion of certain locations or regions. The proposed list shall be subject to the notice and comment process established in subsection (e).

(d) Criteria for designation as a Clean Energy Empowerment Zone. A region shall be proposed by the Department, and certified by the Board as a Clean Energy Empowerment Zone if it meets all of the following characteristics listed in paragraphs (1) through (3) of this subsection (d).

(1) The region is a contiguous area, provided that a Zone area may exclude wholly surrounded territory within its boundaries;

(2) The region satisfies any additional criteria established by the Department consistent with the purposes of this Act; and

(3) The region meets one or more of the following:

   (A) the area contains a fossil fuel or nuclear power plant that was retired from service or has significantly reduced service within 10 years before the application for designation or will be retired or have service significantly reduced within 5 years following the application for designation;

   (B) the area contains a coal mine that was closed or had operations significantly reduced within 10 years before the application for designation or is anticipated to be closed or have operations
significantly reduced within 5 years following the application for designation; or

(C) the area contains a nuclear power plant that was decommissioned, but continued storing nuclear waste before the effective date of this Act.

(e) Review and comment process. After developing the proposed list of regions to be designated as Clean Energy Empowerment Zones, or proposing additions to the list, the Department shall conduct a 60-day public comment process, in partnership with the other agencies, departments, and units of local government where beneficial for the purposes of this Section. The public comment process shall include, at a minimum, 2 public hearings that are accessible to working residents, shall prioritize the solicitation of feedback from environmental justice communities and communities directly impacted by the Clean Energy Empowerment Zone designation, and shall provide for the submission of written comments through the Internet.

Within 30 days after concluding the public comment process, the Department shall modify or finalize the proposed list of geographic regions that qualify as Clean Energy Empowerment Zones and submit the list to the Clean Energy Empowerment Zone Board for approval or modification as described in Section 20-20.

(f) Local government self-designation. After the Department submits its first list of proposed Clean Energy
Empowerment Zones to the Board, units of local government may, on an ongoing basis, submit applications to the Department to designate an area wholly or partially in their jurisdiction as a Clean Energy Empowerment Zone if the Department has not proposed the region as a potential Clean Energy Empowerment Zone to the Board. Multiple units of local government may submit a joint application for designation if the proposed region or regions fall partially or wholly within their combined jurisdictions. A unit of local government may submit an application to the Department if:

(1) the area meets the criteria for designation as a Clean Energy Empowerment Zone established in subsection (d); and

(2) the unit of local government has conducted at least one public hearing within the proposed Zone area considering all of the following questions: (A) whether to create the Zone; (B) what local plans, tax incentives, and other programs should be established in connection with the Zone; and (C) what the boundaries of the Zone should be. Public notice of the hearing shall be published in at least one newspaper of general circulation within the Zone area, not more than 21 days nor less than 7 days before the hearing.

An application submitted under this subsection (f) shall include a certified copy of the ordinance designating the proposed Zone; a map of the proposed Clean Energy Empowerment
Zone, showing existing streets and highways; an analysis, and any appropriate supporting documents and statistics, demonstrating that the proposed zone area is qualified in accordance with subsection (d); a statement detailing any tax, grant, and other financial incentives or benefits, and any programs, to be provided by the municipality or county to renewable energy enterprises within the Zone, which are not otherwise provided throughout the municipality or county; a statement setting forth the economic development and planning objectives for the Zone; an estimate of the economic impact of the Zone, considering all of the tax incentives, financial benefits and programs contemplated, upon the revenues of the municipality or county; a specific definition of the applicant's local labor market area; a transcript of all public hearings on the Zone; and any additional information as the Department may by rule require.

Within 60 days after receiving an application from a unit of local government, the Department shall review the application to determine whether the designated area qualifies as a Clean Energy Empowerment Zone under this Section, and submit its recommendation to the Clean Energy Empowerment Zone Board including all necessary information and records for the Board to review, as described in Section 20-20. Within 7 days after submitting the recommendation to the Board, the Department shall provide a copy of its recommendation to the applicant, including all supporting documents and information.
submitted to the Board.

(g) Application process. The Department shall, no later than July 1, 2021, develop an ongoing application process for Clean Energy Empowerment Zone applications by units of local government. The application process shall be open during the period of July 1, 2021 through January 1, 2050. The Department, or any predecessor of the Department, may extend the application process beyond that date if it deems it is necessary or prudent to accomplish the purpose of this Act.

(h) Length of designation. A Clean Energy Empowerment Zone designation lasts for 10 years from the effective date of the designation and shall be subject to review by the Board after 10 years for an additional 10-year designation beginning on the expiration date of the Clean Energy Empowerment Zone. During the review process, the Board shall consider the costs incurred by the State and units of local government as a result of benefits received by the Clean Energy Empowerment Zone.

(i) Emergency rulemaking. The Department has emergency rulemaking authority for the purpose of implementation of this Section until 12 months after the effective date of this Act as provided under Section 5-45 of the Illinois Administrative Procedure Act.

Section 20-20. Clean Energy Empowerment Zone Board.

(a) A Clean Energy Empowerment Zone Board is hereby created within the Department.
(b) The Board shall consist of 8 voting members, one of whom shall be the Director of Commerce and Economic Opportunity, or his or her designee, who shall serve as chairperson; one of whom shall be the Director of Revenue, or his or her designee; 2 of whom shall be members appointed by the Governor, with the advice and consent of the Senate; one of whom shall be appointed by the Speaker of the House of Representatives; one of whom shall be appointed by the President of the Senate; one of whom shall be appointed by the Minority Leader of the House; and one of whom shall be appointed by the Minority Leader of the Senate. Designees shall be appointed within 60 days after a vacancy. No fewer than 4 of the 8 voting members shall consist of low-income residents or residents of environmental justice communities. At least one of the Board members shall be a representative of organized labor. All meetings shall be accessible, with rotating locations, call-in options, and materials and agendas circulated well in advance, and there shall also be opportunities for input outside of meetings from those with limited capacity and ability to attend, via one-on-one meetings, surveys, and calls.

Board members shall serve without compensation, but may be reimbursed for necessary expenses incurred in the performance of their duties from funds appropriated for that purpose. Each member appointed shall have at least 5 years of experience in business development or economic development. The Department
of Commerce and Economic Opportunity shall provide administrative support to the Board, including the selection of a Department staff member to serve as a Board Liaison between the Department and the Advisory Board.

(c) All final actions by the Board pursuant to this subsection (c) shall require approval by a simple majority of the Board. The Board shall have the following duties:

(1) reviewing applications and extensions for designation as a Clean Energy Empowerment Zone, including Department recommendations, testimony from public hearings, public comment, and supporting materials;

(2) voting to approve, disapprove, or modify applications for designation and extensions as a Clean Energy Empowerment Zones;

(3) the approval of tax credits under the Clean Energy Empowerment Zone Tax Credit Act; and

(4) modifying applications for designation or extensions as a Clean Energy Empowerment Zone before approval.

(d) Deadlines for responses by the Board. Within 60 days after submission of applications or tax credits, pursuant to subsection (c) of this Section, to the Board by the Department, the Board shall approve, disapprove, or modify applications for certification of regions as Clean Energy Empowerment Zones. If the Board does not take final action on a submission within 60 days after the submission, the
application submitted by the Department shall be considered approved, and the regions proposed in the application shall be certified as Clean Energy Empowerment Zones.

Section 20-25. Incentives for renewable energy enterprises located within a Clean Energy Empowerment Zone.

(a) Renewable energy enterprises located in Clean Energy Empowerment Zones are eligible to apply for a State income tax credit under the Clean Energy Empowerment Zone Tax Credit Act.

(b) Renewable energy enterprises located in Clean Energy Empowerment Zones are eligible to receive an investment credit subject to the requirements of paragraph (1) of subsection (f) of Section 201 of the Illinois Income Tax Act.

(c) Renewable energy enterprises are eligible to purchase building materials exempt from use and occupation taxes to be incorporated into their renewable energy projects within the Clean Energy Empowerment Zone when purchased from a retailer within the Clean Energy Empowerment Zone under Section 5k-5 of the Retailers' Occupation Tax Act.

(d) Renewable energy enterprises located in a Clean Energy Empowerment Zone that meet the qualifications of Section 9-222.1B of the Public Utilities Act are exempt, in part or in whole, from State and local taxes on gas and electricity.

(e) Preference for procurements shall be conducted by the Illinois Power Agency as described in subparagraph (P) of paragraph (1) of subsection (c) of Section 1-75 of the

Section 20-30. State incentives regarding public services and physical infrastructure.
(a) The State Treasurer is authorized and encouraged to place deposits of State funds with financial institutions doing business in a Clean Energy Empowerment Zone.
(b) This Act does not restrict tax incentive financing under Division 74.4 of Article 11 of the Illinois Municipal Code.

Section 20-35. Supporting impacted communities.
(a) No later than July 1, 2021, the Department shall develop a process for accepting applications from units of local government included in Clean Energy Empowerment Zones to mitigate the impact of an annual reduction of at least 30% in the sum of property tax revenue or other direct payments, or both, from fossil fuel power plants or coal mines to local governments due to the retirement, or reduced operation, of the power plant or mine that occurred after January 1, 2016. In the case of reduced operation, the proposal may only be accepted if the reduction in operation is reasonably expected to be permanent. The Department shall accept applications on an ongoing basis after beginning the program. Local government units may submit applications jointly.
(b) The Department shall use available funds from the
Energy Community Reinvestment Fund, subject to the provisions of subsection (c) of Section 20-70, to provide payments to communities for a period of no longer than 5 years from the approval of their proposal, subject to the following restrictions:

(1) Payments shall be assessed based on need, taking into consideration the net amount of any increase in payments from any other State source, including, but not limited to, funding provided based on an evidence-based funding formula developed by the Illinois State Board of Education.

(2) The highest annual payment to the unit of local government cannot exceed the lower value of either (i) the average annual sum of property tax and other direct payments from the fossil fuel power plant or coal mine to the unit of local government from the most recent 3 taxable years before the reduction or cessation of operation of the fossil fuel power plant or coal mine, or (ii) the difference between projected local government revenue for the years for which assistance is requested (taking into account reasonably anticipated new revenue sources) and the average local government revenue from the most recent 3 taxable years before the reduction or cessation of fossil fuel power plant or coal mine operation. The Department may choose to consider budget information from prior years if doing so allows the
Department to better measure the revenue impacts of the
energy transition.

(3) The Department shall not provide funding under
this Program that exceeds the amount specified in this
paragraph (3) to any local government unit. Each unit of
local government shall not be granted by the Department a
total amount of funding over the lifetime of this Program,
for each fossil fuel power plant or coal mine, that is
greater than 5 times the average annual sum of property
tax payments and other direct payments from the fossil
fuel power plant or coal mine to the unit of local
government, calculated based on the most recent 3 taxable
years that occurred before the reduction or cessation of
operation of the fossil fuel power plant or coal mine.

(4) The Department may develop a payment schedule that
phases out support over time, based on its analysis of
available present and anticipated future funding in the
Energy Community Reinvestment Fund or other reasons
consistent with the purposes of this Act.

(5) If the total amount of qualified proposals exceeds
the available present and anticipated future funding in
the Energy Community Reinvestment Fund, the Department may
prorate payments to units of local government, or
prioritize communities for investment based on an
environmental justice screen in coordination with the
Commission on Environmental Justice, and input from
stakeholders. The Department shall allocate funding in an equitable and effective manner. Nothing in this Act shall be interpreted to infer that units of local government have a right to revenue replacement from the State.

(6) Funding allocated under this program may not be used to support fossil fuel power plants, nuclear power plants, or coal mines in any form. Any local government unit that uses funds provided under this Act to support fossil fuel power plants, nuclear power plants, or coal mines shall reimburse the State for all funding used for that purpose. If requested, the Department shall provide guidance to local government units on whether a proposed use of funds is considered a violation of this requirement.

(7) At least once every 2 years following the allocation of funds for this program, the Department shall publish a document available online detailing the allocation of funds, including a map that shows the geographic distribution of the funds and the locations of Clean Energy Empowerment Zones.

(c) The Department shall contact all units of local government in Clean Energy Empowerment Zones and provide information on the application process for funding under this Section and a reasonable estimate of total funding that will be available for this program. The Department shall request that applications for funding contain the information
necessary for the Department to evaluate the fiscal impact of the energy transition on communities located in Clean Energy Empowerment Zones; however the Department shall allow for reasonable flexibility in the applications to accommodate local government units that may have less resources available to prepare an application. The Department shall, to the extent practical, assist local government units in the application process.

(d) The Department shall develop rules to implement the provisions of this Section.

Section 20-40. Clean Energy Empowerment Task Forces.

(a) The Department and the Board shall work with local stakeholders in Clean Energy Empowerment Zones to support the convening of local Clean Energy Empowerment Task Forces.

(b) Local Clean Energy Empowerment Task Forces shall include a broad range of local stakeholders to inform transition needs and include, at a minimum, elected representatives from municipal and State governments, operators of local power plants or mines, multiple representatives from community-based organizations, local environmental, fish, or wildlife groups, organized labor, and the Illinois Environmental Protection Agency.

(c) The Board shall put forward requests for proposals for third-party facilitators for Task Forces in prioritized Clean Energy Empowerment Zones based on need and those facing recent
or near-term retirements of plants or mines.

(d) The Department shall work with local Task Forces to develop local transition plans that identify economic, workforce, and environmental health needs with strategies to mitigate energy transition impacts and any accompanying funding requests from the Energy Community Reinvestment Fund.

(e) As part of developing local transition plans, the Department shall work with third-party facilitators and Task Force members to gather and incorporate public comment and feedback into a finalized transition plan.

(f) If the Department determines that a fossil fuel power plant owner has failed to engage productively in stakeholder meetings and with Clean Energy Empowerment Zone Task Forces, the Department shall submit a notification to the Illinois Environmental Protection Agency for enforcement actions and the assessment of fees as described in Section 9.16 of the Environmental Protection Act.

Section 20-45. Energy Transition Workforce Commission.

(a) The Energy Transition Workforce Commission is hereby created within the Department of Commerce and Economic Opportunity.

(b) The Commission shall consist of the following 8 members:

(1) the Director of Commerce and Economic Opportunity, or his or her designee, who shall serve as chairperson;
(2) the Director of Labor, or his or her designee;
(3) the 3 program administrators of the Clean Jobs Workforce Hubs Program; and
(4) 3 members appointed by the Governor, with the advice and consent of the Senate, of which at least one shall be from organized labor and at least one shall be a resident of an environmental justice community. Designees shall be appointed within 60 days after a vacancy.

(c) Members of the Commission shall serve without compensation, but may be reimbursed for necessary expenses incurred in the performance of their duties from funds appropriated for that purpose. The Department of Commerce and Economic Opportunity shall provide administrative support to the Commission.

(d) Within 120 days after the effective date of this Act, the Commission shall produce an Energy Transition Workforce Report regarding the anticipated impact of the energy transition and a comprehensive set of recommendations to address changes to the Illinois workforce during the period of 2020 through 2050, or a later year. The report shall contain the following elements, designed to be used for the programs created in this Act:

(1) Information related to the impact on current workers, including:
   (A) a comprehensive accounting of all employees
who currently work in fossil fuel energy generation, nuclear energy generation, and coal mining in the State; this shall include information on their location, employer, salary ranges, full-time or part-time status, nature of their work, educational attainment, union status, and other factors the Commission finds relevant; the Commission shall keep a confidential list of these employees and the information necessary to identify them for the purpose of their eligibility to participate in programs designed for their benefit;

(B) the anticipated schedule of closures of fossil fuel power plants, nuclear power plants, and coal mines across the State; when information is unavailable to provide exact data, the report shall include approximations based upon the best available information;

(C) an estimate of worker impacts due to scheduled closures, including layoffs, early retirements, salary changes, and other factors the Commission finds relevant; and

(D) the likely outcome for workers who are employed by facilities that are anticipated to close or have significant layoffs during their tenure or lifetime.

(2) Information regarding impact on communities and
local governments, including:

(A) changes in the revenue for units of local
government in areas that currently or recently have
had a closure or reduction in operation of a fossil
fuel power plant, nuclear power plant, coal mine, or
related industry;

(B) environmental impacts in areas that currently
or recently have had fossil fuel power plants, coal
mines, nuclear power plants, or related industry; and

(C) economic impacts of the energy transition,
including, but not limited to, the supply chain
impacts of the energy transition shift toward new
energy sources across the State.

(3) Information on emerging industries and State
economic development opportunities in regions that have
historically been the site of fossil fuel power plants,
nuclear power plants, or coal mining.

(e) Following the completion of each report, or if the
Department finds that it is prudent to begin before the
completion of a report, the Department shall coordinate with
the Commission to create a comprehensive draft plan for
designing, maintaining, and funding programs established under
this Act, including the Energy Workforce Development Program
created under Section 20-50, the Energy Community Development
Program created under Section 20-55, and the Displaced Energy
Workers Bill of Rights provided under Section 20-60. The draft
plan shall include, at a minimum, the following information:

(1) A detailed accounting of the anticipated costs for each program and the anticipated amount of funding that will be provided for each program.

(2) Information on the locations at which each program shall have services provided. If this information is not yet known by the Department at the time of the plan's drafting, the Department shall generally explain how they intend to determine the program locations.

Within 120 days after the effective date of this Act, the Department shall publish the draft plan online. The Department shall take public comments on the draft plan for a period of no less than 45 days and publish the final plan within 30 days after the closing of the comment period.

(f) The Department shall periodically review its findings in the developed reports and make modifications to the report and programs based on new findings. The Department shall conduct a comprehensive reevaluation of the report, and publish a modified version along with a new draft plan, on each of the following years following initial publication: 2023; 2027; 2030; 2035; 2040; and any year thereafter which the Department determines is necessary or prudent.

Section 20-50. Energy Workforce Development Program.

(a) The purpose of the Energy Workforce Development Program is to proactively assist energy workers in their
search for economic opportunity.

(b) The Director of Commerce and Economic Opportunity shall design, develop, and administer the Energy Workforce Development Program. The Energy Workforce Development Program shall include the following elements:

(1) comprehensive career services for displaced energy workers, including advising displaced energy workers looking for new positions on finding new employment or preparing for retirement;

(2) communication services to provide displaced energy workers advance notice of any power plant or coal mine closures that are likely to result in a loss of employment for the energy worker;

(3) administrative assistance for displaced energy workers in applying for programs provided by the State, the federal government, nonprofit organizations, or other programs that are designed to offer career or financial assistance;

(4) the creation and maintenance of a registry of all persons in Illinois who qualify as an energy worker to use for coordination with programs created under this Act or other benefits for those workers, including all information necessary or beneficial for the implementation of this Act;

(5) the management of funding for services outlined in this Section; and
(6) financial advice for displaced energy workers designed to assist workers with retirement, a change in positions, pursuing an education, or other goals that the energy worker has identified.

(c) In administering the Energy Workforce Development Program, the Department shall develop and implement the Program with the following goals:

(1) to use the recommendations and information contained in the report created under Section 20-45 to proactively plan for each phase of the energy transition in Illinois;

(2) to increase access to the services contained in this Program by locating services in different regions of the State as dictated by the anticipated schedule of power plant and coal mine closures and regional economic changes;

(3) to maximize the efficiency of resources used;

(4) to design the Energy Workforce Development Program to work in collaboration with the Displaced Energy Workers Bill of Rights; and

(5) any other goals identified by the Department.

Section 20-55. Energy Community Development Program.

(a) The purpose of the Energy Community Development Program is to proactively assist Clean Energy Empowerment Zone communities in their search for economic opportunities leading
up to and after the closure of a fossil fuel power plant, nuclear power plant, or coal mine.

(b) The Director of Commerce and Economic Opportunity shall, subject to appropriation, administer the Energy Community Development Program. In administering the Energy Community Development Program, the Department shall:

(1) assist local governments in Clean Energy Empowerment Zones in finding private and public sector partners to invest in regional development;

(2) assist units of local government in finding and negotiating terms with businesses willing to relocate or open new enterprises in regions impacted;

(3) provide coordination services to connect organizations or persons seeking to use tax credits created under Act with units of local government;

(4) conduct outreach and educational events for private sector organizations for the purpose of attracting investment in Clean Energy Empowerment Zones; and

(5) gather and incorporate public comment and feedback so that local knowledge, priorities, and strengths help shape and guide private and public development.

(c) In administering the Energy Community Development Program, the Department shall develop and implement the Program with the following goals:

(1) to increase private sector development in Clean Energy Empowerment Zones;
(2) to replace and improve employment opportunities in Clean Energy Empowerment Zones for community members;
(3) to provide resources for Clean Energy Empowerment Zone communities across the State, and avoid geographic preferences in the allocation of resources; and
(4) to create a healthful environment for community members in Clean Energy Empowerment Zones.

Section 20-60. Displaced Energy Workers Bill of Rights.
(a) The Department of Commerce and Economic Opportunity shall implement the Displaced Energy Workers Bill of Rights and shall be responsible for the implementation of the Displaced Energy Workers Bill of Rights programs and rights created under this Section. The Department shall provide the following benefits to displaced energy workers listed in paragraphs (1) through (4) of this subsection:

(1) Advance notice of power plant or coal mine closure.

(A) The Department of Commerce and Economic Opportunity shall notify all energy workers of the upcoming closure of any qualifying facility at least 2 years in advance of the scheduled closing date.

(B) In providing the advance notice described in this paragraph (1), the Department shall take reasonable steps to ensure that all displaced energy workers are educated on the various programs available
through the Department to assist with the energy transition.

(2) Employment assistance and career services. The Department shall provide displaced energy workers with assistance in finding new sources of employment through the Energy Workforce Development Program established in this Act.

(3) Full-tuition scholarship for Illinois institutions and trade schools.

(A) The Department shall provide any displaced energy worker with a full-tuition scholarship to any of the following programs: (i) public universities in this State; (ii) trade schools in this State; (iii) community college programs in this State; or (iv) union training programs in this State. The Department may set cost caps on the maximum amount of tuition that may be funded.

(B) The Department shall provide information and consultation to displaced energy workers on the various educational opportunities available through this Program, and advise workers on which opportunities meet their needs and preferences.

(C) Displaced energy workers who are eligible for scholarships created under this Section by the date of their enrollment shall be considered eligible for scholarship funding for up to 4 years or until
completion of their degree or certification, whichever is the shorter duration.

(4) Financial Planning Services. Displaced energy workers shall be entitled to services as described in the energy worker Programs in this subsection, including financial planning services.

(b) The owners of power plants with a nameplate capacity of greater than 300 megawatts and the owners of coal mines located in Illinois shall be required to comply with the requirements set out in this subsection (b). The owners shall be required to take the following actions:

(1) provide employment information for energy workers; prior to the closure of an electric generating unit or mine, the owners of the power plant or mine shall provide energy workers information on whether there are employment opportunities provided by their employer;

(2) provide extended health insurance for displaced energy workers who are former employees of the power plant owner that (A) costs no more than the average monthly premium paid by the worker over the last 12 months and (B) offers the same level of benefits, including, but not limited to, coverage, in-network providers, deductibles, and copayments covered during the previous 12 months; companies that sell energy into auctions managed by the Illinois Power Agency shall be required to offer 2 years of health insurance following closure of an electric
generating unit to employees who are not employed in new positions that offer health insurance upon: (i) plant closure; or (ii) employment termination; the Department may require funding for health insurance to be provided in advance of employment termination; and

(3) maintain responsible retirement account portfolios; employees of qualifying facilities shall have their retirement funds backed by financial tools that are not economically dependent upon the success of their employer's business.

Section 20-65. Consideration of energy worker employment.

(a) All State departments and agencies shall conduct a review of the Department of Commerce and Economic Opportunity's registry of energy workers to determine whether any qualified candidates are displaced energy workers before making a final hiring decision for a position in State employment.

(b) The Department of Commerce and Economic Opportunity shall inform all State agencies and departments of the obligations created by this Section and take steps to ensure compliance.

(c) Nothing in this Section shall be interpreted to indicate that the State is required to hire displaced energy workers for any position.

(d) No part of this Section shall be interpreted to be in
conflict with federal or State civil rights or employment law.

Section 20-70. Energy Community Reinvestment Fund.

(a) The General Assembly hereby declares that management of several economic development programs requires a consolidated funding source to improve resource efficiency. The General Assembly specifically recognizes that properly serving communities and workers impacted by the energy transition requires that the Department of Commerce and Economic Opportunity have access to the resources required for the execution of the programs in the Clean Jobs Workforce Hubs Program, the Expanding Clean Energy Entrepreneurship Program, and the Energy Community Reinvestment Act.

The intent of the General Assembly is that the Energy Community Reinvestment Fund is able to provide all funding for development programs created in the Clean Jobs Workforce Hubs Program, the Expanding Clean Energy Entrepreneurship Program, and the Energy Community Reinvestment Act, and that no additional charge is borne by the taxpayers or ratepayers of Illinois absent a deficiency.

(b) The Energy Community Reinvestment Fund is created as a special fund in the State treasury to be used by the Department of Commerce and Economic Opportunity for purposes provided under this Section. The Fund shall be used to fund programs specified under subsection (c). The objective of the Fund is to bring economic development to communities in this State in
a manner that equitably maximizes economic opportunity in all communities by increasing efficiency of resource allocation across the programs listed in subsection (c). The Department shall include a description of its proposed approach to the design, administration, implementation, and evaluation of the Fund, as part of the Energy Transition Workforce Plan described in this Act. Contracts that will be paid with moneys in the Fund shall be executed by the Department.

(c) The Department shall be responsible for the administration of the Fund and shall allocate funding on the basis of priorities established in this Section. Each year, the Department shall determine the available amount of resources in the Fund that can be allocated to the programs identified in this Section, and allocate the funding accordingly. The Department shall, to the extent practical, consider both the short-term and long-term costs of the programs and allocate, save, or invest funding so that the Department is able to cover both the short-term and long-term costs of these programs using projected revenue.

The available funding for each year shall be allocated from the Fund in the following order of priority:

(1) for costs related to the Clean Jobs Workforce Hubs program in Part 5 of the Clean Jobs, Workforce and Contractor Equity Act, up to $26,000,000 annually or 26% of the available funding, whichever is less;  

(2) for costs related to the program described by Part
of the Clean Energy, Workforce and Contractor Equity Act, up to $21,000,000 annually or 21% of the available funding, whichever is less;

(3) for costs related to the Energy Community Development programs in this Act, up to $2,000,000 annually or 2% of the available funding, whichever is less;

(4) for costs related to the Energy Workforce Development programs and the Displaced Energy Workers Bill of Rights in this Act, including all programs created by the Energy Transition Workforce Commission, up to $13,000,000 annually or 21% of the available funding, whichever is less. If 21% of the available funding is more than $13,000,000, the amount over $13,000,000 is allocated to the items in (1) through (3) by their relative percentages until those programs are fully funded;

(5) for costs related to the Returning Residents Clean Jobs Training Program described in Part 20 of the Clean Jobs, Workforce and Contractor Equity Act, up to $6,000,000 annually or 6% of the available funding, whichever is less;

(6) for costs related to the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator Program described in Part 15 of the Clean Jobs, Workforce and Contractor Equity Act, up to $9,000,000 annually or 9% of the available funding,
whichever is less;

(7) for costs, up to $100,000,000 annually, to support units of local government in Clean Energy Empowerment Zones, as described in Section 20-35;

(8) if the programs identified in paragraphs (1) through (7) are fully funded and the Department reasonably predicts they will be adequately funded in future years, the Department shall transfer an amount equal to the year's tax credits awarded through the programs of up to $22,500,000 annually go the General Revenue Fund to offset revenue reductions from tax credits provided under the Clean Energy Empowerment Zone Tax Credit Act;

(9) to support the Low Income Home Energy Assistance Program, up to $30,000,000 annually, to support additional costs from the Percentage of Income Payment Program expansion and energy assistance expansion;

(10) for the initial capital funding of the Clean Energy Jobs and Justice Fund, $100,000,000 in the year 2022, or if the full funding is not available, the Department may allocate these funds over several years as quickly as is feasible; and

(11) if the programs identified in paragraphs (1) through (10) are fully funded and the Department reasonably predicts they shall be adequately funded in future years, the Department shall transfer all surplus to the General Revenue Fund.
(d) No later than June 1, 2021, and by June 1 of each year thereafter, the Department shall submit a notification to the Illinois Environmental Protection Agency for the purpose of implementing the energy community reinvestment fee as described in Section 9.16 of the Environmental Protection Act. The notification shall include the revenue and spending requirements for the programs identified under the Energy Community Reinvestment Act for the upcoming fiscal year, as well as the projected spending for all program years through Fiscal Year 2036. The projected revenue and spending need identified for any program year shall be no less than $400,000,000 per year for the calendar years 2021 through 2025 and $200,000,000 per year for all calendar years starting in 2026 that the Illinois electric sector generates greenhouse gas emissions.

(e) If there is a funding shortfall for items identified in paragraphs (1) through (4) of subsection (c), the Department shall submit a request for funds to applicable electric utilities for funds collected under subsection (k) of Section 1-75 of the Illinois Power Agency Act up to $25,000,000 per year to cover the shortfall. Upon notification by utilities that sufficient funds are available for use under the terms of paragraph (7) of subsection (k) of Section 1-75 of the Illinois Power Agency Act, the Department shall send an invoice to the applicable utilities for the amount requested. Upon receipt, the funds shall be deposited into the Energy...
Community Reinvestment Fund.

(f) The Department shall, on an ongoing basis, seek out and apply for funding from alternative sources to cover the costs of these programs. Alternative sources may include the federal government, other State programs, private foundations, donors, or other opportunities for funding. The Department shall, as described in subsection (c), use any additional funding obtained for these programs to reduce or eliminate any costs borne by taxpayers and ratepayers. Nothing in this subsection (f) shall be interpreted to reduce or remove the revenue requirements obtained by the Illinois Environmental Protection Agency as described in subsection (d).

(g) Notwithstanding any other law to the contrary, the Energy Community Reinvestment Fund is not subject to sweeps, administrative chargebacks, or any other fiscal or budgetary maneuver that would in any way transfer any amounts from the Energy Community Reinvestment Fund into any other fund of the State.

(h) The Department is granted all powers necessary for the implementation of this Section.

Section 20-75. Administrative review. All final administrative decisions, including, but not limited to, funding allocation and rules issued by the Department under this Act are subject to judicial review under the Administrative Review Law. No action may be commenced under
Article 25. Clean Energy Empowerment Zone Tax Credit Act

Section 25-1. Short title. This Article may be cited as the Clean Energy Empowerment Zone Tax Credit Act. References in this Article to "this Act" mean this Article.

Part 1.

Section 25-100. Definitions. As used in this Part 1:

"Applicant" means a person that is operating a business located within the State of Illinois and has applied for an income tax credit through a program under this Act.

"Basic wage" means compensation for employment that meets the prevailing wage standards as defined by the Department.

"Certificate" means the tax credit certificate issued by the Department under Section 25-125.

"Certificate of eligibility" means the certificate issued by the Department under Section 25-110.

"Credit" means the amount awarded by the Department to an applicant by issuance of a certificate under Section 25-125 for each new full-time equivalent employee hired or job created.

"Department" means the Department of Commerce and Economic...
Opportunity.

"Director" means the Director of Commerce and Economic Opportunity.

"Former energy worker" means an individual who is employed, or was employed, at a fossil fuel power plant, nuclear power plant, or coal mine, and is listed in the registry of energy workers developed by the Department of Commerce and Economic Opportunity pursuant to Section 20-50 of the Energy Community Reinvestment Act.

"Full-time employee" means an individual who is employed at a prevailing wage for at least 35 hours each week, and provided standard worker benefits, or who renders any other standard of service generally accepted by industry custom or practice as full-time employment. An individual for whom a W-2 is issued by a Professional Employer Organization is a full-time employee if he or she is employed in the service of the applicant for a basic wage for at least 35 hours each week or renders any other standard of service generally accepted by industry custom or practice as full-time employment. For the purposes of this Act, such an individual shall be considered a full-time employee of the applicant.

"Incentive period" means the period beginning on July 1 and ending on June 30 of the following year. The first incentive period shall begin on July 1, 2021 and the last incentive period shall end on June 30, 2040.

"New employee" means a full-time employee:
(1) who first became employed by an applicant within the incentive period whose hire results in a net increase in the applicant's full-time Illinois employees and who is receiving a prevailing wage as compensation; and

(2) who was previously employed in a fossil fuel power plant, nuclear power plant, or coal mine in the State of Illinois that has since closed or is a graduate of training programs as established under Part 5 of the Clean Jobs, Workforce and Contractor Equity Act.

"New employee" does not include:

(1) a person who was previously employed in Illinois by the applicant or a related member prior to the onset of the incentive period, unless the new employee is hired for site remediation work; or

(2) a person who has a direct or indirect ownership interest of at least 5% in the profits, capital, or value of the applicant or a related member; or

(3) a person who has been hired to assist in the production of fossil fuel derived energy directly or indirectly, unless that person has been hired to assist in the deconstruction of a fossil fuel power plant, the deconstruction of a coal mine, the remediation of a site formerly used for fossil fuel power production, or the remediation of a coal mine.

"Noncompliance date" means, in the case of an applicant that is not complying with the requirements of this Act, the
day following the last date upon which the taxpayer was in compliance with the requirements of this Act, as determined by the Director under Section 25-135.

"Professional Employer Organization" has the same meaning as ascribed to that term under Section 5-5 of the Economic Development for a Growing Economy Tax Credit Act. "Professional Employer Organization" does not include a day and temporary labor service agency regulated under the Day and Temporary Labor Services Act.

"Related member" means a person that, with respect to the applicant during any portion of the incentive period, is any one of the following:

(1) An individual, if the individual and the members of the individual's family, as defined in Section 318 of the Internal Revenue Code, own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the outstanding profits, capital, stock, or other ownership interest in the applicant.

(2) A partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust and its partners or beneficiaries own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or other ownership interest in the applicant.

(3) A corporation, and any party related to the
corporation, in a manner that would require an attribution of stock from the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the applicant and any other related member own, in the aggregate, directly, indirectly, beneficially, or constructively, at least 50% of the value of the corporation's outstanding stock.

(4) A corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own, in the aggregate, at least 50% of the profits, capital, stock, or other ownership interest in the applicant.

(5) A person to or from whom there is attribution of stock ownership in accordance with subsection (e) of Section 1563 of the Internal Revenue Code, except that for purposes of determining whether a person is a related member under this paragraph (5):

(A) stock owned, directly or indirectly, by or for a partnership shall be considered as owned by any partner having an interest of 20% or more in either the capital or profits of the partnership in proportion to his or her interest in capital or profits, whichever such proportion is the greater;
(B) stock owned, directly or indirectly, by or for an estate or trust shall be considered as owned by any beneficiary who has an actuarial interest of 20% or more in such stock, to the extent of such actuarial interest. For purposes of this subparagraph, the actuarial interest of each beneficiary shall be determined by assuming the maximum exercise of discretion by the fiduciary in favor of such beneficiary and the maximum use of such stock to satisfy his or her rights as a beneficiary; and

(C) stock owned, directly or indirectly, by or for a corporation shall be considered as owned by any person who owns 20% or more in value of its stock in that proportion which the value of the stock which the person so owns bears to the value of all the stock in the corporation.

Section 25-105. Powers of the Department. The Department, in addition to those powers granted under the Civil Administrative Code of Illinois, is granted and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including, but not limited to, power and authority to:

(1) Adopt rules deemed necessary and appropriate for the administration of this Act; establish forms for applications, notifications, contracts, or any other
agreements; and accept applications at any time during the
year and require that all applications be submitted
electronically through the Internet.

(2) Provide guidance and assistance to applicants
under the provisions of this Act, and cooperate with
applicants to promote, foster, and support job creation
within this State.

(3) Enter into agreements and memoranda of
understanding for participation of and engage in
cooperation with agencies of the federal government, units
of local government, universities, research foundations or
institutions, regional economic development corporations,
or other organizations for the purposes of this Act.

(4) Gather information and conduct inquiries, in the
manner and by the methods it deems desirable, including,
without limitation, gathering information with respect to
applicants for the purpose of making any designations or
certifications necessary or desirable or to gather
information in furtherance of the purposes of this Act.

(5) Establish, negotiate, and effectuate any term,
agreement, or other document with any person necessary or
appropriate to accomplish the purposes of this Act, and
consent, subject to the provisions of any agreement with
another party, to the modification or restructuring of any
agreement to which the Department is a party.

(6) Provide for sufficient personnel to permit
administration, staffing, operation, and related support required to adequately discharge its duties and responsibilities described in this Act from funds made available through charges to applicants or from funds as may be appropriated by the General Assembly for the administration of this Act.

(7) Require applicants, upon written request, to issue any necessary authorization to the appropriate federal, State, or local authority or any other person for the release to the Department of information requested by the Department, with the information requested to include, but not be limited to, financial reports, returns, or records relating to the applicant or to the amount of credit allowable under this Act.

(8) Require that an applicant shall at all times keep proper books of record and account in accordance with generally accepted accounting principles consistently applied, with the books, records, or papers related to the agreement in the custody or control of the applicant open for reasonable Department inspection and audits, and including, without limitation, the making of copies of the books, records, or papers.

(9) Take whatever actions are necessary or appropriate to protect the State's interest in the event of bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance or
participation required under this Act, including the power
to sell, dispose of, lease, or rent, upon terms and
conditions determined by the Director to be appropriate,
real or personal property that the Department may recover
as a result of these actions.

Section 25-110. Certificate of eligibility for tax credit.
(a) An applicant that has hired a former energy worker or a
graduate of training programs as established under the Clean
Jobs Workforce and Contractor Equity Act as a new employee
during the incentive period may apply for a certificate of
eligibility for the credit with respect to that position on or
after the date of hire of the new employee. The date of hire
shall be the first day on which the employee begins providing
services for basic wage compensation.
(b) An applicant may apply for a certificate of
eligibility for the credit for more than one new employee on or
after the date of hire of each qualifying new employee.
(c) After receipt of an application under this Section,
the Department shall issue a certificate of eligibility to the
applicant that states the following:
(1) the date and time on which the application was
received by the Department and an identifying number
assigned to the applicant by the Department;
(2) the maximum amount of the credit the applicant
could potentially receive under this Act with respect to
the new employees listed on the application; and

(3) the maximum amount of the credit potentially allowable on certificates of eligibility issued for applications received prior to the application for which the certificate of eligibility is issued.

Section 25-115. Tax credit.

(a) Subject to the conditions set forth in this Act, an applicant is entitled to a credit against payment of taxes withheld under Section 704A of the Illinois Income Tax Act:

(1) for former energy workers or graduates of Clean Jobs Workforce programs hired as new employees who the applicant hires and retains for a minimum of one year; and

(2) in the amount of:

(A) 20% of the salary paid to the new employee for employees hired and retained for between the time of hiring and one year;

(B) 15% of the salary paid to the new employee for employees hired and retained between one year and 2 years; and

(C) 10% of the salary paid to the new employee for employees hired and retained between 2 years and 3 years.

(b) The Department shall make credit awards under this Act to further job creation.

(c) The credit shall be claimed for the first calendar
year ending on or after the date on which the certificate is issued by the Department.

(d) The net increase in full-time Illinois employees, measured on an annual full-time equivalent basis, shall be the total number of full-time Illinois employees of the applicant on the final day of the incentive period, minus the number of full-time Illinois employees employed by the employer on the first day of that same incentive period. For purposes of the calculation, an employer that begins doing business in this State during the incentive period, as determined by the Director, shall be treated as having zero Illinois employees on the first day of the incentive period.

(e) The net increase in the number of full-time Illinois employees of the applicant under subsection (d) must be sustained continuously for at least 12 months, starting with the date of hire of a new employee during the incentive period. Eligibility for the credit does not depend on the continuous employment of any particular individual. For purposes of this subsection (e), if a new employee ceases to be employed before the completion of the 12-month period for any reason, the net increase in the number of full-time Illinois employees shall be treated as continuous if a different new employee is hired as a replacement within a reasonable time for the same position. The new employees must be hired to fill positions that the applicant reasonably anticipates will be available for the new employee as a long-term position. For the purposes
of this subsection (e), "long-term position" means a position that will be available for 3 years or longer.

(f) The Department shall adopt rules to enable an applicant for which a Professional Employer Organization has been contracted to issue W-2s and make payment of taxes withheld under Section 704A of the Illinois Income Tax Act for new employees to retain the benefit of tax credits to which the applicant is otherwise entitled under this Act.

Section 25-120. Maximum amount of credits allowed. The Department shall limit the monetary amount of credits awarded under this Act to no more than $18,000,000 annually during the incentive period. If applications for a greater amount are received, credits shall be allowed on a first-come, first-served basis, based on the date on which each properly completed application for a certificate of eligibility is received by the Department. If more than one certificate of eligibility is received on the same day, the credits shall be awarded based on the time of submission for that particular day.

Section 25-125. Application for award of tax credit; tax credit certificate.

(a) On or after the conclusion of the 12-month period, or other period, after a new employee has been hired, for the purposes of subsection (a) of Section 25-115, an applicant
shall file with the Department an application for award of a credit. The application shall include the following:

(1) the names, Social Security numbers, job descriptions, salary or wage rates, and dates of hire of the new employees with respect to whom the credit is being requested;

(2) a certification that each new employee listed has been retained on the job for at least one year from the date of hire;

(3) the number of new employees hired by the applicant during the incentive period;

(4) the net increase in the number of full-time Illinois employees of the applicant, including the new employees listed in the request, between the beginning of the incentive period and the dates on which the new employees listed in the request were hired;

(5) an agreement that the Director is authorized to verify with the appropriate State agencies the information contained in the request before issuing a certificate to the applicant; and

(6) any other information the Department determines to be appropriate.

(b) Although an application may be filed at any time after the conclusion of the 12-month period after a new employee was hired, an application filed more than 90 days after the earliest date on which it could have been filed shall not be
awarded any credit if, prior to the date it is filed, the Department has received applications under this Section for credits totaling more than $20,000,000.

(c) The Department shall issue a certificate to each applicant awarded a credit under this Act. The certificate shall include the following:

(1) the name and taxpayer identification number of the applicant;

(2) the date on which the certificate is issued;

(3) the credit amount that will be allowed; and

(4) any other information the Department determines to be appropriate.

Section 25-130. Submission of tax credit certificate to the Department of Revenue. An applicant claiming a credit under this Act shall submit to the Department of Revenue a copy of each certificate issued under Section 25-125 with the first tax return for which the credit shown on the certificate is claimed. Failure to submit a copy of the certificate with the applicant's tax return shall not invalidate a claim for a credit.

Section 25-135. Administrative review.

(a) If the Director determines that an applicant who has received a credit under this Act is not complying with the requirements of this Act, the Director shall provide notice to
the applicant of the alleged noncompliance, and allow the taxpayer a hearing under the provisions of the Illinois Administrative Procedure Act. If, after the notice and hearing, the Director determines that noncompliance exists, the Director shall issue to the Department of Revenue notice to that effect, and state the date of noncompliance.

(b) All final administrative decisions, including, but not limited to, funding allocation and rules issued by the Department under this Act are subject to judicial review under the Administrative Review Law. No action may be commenced under this Section prior to 60 days after the complainant has given notice in writing of the action to the Department.

Section 25-140. Rules. The Department may adopt rules necessary to implement this Part 1. The rules may provide for recipients of credits under this Part 1 to be charged fees to cover administrative costs of the tax credit program.

Part 2.

Section 25-200. Definitions. As used in this Part 2:

"Agreement" means the agreement between a taxpayer and the Department entered into for a tax credit awarded under Section 25-210.

"Applicant" means a taxpayer operating a renewable energy enterprise, as determined under the Energy Community
Reinvestment Act, located within or that the renewable energy enterprise plans to locate within a Clean Energy Empowerment Zone. "Applicant" does not include a taxpayer who closes or substantially reduces an operation at one location in this State and relocates substantially the same operation to a location in a Clean Energy Empowerment Zone. A taxpayer is not prohibited from expanding its operations at a location in a Clean Energy Empowerment Zone, provided that existing operations of a similar nature located within the State are not closed or substantially reduced. A taxpayer is also not prohibited from moving operations from one location in this State to a Clean Energy Empowerment Zone for the purpose of expanding the operation provided that the Department determines that expansion cannot reasonably be accommodated within the municipality in which the business is located, or in the case of a business located in an incorporated area of the county, within the county in which the business is located, after conferring with the chief elected official of the municipality or county and taking into consideration any evidence offered by the municipality or county regarding the ability to accommodate expansion within the municipality or county.

"Board" means the Clean Energy Empowerment Zone Board created under Section 20-20 of the Illinois Energy Community Reinvestment Act.

"Credit" means the amount agreed to between the Department
and the Applicant under this Act, but not to exceed the lesser of: (1) the sum of (i) 50% of the incremental income tax attributable to new employees at the applicant's project and (ii) 10% of the training costs of new employees; or (2) 100% of the incremental income tax attributable to new employees at the applicant's project. If the project is located in an underserved area, then the amount of the credit may not exceed the lesser of: (1) the sum of (i) 75% of the incremental income tax attributable to new employees at the applicant's project and (ii) 10% of the training costs of new employees; or (2) 100% of the incremental income tax attributable to new employees at the applicant's project. If an applicant agrees to hire the required number of new employees, then the maximum amount of the credit for that applicant may be increased by an amount not to exceed 25% of the incremental income tax attributable to retained employees at the applicant's project; provided that, in order to receive the increase for retained employees, the applicant must provide the additional evidence required under paragraph (3) of subsection (c) of Section 25-215.

"Department" means the Department of Commerce and Economic Opportunity.

"Director" means the Director of Commerce and Economic Opportunity.

"Full-time employee" means an individual who is employed for consideration for at least 35 hours each week or who
renders any other standard of service generally accepted by industry custom or practice as full-time employment. An individual for whom a W-2 is issued by a Professional Employer Organization is a full-time employee if employed in the service of the applicant for consideration for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment to the applicant.

"Incremental income tax" means the total amount withheld during the taxable year from the compensation of new employees and, if applicable, retained employees under Article 7 of the Illinois Income Tax Act arising from employment at a project that is the subject of an agreement.

"New employee" means a full-time employee first employed by a taxpayer in the project that is the subject of an agreement and who is hired after the taxpayer enters into the agreement.

"New employee" does not include:

(1) an employee of the taxpayer who performs a job that was previously performed by another employee, if that job existed for at least 6 months before hiring the employee;

(2) an employee of the taxpayer who was previously employed in Illinois by a related member of the taxpayer and whose employment was shifted to the taxpayer after the taxpayer entered into the agreement; or
(3) a child, grandchild, parent, or spouse, other than a spouse who is legally separated from the individual, of any individual who has a direct or an indirect ownership interest of at least 5% in the profits, capital, or value of the taxpayer.

Notwithstanding any other provisions of this Section, an employee may be considered a new employee under the agreement if the employee performs a job that was previously performed by an employee who was: (i) treated under the agreement as a new employee; and (ii) promoted by the taxpayer to another job.

Notwithstanding any other provisions of this Section, the Department may award a credit to an applicant with respect to an employee hired prior to the date of the agreement if: (i) the applicant is in receipt of a letter from the Department stating an intent to enter into a credit agreement; (ii) the letter described in item (i) of this paragraph is issued by the Department not later than 15 days after the effective date of this Act; and (iii) the employee was hired after the date the letter described in item (i) of this paragraph was issued.

"Pass-through entity" means an entity that is exempt from the tax under subsection (b) or (c) of Section 205 of the Illinois Income Tax Act.

"Related member" means a person that, with respect to the taxpayer during any portion of the taxable year, is any one of the following:
(1) An individual stockholder, if the stockholder and the members of the stockholder's family, as defined in Section 318 of the Internal Revenue Code, own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the taxpayer's outstanding stock.

(2) A partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust, and its partners or beneficiaries own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or value of the taxpayer.

(3) A corporation, and any party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the taxpayer owns directly, indirectly, beneficially, or constructively at least 50% of the value of the corporation's outstanding stock.

(4) A corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own in the
aggregate at least 50% of the profits, capital, stock, or value of the taxpayer.

(5) A person to or from whom there is attribution of stock ownership in accordance with subsection (e) of Section 1563 of the Internal Revenue Code, except that for purposes of determining whether a person is a related member under this paragraph (5):

(A) stock owned, directly or indirectly, by or for a partnership shall be considered as owned by any partner having an interest of 20% or more in either the capital or profits of the partnership in proportion to his or her interest in capital or profits, whichever such proportion is the greater;

(B) stock owned, directly or indirectly, by or for an estate or trust shall be considered as owned by any beneficiary who has an actuarial interest of 20% or more in such stock, to the extent of such actuarial interest. For purposes of this subparagraph, the actuarial interest of each beneficiary shall be determined by assuming the maximum exercise of discretion by the fiduciary in favor of such beneficiary and the maximum use of such stock to satisfy his or her rights as a beneficiary; and

(C) stock owned, directly or indirectly, by or for a corporation shall be considered as owned by any person who owns 20% or more in value of its stock in
that proportion which the value of the stock which the
person so owns bears to the value of all the stock in
the corporation.

"Renewable energy" means solar energy, wind energy, water
energy, geothermal energy, bioenergy, or hydrogen fuel and
cells.

"Renewable energy production facility" means a facility
owned by a company that is engaged in and used such a facility
for the production of solar energy, wind energy, water energy,
geothermal energy, bioenergy, or hydrogen fuel and cells.

"Taxpayer" means an individual, corporation, partnership,
or other entity that has any Illinois income tax liability.

"Underserved area" means a geographic area that meets one
or more of the following conditions:

(1) the area has a poverty rate of at least 20%
according to the latest federal decennial census;

(2) 75% or more of the children in the area
participate in the federal free lunch program according to
reported statistics from the State Board of Education;

(3) at least 20% of the households in the area receive
assistance under the Supplemental Nutrition Assistance
Program; or

(4) the area has an average unemployment rate, as
determined by the Department of Employment Security, that
is more than 120% of the national unemployment average, as
determined by the United States Department of Labor, for a
period of at least 2 consecutive calendar years preceding
the date of the application.

Section 25-205. Powers of the Department. The Department,
in addition to those powers granted under the Civil
Administrative Code of Illinois and Part 1 of this Act, is
granted and has all the powers necessary or convenient to
carry out and effectuate the purposes and provisions of this
Act, including, but not limited to, power and authority to:

(a) Adopt rules deemed necessary and appropriate for the
administration of programs; establish forms for applications,
notifications, contracts, or any other agreements; and accept
applications at any time during the year.

(b) Provide and assist taxpayers pursuant to the
provisions of this Act, and cooperate with taxpayers that are
parties to agreements to promote, foster, and support economic
development, capital investment, and job creation or retention
within the Clean Energy Empowerment Zone.

(c) Enter into agreements and memoranda of understanding
for participation of and engage in cooperation with agencies
of the federal government, units of local government,
universities, research foundations or institutions, regional
economic development corporations, or other organizations for
the purposes of this Act.

(d) Gather information and conduct inquiries, in the
manner and by the methods as it deems desirable, including,
without limitation, gathering information with respect to applicants for the purpose of making any designations or certifications necessary or desirable or to gather information to assist the Board with any recommendation or guidance in the furtherance of the purposes of this Act.

(e) Establish, negotiate and effectuate any term, agreement or other document with any person, necessary or appropriate to accomplish the purposes of this Act, and consent, subject to the provisions of any agreement with another party, to the modification or restructuring of any agreement to which the Department is a party.

(f) Fix, determine, charge, and collect any premiums, fees, charges, costs, and expenses from applicants, including, without limitation, any application fees, commitment fees, program fees, financing charges, or publication fees as deemed appropriate to pay expenses necessary or incident to the administration, staffing, or operation in connection with the Department's or Board's activities under this Act, or for preparation, implementation, and enforcement of the terms of the agreement, or for consultation, advisory and legal fees, and other costs. All fees and expenses incident thereto shall be the responsibility of the applicant.

(g) Provide for sufficient personnel to permit administration, staffing, operation, and related support required to adequately discharge its duties and responsibilities described in this Act from funds made
available through charges to applicants or from funds as may be appropriated by the General Assembly for the administration of this Act.

(h) Require applicants, upon written request, to issue any necessary authorization to the appropriate federal, State, or local authority for the release of information concerning a project being considered under the provisions of this Act, with the information requested to include, but not be limited to, financial reports, returns, or records relating to the taxpayer or its project.

(i) Require that a taxpayer shall at all times keep proper books of record and account in accordance with generally accepted accounting principles consistently applied, with the books, records, or papers related to the agreement in the custody or control of the taxpayer open for reasonable Department inspection and audits, and including, without limitation, the making of copies of the books, records, or papers, and the inspection or appraisal of any of the taxpayer or project assets.

(j) Take whatever actions are necessary or appropriate to protect the State's interest in the event of bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance or participation required under this Act, including the power to sell, dispose, lease, or rent, upon terms and conditions determined by the Director to be appropriate, real or personal property that the
Department may receive as a result of these actions.

Section 25-210. Tax credit awards.

(a) Subject to the conditions set forth in this Act, a taxpayer is entitled to a credit against or, as described in subsection (g), a payment toward taxes imposed pursuant to subsections (a) and (b) of Section 201 of the Illinois Income Tax Act that may be imposed on the taxpayer for a taxable year beginning on or after January 1, 2019, if the taxpayer is awarded a credit by the Department under this Act for that taxable year.

(b) The Department shall make credit awards under this Act to foster job creation and the development of renewable energy in Clean Energy Empowerment Zones.

(c) A person that proposes a project to create new jobs and to invest in the development of a renewable energy production facility in a Clean Energy Empowerment Zone must enter into an agreement with the Department for the credit under this Act.

(d) The credit shall be claimed for the taxable years specified in the agreement.

(e) The credit shall not exceed the incremental income tax attributable to the project that is the subject of the agreement.

(f) Nothing herein shall prohibit a tax credit award to an applicant that uses a Professional Employer Organization if all other award criteria are satisfied.
(g) A pass-through entity that has been awarded a credit under this Act, its shareholders, or its partners may treat some or all of the credit awarded under this Act as a tax payment for purposes of the Illinois Income Tax Act. In no event shall the amount of the award credited under this Act exceed the Illinois income tax liability of the pass-through entity or its shareholders or partners for the taxable year.

For the purposes of this subsection (g), "tax payment" means a payment as described in Article 6 or Article 8 of the Illinois Income Tax Act or a composite payment made by a pass-through entity on behalf of any of its shareholders or partners to satisfy such shareholders' or partners' taxes imposed pursuant to subsections (a) and (b) of Section 201 of the Illinois Income Tax Act.

Section 25-215. Application for a project to create and retain new jobs and to develop renewable energy.

(a) Any renewable energy enterprise proposing a project to build a renewable energy production facility located or planned to be located in a Clean Energy Empowerment Zone may request consideration for designation of its project, by formal written letter of request or by formal application to the Department, in which the applicant states its intent to make at least a specified level of investment and intends to hire or retain a specified number of full-time employees at a designated location in Illinois. As circumstances require, the
Department may require a formal application from an applicant and a formal letter of request for assistance.

(b) In order to qualify for credits under this Act, an applicant's project must:

(1) be for the purpose of producing renewable energy;

(2) if the applicant has more than 100 employees, involve an investment of at least $2,500,000 in capital improvements to be placed in service within a Clean Energy Empowerment Zone as a direct result of the project. If the applicant has 100 or fewer employees, then there is no capital investment requirement; and

(3) if the applicant has more than 100 employees, employ a number of new employees in the Clean Energy Empowerment Zone equal to the lesser of (A) 10% of the number of full-time employees employed by the applicant world-wide on the date the application is filed with the Department; or (B) 50 new employees. If the applicant has 100 or fewer employees, employ a number of new employees in the State equal to the lesser of (A) 5% of the number of full-time employees employed by the applicant world-wide on the date the application is filed with the Department or (B) 50 New Employees.

(c) After receipt of an application, the Department shall review the application, make inquiries, and conduct studies in the manner and by the methods as it deems desirable, and consult with and make a recommendation to the Clean Energy
Empowerment Zone Board created under the Energy Community Reinvestment Act. The Department and the Board shall make its recommendations and approvals based on whether they determine that all of the following conditions exist:

(1) The applicant's project will make the required investment in the State and the applicant intends to hire the required number of new employees in Illinois as a result of that project, as described in this Act.

(2) The applicant's project is economically sound and will benefit the people of the State of Illinois by increasing opportunities for employment and strengthening the economy of Illinois.

(3) That, if not for the credit, the project would not occur in Illinois or in the Clean Energy Empowerment Zone, which may be demonstrated by evidence that receipt of the credit is essential to the applicant's decision to create new jobs in the State, such as the magnitude of the cost differential between Illinois and a competing state;

(4) The political subdivisions affected by the project have committed local incentives or other support with respect to the project, considering local ability to assist.

(5) Awarding the credit will result in an overall positive fiscal impact to the State, as certified by the Board using the best available data.

(6) The credit is not prohibited by Section 25-225.
(d) After approval by the Board, the Department may enter into an agreement with the applicant.

Section 25-225. Relocation of jobs to Clean Energy Empowerment Zone. A taxpayer is not entitled to claim the credit provided by this Act with respect to any jobs that the taxpayer relocates from one site in Illinois to another site in a Clean Energy Empowerment Zone. A taxpayer with respect to a qualifying project certified under the Corporate Headquarters Relocation Act, however, is not subject to the requirements of this Section, but is nevertheless considered an applicant for purposes of this Act. Moreover, any full-time employee of an eligible renewable energy enterprise relocated to a Clean Energy Empowerment Zone in connection with that qualifying project is deemed to be a new employee for purposes of this Act. Determinations under this Section shall be made by the Department.

Section 25-230. Determination of the amount of credit. In determining the amount of credit that should be awarded, the Board shall provide guidance on, and the Department shall take into consideration, all of the following factors:

(1) the number and location of jobs created and retained in relation to the economy of the Clean Energy Empowerment Zone where the projected investment is to occur;
(2) the potential impact on the economy of the Clean Energy Empowerment Zone;
(3) the advancement of renewable energy in the Clean Energy Empowerment Zone;
(4) the incremental payroll attributable to the project;
(5) the capital investment attributable to the project;
(6) the amount of the average wage and benefits paid by the applicant in relation to the wage and benefits of the Clean Energy Empowerment Zone;
(7) the costs to Illinois and the affected political subdivisions with respect to the project; and
(8) the financial assistance that is otherwise provided by Illinois and the affected political subdivisions.

Section 25-235. Amount and duration of credit.
(a) The Department shall determine the amount and duration of the credit awarded under this Act. The duration of the credit may not exceed 10 taxable years. The credit may be stated as a percentage of the incremental income tax attributable to the applicant's project and may include a fixed dollar limitation. An agreement for the credit must be finalized and signed by all parties while the area in which the project is located is designated a Clean Energy Empowerment
Zone. The credit may last longer than the applicable Clean Energy Empowerment Zone designation. Agreements entered into prior to the de-designation of a Clean Energy Empowerment Zone shall be honored for the length of the agreement.

(b) Notwithstanding subsection (a), and except as the credit may be applied in a carryover year as otherwise provided in this subsection (b), the credit may be applied against the State income tax liability in more than 10 taxable years, but not in more than 15 taxable years for an eligible green energy enterprise that: (i) qualifies under this Act and the Corporate Headquarters Relocation Act and has in fact undertaken a qualifying project within the time frame specified by the Department of Commerce and Economic Opportunity under that Act; and (ii) applies against its State income tax liability, during the entire 15-year period, no more than 60% of the maximum credit per year that would otherwise be available under this Act.

Any credit that is unused in the year the credit is computed may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one tax year that are available to offset a liability, the earlier credit shall be applied first.

Section 25-240. Contents of agreements with applicants.
The Department shall enter into an agreement with an applicant that is awarded a credit under this Act.

Section 25-245. Certificate of verification; submission to the Department of Revenue. A taxpayer claiming a credit under this Act shall submit to the Department of Revenue a copy of the Director's certificate of verification under this Act for the taxable year. Failure to submit a copy of the certificate with the taxpayer's tax return shall not invalidate a claim for a credit.

Section 25-250. Supplier diversity. Each taxpayer claiming a credit under this Act shall, no later than April 15 of each taxable year for which the taxpayer claims a credit under this Act, submit to the Department of Commerce and Economic Opportunity an annual report containing the information described in subsections (b), (c), (d), and (e) of Section 5-117 of the Public Utilities Act. Those reports shall be submitted in the form and manner required by the Department of Commerce and Economic Opportunity.

Section 25-255. Pass-through entity. The shareholders or partners of a taxpayer that is a pass-through entity shall be entitled to the credit allowed under the agreement. The credit is in addition to any credit to which a shareholder or partner is otherwise entitled under a separate agreement under this
Act. A pass-through entity and a shareholder or partner of the pass-through entity may not claim more than one credit under the same agreement.

Section 25-260. Rules. The Department may adopt rules necessary to implement this Part 2. The rules may provide for recipients of credits under this Part 2 to be charged fees to cover administrative costs of the tax credit program. Fees collected shall be deposited into the Energy Community Reinvestment Fund.

Section 25-265. Program terms and conditions.

(a) Any documentary materials or data made available or received by any member of a board or any agent or employee of the Department shall be deemed confidential and shall not be deemed public records to the extent that the materials or data consists of trade secrets, commercial or financial information regarding the operation of the business conducted by the applicant for or recipient of any tax credit under this Act, or any information regarding the competitive position of a business in a particular field of endeavor.

(b) Nothing in this Act shall be construed as creating any rights in any applicant to enter into an agreement or in any person to challenge the terms of any agreement.

Article 30. Coal Severance Fee Act
Section 30-1. Short title. This Article may be cited as the Coal Severance Fee Act. References in this Article to "this Act" mean this Article.

Section 30-5. Coal severance fee.
(a) Definitions. As used in this Act:
"Department" means the Department of Revenue.
"Person" means any natural individual, firm, partnership, association, joint stock company, joint adventure, public or private corporation, limited liability company, or a receiver, executor, trustee, guardian, or other representative appointed by order of any court.

(b) Tax imposed.
(1) On and after June 1, 2021, there is hereby imposed a tax upon any person engaged in the business of severing or preparing coal for sale, profit, or commercial use, if the coal is severed from a mine located in this State. The rate of the tax imposed under this Section is 6% of the gross value of the severed coal.
(2) The liability for the tax accrues at the time the coal is severed.

(c) Payment and collection of tax.
(1) The tax imposed under this Act shall be due and payable on or before the 20th day of the month following the month in which the coal is severed.
(2) The State shall have a lien on all coal severed in this State on or after June 1, 2021 to secure the payment of the tax.

(d) Registration. A person who is subject to the tax imposed under this Act shall register with the Department. Application for a certificate of registration shall be made to the Department upon forms furnished by the Department and shall contain any reasonable information the Department may require. Upon receipt of the application for a certificate of registration in proper form, the Department shall issue to the applicant a certificate of registration.

(e) Inspection of records by Department, subpoena power, contempt. For the purpose of computing the amount of the tax due under this Section, the Department has the following powers:

(1) to require any person who is subject to this tax to furnish any additional information deemed to be necessary for the computation of the tax;

(2) to examine books, records, and files of such person; and

(3) to issue subpoenas and examine witnesses under oath. If any witness fails or refuses to appear at the request of the Director, or if any witness refuses access to books, records, or files, the circuit court of the proper county, or the judge thereof, on application of the Department, shall compel obedience by proceedings for
contempt, as in the case of disobedience of the requirements of a subpoena issued from that court or a refusal to testify therein.

(f) Returns. Each taxpayer shall make a return to the Department showing the following:

(1) the name of the taxpayer;
(2) the address of the taxpayer's principal place of business;
(3) the quantity of coal severed or prepared during the month for which the return is filed;
(4) the gross value of the severed coal;
(5) the amount of tax due;
(6) the signature of the taxpayer; and
(7) any other reasonable information as the Department may require.

(g) The return shall be filed on or before the 20th day of the month after the month during which the coal is severed. The Department may require any additional report or information it deems necessary for the proper administration of this Act.

(h) Returns due under this Section shall be filed electronically in the manner prescribed by the Department. Taxpayers shall make all payments of the tax to the Department under this Act by electronic funds transfer unless, as provided by rule, the Department grants an exception upon petition of a taxpayer. Returns must be accompanied by appropriate computer generated magnetic media supporting
schedule data in the format required by the Department, unless, as provided by rule, the Department grants an exception upon petition of a taxpayer.

(i) Incorporation by reference. All of the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 6, 13 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act which are not inconsistent with this Act, and all provisions of the Uniform Penalty and Interest Act shall apply, as far as practicable, to the subject matter of this Act to the same extent as if such provisions were included herein.

(j) Rulemaking. The Department is hereby authorized to adopt rules as may be necessary to administer and enforce the provisions of this Act.

(k) Distribution of proceeds. All moneys received by the Department under this Act shall be paid into the Energy Community Reinvestment Fund.

Article 35. Building Energy Performance Standard Act

Section 35-1. Short title. This Article may be cited as the Building Energy Performance Standard Act. References in this Article to "this Act" mean this Article.


(a) The purpose of the Illinois Building Energy
Performance Standard is to decrease energy consumption, reduce greenhouse gas emissions from existing buildings, and increase economic growth and job creation by:

(1) creating a Building Energy Performance Standard through a stakeholder engagement process;

(2) implementing the Building Energy Performance Standard for all state-owned buildings; and

(3) creating a uniform Building Energy Performance Standard that may be adopted by local jurisdictions and may be applicable to publicly owned buildings or privately owned buildings, or both.

(b) Within 90 days after the effective date of this Act, the Illinois Office of Energy shall establish a Building Energy Performance Standard Task Force to advise and provide technical assistance and recommendations for the Illinois Building Energy Performance Standard, which shall:

(A) advise the Illinois Office of Energy on creation of an implementation plan for the Building Energy Performance Standard;

(B) recommend amendments to proposed regulations issued by the Illinois Office of Energy;

(C) recommend complementary programs or policies; and

(D) complete its tasks within one year of enactment.

The Task Force shall be composed of representatives, or their designees, from the following entities:

(i) the Director of the Illinois Environmental
Protection Agency;
  (ii) the Director of the Capital Development Board;
  (iii) The Director of Central Management Services;
  (iv) a minimum of one technical expert with extensive
knowledge of energy use in multiple existing commercial
building use types;
  (v) a representative from the City of Chicago;
  (vi) the Director of the Illinois Housing Development
Authority;
  (vii) the Director of Commerce and Economic
Opportunity;
  (viii) a representative from an environmental or
sustainability nonprofit organization;
  (ix) a representative from each of the investor-owned
utilities in Illinois;
  (x) a representative who is an affordable housing
advocate;
  (xi) a representative from a market-rate multifamily
building;
  (xii) a representative from a building owners and
managers association;
  (xiii) a representative from a public university
system;
  (xiv) a representative of a nonprofit or professional
association advocating for energy efficient buildings or a
low-carbon built environment;
(xvi) a representative of a business or entity that provides energy efficiency or renewable energy services to large buildings or affordable housing in the State; and

(xvii) other experts or organizations deemed necessary by the Illinois Office of Energy.

(c) In establishing specific performance standards and processes, the Illinois Office of Energy shall:

(1) require all buildings owned by the State of Illinois to comply with the Building Energy Performance Standard. State-owned buildings shall meet the following timeline for compliance with Building Energy Performance Standard:

(A) buildings over 50,000 gross square feet shall comply no later than January 1, 2024;

(B) buildings over 25,000 gross square feet shall comply no later than January 1, 2026;

(C) buildings over 10,000 gross square feet shall comply no later than January 1, 2028; and

(D) buildings below 10,000 gross square feet are not required to comply.

(2) require the property type energy use targets established by the Illinois Building Energy Performance Standard to be the minimum energy efficiency requirements for any jurisdiction adopting a building energy performance standard;

(3) with input from the Building Energy Performance
Standard Task Force, establish property types and building
energy performance standards for each property type, or an
equivalent metric for buildings that do not receive an
ENERGY STAR score, no later than January 1, 2023;
begining every 5 years after January 1, 2023, the
Illinois Office of Energy shall review and assess the need
to update the energy performance standards for each
property type;

(4) establish reporting and data verification
requirements for buildings covered by Building Energy
Performance Standard, and establish requirements for
making reporting and data publicly available;

(5) establish that the Building Energy Performance
Standard for buildings that are eligible for an ENERGY
STAR score is no lower than the State median ENERGY STAR
score for buildings of each property type;

(6) establish penalty guidelines for buildings failing
to comply with the building energy performance
requirements; and

(7) if needed, establish exemption criteria, in
consultation with the Building Energy Performance Standard
Task Force, including:

(A) for qualifying affordable housing buildings to
delay compliance with the building energy performance
requirements for no more than 3 years if the owner
demonstrates, to the satisfaction of the Illinois
Office of Energy, financial distress, change of ownership, vacancy, major renovation, pending demolition, or other acceptable circumstances as determined by the State of Illinois; and

(B) for qualifying buildings to delay compliance with the building energy performance requirements for up to 3 years if the owner demonstrates, to the satisfaction of the State of Illinois, financial distress, change of ownership, vacancy, major renovation, pending demolition, or other acceptable circumstances determined by the State of Illinois.

(d) In establishing specific performance standards, the Illinois Office of Energy may consider:

(1) the existence of any historic buildings and any restrictions related to the treatment of historic buildings;

(2) the diversity of building uses and requirements; and

(3) the impact on zoning regulations.


(f) The Illinois Office of Energy shall post the strategic implementation plan on its website.
Article 40. Public Utilities Intervenor Compensation Act

Section 40-1. Short title. This Article may be cited as the Public Utilities Intervenor Compensation Act. References in this Article to "this Act" mean this Article.

Section 40-5. Findings. The General Assembly finds that:

(1) public participation is an important consideration in Illinois Commerce Commission proceedings;

(2) public stakeholders face financial challenges in participating at Illinois Commerce Commission proceedings, including retaining legal representation and expert witnesses;

(3) it is in the public interest to reduce barriers to participation in Illinois Commerce Commission proceedings, particularly for environmental justice and other public interest organizations;

(4) provision of compensation for participating organizations will improve Illinois Commerce Commission proceedings and decisions, increase public engagement, and encourage additional transparency.

Section 40-10. Definitions. As used in this Act:

"Commission" means the Illinois Commerce Commission.

"Compensation" means payment for all or part, as
determined by the Commission, of reasonable advocate's fees, reasonable expert witness fees, and other reasonable costs of preparation for and participation in a proceeding, and includes the fees and costs of obtaining an award under this article and of obtaining judicial review, if any.

"Contribution" means that the customer's presentation has met the following standard:

1. For any customer, the presentation has assisted the Commission in the making of its order or decision because the order or decision has adopted in whole or in part one or more factual contentions, legal contentions, or specific policy or procedural recommendations presented by the customer. For any customer, where the customer's participation has resulted in a contribution, even if the decision adopts that customer's contention or recommendations only in part, the Commission may award the customer compensation for all reasonable advocate's fees, reasonable expert fees, and other reasonable costs incurred by the customer in preparing or presenting that contention or recommendation. Participation by any customer that materially supplements, complements, or contributes to the presentation of another party, including the Commission staff, that makes a contribution to a Commission order or decision is fully eligible for compensation.

2. For customers with fewer than 3 attorneys on
staff, the customer introduces a relevant argument or factual evidence into the docket, garners a response from another party to the proceeding, and files briefs.

(3) For customers without attorneys on staff, the customer introduces a relevant argument or factual evidence into the docket.

"Customer" means any of the following:

(1) A participant representing consumers, customers, or subscribers of any electrical, gas, telephone, or water corporation that is subject to the jurisdiction of the Commission.

(2) A representative who has been authorized by a customer.

(3) A representative of a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers, or to represent small commercial customers who receive bundled electric service from an electrical corporation.

(4) An organization representing environmental justice communities.

"Customer" does not include any state, federal, or local governmental agency, or any publicly owned public utility. "Customer" must be a nonprofit organization.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings,
used and as may be updated by the Illinois Power Agency and its program administrator in the Illinois Solar for All Program.

"Expert witness fees" means recorded or billed costs incurred by a customer for an expert witness.

"Other reasonable costs" means reasonable out-of-pocket expenses directly incurred by a customer that are directly related to the contentions or recommendations made by the customer that resulted in a contribution.

"Party" means any interested party, respondent public utility, or Commission staff in a hearing or proceeding.

"Public utility" has the meaning ascribed to it in the Public Utilities Act.

"Significant financial hardship" means either that the customer cannot afford, without undue hardship, to pay the costs of effective participation, including advocate's fees, expert witness fees, and other reasonable costs of participation, or that, in the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding.

Section 40-15. Intervenor compensation awards. The Commission shall award reasonable advocate's fees, reasonable expert witness fees, and other reasonable costs of preparation for and participation in a hearing or proceeding to any customer that complies with the procedures in Section 40-20
and satisfies both of the following requirements:

(1) The customer's presentation makes a contribution to the adoption, in whole or in part, of the Commission's order or decision, as described in Section 40-10(b); and

(2) Participation or intervention without an award of fees or costs imposes a significant financial hardship.

Section 40-20. Intervenor compensation award procedures.

(a)(1) A customer that intends to seek an award under this article shall, within 30 days after the prehearing conference is held, file and serve on all parties to the proceeding a notice of intent to claim compensation. The Commission shall determine the procedure to be used in cases in which:

(i) no prehearing conference is scheduled;

(ii) the Commission anticipates that the proceeding will take less than 30 days;

(iii) the schedule would not reasonably allow parties to identify issues within the time frame set forth in this subsection; or

(iv) where new issues emerge after the time set for filing.

(2)(i) The notice of intent to claim compensation shall include both of the following:

(A) A statement of the nature and extent of the customer's planned participation in the proceeding as far as it is possible to set it out when the notice of intent
is filed.

(B) An itemized estimate of the compensation that the customer expects to request, given the likely duration of the proceeding as it appears at the time.

(ii) The notice of intent may also include a showing by the customer that participation in the hearing or proceeding would pose a significant financial hardship. Alternatively, such a showing shall be included in the request submitted pursuant to subsection (c).

(3) Within 15 days after service of the notice of intent to claim compensation, the administrative law judge may direct the staff, and may permit any other interested party, to file a statement responding to the notice.

(b)(1) If the customer's showing of significant financial hardship was included in the notice filed pursuant to subsection (a), the administrative law judge shall issue within 30 days thereafter a preliminary ruling addressing whether the customer is eligible for an award of compensation. The ruling shall address whether a showing of significant financial hardship has been made. A finding of significant financial hardship shall create a rebuttable presumption of eligibility for compensation in other Commission proceedings commencing within 2 years after the date of that finding.

(2) The administrative law judge may, in any event, issue a ruling addressing issues raised by the notice of intent to claim compensation. The ruling may point out similar
positions, areas of potential duplication in showings, unrealistic expectation for compensation, and any other matter that may affect the customer's ultimate claim for compensation. Failure of the ruling to point out similar positions or potential duplication or any other potential impact on the ultimate claim for compensation shall not imply approval of any claim for compensation. A finding of significant financial hardship in no way ensures compensation. Similarly, the failure of the customer to identify a specific issue in the notice of intent or to precisely estimate potential compensation shall not preclude an award of reasonable compensation if a contribution is made.

(c) Following issuance of a final order or decision by the Commission in the hearing or proceeding, a customer that has been found, pursuant to subsection (b), to be eligible for an award of compensation may file within 60 days a request for an award. The request shall include at a minimum a detailed description of services and expenditures and a description of the customer's contribution to the hearing or proceeding. Within 30 days after service of the request, the Commission staff may file, and any other party may file, a response to the request.

(d) The Commission may audit the records and books of the customer to the extent necessary to verify the basis for the award. The Commission shall preserve the confidentiality of the customer's records in making its audit. Within 20 days...
after completion of the audit, if any, the Commission shall
direct that an audit report shall be prepared and filed. Any
other party may file a response to the audit report within 20
days thereafter.

(e) Within 75 days after the filing of a request for
compensation pursuant to subsection (c), or within 50 days
after the filing of an audit report, whichever occurs later,
the Commission shall issue a decision that determines whether
or not the customer has made a contribution to the final order
or decision in the hearing or proceeding. If the Commission
finds that the customer requesting compensation has made a
contribution, the Commission shall describe this contribution
and shall determine the amount of compensation to be paid.

Section 40-25. Calculation of intervenor compensation
awards. The computation of compensation awarded shall take
into consideration the market rates paid to persons of
comparable training and experience who offer similar services.
The compensation awarded may not exceed the comparable market
rate for services paid by the Commission or the public
utility, whichever is greater, to persons of comparable
training and experience who are offering similar services.

Section 40-30. Intervenor compensation payments and cost
recovery. An award made under this Act shall be paid by the
public utility that is the subject of the hearing,
investigation, or proceeding, as determined by the Commission, within 30 days. Notwithstanding any other law, an award paid by a public utility pursuant to this Act shall be allowed by the Commission as an expense for the purpose of establishing rates of the public utility.

Section 40-35. Denial of intervenor compensation payments. The Commission shall deny any award to any customer that attempts to delay or obstruct the orderly and timely fulfillment of the Commission's responsibilities.

Section 40-40. Illinois Commerce Commission Intervenor Compensation Fund. The Illinois Commerce Commission Intervenor Compensation Fund is hereby created as a special fund in the State treasury. The Commission shall administer the Illinois Commerce Commission Intervenor Compensation Fund for use as described in Section 40-45. An electric public utility with 3,000,000 or more retail customers shall contribute $450,000 to the Illinois Commerce Commission Intervenor Compensation Fund within 60 days after the effective date of this Act. A combined electric and gas public utility serving fewer than 3,000,000 but more than 500,000 retail customers shall contribute $225,000 to the Illinois Commerce Commission Intervenor Compensation Fund within 60 days after the effective date of this Act. A gas public utility with 2,000,000 or more retail customers that is not a combined
electric and gas public utility shall contribute $225,000 to the Illinois Commerce Commission Intervenor Compensation Fund within 60 days after the effective date of this Act. A gas public utility with fewer than 2,000,000 retail customers but more than 300,000 retail customers that is not a combined electric and gas public utility shall contribute $80,000 to the Illinois Commerce Commission Intervenor Compensation Fund within 60 days after the effective date of this Act. A gas public utility with fewer than 300,000 retail customers that is not a combined electric and gas public utility shall contribute $20,000 to the Illinois Commerce Commission Intervenor Compensation Fund within 60 days after the effective date of this Act.

Section 40-45. Intervenor compensation pre-proceeding grants.

(a) Any customer that applies for intervenor compensation payments under subsection (a) of Section 40-20 may also, at the same time, apply for a grant from the Illinois Commerce Commission Intervenor Compensation Fund for the costs described in its notice of intent to claim compensation. A final decision regarding the grant shall be made at the time of the preliminary ruling on intervenor compensation eligibility in subsection (b) of Section 40-20. No pre-proceeding grant shall be given to organizations who are not found to be eligible for intervenor compensation. If granted, payments
must be made within 30 days to facilitate participation in the proceeding. At the time of the final decision regarding the grant, the Commission shall notify the customer of the requirements to be awarded intervenor compensation and that, if the customer does not prevail in receiving intervenor compensation of at least the amount of the grant, the customer will be expected to reimburse the Illinois Commerce Commission Intervenor Compensation Fund for the remaining grant moneys on a regular schedule within 5 years of the end of the proceeding. After notification, the customer may accept or deny receipt of the grant.

(b) To apply for a grant from the Illinois Commerce Commission Intervenor Compensation Fund, the customer must describe why prepayment of intervenor compensation is necessary for it to participate in the proceeding and show financial hardship sufficient that the customer cannot reasonably be expected to participate without receiving a grant.

(c) If a customer that receives a grant from the Illinois Commerce Commission Intervenor Compensation Fund subsequently prevails in receiving intervenor compensation, the public utility paying intervenor compensation must reimburse the fund for the amount of the grant. If the intervenor compensation amount is larger than the grant, then the balance shall be paid to the customer. If the amount of intervenor compensation is less than the grant, then the customer must reimburse the
Illinois Commerce Commission Intervenor Compensation Fund for the difference with payments made on a regular schedule within 5 years after the end of the proceeding.

(d) If a customer that receives a grant from the Illinois Commerce Commission Intervenor Compensation Fund does not subsequently prevail in receiving intervenor compensation, then the customer must reimburse the Illinois Commerce Commission Intervenor Compensation Fund for the amount of the grant with payments made on a regular schedule within 5 years of the end of the proceeding.

Section 40-50. Rulemaking. The Commission shall adopt any rules necessary to implement this Act. The Commission has the authority to initiate an emergency rulemaking to adopt rules regarding intervenor compensation if necessary to allow customer participation in dockets implementing new statutes.

Article 45. Electric Vehicle Charging Act

Section 45-1. Short title. This Article may be cited the Electric Vehicle Charging Act. References in this Article to "this Act" mean this Article.

Section 45-5. Legislative intent. Electric vehicles are an important tool to fight the climate crisis, tackle air pollution, and provide safe, clean, and affordable personal
transportation. The State should encourage urgent and widespread adoption of electric vehicles. Since most current electric vehicle owners are single-family homeowners who charge at home, providing access to home charging for those in multi-unit dwellings is crucial to wider electric vehicle adoption. This includes condominium unit owners and renters, regardless of parking space ownership and regardless of income. Therefore, a significant portion of parking spaces in new and renovated residential and commercial developments must be capable of electric vehicle charging. Additionally, renters and condominium unit owners must be able to install charging equipment for their cars under reasonable conditions.

Section 45-10. Applicability. This Act applies to new or renovated residential or nonresidential buildings that have parking spaces and are constructed or renovated after the effective date of this Act.

Section 45-15. Definitions. As used in this Act:

"Association" has the meaning set forth in subsection (o) of Section 2 of the Condominium Property Act or Section 1-5 of the Common Interest Community Association Act, as applicable.

"Electric vehicle" means a vehicle that is powered by an electric motor, runs on a rechargeable battery, and must be plugged in to charge or charged wirelessly.

"Electric vehicle capable" means having an installed
electrical panel capacity with a dedicated branch circuit and a continuous raceway from the panel to the future electric vehicle parking space.

"Electric vehicle station" means a station that is designed in compliance with the relevant building code and delivers electricity from a source outside an electric vehicle into one or more electric vehicles.

"Electric vehicle system" includes several charging points simultaneously connecting several electric vehicles to the electric vehicle charging station and any related equipment needed to facilitate charging an electric vehicle. "Electric vehicle charging system" means a device that is:

(1) used to provide electricity to an electric vehicle;

(2) designed to ensure that a safe connection has been made between the electric grid and the electric vehicle; and

(3) able to communicate with the vehicle's control system so that electricity flows at an appropriate voltage and current level. An electric vehicle charging system may be wall mounted or pedestal style, may provide multiple cords to connect with electric vehicles, and shall:

(i) be certified by underwriters laboratories or have been granted an equivalent certification; and

(ii) comply with the current version of Article 625 of the National Electrical Code.
"Electric vehicle supply equipment" means a conductor, including an ungrounded, grounded, and equipment grounding conductor, and electric vehicle connectors, attachment plugs, and all other fittings, devices, power outlets, and apparatuses installed specifically for the purpose of transferring energy between the premises wirings and the electric vehicle.

"Electric vehicle ready" means a parking space that is designed and constructed to include a fully-wired circuit with a 208-volt to 250-volt, rated no more than 50-ampere electric vehicle charging receptacle outlet or termination point, including the conduit, wiring, and electrical service capacity necessary to serve that receptacle, to allow for future electric vehicle supply equipment.

"Level 1" means a charging system that provides charging through a 120-volt AC plug with a cord connector that meets the SAE International J2954 standard or successor standard.

"Level 2" means a charging system that provides charging through a 208-volt to 240-volt AC plug with a cord connector that meets the SAE International J2954 standard or a successor standard.

"New" means any newly constructed building and associated newly constructed parking facility.

"Reasonable restriction" means a restriction that does not significantly increase the cost of the electric vehicle charging station or electric vehicle charging system or
significantly decrease its efficiency or specified performance.

"Renovated" means altered or added where electrical service capacity is increased.

Section 45-20. Residential requirements. A new or renovated residential building shall have:

(1) 100% of its total parking spaces electric vehicle ready, if there are one to 6 parking spaces;

(2) 100% of its total parking spaces electric vehicle capable, of which at least 20% shall be electric vehicle ready, if there are 6 to 23 parking spaces; or

(3) 100% of its total parking spaces electric vehicle capable, if there are 24 or more parking spaces, of which at least 5 spots shall be EV Ready. Additionally, if there are 24 or more parking spaces, a new or renovated residential building shall provide at least one parking space with electric vehicle supply equipment installed, and for each additional parking space with electric vehicle supply equipment installed, the electric vehicle ready requirement is decreased by 2%.

Where additional parking exists or is feasible, each parking space shall be marked and signed for common use by residents. A resident shall use an electric vehicle parking space only when he or she is charging his or her electric vehicle.
Section 45-25. Nonresidential requirements. A new or renovated nonresidential building shall have 20% of its total parking spaces electric vehicle ready.

Section 45-30. Electric vehicle charging station policy for unit owners.

(a) Any covenant, restriction, or condition contained in any deed, contract, security interest, or other instrument affecting the transfer or sale of any interest in a condominium or common interest community, and any provision of a governing document that effectively prohibits or unreasonably restricts the installation or use of an electric vehicle charging station within a unit owner's unit or a designated parking space, including, but not limited to, a deeded parking space, a parking space in a unit owner's exclusive use common area, or a parking space that is specifically designated for use by a particular unit owner, or is in conflict with this Section, is void and unenforceable.

(b) This Section does not apply to provisions that impose a reasonable restriction on an electric vehicle charging station. However, it is the policy of this State to promote, encourage, and remove obstacles to the use of an electric vehicle charging station.

(c) An electric vehicle charging station shall meet applicable health and safety standards and requirements
imposed by State and local authorities, and all other applicable zoning, land use, or other ordinances or land use permits.

(d) If approval is required for the installation or use of an electric vehicle charging station, the association shall process and approve the application in the same manner as an application for approval of an architectural modification to the property, and the association shall not willfully avoid or delay the adjudication of the application. The approval or denial of an application shall be in writing. If an application is not denied in writing within 60 days from the date of the receipt of the application, the application shall be deemed approved unless the delay is the result of a reasonable request for additional information.

(e) If the electric vehicle charging station is to be placed in a common area or exclusive use common area, as designated by the condominium or common interest community association, the following applies:

(1) The unit owner shall first obtain approval from the association to install the electric vehicle charging station and the association shall approve the installation if the unit owner agrees, in writing, to:

   (i) comply with the association's architectural standards for the installation of the electric vehicle charging station;

   (ii) engage a licensed electrical contractor to
install the electric vehicle charging station;

(iii) within 14 days after approval, provide a certificate of insurance that names the association as an additional insured party under the unit owner's insurance policy as required under paragraph (3); and

(iv) pay for both the costs associated with the installation of and the electricity usage associated with the electric vehicle charging station.

(2) The unit owner, and each successive unit owner of the electric vehicle charging station, is responsible for:

(i) costs for damage to the electric vehicle charging station, common area, exclusive use common area, or separate interests resulting from the installation, maintenance, repair, removal, or replacement of the electric vehicle charging station;

(ii) costs for the maintenance, repair, and replacement of the electric vehicle charging station until it has been removed, and for the restoration of the common area after removal;

(iii) costs of electricity associated with the charging station, which shall be based on:

(A) an inexpensive submetering device; or

(B) a reasonable calculation of cost, based on the average miles driven, efficiency of the electric vehicle calculated by the United States Environmental Protection Agency, and the cost of
electricity for the common area; and

(iv) disclosing to a prospective buyer the existence of any electric vehicle charging station of the unit owner and the related responsibilities of the unit owner under this Section.

(3) The purpose of the costs under paragraph (2) is for the reasonable reimbursement of electricity usage, and shall not be set to deliberately exceed the reasonable reimbursement.

(4) The unit owner of the electric vehicle charging station, whether the electric vehicle charging station is located within the common area or exclusive use common area, shall, at all times, maintain a liability coverage policy. The unit owner that submitted the application to install the electric vehicle charging station shall provide the association with the corresponding certificate of insurance with 14 days after approval of the application. The unit owner, and each successive unit owner, shall provide the association with the certificate of insurance annually thereafter.

(5) A unit owner is not required to maintain a homeowner liability coverage policy for an existing National Electrical Manufacturers Association standard alternating current power plug.

(f) Except as provided in subsection (g), the installation of an electric vehicle charging station for the exclusive use
of a unit owner in a common area that is not an exclusive use common area shall be authorized by the association only if installation in the unit owner's designated parking space is impossible or unreasonably expensive. In such an event, the association shall enter into a license agreement with the unit owner for the use of the space in a common area, and the unit owner shall comply with all of the requirements in subsection (e).

(g) An association may install an electric vehicle charging station in the common area for the use of all unit owners and members of the association. The association shall develop appropriate terms of use for the electric vehicle charging station.

(h) An association may create a new parking space where one did not previously exist to facilitate the installation of an electric vehicle charging station.

(i) An association that willfully violates this Section shall be liable to the unit owner for actual damages and shall pay a civil penalty to the unit owner not to exceed $1,000.

(j) In any action by a unit owner requesting to have an electric vehicle charging station installed and seeking to enforce compliance with this Section, the court shall award reasonable attorney's fees to a prevailing plaintiff.

Section 45-35. Electric vehicle charging system policy for renters.
(a) Notwithstanding any provision in the lease to the contrary, and subject to subsection (b):

(1) A tenant may install, at the tenant's expense for the tenant's own use, a level 1 or level 2 electric vehicle charging system on or in the leased premises.

(2) A landlord shall not assess or charge a tenant any fee for the placement or use of an electric vehicle charging system, except that:

(i) The landlord may:

(A) require reimbursement for the actual cost of electricity provided by the landlord that was used by the electric vehicle charging system; or

(B) charge a reasonable fee for access. If the electric vehicle charging system is part of a network for which a network fee is charged, the landlord's reimbursement may include the amount of the network fee. Nothing in this subparagraph requires a landlord to impose upon a tenant a fee or charge other than the rental payments specified in the lease.

(ii) The landlord may require reimbursement for the cost of the installation of the electric vehicle charging system, including any additions or upgrades to existing wiring directly attributable to the requirements of the electric vehicle charging system, if the landlord places or causes the electric vehicle
charging system to be placed at the request of the tenant.

(iii) If the tenant desires to place an electric vehicle charging system in an area accessible to other tenants, the landlord may assess or charge the tenant a reasonable fee to reserve a specific parking space in which to install the electric vehicle charging system.

(b) A landlord may require a tenant to comply with:

(1) bona fide safety requirements consistent with an applicable building code or recognized safety standard for the protection of persons and property;

(2) a requirement that the electric vehicle charging system be registered with the landlord within 30 days after installation; or

(3) reasonable aesthetic provisions that govern the dimensions, placement, or external appearance of an electric vehicle charging system.

(c) A tenant may place an electric vehicle charging system in an area accessible to other tenants if:

(1) the electric vehicle charging system is in compliance with all applicable requirements adopted by a landlord under subsection (b); and

(2) the tenant agrees, in writing, to:

(i) comply with the landlord's design specifications for the installation of an electric vehicle charging system.

(ii) If the tenant desires to place an electric vehicle charging system in an area accessible to other tenants, the landlord may assess or charge the tenant a reasonable fee to reserve a specific parking space in which to install the electric vehicle charging system.

(b) A landlord may require a tenant to comply with:

(1) bona fide safety requirements consistent with an applicable building code or recognized safety standard for the protection of persons and property;

(2) a requirement that the electric vehicle charging system be registered with the landlord within 30 days after installation; or

(3) reasonable aesthetic provisions that govern the dimensions, placement, or external appearance of an electric vehicle charging system.

(c) A tenant may place an electric vehicle charging system in an area accessible to other tenants if:

(1) the electric vehicle charging system is in compliance with all applicable requirements adopted by a landlord under subsection (b); and

(2) the tenant agrees, in writing, to:

(i) comply with the landlord's design specifications for the installation of an electric vehicle charging system.
vehicle charging system;

(ii) engage the services of a duly licensed and registered electrical contractor familiar with the installation and code requirements of an electric vehicle charging system; and

(iii) provide, within 14 days after receiving the landlord's consent for the installation, a certificate of insurance naming the landlord as an additional insured party on the tenant's renter's insurance policy for any claim related to the installation, maintenance, or use of the electric vehicle charging system or, at the landlord's option, reimbursement to the landlord for the actual cost of any increased insurance premium amount attributable to the electric vehicle charging system, notwithstanding any provision to the contrary in the lease. The tenant shall provide reimbursement for an increased insurance premium amount within 14 days after the tenant receives the landlord's invoice for the amount attributable to the electric vehicle charging system.

(d) If the landlord consents to a tenant's installation of an electric vehicle charging system on property accessible to other tenants, including a parking space, carport, or garage stall, then, unless otherwise specified in a written agreement with the landlord:

(1) The tenant, and each successive tenant with
exclusive rights to the area where the electric vehicle charging system is installed, is responsible for costs for damages to the electric vehicle charging system and to any other property of the landlord or another tenant resulting from the installation, maintenance, repair, removal, or replacement of the electric vehicle charging system.

(i) Costs under this paragraph shall be based on:

(A) an inexpensive submetering device; or

(B) a reasonable calculation of cost, based on the average miles driven, efficiency of the electric vehicle calculated by the United States Environmental Protection Agency, and the cost of electricity for the common area.

(ii) The purpose of the costs under this paragraph is for reasonable reimbursement of electricity usage and shall not be set to deliberately exceed that reasonable reimbursement.

(2) Each successive tenant with exclusive rights to the area where the electric vehicle charging system is installed shall assume responsibility for the repair, maintenance, removal, and replacement of the electric vehicle charging system until the electric vehicle charging system is removed.

(3) The tenant, and each successive tenant with exclusive rights to the area where the electric vehicle charging system is installed, shall, at all times, have
and maintain an insurance policy covering the obligations of the tenant under this subsection and shall name the landlord as an additional insured party under the policy.

(4) The tenant, and each successive tenant with exclusive rights to the area where the electric vehicle charging system is installed, is responsible for removing the system if reasonably necessary or convenient for the repair, maintenance, or replacement of any property of the landlord, whether or not leased to another tenant.

(e) An electric vehicle charging system installed at the tenant's cost is the property of the tenant. Upon termination of the lease, if the electric vehicle charging system is removable, the tenant may either remove it or sell it to the landlord or another tenant for an agreed price. Nothing in this subsection requires the landlord or another tenant to purchase the electric vehicle charging system.

(f) A landlord that willfully violates this Section shall be liable to the tenant for actual damages, and shall pay a civil penalty to the tenant in an amount not to exceed $1,000.

(g) In any action by a tenant requesting to have an electric vehicle charging system installed and seeking to enforce compliance with this Section, the court shall award reasonable attorney's fees to a prevailing plaintiff.
Section 90-5. The Illinois Administrative Procedure Act is amended by adding Sections 5-45.8, 5-45.9, and 5-49.10 as follows:

(5 ILCS 100/5-45.8 new)

Sec. 5-45.8. Emergency rulemaking; Energy Community Reinvestment Act. To provide for the expeditious and timely implementation of the Energy Community Reinvestment Act, emergency rules may be adopted in accordance with Section 5-45 by the Department of Commerce and Economic Opportunity to implement Section 20-15 of the Energy Community Reinvestment Act with respect to applications for designation as Clean Energy Empowerment Zones. The adoption of emergency rules authorized by Section 5-45 and this Section is deemed to be necessary for the public interest, safety, and welfare.

(5 ILCS 100/5-45.9 new)

Sec. 5-45.9. Emergency rulemaking; Public Utilities Act. To provide for the expeditious and timely implementation of this amendatory Act of the 102nd General Assembly, emergency rules may be adopted in accordance with Section 5-45 by the Illinois Commerce Commission to implement the changes made by this amendatory Act of the 102nd General Assembly to the Public Utilities Act. The adoption of emergency rules authorized by Section 5-45 and this Section is deemed to be necessary for the public interest, safety, and welfare.
Sec. 5-49.10. Emergency rulemaking; Public Utilities Intervenor Compensation Act. To provide for the expeditious and timely implementation of the Public Utilities Intervenor Compensation Act, emergency rules may be adopted in accordance with Section 5-45 by the Illinois Commerce Commission to implement the Public Utilities Intervenor Compensation Act. The adoption of emergency rules authorized by Section 5-45 and this Section is deemed to be necessary for the public interest, safety, and welfare.

This Section is repealed on January 1, 2026.

Section 90-10. The Electric Vehicle Act is amended by adding Sections 30, 35, and 40 as follows:

Sec. 30. Electric Vehicle Access for All Program.
(a) Purpose. The General Assembly finds that it is necessary to provide access to electric vehicles to residents in communities for individuals whom car ownership is not an option, affordable, or a preference, particularly for environmental justice communities and low-income communities.
(b) Definitions. As used in this Section:
"Department" means the Department of Commerce and Economic Opportunity.
"Environmental justice communities" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its program administrator in the Illinois Solar for All Program.

"Low-income" means persons and families whose income does not exceed 80% of area median income, adjusted for family size and revised every 2 years.

(c) Within 120 days after the effective date of this amendatory Act of the 102nd General Assembly, and for a period of not less than 36 months thereafter, the Department of Commerce and Economic Opportunity shall establish and implement an Electric Vehicle Access for All Program designed to maximize opportunities for carbon-free transportation across the State, particularly targeting environmental justice and low-income communities, which shall include the following initiatives:

(1) Car Sharing Program. The Department of Commerce and Economic Opportunity shall develop and implement an Electric Vehicle Car Sharing Program that provides residents with opportunities to use electric vehicles owned by third parties for occasional commutes, employment, or other needs.

(2) Carbon-Free Last Mile of Commutes Program. The Department shall develop a Program to address the "last mile" of commutes, enabling a larger number of residents to access public transportation, and reduce the pollution
impact of the entire commute.

(3) Community Energy, Climate, and Jobs Plans. The Department shall dedicate a portion of funding for local governments' eligible Community Energy, Climate, and Jobs Plans that include Electric Vehicle Access for All Program initiatives. To the extent possible, the Department shall coordinate the Electric Vehicle Access for All Program with the other programs established in this Act.

(4) Low-income rebate program. A rebate of up to $4,000 at time of purchase shall be made available to low-income residents of Illinois.

(i) Such rebates are only available for new passenger battery electric vehicles at a prerebate cost of $45,000 or less or for used battery electric vehicles at a prerebate cost of $35,000 or less. This cost cut off is exclusive of any electric vehicle-specific rebates offered by any level of government; if the cost of the electric vehicle would be higher than the cut off-points mentioned above without any electric vehicle-specific rebates, then the vehicle is not eligible for rebates.

(ii) This low-income rebate may be combined with other rebates for eligible vehicles and drivers. The funds for this program shall be derived from 50% of the Electric Vehicle Access for All Program funds, up to $5,250,000 per year. The rebate may only be applied
one time per Vehicle Identification Number. The rebate may only be used once per person in any 5-year period. To be eligible for the low-income rebate, a purchaser must be a resident of Illinois and provide proof of residence at the time of purchase. The State shall direct rebate recipients to local electric utilities where additional charging equipment rebates may be available.

(c) The Electric Vehicle Access for All Program and its initiatives shall be designed to maximize opportunities for carbon-free transportation across the State, particularly targeting environmental justice and low-income communities, and to provide grants to pilot programs with the purpose of bridging public transportation gaps between residences and employment locations. Eligible programs may include electric shuttles, electric and nonelectric bicycle and scooter sharing, electric vehicle sharing, and other carbon-free alternatives. The Department of Commerce and Economic Opportunity shall hire or select, through a competitive bidding program, a program administrator to oversee and administer the Program.

(d) In conducting the Program, the Department of Commerce and Economic Opportunity shall partner with appropriate transit agencies, employers, community organizations, local governments, and other transportation services to increase the number of employment, healthcare, civic, education, or
recreation locations reachable, in coordination with public transit, with the addition of Electric Vehicle Access for All Program initiatives and investments. The Department of Commerce and Economic Opportunity shall additionally partner with local governments engaging in Community Energy, Climate, and Job Planning, as described in the Community Energy, Climate, and Jobs Planning Act, to implement programs efficiently with needs identified in Community Energy, Climate, and Jobs Plans.

(e) Projects, programs, or other initiatives funded through this Program must participate in time-of-use rates, hourly pricing electric rates, charging plans or rates that encourage off-peak charging, optimized charging programs, demand response, or similar programs as part of a beneficial electrification program, as provided under Section 16-107.8 of the Public Utilities Act, to the extent practicable, to minimize the impact to the electric grid of new electric vehicle charging infrastructure and to use electricity at times when renewable energy generation is highest.

(f) The Department of Commerce and Economic Opportunity shall design the Program within the budget described under Section 16-107.8 of the Public Utilities Act and invoice the electric utilities specified in Section 16-107.8 of the Public Utilities Act for the costs incurred in the execution of the Program.

(g) The Department of Commerce and Economic Opportunity
shall report to the Governor and the General Assembly regarding the effectiveness of the Program no later than October 1, 2023.

(20 ILCS 627/35 new)

Sec. 35. Administrative review. All final administrative decisions, including, but not limited to, funding allocation and rules issued by the Department under this Act are subject to judicial review under the Administrative Review Law. No action may be commenced under this Section prior to 60 days after the complainant has given notice in writing of the action to the Department.

(20 ILCS 627/40 new)

Sec. 40. Authorized expenditure of State-controlled funds to accelerate electric vehicle adoption.

(a) Within 120 days after the effective date of this amendatory Act of the 102nd General Assembly, the Environmental Protection Agency must initiate a comprehensive stakeholder process to solicit input on the development of an updated plan for expenditure of the remaining Volkswagen Settlement Environment Mitigation Fund and for the use of the $70,000,000 funds from Article 8, Section 25 of Public Act 101-29. At a minimum, the stakeholder process shall include representatives from community-based organizations in environmental justice communities, community-based
organizations serving economically disadvantaged persons and families, and community-based organizations focused on transportation equality and access. These stakeholders shall be representative of the entire State and located throughout the State. The Environmental Protection Agency shall provide administrative support for the stakeholder process and all meetings shall be accessible with rotating locations, call-in options, and materials and agendas circulated well in advance, and there shall be opportunities for input outside of meetings from those with limited capacity and ability to attend via one-on-one meetings, surveys, and calls subject to compliance with the Open Meetings Act. The plan should prioritize the purchase of electric vehicles and equipment, including public transit, school buses, and other public fleet vehicles and spending should be prioritized toward economically disadvantaged communities and environmental justice communities.

(b) Within 9 months after the effective date of this amendatory Act of the 102nd General Assembly, the Environmental Protection Agency must publish a comprehensive plan for both the use of the Volkswagen Settlement Environment Mitigation Fund and for the $70,000,000 funds from Article 8, Section 25 of Public Act 101-29, as amended, reappropriated from the Build Illinois Bond Fund to the Environmental Protection Agency for grants for transportation electrification infrastructure projects; including, but not
limited to grants for the purpose of encouraging electric
vehicle charging infrastructure, prioritizing investments in
medium and heavy-duty charging, and electrifying public
transit, school bus transit, and vehicles operated by or on
behalf of public agencies. Those Volkswagen and capital funds
which are allocated to charging infrastructure must be spent
within 3 years of passage and at least 25% of those funds must
be spent per year until the funds are depleted.

(c) The Environmental Protection Agency shall issue
reports, to be posted on its public website and sent to the
Illinois Commerce Commission, summarizing all funds granted
and investments made using funds from the Volkswagen
Settlement Environmental Mitigation Fund, and all grants or
investments currently planned to be made from said fund but
not yet disbursed, at a minimum of the following 3 times:

(1) no later than 2 weeks prior to the first meeting of
the Plan Development Stakeholder Process initiated by the
Illinois Commerce Commission;

(2) no later than 6 months prior to the Initiating
Orders of the Multi-Year Integrated Grid Plan by the
Illinois Commerce Commission; and

(3) when the Fund has been fully spent, or when less
than $1,000,000 remains in the fund for a period of more
than 6 months.

Section 90-12. The Energy Efficient Building Act is
amended by changing Sections 10, 15, 20, 30, and 45 and by
adding Section 55 as follows:

(20 ILCS 3125/10)

Sec. 10. Definitions.

"Board" means the Capital Development Board.

"Building" includes both residential buildings and
commercial buildings.

"Code" means the latest published edition of the
International Code Council's International Energy Conservation
Code as adopted by the Board, including any published
supplements adopted by the Board and any amendments and
adaptations to the Code that are made by the Board.

"Commercial building" means any building except a building
that is a residential building, as defined in this Section.

"Department" means the Department of Commerce and Economic
Opportunity.

"Municipality" means any city, village, or incorporated
town.

"Residential building" means (i) a detached one-family or
2-family dwelling or (ii) any building that is 3 stories or
less in height above grade that contains multiple dwelling
units, in which the occupants reside on a primarily permanent
basis, such as a townhouse, a row house, an apartment house, a
convent, a monastery, a rectory, a fraternity or sorority
house, a dormitory, and a rooming house; provided, however,
that when applied to a building located within the boundaries of a municipality having a population of 1,000,000 or more, the term "residential building" means a building containing one or more dwelling units, not exceeding 4 stories above grade, where occupants are primarily permanent.

"Site energy index" means a scalar published by the Pacific Northwest National Laboratories representing the ratio of the site energy performance of an evaluated code compared to the site energy performance of the 2006 International Energy Conservation Code. A site energy index includes only conservation measures and excludes net energy credit for any on-site or off-site energy production.

(Source: P.A. 101-144, eff. 7-26-19.)

(20 ILCS 3125/15)

Sec. 15. Energy Efficient Building Code. The Board, in consultation with the Department, shall adopt the Code as minimum requirements for commercial buildings, applying to the construction of, renovations to, and additions to all commercial buildings in the State. The Board, in consultation with the Department, shall also adopt the Code as the minimum and maximum requirements for residential buildings, applying to the construction of, renovations to, and additions to all residential buildings in the State, except as provided for in Section 45 of this Act. The Board may appropriately adapt the International Energy Conservation Code to apply to the
particular economy, population distribution, geography, and climate of the State and construction therein, consistent with the public policy objectives of this Act.
(Source: P.A. 96-778, eff. 8-28-09.)

(20 ILCS 3125/20)

Sec. 20. Applicability.

(a) The Board shall review and adopt the Code within one year after its publication. The Code shall take effect within 6 months after it is adopted by the Board, except that, beginning January 1, 2012, the Code adopted in 2012 shall take effect on January 1, 2013. Except as otherwise provided in this Act, the Code shall apply to (i) any new building or structure in this State for which a building permit application is received by a municipality or county and (ii) beginning on the effective date of this amendatory Act of the 100th General Assembly, each State facility specified in Section 4.01 of the Capital Development Board Act. In the case of any addition, alteration, renovation, or repair to an existing residential or commercial structure, the Code adopted under this Act applies only to the portions of that structure that are being added, altered, renovated, or repaired. The changes made to this Section by this amendatory Act of the 97th General Assembly shall in no way invalidate or otherwise affect contracts entered into on or before the effective date of this amendatory Act of the 97th General Assembly.
(b) The following buildings shall be exempt from the Code:

(1) Buildings otherwise exempt from the provisions of a locally adopted building code and buildings that do not contain a conditioned space.

(2) Buildings that do not use either electricity or fossil fuel for comfort conditioning. For purposes of determining whether this exemption applies, a building will be presumed to be heated by electricity, even in the absence of equipment used for electric comfort heating, whenever the building is provided with electrical service in excess of 100 amps, unless the code enforcement official determines that this electrical service is necessary for purposes other than providing electric comfort heating.

(3) Historic buildings. This exemption shall apply to those buildings that are listed on the National Register of Historic Places or the Illinois Register of Historic Places, and to those buildings that have been designated as historically significant by a local governing body that is authorized to make such designations.

(4) (Blank).

(5) Other buildings specified as exempt by the International Energy Conservation Code.

(c) Additions, alterations, renovations, or repairs to an existing building, building system, or portion thereof shall conform to the provisions of the Code as they relate to new
construction without requiring the unaltered portion of the
existing building or building system to comply with the Code.
The following need not comply with the Code, provided that the
energy use of the building is not increased: (i) storm windows
installed over existing fenestration, (ii) glass-only
replacements in an existing sash and frame, (iii) existing
ceiling, wall, or floor cavities exposed during construction,
provided that these cavities are filled with insulation, and
(iv) construction where the existing roof, wall, or floor is
not exposed.

(d) A unit of local government that does not regulate
energy efficient building standards is not required to adopt,
enforce, or administer the Code; however, any energy efficient
building standards adopted by a unit of local government must
comply with this Act. If a unit of local government does not
regulate energy efficient building standards, any
construction, renovation, or addition to buildings or
structures is subject to the provisions contained in this Act.
(Source: P.A. 100-729, eff. 8-3-18.)

(20 ILCS 3125/30)

Sec. 30. Enforcement. The Board, in consultation with the
Department, shall determine procedures for compliance with the
Code. These procedures may include but need not be limited to
certification by a national, State, or local accredited energy
conservation program or inspections from private
Code-certified inspectors using the Code. For purposes of the Illinois Stretch Energy Code under Section 55 of this Act, the Board shall allow and encourage, as an alternative compliance mechanism, project certification by a nationally recognized nonprofit certification organization specializing in high-performance passive buildings and offering climate-specific building energy standards that require equal or better energy performance than the Illinois Stretch Energy Code.

(Source: P.A. 93-936, eff. 8-13-04.)

(20 ILCS 3125/45)
Sec. 45. Home rule.

(a) (Blank) No unit of local government, including any home rule unit, may regulate energy efficient building standards for commercial buildings in a manner that is less stringent than the provisions contained in this Act.

(b) No unit of local government, including any home rule unit, may regulate energy efficient building standards for residential or commercial buildings in a manner that is either less or more stringent than the standards established pursuant to this Act; provided, however, that the following entities may regulate energy efficient building standards for residential or commercial buildings in a manner that is more stringent than the provisions contained in this Act: (i) a unit of local government, including a home rule unit, that
has, on or before May 15, 2009, adopted or incorporated by
reference energy efficient building standards for residential
buildings that are equivalent to or more stringent than the
2006 International Energy Conservation Code, (ii) a unit of
local government, including a home rule unit, that has, on or
before May 15, 2009, provided to the Capital Development
Board, as required by Section 10.18 of the Capital Development
Board Act, an identification of an energy efficient building
code or amendment that is equivalent to or more stringent than
the 2006 International Energy Conservation Code, (iii) a
municipality that has adopted the Illinois Stretch Energy
Code, and (iv) (iii) a municipality with a population of
1,000,000 or more.

(c) No unit of local government, including any home rule
unit or unit of local government that is subject to State
regulation under the Code as provided in Section 15 of this
Act, may hereafter enact any annexation ordinance or
resolution, or require or enter into any annexation agreement,
that imposes energy efficient building standards for
residential or commercial buildings that are either less or
more stringent than the energy efficiency standards in effect,
at the time of construction, throughout the unit of local

(d) This Section is a denial and limitation of home rule
powers and functions under subsection (i) of Section 6 of
Article VII of the Illinois Constitution on the concurrent
exercise by home rule units of powers and functions exercised by the State. Nothing in this Section, however, prevents a unit of local government from adopting an energy efficiency code or standards for commercial buildings that are more stringent than the Code under this Act.

(Source: P.A. 99-639, eff. 7-28-16.)

(20 ILCS 3125/55 new)

Sec. 55. Illinois Stretch Energy Code.

(a) The Board, in consultation with the Department, shall create and adopt the Illinois Stretch Energy Code, to allow municipalities and projects authorized or funded by the Board to achieve more energy efficiency in buildings than the Illinois Energy Conservation Code through a consistent pathway across the State. The Illinois Stretch Energy Code shall be available for adoption by any municipality and shall set minimum energy efficiency requirements, taking the place of the Illinois Energy Conservation Code within any municipality that adopts the Illinois Stretch Energy Code.

(b) The Illinois Stretch Energy Code shall have separate components for commercial and residential buildings, which may be adopted by the municipality jointly or separately.

(c) The Illinois Stretch Energy Code shall apply to all projects to which an energy conservation code is applicable that are authorized or funded in any part by the Board after January 1, 2023.
(d) Development of the Illinois Stretch Energy Code shall be completed and available for adoption by municipalities by December 31, 2022.

(e) Consistent with the requirements under paragraph (2.5) of subsection (g) of Section 8-103B of the Public Utilities Act and under paragraph (2) of subsection (j) of Section 8-104.1 of the Public Utilities Act, municipalities that adopt the Illinois Stretch Energy Code may use utility programs to support compliance with the Illinois Stretch Energy Code. The amount of savings from such utility efforts that may be counted toward achievement of their cumulative persisting annual savings goals shall be based on reasonable estimates of the increase in savings resulting from the utility efforts, relative to reasonable approximations of what would have occurred absent the utility involvement.

(f) The Illinois Stretch Energy Code’s residential components shall:

(1) apply to residential buildings as defined under Section 10;

(2) set performance targets using a site energy index with reductions relative to the 2006 International Energy Conservation Code; and

(3) include stretch energy codes with site energy index standards and adoption dates as follows: by no later than December 31, 2022, the Board shall create and adopt a stretch energy code with a site energy index no greater
than 0.50 of the 2006 International Energy Conservation Code; by no later than December 31, 2025, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.40 of the 2006 International Energy Conservation Code, unless the Board identifies unanticipated burdens associated with the stretch energy code adopted in 2022, in which case the Board may adopt a stretch energy code with a site energy index no greater than 0.42 of the 2006 International Energy Conservation Code, provided that the more relaxed standard has a site energy index that is at least 0.05 more restrictive than the 2024 International Energy Conservation Code; by no later than December 31, 2028, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.33 of the 2006 International Energy Conservation Code, unless the Board identifies unanticipated burdens associated with the stretch energy code adopted in 2025, in which case the Board may adopt a stretch energy code with a site energy index no greater than 0.35 of the 2006 International Energy Conservation Code, but only if that more relaxed standard has a site energy index that is at least 0.05 more restrictive than the 2027 International Energy Conservation Code; and by no later than December 31, 2031, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.25 of the 2006 International Energy Conservation Code.
(g) The Illinois Stretch Energy Code's commercial components shall:

(1) apply to commercial buildings as defined under Section 10;

(2) set performance targets using a site energy index with reductions relative to the 2006 International Energy Conservation Code; and

(3) include stretch energy codes with site energy index standards and adoption dates as follows: by no later than December 31, 2022, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.60 of the 2006 International Energy Conservation Code; by no later than December 31, 2025, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.50 of the 2006 International Energy Conservation Code; by no later than December 31, 2028, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.44 of the 2006 International Energy Conservation Code; and by no later than December 31, 2031, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.39 of the 2006 International Energy Conservation Code.

(h) The process for the creation of the Illinois Stretch Energy Code includes:
(1) within 60 days after the effective date of this amendatory Act of the 102nd General Assembly, the Capital Development Board shall establish an Illinois Stretch Energy Code Task Force to advise and provide technical assistance and recommendations to the Capital Development Board for the Illinois Stretch Energy Code, which shall:

(A) advise the Capital Development Board on creation of interim performance targets, code requirements, and an implementation plan for the Illinois Stretch Energy Code;

(B) recommend amendments to proposed rules issued by the Capital Development Board;

(C) recommend complementary programs or policies;

(D) complete recommendations and development for the Illinois Stretch Energy Code elements and requirements by July 31, 2022;

(E) be composed of, but not limited to, representatives, or their designees, from the following entities:

(i) a representative from a group that represents environmental justice;

(ii) a representative of a nonprofit or professional association advocating for the environment;

(iii) a representative of an organization representing local governments in the metropolitan
Chicago region;

(iv) a representative of the City of Chicago;

(v) a representative of an organization representing local governments outside the metropolitan Chicago region;

(vi) a representative for the investor-owned utilities of Illinois;

(vii) an energy-efficiency advocate with technical expertise in single-family residential buildings;

(viii) an energy-efficiency advocate with technical expertise in commercial buildings;

(ix) an energy-efficiency advocate with technical expertise in multifamily buildings, such as an affordable housing developer;

(x) a representative from the architecture or engineering industry;

(xi) a representative from a home builders association;

(xii) a representative from the commercial building industry;

(xiii) a representative of the enforcement industry, such as a code official or energy rater;

(xiv) a representative of organized labor; and

(xv) other experts or organizations deemed necessary by the Capital Development Board; and
(F) be co-chaired by:

(i) a representative of the environmental community;

(ii) a representative of the environmental justice community; and

(iii) a municipal representative.

(2) As part of its deliberations, the Illinois Stretch Energy Code Task Force shall actively solicit input from other energy code stakeholders and interested parties.

Section 90-15. The Illinois Power Agency Act is amended by changing Sections 1-5, 1-10, 1-20, 1-56, and 1-75 as follows:

(20 ILCS 3855/1-5)

Sec. 1-5. Legislative declarations and findings. The General Assembly finds and declares:

(1) The health, welfare, and prosperity of all Illinois residents require the provision of adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability.

(1.5) To provide the highest quality of life for the residents of Illinois, and to provide for a clean and healthy environment, it is the policy of this State to rapidly transition to 100% renewable energy.
(4) It is necessary to improve the process of procuring electricity to serve Illinois residents, to promote investment in energy efficiency and demand-response measures, and to maintain and support development of clean coal technologies, generation resources that operate at all hours of the day and under all weather conditions, zero emission facilities, and renewable resources.

(5) Procuring a diverse electricity supply portfolio will ensure the lowest total cost over time for adequate, reliable, efficient, and environmentally sustainable electric service.

(6) Including renewable resources and zero emission credits from zero emission facilities in that portfolio will reduce long-term direct and indirect costs to consumers by decreasing environmental impacts and by avoiding or delaying the need for new generation, transmission, and distribution infrastructure. Developing new renewable energy resources in Illinois, including brownfield solar projects and community solar projects, will help to diversify Illinois electricity supply, avoid and reduce pollution, reduce peak demand, and enhance public health and well-being of Illinois residents.

(7) Developing community solar projects in Illinois
will help to expand access to renewable energy resources to more Illinois residents.

(8) Developing brownfield solar projects in Illinois will help return blighted or contaminated land to productive use while enhancing public health and the well-being of Illinois residents, including those in environmental justice communities.

(9) Energy efficiency, demand-response measures, zero emission energy, and renewable energy are resources currently underused in Illinois. These resources should be used, when cost effective, to reduce costs to consumers, improve reliability, and improve environmental quality and public health.

(10) The State should encourage the use of advanced clean coal technologies that capture and sequester carbon dioxide emissions to advance environmental protection goals and to demonstrate the viability of coal and coal-derived fuels in a carbon-constrained economy.

(11) The General Assembly enacted Public Act 96-0795 to reform the State's purchasing processes, recognizing that government procurement is susceptible to abuse if structural and procedural safeguards are not in place to ensure independence, insulation, oversight, and transparency.

(12) The principles that underlie the procurement reform legislation apply also in the context of power
(13) To ensure that the benefits of installing renewable resources are available to all Illinois residents and located across the State, subject to appropriation, it is necessary for the Illinois Power Agency to provide public information and educational resources on how residents can benefit from the expansion of renewable energy in Illinois and participate in the Illinois Solar for All Program established in Section 1-56 of this Act, the Adjustable Block Program established in Section 1-75 of this Act, the job training programs established by paragraph (1) of subsection (a) of Section 16-108.12 of the Public Utilities Act, and the programs and resources established by the Clean Jobs Workforce and Contractor Equity Act.

The General Assembly therefore finds that it is necessary to create the Illinois Power Agency and that the goals and objectives of that Agency are to accomplish each of the following:

(A) 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, for electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois and for small multi-jurisdictional
electric utilities that (i) on December 31, 2005 served
less than 100,000 customers in Illinois and (ii) request a
procurement plan for their Illinois jurisdictional load.
The procurement plan shall be updated on an annual basis
and shall include renewable energy resources and,
beginning with the delivery year commencing June 1, 2017,
zero emission credits from zero emission facilities
sufficient to achieve the standards specified in this Act.

(B) Conduct the competitive procurement processes
identified in this Act.

(C) Develop electric generation and co-generation
facilities that use indigenous coal or renewable
resources, or both, financed with bonds issued by the
Illinois Finance Authority.

(D) Supply electricity from the Agency's facilities at
cost to one or more of the following: municipal electric
systems, governmental aggregators, or rural electric
cooperatives in Illinois.

(E) Ensure that the process of power procurement is
conducted in an ethical and transparent fashion, immune
from improper influence.

(F) Continue to review its policies and practices to
determine how best to meet its mission of providing the
lowest cost power to the greatest number of people, at any
given point in time, in accordance with applicable law.

(G) Operate in a structurally insulated, independent,
and transparent fashion so that nothing impedes the Agency's mission to secure power at the best prices the market will bear, provided that the Agency meets all applicable legal requirements.

(H) Implement renewable energy procurement and training programs throughout the State 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.

(Source: P.A. 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-10)

Sec. 1-10. Definitions.

"Agency" means the Illinois Power Agency.

"Agency loan agreement" means any agreement pursuant to which the Illinois Finance Authority agrees to loan the proceeds of revenue bonds issued with respect to a project to the Agency upon terms providing for loan repayment installments at least sufficient to pay when due all principal of, interest and premium, if any, on those revenue bonds, and providing for maintenance, insurance, and other matters in respect of the project.

"Authority" means the Illinois Finance Authority.

"Brownfield site photovoltaic project" means photovoltaics that are:
(1) 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.

"Clean coal facility" means an electric generating facility that uses primarily coal as a feedstock and that captures and sequesters carbon dioxide emissions at the following levels: at least 50% of the total carbon dioxide emissions that the facility would otherwise emit if, at the time construction commences, the facility is scheduled to commence operation before 2016, at least 70% of the total
carbon dioxide emissions that the facility would otherwise emit if, at the time construction commences, the facility is scheduled to commence operation during 2016 or 2017, and at least 90% of the total carbon dioxide emissions that the facility would otherwise emit if, at the time construction commences, the facility is scheduled to commence operation after 2017. The power block of the clean coal facility shall not exceed allowable emission rates for sulfur dioxide, nitrogen oxides, carbon monoxide, particulates and mercury for a natural gas-fired combined-cycle facility the same size as and in the same location as the clean coal facility at the time the clean coal facility obtains an approved air permit. All coal used by a clean coal facility shall have high volatile bituminous rank and greater than 1.7 pounds of sulfur per million btu content, unless the clean coal facility does not use gasification technology and was operating as a conventional coal-fired electric generating facility on June 1, 2009 (the effective date of Public Act 95-1027).

"Clean coal SNG brownfield facility" means a facility that (1) has commenced construction by July 1, 2015 on an urban brownfield site in a municipality with at least 1,000,000 residents; (2) uses a gasification process to produce substitute natural gas; (3) uses coal as at least 50% of the total feedstock over the term of any sourcing agreement with a utility and the remainder of the feedstock may be either petroleum coke or coal, with all such coal having a high
bituminous rank and greater than 1.7 pounds of sulfur per million Btu content unless the facility reasonably determines that it is necessary to use additional petroleum coke to deliver additional consumer savings, in which case the facility shall use coal for at least 35% of the total feedstock over the term of any sourcing agreement; and (4) captures and sequesters at least 85% of the total carbon dioxide emissions that the facility would otherwise emit.

"Clean coal SNG facility" means a facility that uses a gasification process to produce substitute natural gas, that sequesters at least 90% of the total carbon dioxide emissions that the facility would otherwise emit, that uses at least 90% coal as a feedstock, with all such coal having a high bituminous rank and greater than 1.7 pounds of sulfur per million btu content, and that has a valid and effective permit to construct emission sources and air pollution control equipment and approval with respect to the federal regulations for Prevention of Significant Deterioration of Air Quality (PSD) for the plant pursuant to the federal Clean Air Act; provided, however, a clean coal SNG brownfield facility shall not be a clean coal SNG facility.

"Commission" means the Illinois Commerce Commission.

"Community renewable generation project" means an electric generating facility that:

(1) is powered by wind, solar thermal energy, photovoltaic cells or 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) is interconnected at the distribution system level
of an electric utility as defined in this Section, a
municipal utility as defined in this Section that owns or
operates electric distribution facilities, 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;

(3) credits the value of electricity generated by the
facility to the subscribers of the facility; and

(4) is limited in nameplate capacity to less than or
equal to 5,000 2,000 kilowatts.

"Costs incurred in connection with the development and
construction of a facility" means:

(1) the cost of acquisition of all real property,
fixtures, and improvements in connection therewith and
equipment, personal property, and other property, rights,
and easements acquired that are deemed necessary for the
operation and maintenance of the facility;

(2) financing costs with respect to bonds, notes, and
other evidences of indebtedness of the Agency;

(3) all origination, commitment, utilization,
facility, placement, underwriting, syndication, credit
enhancement, and rating agency fees;
(4) engineering, design, procurement, consulting, legal, accounting, title insurance, survey, appraisal, escrow, trustee, collateral agency, interest rate hedging, interest rate swap, capitalized interest, contingency, as required by lenders, and other financing costs, and other expenses for professional services; and

(5) the costs of plans, specifications, site study and investigation, installation, surveys, other Agency costs and estimates of costs, and other expenses necessary or incidental to determining the feasibility of any project, together with such other expenses as may be necessary or incidental to the financing, insuring, acquisition, and construction of a specific project and starting up, commissioning, and placing that project in operation.

"Delivery services" has the same definition as found in Section 16-102 of the Public Utilities Act.

"Delivery year" means the consecutive 12-month period beginning June 1 of a given year and ending May 31 of the following year.

"Department" means the Department of Commerce and Economic Opportunity.

"Director" means the Director of the Illinois Power Agency.

"Demand-response" means measures that decrease peak electricity demand or shift demand from peak to off-peak periods.
"Distributed renewable energy generation device" means a device that is:

(1) powered by wind, solar thermal energy, photovoltaic cells or 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, a municipal utility as defined in this Section that owns or operates electric distribution facilities, 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 less than or equal to 2,000 kilowatts.

"Energy efficiency" means measures that reduce the amount of electricity or natural gas consumed in order to achieve a given end use. "Energy efficiency" includes voltage optimization measures that optimize the voltage at points on the electric distribution voltage system and thereby reduce electricity consumption by electric customers' end use devices. "Energy efficiency" also includes measures that reduce the total Btus of electricity, natural gas, and other
fuels needed to meet the end use or uses.

"Electric utility" has the same definition as found in Section 16-102 of the Public Utilities Act.

"Facility" means an electric generating unit or a co-generating unit that produces electricity along with related equipment necessary to connect the facility to an electric transmission or distribution system.

"Governmental aggregator" means one or more units of local government that individually or collectively procure electricity to serve residential retail electrical loads located within its or their jurisdiction.

"Local government" means a unit of local government as defined in Section 1 of Article VII of the Illinois Constitution.

"Municipality" means a city, village, or incorporated town.

"Municipal utility" means a public utility owned and operated by any subdivision or municipal corporation of this State.

"Nameplate capacity" means the aggregate inverter nameplate capacity in kilowatts AC.

"Person" means any natural person, firm, partnership, corporation, either domestic or foreign, company, association, limited liability company, joint stock company, or association and includes any trustee, receiver, assignee, or personal representative thereof.
"Project" means the planning, bidding, and construction of a facility.

"Public utility" has the same definition as found in Section 3-105 of the Public Utilities Act.

"Real property" means any interest in land together with all structures, fixtures, and improvements thereon, including lands under water and riparian rights, any easements, covenants, licenses, leases, rights-of-way, uses, and other interests, together with any liens, judgments, mortgages, or other claims or security interests related to real property.

"Renewable energy credit" means a tradable credit that represents the environmental attributes of one megawatt hour of energy produced from a renewable energy resource.

"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. 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.

"Retail customer" has the same definition as found in Section 16-102 of the Public Utilities Act.

"Revenue bond" means any bond, note, or other evidence of indebtedness issued by the Authority, the principal and interest of which is payable solely from revenues or income derived from any project or activity of the Agency.

"Sequester" means permanent storage of carbon dioxide by injecting it into a saline aquifer, a depleted gas reservoir, or an oil reservoir, directly or through an enhanced oil recovery process that may involve intermediate storage, regardless of whether these activities are conducted by a clean coal facility, a clean coal SNG facility, a clean coal SNG brownfield facility, or a party with which a clean coal facility, clean coal SNG facility, or clean coal SNG brownfield facility has contracted for such purposes.

"Service area" has the same definition as found in Section 16-102 of the Public Utilities Act.

"Sourcing agreement" means (i) in the case of an electric utility, an agreement between the owner of a clean coal facility and such electric utility, which agreement shall have terms and conditions meeting the requirements of paragraph (3) of subsection (d) of Section 1-75, (ii) in the case of an alternative retail electric supplier, an agreement between the owner of a clean coal facility and such alternative retail
electric supplier, which agreement shall have terms and conditions meeting the requirements of Section 16-115(d)(5) of the Public Utilities Act, and (iii) in case of a gas utility, an agreement between the owner of a clean coal SNG brownfield facility and the gas utility, which agreement shall have the terms and conditions meeting the requirements of subsection (h-1) of Section 9-220 of the Public Utilities Act.

"Subscriber" means a person who (i) takes delivery service from an electric utility, and (ii) has a subscription of no less than 200 watts to a community renewable generation project that is located in the electric utility's service area. No subscriber's subscriptions may total more than 40% of the nameplate capacity of an individual community renewable generation project. Entities that are affiliated by virtue of a common parent shall not represent multiple subscriptions that total more than 40% of the nameplate capacity of an individual community renewable generation project.

"Subscription" means an interest in a community renewable generation project expressed in kilowatts, which is sized primarily to offset part or all of the subscriber's electricity usage.

"Substitute natural gas" or "SNG" means a gas manufactured by gasification of hydrocarbon feedstock, which is substantially interchangeable in use and distribution with conventional natural gas.

"Total resource cost test" or "TRC test" means a standard
that is met if, for an investment in energy efficiency or
demand-response measures, the benefit-cost ratio is greater
than one. The benefit-cost ratio is the ratio of the net
present value of the total benefits of the program to the net
present value of the total costs as calculated over the
lifetime of the measures. A total resource cost test compares
the sum of avoided electric utility costs, representing the
benefits that accrue to the system and the participant in the
delivery of those efficiency measures and including avoided
costs associated with reduced use of natural gas or other
fuels, avoided costs associated with reduced water
consumption, and avoided costs associated with reduced
operation and maintenance costs, as well as other quantifiable
societal benefits, to the sum of all incremental costs of
end-use measures that are implemented due to the program
(including both utility and participant contributions), plus
costs to administer, deliver, and evaluate each demand-side
program, to quantify the net savings obtained by substituting
the demand-side program for supply resources. In calculating
avoided costs of power and energy that an electric utility
would otherwise have had to acquire, reasonable estimates
shall be included of financial costs likely to be imposed by
future regulations and legislation on emissions of greenhouse
gases. In discounting future societal costs and benefits for
the purpose of calculating net present values, a societal
discount rate based on actual, long-term Treasury bond yields
should be used. Notwithstanding anything to the contrary, the TRC test shall not include or take into account a calculation of market price suppression effects or demand reduction induced price effects.

"Utility-scale solar project" means an electric generating facility that:
(1) generates electricity using photovoltaic cells; and
(2) has a nameplate capacity that is greater than 2,000 kilowatts.

"Utility-scale wind project" means an electric generating facility that:
(1) generates electricity using wind; and
(2) has a nameplate capacity that is greater than 2,000 kilowatts.

"Zero emission credit" means a tradable credit that represents the environmental attributes of one megawatt hour of energy produced from a zero emission facility.

"Zero emission facility" means a facility that: (1) is fueled by nuclear power; and (2) is interconnected with PJM Interconnection, LLC or the Midcontinent Independent System Operator, Inc., or their successors.

(Source: P.A. 98-90, eff. 7-15-13; 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-20)

Sec. 1-20. General powers and duties of the Agency.
(a) The Agency is authorized to do each of the following:

(1) 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, for electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois and for small multi-jurisdictional electric utilities that (A) on December 31, 2005 served less than 100,000 customers in Illinois and (B) request a procurement plan for their Illinois jurisdictional load. Except as provided in paragraph (1.5) of this subsection (a), the electricity procurement plans shall be updated on an annual basis and shall include electricity generated from renewable resources sufficient to achieve the standards specified in this Act. Beginning with the delivery year commencing June 1, 2017, develop procurement plans to include zero emission credits generated from zero emission facilities sufficient to achieve the standards specified in this Act. Beginning with the procurement for the delivery year commencing June 1, 2022, the Agency shall for each year develop a plan, as part of its procurement plan, to conduct a procurement of capacity from qualified resources needed to meet capacity requirements of the retail customers of electric utilities that serve more than 3,000,000 retail customers and are
located in the PJM Interconnection, subject to the open
access tariff and manuals of PJM Interconnection and
approved by the Federal Energy Regulatory Commission. The
capacity procurement plan shall be updated annually and
shall include electricity generated from renewable
resources sufficient to achieve the renewable portfolio
standards as specified in this Act.

(1.5) Develop a long-term renewable resources
procurement plan in accordance with subsection (c) of
Section 1-75 of this Act for renewable energy credits in
amounts sufficient to achieve the standards specified in
this Act for delivery years commencing June 1, 2017 and
for the programs and renewable energy credits specified in
Section 1-56 of this Act. Electricity procurement plans
for delivery years commencing after May 31, 2017, shall
not include procurement of renewable energy resources.

(2) Conduct competitive procurement processes to
procure the supply resources identified in the electricity
procurement plan, pursuant to Section 16-111.5 of the
Public Utilities Act, and, for the delivery year
commencing June 1, 2017, conduct procurement processes to
procure zero emission credits from zero emission
facilities, under subsection (d-5) of Section 1-75 of this
Act.

(2.5) Beginning with the procurement for the 2017
delivery year, conduct competitive procurement processes
and implement programs to procure renewable energy credits identified in the long-term renewable resources procurement plan developed and approved under subsection (c) of Section 1-75 of this Act and Section 16-111.5 of the Public Utilities Act.

(3) Develop electric generation and co-generation facilities that use indigenous coal or renewable resources, or both, financed with bonds issued by the Illinois Finance Authority.

(4) Supply electricity from the Agency's facilities at cost to one or more of the following: municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois.

(b) Except as otherwise limited by this Act, the Agency has all of the powers necessary or convenient to carry out the purposes and provisions of this Act, including without limitation, each of the following:

(1) To have a corporate seal, and to alter that seal at pleasure, and to use it by causing it or a facsimile to be affixed or impressed or reproduced in any other manner.

(2) To use the services of the Illinois Finance Authority necessary to carry out the Agency's purposes.

(3) To negotiate and enter into loan agreements and other agreements with the Illinois Finance Authority.

(4) To obtain and employ personnel and hire consultants that are necessary to fulfill the Agency's
purposes, and to make expenditures for that purpose within the appropriations for that purpose.

(5) To purchase, receive, take by grant, gift, devise, bequest, or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use, and otherwise deal in and with, real or personal property whether tangible or intangible, or any interest therein, within the State.

(6) To acquire real or personal property, whether tangible or intangible, including without limitation property rights, interests in property, franchises, obligations, contracts, and debt and equity securities, and to do so by the exercise of the power of eminent domain in accordance with Section 1-21; except that any real property acquired by the exercise of the power of eminent domain must be located within the State.

(7) To sell, convey, lease, exchange, transfer, abandon, or otherwise dispose of, or mortgage, pledge, or create a security interest in, any of its assets, properties, or any interest therein, wherever situated.

(8) To purchase, take, receive, subscribe for, or otherwise acquire, hold, make a tender offer for, vote, employ, sell, lend, lease, exchange, transfer, or otherwise dispose of, mortgage, pledge, or grant a security interest in, use, and otherwise deal in and with, bonds and other obligations, shares, or other securities (or interests therein) issued by others, whether engaged
in a similar or different business or activity.

(9) To make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the Agency under this Act, including contracts with any person, including personal service contracts, or with any local government, State agency, or other entity; and all State agencies and all local governments are authorized to enter into and do all things necessary to perform any such agreement, contract, or other instrument with the Agency. No such agreement, contract, or other instrument shall exceed 40 years.

(10) To lend money, invest and reinvest its funds in accordance with the Public Funds Investment Act, and take and hold real and personal property as security for the payment of funds loaned or invested.

(11) To borrow money at such rate or rates of interest as the Agency may determine, issue its notes, bonds, or other obligations to evidence that indebtedness, and secure any of its obligations by mortgage or pledge of its real or personal property, machinery, equipment, structures, fixtures, inventories, revenues, grants, and other funds as provided or any interest therein, wherever situated.

(12) To enter into agreements with the Illinois Finance Authority to issue bonds whether or not the income therefrom is exempt from federal taxation.
(13) To procure insurance against any loss in connection with its properties or operations in such amount or amounts and from such insurers, including the federal government, as it may deem necessary or desirable, and to pay any premiums therefor.

(14) To negotiate and enter into agreements with trustees or receivers appointed by United States bankruptcy courts or federal district courts or in other proceedings involving adjustment of debts and authorize proceedings involving adjustment of debts and authorize legal counsel for the Agency to appear in any such proceedings.

(15) To file a petition under Chapter 9 of Title 11 of the United States Bankruptcy Code or take other similar action for the adjustment of its debts.

(16) To enter into management agreements for the operation of any of the property or facilities owned by the Agency.

(17) To enter into an agreement to transfer and to transfer any land, facilities, fixtures, or equipment of the Agency to one or more municipal electric systems, governmental aggregators, or rural electric agencies or cooperatives, for such consideration and upon such terms as the Agency may determine to be in the best interest of the residents citizens of Illinois.

(18) To enter upon any lands and within any building
whenever in its judgment it may be necessary for the
purpose of making surveys and examinations to accomplish
any purpose authorized by this Act.

(19) To maintain an office or offices at such place or
places in the State as it may determine.

(20) To request information, and to make any inquiry,
investigation, survey, or study that the Agency may deem
necessary to enable it effectively to carry out the
provisions of this Act.

(21) To accept and expend appropriations.

(22) To engage in any activity or operation that is
incidental to and in furtherance of efficient operation to
accomplish the Agency's purposes, including hiring
employees that the Director deems essential for the
operations of the Agency.

(23) To adopt, revise, amend, and repeal rules with
respect to its operations, properties, and facilities as
may be necessary or convenient to carry out the purposes
of this Act, subject to the provisions of the Illinois
Administrative Procedure Act and Sections 1-22 and 1-35 of
this Act.

(24) To establish and collect charges and fees as
described in this Act.

(25) To conduct competitive gasification feedstock
procurement processes to procure the feedstocks for the
clean coal SNG brownfield facility in accordance with the
requirements of Section 1-78 of this Act.

(26) To review, revise, and approve sourcing agreements and mediate and resolve disputes between gas utilities and the clean coal SNG brownfield facility pursuant to subsection (h-1) of Section 9-220 of the Public Utilities Act.

(27) To request, review and accept proposals, execute contracts, purchase renewable energy credits and otherwise dedicate funds from the Illinois Power Agency Renewable Energy Resources Fund to create and carry out the objectives of the Illinois Solar for All program in accordance with Section 1-56 of this Act.

(c) In conducting the procurement of electricity, capacity, or other products, the Agency shall not procure any products or services from persons or organizations that are in violation of the Displaced Energy Workers Bill of Rights, as provided under the Energy Community Reinvestment Act, at the time of the procurement event.

(Source: P.A. 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-56)


(a) The Illinois Power Agency Renewable Energy Resources Fund is created as a special fund in the State treasury.

(b) The Illinois Power Agency Renewable Energy Resources
Fund shall be administered by the Agency as described in this subsection (b), provided that the changes to this subsection (b) made by this amendatory Act of the 99th General Assembly shall not interfere with existing contracts under this Section.

(1) The Illinois Power Agency Renewable Energy Resources Fund shall be used to purchase renewable energy credits according to any approved procurement plan developed by the Agency prior to June 1, 2017.

(2) The Illinois Power Agency Renewable Energy Resources Fund shall also be used to create the Illinois Solar for All Program, which shall include incentives for low-income distributed generation and community solar projects, and other associated approved expenditures. The objectives of the Illinois Solar for All Program are to bring photovoltaics to low-income communities in this State in a manner that maximizes the development of new photovoltaic generating facilities, to create a long-term, low-income solar marketplace throughout this State, to integrate, through interaction with stakeholders, with existing energy efficiency initiatives, and to minimize administrative costs. The Agency shall strive to ensure that renewable energy credits procured through the Illinois Solar for All Program and each of its subprograms are purchased from projects across the breadth of low-income and environmental justice communities in
Illinois, including both urban and rural communities, and are neither concentrated in a few communities nor excluding particular low-income or environmental justice communities. The Agency shall include a description of its proposed approach to the design, administration, implementation and evaluation of the Illinois Solar for All Program, as part of the long-term renewable resources procurement plan authorized by subsection (c) of Section 1-75 of this Act, and the program shall be designed to grow the low-income solar market. The Agency or utility, as applicable, shall purchase renewable energy credits from the (i) photovoltaic distributed renewable energy generation projects and (ii) community solar projects that are procured under procurement processes authorized by the long-term renewable resources procurement plans approved by the Commission.

The Illinois Solar for All Program shall include the program offerings described in subparagraphs (A) through (E) of this paragraph (2), which the Agency shall implement through contracts with third-party providers and, subject to appropriation, pay the approximate amounts identified using monies available in the Illinois Power Agency Renewable Energy Resources Fund. 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.
The monies available in the Illinois Power Agency
Renewable Energy Resources Fund and not otherwise
committed to contracts executed under subsection (i) of
this Section shall be allocated among the programs
described in this paragraph (2), as follows: 22.5% of
these funds shall be allocated to programs described in
subparagraphs (A) and (E) of this paragraph
(2), 37.5% of these funds shall be allocated to programs
described in subparagraph (B) of this paragraph (2), 15%
of these funds shall be allocated to programs described in
subparagraph (C) of this paragraph (2), and 25% of these
funds, but in no event more than $50,000,000, shall be
allocated to programs described in subparagraph (D) of
this paragraph (2). The allocation of funds among
subparagraphs (A), (B), (C), and (E) of this paragraph
(2) may be changed if the Agency or administrator, through
delegated authority, determines incentives in subparagraphs
(A), (B), or (C), or (E) of this paragraph (2) have not been adequately subscribed to fully utilize
The determination of reallocation shall include
consideration of input obtained through a
stakeholder process. The program offerings described in
subparagraphs (A) through (E) of this paragraph (2)
shall also be implemented through contracts funded from
such additional amounts as are allocated to one or more of the programs in the long-term renewable resources procurement plans as specified in subsection (c) of Section 1-75 of this Act and subparagraph (O) of paragraph (1) of such subsection (c).

Contracts that will be paid with funds in the Illinois Power Agency Renewable Energy Resources Fund shall be executed by the Agency. Contracts that will be paid with funds collected by an electric utility shall be executed by the electric utility.

Contracts under the Illinois Solar for All Program shall include an approach, as set forth in the long-term renewable resources procurement plans, to ensure the wholesale market value of the energy is credited to participating low-income customers or organizations and to ensure tangible economic benefits flow directly to program participants, except in the case of low-income multi-family housing where the low-income customer does not directly pay for energy. Priority shall be given to projects that demonstrate meaningful involvement of low-income community members in designing the initial proposals. Acceptable proposals to implement projects must demonstrate the applicant's ability to conduct initial community outreach, education, and recruitment of low-income participants in the community. Projects must include job training opportunities if available, and shall
endeavor to coordinate with the job training programs
described in paragraph (1) of subsection (a) of Section
16-108.12 of the Public Utilities Act.

The Agency shall make every effort to ensure that
small and emerging businesses, particularly those located
in low-income and environmental justice communities are
able to participate in the Illinois Solar for All Program.
These efforts may include, but shall not be limited to,
proactive support from the program administrator,
different or preferred access to subprograms and
administrator-identified customers or grassroots
education provider-identified customers, and different
incentive levels. The Agency shall report on progress and
barriers to participation of small and emerging businesses
in the Illinois Solar for All Program at least once a year.
The report shall be made available on the Agency's website
and, in years when the Agency is updating its long-term
renewable resources procurement plan, included in that
plan.

(A) Low-income single-family and small multifamily
solar distributed generation incentive. This program
will provide incentives to low-income customers,
either directly or through solar providers, to
increase the participation of low-income households in
photovoltaic on-site distributed generation at
residential buildings containing one to 4 units.
Companies participating in this program that install solar panels shall commit to hiring job trainees for a portion of their low-income installations, and an administrator shall facilitate partnering the companies that install solar panels with entities that provide solar panel installation job training. It is a goal of this program that a minimum of 25% of the incentives for this program be allocated to projects located within environmental justice communities. The Agency shall reserve a portion of this program for projects that promote energy sovereignty through ownership of projects by low-income households, not-for-profit organizations providing services to low-income households, affordable housing owners, or community-based limited liability companies providing services to low-income households. To count as promoting energy sovereignty, 49% of the ownership interest of the project must be held by low-income households, not-for-profit organizations providing direct services to low-income households, affordable housing owners, or community-based limited liability companies providing services to low-income households, by no later than 6 years after the device is interconnected at the distribution system level of the utility and energized. Incentives for projects that promote energy sovereignty may be higher than
incentives for equivalent projects that do not promote energy sovereignty under this same program. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program and shall also include contracts for renewable energy credits from the photovoltaic distributed generation that is the subject of the program, as set forth in the long-term renewable resources procurement plan.

(B) Low-Income Community Solar Project Initiative. Incentives shall be offered to low-income customers, either directly or through developers, to increase the participation of low-income subscribers of community solar projects. The developer of each project shall identify its partnership with community stakeholders regarding the location, development, and participation in the project, provided that nothing shall preclude a project from including an anchor tenant that does not qualify as low-income. Incentives should also be offered to community solar projects that are 100% low-income subscriber owned, which includes low-income households, not-for-profit organizations, and affordable housing owners. Companies participating in this program that develop or install solar projects shall commit to hiring job trainees for a portion of their low-income installations, and an administrator
shall facilitate partnering the companies that install
solar projects with entities that provide solar
installation and related job training. It is a goal of
this program that a minimum of 25% of the incentives
for this program be allocated to community
photovoltaic projects in environmental justice
communities. The Agency shall reserve a portion of
this program for projects that promote energy
sovereignty through ownership of projects by
low-income households, not-for-profit organizations
providing services to low-income households,
average housing owners, or community-based limited
liability companies providing services to low-income
households. To count as promoting energy sovereignty,
49% of the ownership interest of the project must be
held by low-income subscribers, not-for-profit
organizations providing direct services to low-income
households, affordable housing owners, or
community-based limited liability companies providing
services to low-income households, by no later than 6
years after the device is interconnected at the
distribution system level of the utility and
energized. Incentives for projects that promote energy
sovereignty may be higher than incentives for
equivalent projects that do not promote energy
sovereignty under this same program. Contracts entered
into under this paragraph may be entered into with developers and shall also include contracts for renewable energy credits related to the program.

(C) Incentives for non-profits and public facilities. Under this program funds shall be used to support on-site photovoltaic distributed renewable energy generation devices to serve the load associated with not-for-profit customers and to support photovoltaic distributed renewable energy generation that uses photovoltaic technology to serve the load associated with public sector customers taking service at public buildings. **Companies participating in this program that develop or install solar projects shall commit to hiring job trainees for a portion of their low-income installations, and an administrator shall facilitate partnering the companies that install solar projects with entities that provide solar installation and related job training.** It is a goal of this program that at least 25% of the incentives for this program be allocated to projects located in environmental justice communities. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program or with developers and shall also include contracts for renewable energy credits related to the program.

(D) Low-Income Community Solar Pilot Projects.
Under this program, persons, including, but not limited to, electric utilities, shall propose pilot community solar projects. Community solar projects proposed under this subparagraph (D) may exceed 2,000 kilowatts in nameplate capacity, but the amount paid per project under this program may not exceed $20,000,000. Pilot projects must result in economic benefits for the members of the community in which the project will be located. The proposed pilot project must include a partnership with at least one community-based organization. Approved pilot projects shall be competitively bid by the Agency, subject to fair and equitable guidelines developed by the Agency. Funding available under this subparagraph (D) may not be distributed solely to a utility, and at least some funds under this subparagraph (D) must include a project partnership that includes community ownership by the project subscribers. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program or with developers and shall also include contracts for renewable energy credits related to the program. A project proposed by a utility that is implemented under this subparagraph (D) shall not be included in the utility's rate base.

(E) Low-income large multifamily solar incentive.
This program shall provide incentives to low-income customers, either directly or through solar providers, to increase the participation of low-income households in photovoltaic on-site distributed generation at residential buildings with 5 or more units. Companies participating in this program that develop or install solar projects shall commit to hiring job trainees for a portion of their low-income installations, and an administrator shall facilitate partnering the companies that install solar projects with entities that provide solar installation and related job training. It is a goal of this program that a minimum of 25% of the incentives for this program be allocated to projects located within environmental justice communities. The Agency shall reserve a portion of this program for projects that promote energy sovereignty through ownership of projects by low-income households, not-for-profit organizations providing services to low-income households, affordable housing owners, or community-based limited liability companies providing services to low-income households. To count as promoting energy sovereignty, 49% of the ownership interest of the project must be held by low-income households, not-for-profit organizations providing direct services to low-income households, affordable housing owners, or
community-based limited liability companies providing services to low-income households, by no later than 6 years after the device is interconnected at the distribution system level of the utility and energized. Incentives for projects that promote energy sovereignty may be higher than incentives for equivalent projects that do not promote energy sovereignty under this same program. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program and shall include contracts for renewable energy credits from the photovoltaic distributed generation that is the subject of the program, as set forth in the long-term renewable resources procurement plan.

The requirement that a qualified person, as defined in paragraph (1) of subsection (i) of this Section, install photovoltaic devices does not apply to the Illinois Solar for All Program described in this subsection (b).

(3) Costs associated with the Illinois Solar for All Program and its components described in paragraph (2) of this subsection (b), including, but not limited to, costs associated with procuring experts, consultants, and the program administrator referenced in this subsection (b) and related incremental costs, costs related to income verification and facilitating customer participation in the program, and costs related to the evaluation of the
Illinois Solar for All Program, may be paid for using monies in the Illinois Power Agency Renewable Energy Resources Fund, but the Agency or program administrator shall strive to minimize costs in the implementation of the program. The Agency shall purchase renewable energy credits from generation that is the subject of a contract under subparagraphs (A) through (E) (D) of this paragraph (2) of this subsection (b), and may pay for such renewable energy credits through an upfront payment per installed kilowatt of nameplate capacity paid once the device is interconnected at the distribution system level of the utility and is energized. The payment shall be in exchange for an assignment of all renewable energy credits generated by the system during the first 15 years of operation and shall be structured to overcome barriers to participation in the solar market by the low-income community. The incentives provided for in this Section may be implemented through the pricing of renewable energy credits where the prices paid for the credits are higher than the prices from programs offered under subsection (c) of Section 1-75 of this Act to account for the incentives. The Agency shall ensure collaboration with community agencies, and allocate up to 5% of the funds available under the Illinois Solar for All Program to community-based groups to assist in grassroots education efforts related to the Illinois Solar for All Program. The
Agency shall retire any renewable energy credits purchased from this program and the credits shall count towards the obligation under subsection (c) of Section 1-75 of this Act for the electric utility to which the project is interconnected. The Agency may combine the funding for the Adjustable Block Program established in subparagraph (K) of paragraph (1) of subsection (c) of Section 1-75 and the Illinois Solar for All Program to purchase renewable energy credits from new photovoltaic projects that would be eligible for either program so long as: the annual ratepayer funds collected to purchase renewable resources pursuant to subsection (c) of Section 1-75 is at least double the amount collected in the 2019-2020 delivery year, no more than 20% of any individual block within the Adjustable Block Program is allocated to Solar for All-eligible projects, and the funding sources for both programs are the same for projects so funded. Any renewable energy credits purchased from this program in combination with the Adjustable Block Program shall count toward the obligation for new photovoltaic projects under subparagraph (C) of paragraph (1) of subsection (c) of Section 1-75 of this Act. Any photovoltaic projects selected for this program in combination with the Adjustable Block Program are subject to the requirements of the Illinois Solar for All Program and may receive Illinois Solar for All Program pricing, with the Illinois
Solar for All Program budget covering the difference between the renewable energy credit price from the currently open block of the Adjustable Block Program and the Solar for All renewable energy credit price. Illinois Solar for All subprograms providing funding for installation of distributed renewable energy generation devices shall use funding in this manner from Adjustable Block Program distributed renewable energy generation device blocks. The Illinois Solar for All Low-Income Community Solar subprogram shall use funding in this manner from the Adjustable Block Program community renewable generation project blocks, if such blocks are legally authorized. If no Adjustable Block Program community renewable generation project block is currently legally authorized and if a competitively procured Community Solar Program is legally authorized under Section 1-75 of this Act, then (i) a portion of the utility-held renewable resources budget allocated by the Agency to such competitive Community Solar Program each year shall be reserved for the Solar for All Low-Income Community Solar subprogram as if such budget came from an Adjustable Block Program block for purposes of this paragraph (3) and (ii) the average renewable energy credit price of Community Solar Program selected projects from the prior delivery year (or a shorter period, if a full delivery year of the Community Solar Program has not been
completed) shall be used for allocating funding to the Solar for All Low-Income Community Solar subprogram in lieu of the Adjustable Block Program renewable energy credit block price mentioned earlier in this paragraph (3). The Agency shall try to manage program capacities and budgets to make the fullest use of this option to accommodate Solar for All project applications.

(4) The Agency shall, consistent with the requirements of this subsection (b), propose the Illinois Solar for All Program terms, conditions, and requirements, including the prices to be paid for renewable energy credits, and which prices may be determined through a formula, through the development, review, and approval of the Agency's long-term renewable resources procurement plan described in subsection (c) of Section 1-75 of this Act and Section 16-111.5 of the Public Utilities Act. In the course of the Commission proceeding initiated to review and approve the plan, including the Illinois Solar for All Program proposed by the Agency, a party may propose an additional low-income solar or solar incentive program, or modifications to the programs proposed by the Agency, and the Commission may approve an additional program, or modifications to the Agency's proposed program, if the additional or modified program more effectively maximizes the benefits to low-income customers after taking into account all relevant factors, including, but not limited
to, the extent to which a competitive market for
low-income solar has developed. Following the Commission's
approval of the Illinois Solar for All Program, the Agency
or a party may propose adjustments to the program terms,
conditions, and requirements, including the price offered
to new systems, to ensure the long-term viability and
success of the program. The Commission shall review and
approve any modifications to the program through the plan
revision process described in Section 16-111.5 of the
Public Utilities Act.

(5) The Agency shall issue a request for
qualifications for a third-party program administrator or
administrators to administer all or a portion of the
Illinois Solar for All Program. The third-party program
administrator shall be chosen through a competitive bid
process based on selection criteria and requirements
developed by the Agency, including, but not limited to,
experience in administering low-income energy programs and
overseeing statewide clean energy or energy efficiency
services. If the Agency retains a program administrator or
administrators to implement all or a portion of the
Illinois Solar for All Program, each administrator shall
periodically submit reports to the Agency and Commission
for each program that it administers, at appropriate
intervals to be identified by the Agency in its long-term
renewable resources procurement plan, provided that the
reporting interval is at least quarterly. **Administration** of the Illinois Solar for All Program shall include facilitation of the partnering of companies that develop or install solar projects through this program or any other Illinois program with graduates of Illinois-based job training programs, particularly graduates who reside in environmental justice communities.

(6) The long-term renewable resources procurement plan shall also provide for an independent evaluation of the Illinois Solar for All Program. At least every 2 years, the Agency shall select an independent evaluator to review and report on the Illinois Solar for All Program and the performance of the third-party program administrator of the Illinois Solar for All Program. The evaluation shall be based on objective criteria developed through a public stakeholder process. The process shall include feedback and participation from Illinois Solar for All Program stakeholders, including participants and organizations in environmental justice and historically underserved communities. The report shall include a summary of the evaluation of the Illinois Solar for All Program based on the stakeholder developed objective criteria. The report shall include the number of projects installed; the total installed capacity in kilowatts; the average cost per kilowatt of installed capacity to the extent reasonably obtainable by the Agency; the number of jobs or job
opportunities created; economic, social, and environmental
benefits created; and the total administrative costs
expended by the Agency and program administrator to
implement and evaluate the program. The report shall be
delivered to the Commission and posted on the Agency's
website, and shall be used, as needed, to revise the
Illinois Solar for All Program. The Commission shall also
consider the results of the evaluation as part of its
review of the long-term renewable resources procurement
plan under subsection (c) of Section 1-75 of this Act.

(7) If additional funding for the programs described
in this subsection (b) is available under subsection (k)
of Section 16-108 of the Public Utilities Act, then the
Agency shall submit a procurement plan to the Commission
no later than September 1, 2018, that proposes how the
Agency will procure programs on behalf of the applicable
utility. After notice and hearing, the Commission shall
approve, or approve with modification, the plan no later
than November 1, 2018.

(8) As part of the development and update of the
long-term renewable resources procurement plan authorized
by subsection (c) of Section 1-75 of this Act, the Agency
shall plan for: (A) actions to refer customers from the
Illinois Solar for All Program to electric and natural gas
income-qualified energy efficiency programs, and vice
versa, with the goal of increasing participation in both
of these programs; (B) effective procedures for data sharing, as needed, to effectuate referrals between the Illinois Solar for All Program and both electric and natural gas income-qualified energy efficiency programs, including sharing customer information directly with the utilities, as needed and appropriate; and (C) efforts to identify any existing deferred maintenance programs for which prospective Solar for All customers may be eligible and connect prospective customers for whom deferred maintenance is or may be a barrier to solar installation to those programs.

As used in this subsection (b), "low-income households" means persons and families whose income does not exceed 80% of area median income, adjusted for family size and revised every 5 years.

For the purposes of this subsection (b), the Agency shall define "environmental justice community" based on methodologies and findings established by the Illinois Power Agency and its Administrator for the Illinois Solar for All Program in its initial long-term renewable resources procurement plan and updated by the Illinois Power Agency and its Administrator for the Illinois Solar for All Program as part of the long-term renewable resources procurement plan update as part of long-term renewable resources procurement plan development, to ensure, to the extent practicable, compatibility with other agencies' definitions and may, for
guidance, look to the definitions used by federal, state, or
local governments.

(b-5) After the receipt of all payments required by
Section 16-115D of the Public Utilities Act, no additional
funds shall be deposited into the Illinois Power Agency
Renewable Energy Resources Fund unless directed by order of
the Commission.

(b-10) After the receipt of all payments required by
Section 16-115D of the Public Utilities Act and payment in
full of all contracts executed by the Agency under subsections
(b) and (i) of this Section, if the balance of the Illinois
Power Agency Renewable Energy Resources Fund is under $5,000,
then the Fund shall be inoperative and any remaining funds and
any funds submitted to the Fund after that date, shall be
transferred to the Supplemental Low-Income Energy Assistance
Fund for use in the Low-Income Home Energy Assistance Program,
as authorized by the Energy Assistance Act.

(c) (Blank).

(d) (Blank).

(e) All renewable energy credits procured using monies
from the Illinois Power Agency Renewable Energy Resources Fund
shall be permanently retired.

(f) The selection of one or more third-party program
managers or administrators, the selection of the independent
evaluator, and the procurement processes described in this
Section are exempt from the requirements of the Illinois
Procurement Code, under Section 20-10 of that Code.

(g) All disbursements from the Illinois Power Agency Renewable Energy Resources Fund shall be made only upon warrants of the Comptroller drawn upon the Treasurer as custodian of the Fund upon vouchers signed by the Director or by the person or persons designated by the Director for that purpose. The Comptroller is authorized to draw the warrant upon vouchers so signed. The Treasurer shall accept all warrants so signed and shall be released from liability for all payments made on those warrants.

(h) The Illinois Power Agency Renewable Energy Resources Fund shall not be subject to sweeps, administrative charges, or chargebacks, including, but not limited to, those authorized under Section 8h of the State Finance Act, that would in any way result in the transfer of any funds from this Fund to any other fund of this State or in having any such funds utilized for any purpose other than the express purposes set forth in this Section.

(h-5) The Agency may assess fees to each bidder to recover the costs incurred in connection with a procurement process held under this Section. Fees collected from bidders shall be deposited into the Renewable Energy Resources Fund.

(i) Supplemental procurement process.

(1) Within 90 days after the effective date of this amendatory Act of the 98th General Assembly, the Agency shall develop a one-time supplemental procurement plan
limited to the procurement of renewable energy credits, if available, from new or existing photovoltaics, including, but not limited to, distributed photovoltaic generation. Nothing in this subsection (i) requires procurement of wind generation through the supplemental procurement.

Renewable energy credits procured from new photovoltaics, including, but not limited to, distributed photovoltaic generation, under this subsection (i) must be procured from devices installed by a qualified person. In its supplemental procurement plan, the Agency shall establish contractually enforceable mechanisms for ensuring that the installation of new photovoltaics is performed by a qualified person.

For the purposes of this paragraph (1), "qualified person" means a person who performs installations of photovoltaics, including, but not limited to, distributed photovoltaic generation, and who: (A) has completed an apprenticeship as a journeyman electrician from a United States Department of Labor registered electrical apprenticeship and training program and received a certification of satisfactory completion; or (B) does not currently meet the criteria under clause (A) of this paragraph (1), but is enrolled in a United States Department of Labor registered electrical apprenticeship program, provided that the person is directly supervised by a person who meets the criteria under clause (A) of this
paragraph (1); or (C) has obtained one of the following credentials in addition to attesting to satisfactory completion of at least 5 years or 8,000 hours of documented hands-on electrical experience: (i) a North American Board of Certified Energy Practitioners (NABCEP) Installer Certificate for Solar PV; (ii) an Underwriters Laboratories (UL) PV Systems Installer Certificate; (iii) an Electronics Technicians Association, International (ETAI) Level 3 PV Installer Certificate; or (iv) an Associate in Applied Science degree from an Illinois Community College Board approved community college program in renewable energy or a distributed generation technology.

For the purposes of this paragraph (1), "directly supervised" means that there is a qualified person who meets the qualifications under clause (A) of this paragraph (1) and who is available for supervision and consultation regarding the work performed by persons under clause (B) of this paragraph (1), including a final inspection of the installation work that has been directly supervised to ensure safety and conformity with applicable codes.

For the purposes of this paragraph (1), "install" means the major activities and actions required to connect, in accordance with applicable building and electrical codes, the conductors, connectors, and all
associated fittings, devices, power outlets, or apparatuses mounted at the premises that are directly involved in delivering energy to the premises' electrical wiring from the photovoltaics, including, but not limited to, to distributed photovoltaic generation.

The renewable energy credits procured pursuant to the supplemental procurement plan shall be procured using up to $30,000,000 from the Illinois Power Agency Renewable Energy Resources Fund. The Agency shall not plan to use funds from the Illinois Power Agency Renewable Energy Resources Fund in excess of the monies on deposit in such fund or projected to be deposited into such fund. The supplemental procurement plan shall ensure adequate, reliable, affordable, efficient, and environmentally sustainable renewable energy resources (including credits) at the lowest total cost over time, taking into account any benefits of price stability.

To the extent available, 50% of the renewable energy credits procured from distributed renewable energy generation shall come from devices of less than 25 kilowatts in nameplate capacity. Procurement of renewable energy credits from distributed renewable energy generation devices shall be done through multi-year contracts of no less than 5 years. The Agency shall create credit requirements for counterparties. In order to minimize the administrative burden on contracting
entities, the Agency shall solicit the use of third
parties to aggregate distributed renewable energy. These
third parties shall enter into and administer contracts
with individual distributed renewable energy generation
device owners. An individual distributed renewable energy
generation device owner shall have the ability to measure
the output of his or her distributed renewable energy
generation device.

In developing the supplemental procurement plan, the
Agency shall hold at least one workshop open to the public
within 90 days after the effective date of this amendatory
Act of the 98th General Assembly and shall consider any
comments made by stakeholders or the public. Upon
development of the supplemental procurement plan within
this 90-day period, copies of the supplemental procurement
plan shall be posted and made publicly available on the
Agency's and Commission's websites. All interested parties
shall have 14 days following the date of posting to
provide comment to the Agency on the supplemental
procurement plan. All comments submitted to the Agency
shall be specific, supported by data or other detailed
analyses, and, if objecting to all or a portion of the
supplemental procurement plan, accompanied by specific
alternative wording or proposals. All comments shall be
posted on the Agency's and Commission's websites. Within
14 days following the end of the 14-day review period, the
Agency shall revise the supplemental procurement plan as necessary based on the comments received and file its revised supplemental procurement plan with the Commission for approval.

(2) Within 5 days after the filing of the supplemental procurement plan at the Commission, any person objecting to the supplemental procurement plan shall file an objection with the Commission. Within 10 days after the filing, the Commission shall determine whether a hearing is necessary. The Commission shall enter its order confirming or modifying the supplemental procurement plan within 90 days after the filing of the supplemental procurement plan by the Agency.

(3) The Commission shall approve the supplemental procurement plan of renewable energy credits to be procured from new or existing photovoltaics, including, but not limited to, distributed photovoltaic generation, if the Commission determines that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service in the form of renewable energy credits at the lowest total cost over time, taking into account any benefits of price stability.

(4) The supplemental procurement process under this subsection (i) shall include each of the following components:

(A) Procurement administrator. The Agency may
retain a procurement administrator in the manner set forth in item (2) of subsection (a) of Section 1-75 of this Act to conduct the supplemental procurement or may elect to use the same procurement administrator administering the Agency's annual procurement under Section 1-75.

(B) Procurement monitor. The procurement monitor retained by the Commission pursuant to Section 16-111.5 of the Public Utilities Act shall:

(i) monitor interactions among the procurement administrator and bidders and suppliers;

(ii) monitor and report to the Commission on the progress of the supplemental procurement process;

(iii) provide an independent confidential report to the Commission regarding the results of the procurement events;

(iv) assess compliance with the procurement plan approved by the Commission for the supplemental procurement process;

(v) preserve the confidentiality of supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs;

(vi) provide expert advice to the Commission and consult with the procurement administrator
regarding issues related to procurement process design, rules, protocols, and policy-related matters;

(vii) consult with the procurement administrator regarding the development and use of benchmark criteria, standard form contracts, credit policies, and bid documents; and

(viii) perform, with respect to the supplemental procurement process, any other procurement monitor duties specifically delineated within subsection (i) of this Section.

(C) Solicitation, pre-qualification, and registration of bidders. The procurement administrator shall disseminate information to potential bidders to promote a procurement event, notify potential bidders that the procurement administrator may enter into a post-bid price negotiation with bidders that meet the applicable benchmarks, provide supply requirements, and otherwise explain the competitive procurement process. In addition to such other publication as the procurement administrator determines is appropriate, this information shall be posted on the Agency's and the Commission's websites. The procurement administrator shall also administer the prequalification process, including evaluation of credit worthiness, compliance with procurement rules,
and agreement to the standard form contract developed pursuant to item (D) of this paragraph (4). The procurement administrator shall then identify and register bidders to participate in the procurement event.

(D) Standard contract forms and credit terms and instruments. The procurement administrator, in consultation with the Agency, the Commission, and other interested parties and subject to Commission oversight, shall develop and provide standard contract forms for the supplier contracts that meet generally accepted industry practices as well as include any applicable State of Illinois terms and conditions that are required for contracts entered into by an agency of the State of Illinois. Standard credit terms and instruments that meet generally accepted industry practices shall be similarly developed. Contracts for new photovoltaics shall include a provision attesting that the supplier will use a qualified person for the installation of the device pursuant to paragraph (1) of subsection (i) of this Section. The procurement administrator shall make available to the Commission all written comments it receives on the contract forms, credit terms, or instruments. If the procurement administrator cannot reach agreement with the parties as to the contract terms and conditions,
the procurement administrator must notify the Commission of any disputed terms and the Commission shall resolve the dispute. The terms of the contracts shall not be subject to negotiation by winning bidders, and the bidders must agree to the terms of the contract in advance so that winning bids are selected solely on the basis of price.

(E) Requests for proposals; competitive procurement process. The procurement administrator shall design and issue requests for proposals to supply renewable energy credits in accordance with the supplemental procurement plan, as approved by the Commission. The requests for proposals shall set forth a procedure for sealed, binding commitment bidding with pay-as-bid settlement, and provision for selection of bids on the basis of price, provided, however, that no bid shall be accepted if it exceeds the benchmark developed pursuant to item (F) of this paragraph (4).

(F) Benchmarks. Benchmarks for each product to be procured shall be developed by the procurement administrator in consultation with Commission staff, the Agency, and the procurement monitor for use in this supplemental procurement.

(G) A plan for implementing contingencies in the event of supplier default, Commission rejection of
results, or any other cause.

(5) Within 2 business days after opening the sealed
bids, the procurement administrator shall submit a
confidential report to the Commission. The report shall
contain the results of the bidding for each of the
products along with the procurement administrator's
recommendation for the acceptance and rejection of bids
based on the price benchmark criteria and other factors
observed in the process. The procurement monitor also
shall submit a confidential report to the Commission
within 2 business days after opening the sealed bids. The
report shall contain the procurement monitor's assessment
of bidder behavior in the process as well as an assessment
of the procurement administrator's compliance with the
procurement process and rules. The Commission shall review
the confidential reports submitted by the procurement
administrator and procurement monitor and shall accept or
reject the recommendations of the procurement
administrator within 2 business days after receipt of the
reports.

(6) Within 3 business days after the Commission
decision approving the results of a procurement event, the
Agency shall enter into binding contractual arrangements
with the winning suppliers using the standard form
contracts.

(7) The names of the successful bidders and the
average of the winning bid prices for each contract type and for each contract term shall be made available to the public within 2 days after the supplemental procurement event. The Commission, the procurement monitor, the procurement administrator, the Agency, and all participants in the procurement process shall maintain the confidentiality of all other supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs. Confidential information, including the confidential reports submitted by the procurement administrator and procurement monitor pursuant to this Section, shall not be made publicly available and shall not be discoverable by any party in any proceeding, absent a compelling demonstration of need, nor shall those reports be admissible in any proceeding other than one for law enforcement purposes.

(8) The supplemental procurement provided in this subsection (i) shall not be subject to the requirements and limitations of subsections (c) and (d) of this Section.

(9) Expenses incurred in connection with the procurement process held pursuant to this Section, including, but not limited to, the cost of developing the supplemental procurement plan, the procurement administrator, procurement monitor, and the cost of the retirement of renewable energy credits purchased pursuant
to the supplemental procurement shall be paid for from the Illinois Power Agency Renewable Energy Resources Fund. The Agency shall enter into an interagency agreement with the Commission to reimburse the Commission for its costs associated with the procurement monitor for the supplemental procurement process.

(Source: P.A. 98-672, eff. 6-30-14; 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-75)

Sec. 1-75. Planning and Procurement Bureau. The Planning and Procurement Bureau has the following duties and responsibilities:

(a) The Planning and Procurement Bureau shall each year, beginning in 2008, develop procurement plans and conduct competitive procurement processes in accordance with the requirements of Section 16-111.5 of the Public Utilities Act for the eligible retail customers of electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois. Beginning with the delivery year commencing on June 1, 2017, the Planning and Procurement Bureau shall develop plans and processes for the procurement of zero emission credits from zero emission facilities in accordance with the requirements of subsection (d-5) of this Section. The Planning and Procurement Bureau shall also develop procurement plans and conduct competitive procurement processes in accordance with the requirements of Section
16-111.5 of the Public Utilities Act for the eligible retail customers of small multi-jurisdictional electric utilities that (i) on December 31, 2005 served less than 100,000 customers in Illinois and (ii) request a procurement plan for their Illinois jurisdictional load. This Section shall not apply to a small multi-jurisdictional utility until such time as a small multi-jurisdictional utility requests the Agency to prepare a procurement plan for their Illinois jurisdictional load. For the purposes of this Section, the term "eligible retail customers" has the same definition as found in Section 16-111.5(a) of the Public Utilities Act.

Beginning with the plan or plans to be implemented in the 2017 delivery year, the Agency shall no longer include the procurement of renewable energy resources in the annual procurement plans required by this subsection (a), except as provided in subsection (q) of Section 16-111.5 of the Public Utilities Act and subsection (j) of this Section, and shall instead develop a long-term renewable resources procurement plan in accordance with subsection (c) of this Section and Section 16-111.5 of the Public Utilities Act.

(1) The Agency shall each year, beginning in 2008, as needed, issue a request for qualifications for experts or expert consulting firms to develop the procurement plans in accordance with Section 16-111.5 of the Public Utilities Act. In order to qualify an expert or expert consulting firm must have:
(A) direct previous experience assembling large-scale power supply plans or portfolios for end-use customers;

(B) an advanced degree in economics, mathematics, engineering, risk management, or a related area of study;

(C) 10 years of experience in the electricity sector, including managing supply risk;

(D) expertise in wholesale electricity market rules, including those established by the Federal Energy Regulatory Commission and regional transmission organizations;

(E) expertise in credit protocols and familiarity with contract protocols;

(F) adequate resources to perform and fulfill the required functions and responsibilities; and

(G) the absence of a conflict of interest and inappropriate bias for or against potential bidders or the affected electric utilities.

(2) The Agency shall each year, as needed, issue a request for qualifications for a procurement administrator to conduct the competitive procurement processes in accordance with Section 16-111.5 of the Public Utilities Act. In order to qualify an expert or expert consulting firm must have:

(A) direct previous experience administering a
large-scale competitive procurement process;

(B) an advanced degree in economics, mathematics, engineering, or a related area of study;

(C) 10 years of experience in the electricity sector, including risk management experience;

(D) expertise in wholesale electricity market rules, including those established by the Federal Energy Regulatory Commission and regional transmission organizations;

(E) expertise in credit and contract protocols;

(F) adequate resources to perform and fulfill the required functions and responsibilities; and

(G) the absence of a conflict of interest and inappropriate bias for or against potential bidders or the affected electric utilities.

(3) The Agency shall provide affected utilities and other interested parties with the lists of qualified experts or expert consulting firms identified through the request for qualifications processes that are under consideration to develop the procurement plans and to serve as the procurement administrator. The Agency shall also provide each qualified expert's or expert consulting firm's response to the request for qualifications. All information provided under this subparagraph shall also be provided to the Commission. The Agency may provide by rule for fees associated with supplying the information to
utilities and other interested parties. These parties shall, within 5 business days, notify the Agency in writing if they object to any experts or expert consulting firms on the lists. Objections shall be based on:

(A) failure to satisfy qualification criteria;

(B) identification of a conflict of interest; or

(C) evidence of inappropriate bias for or against potential bidders or the affected utilities.

The Agency shall remove experts or expert consulting firms from the lists within 10 days if there is a reasonable basis for an objection and provide the updated lists to the affected utilities and other interested parties. If the Agency fails to remove an expert or expert consulting firm from a list, an objecting party may seek review by the Commission within 5 days thereafter by filing a petition, and the Commission shall render a ruling on the petition within 10 days. There is no right of appeal of the Commission's ruling.

(4) The Agency shall issue requests for proposals to the qualified experts or expert consulting firms to develop a procurement plan for the affected utilities and to serve as procurement administrator.

(5) The Agency shall select an expert or expert consulting firm to develop procurement plans based on the proposals submitted and shall award contracts of up to 5 years to those selected.
(6) The Agency shall select an expert or expert consulting firm, with approval of the Commission, to serve as procurement administrator based on the proposals submitted. If the Commission rejects, within 5 days, the Agency's selection, the Agency shall submit another recommendation within 3 days based on the proposals submitted. The Agency shall award a 5-year contract to the expert or expert consulting firm so selected with Commission approval.

(b) The experts or expert consulting firms retained by the Agency shall, as appropriate, prepare procurement plans, and conduct a competitive procurement process as prescribed in Section 16-111.5 of the Public Utilities Act, 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, for eligible retail customers of electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in the State of Illinois, and for eligible Illinois retail customers of small multi-jurisdictional electric utilities that (i) on December 31, 2005 served less than 100,000 customers in Illinois and (ii) request a procurement plan for their Illinois jurisdictional load.

(c) Renewable portfolio standard.

(1)(A) The Agency shall develop a long-term renewable resources procurement plan that shall include procurement
programs and competitive procurement events necessary to meet the goals set forth in this subsection (c). The initial long-term renewable resources procurement plan shall be released for comment no later than 160 days after June 1, 2017 (the effective date of Public Act 99-906). The Agency shall review, and may revise on an expedited basis, the long-term renewable resources procurement plan at least every 2 years, which shall be conducted in conjunction with the procurement plan under Section 16-111.5 of the Public Utilities Act to the extent practicable to minimize administrative expense. No later than 90 days after the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall release for comment a revision to the long-term renewable resources procurement plan, updating only elements of the most recently approved plan as needed to comply with this amendatory Act of the 102nd General Assembly. The long-term renewable resources procurement plans shall be subject to review and approval by the Commission under Section 16-111.5 of the Public Utilities Act.

(B) Subject to subparagraph (F) of this paragraph (1), the long-term renewable resources procurement plan shall include the goals for procurement of renewable energy credits to meet at least the following overall percentages: 13% by the 2017 delivery year; increasing by at least 1.5% each delivery year thereafter to at least
25% by the 2025 delivery year; increasing by at least 4% each delivery year after the 2025 delivery year to at least 45% by 2030; increasing by at least 3% each delivery year after the 2030 delivery year to at least 60% by 2035, 75% by 2040, and 90% by 2045; increasing by at least 2% each delivery year after the 2045 delivery year to 100% by the 2050 delivery year and continuing at 100% no less than 25% for each delivery year thereafter. In the event of a conflict between these goals and the new wind and new photovoltaic procurement requirements described in items (i) through (iii) of subparagraph (C) of this paragraph (1), the long-term plan shall prioritize compliance with the new wind and new photovoltaic procurement requirements described in items (i) through (iii) of subparagraph (C) of this paragraph (1) over the annual percentage targets described in this subparagraph (B). The Agency shall not comply with the annual percentage targets described in this subparagraph (B) by procuring renewable energy credits on the spot market that are unlikely to lead to the development of new renewable resources.

For the delivery year beginning June 1, 2017, the procurement plan shall include cost-effective renewable energy resources equal to at least 13% of each utility's load for eligible retail customers and 13% of the applicable portion of each utility's load for retail customers who are not eligible retail customers, which
applicable portion shall equal 50% of the utility's load for retail customers who are not eligible retail customers on February 28, 2017.

For the delivery year beginning June 1, 2018, the procurement plan shall include cost-effective renewable energy resources equal to at least 14.5% of each utility's load for eligible retail customers and 14.5% of the applicable portion of each utility's load for retail customers who are not eligible retail customers, which applicable portion shall equal 75% of the utility's load for retail customers who are not eligible retail customers on February 28, 2017.

For the delivery year beginning June 1, 2019, and for each year thereafter, the procurement plans shall include cost-effective renewable energy resources equal to a minimum percentage of each utility's load for all retail customers as follows: 16% by June 1, 2019; increasing by 1.5% each year thereafter to 25% by June 1, 2025; increasing by at least 4% each year thereafter to at least 45% by June 1, 2030; increasing by at least 3% each year thereafter to at least 90% by June 1, 2045; increasing by at least 2% each year thereafter to at least 100% by June 1, 2050 and 25% by June 1, 2026 and each year thereafter.

For each delivery year, the Agency shall first recognize each utility's obligations for that delivery year under existing contracts. Any renewable energy
credits under existing contracts, including renewable
energy credits as part of renewable energy resources,
shall be used to meet the goals set forth in this
subsection (c) for the delivery year.

(C) Of the renewable energy credits procured under
this subsection (c), at least 75% shall come from wind and
photovoltaic projects. The long-term renewable resources
procurement plan described in subparagraph (A) of this
paragraph (1) shall include the procurement of renewable
energy credits in amounts equal to at least the following:

- at least 5,000,000 renewable energy credits from
  new wind and new photovoltaic projects for each
delivery year by the end of the delivery year
beginning June 1, 2020, unless the project has delays
in the establishment of an operating interconnection
with the applicable transmission or distribution
system as a result of the actions or inactions of the
transmission or distribution provider, or other causes
for force majeure as outlined in the procurement
contract, in which case, not later than June 1, 2022;

- at least 13,000,000 renewable energy credits from
  new wind and new photovoltaic projects for each
delivery year by the end of the delivery year
beginning June 1, 2021;

- at least 18,000,000 renewable energy credits from
  new wind and new photovoltaic projects for each
delivery year by the end of the delivery year beginning June 1, 2022;

- at least 23,000,000 renewable energy credits from new wind and new photovoltaic projects for each delivery year by the end of the delivery year beginning June 1, 2023;

- at least 28,000,000 renewable energy credits from new wind and new photovoltaic projects for each delivery year by the end of the delivery year beginning June 1, 2024;

- at least 33,000,000 renewable energy credits from new wind and new photovoltaic projects for each delivery year by the end of the delivery year beginning June 1, 2025;

- at least 38,000,000 renewable energy credits from new wind and new photovoltaic projects for each delivery year by the end of the delivery year beginning June 1, 2026;

- at least 43,000,000 renewable energy credits from new wind and new photovoltaic projects for each delivery year by the end of the delivery year beginning June 1, 2027;

- at least 48,000,000 renewable energy credits from new wind and new photovoltaic projects for each delivery year by the end of the delivery year beginning June 1, 2028;
at least 53,000,000 renewable energy credits from new wind and new photovoltaic projects for each delivery year by the end of the delivery year beginning June 1, 2029; and

at least 58,000,000 renewable energy credits from new wind and new photovoltaic projects for each delivery year by the end of the delivery year beginning June 1, 2030.

(i) By the end of the 2020 delivery year:

At least 2,000,000 renewable energy credits for each delivery year shall come from new wind projects; and

Of the renewable energy credits procured from new wind and new photovoltaic projects for each delivery year at least 2,000,000 renewable energy credits for each delivery year shall come from new photovoltaic projects; of that amount, to the extent possible, the Agency shall procure 50% from new wind projects and 50% from new photovoltaic projects. Of the amount to be procured from new photovoltaic projects, the Agency shall procure, to the extent reasonably practicable: at least 33% 50% from distributed and community solar photovoltaic projects using the programs program outlined in subparagraphs subparagraph (K) and (N) of this paragraph (1) through the 2021 delivery
year, increasing ratably beginning in the 2022 delivery year to at least 50% by the 2038 delivery year and for each delivery year thereafter from distributed renewable energy generation devices or community renewable generation projects; at least 40% from utility-scale solar projects; at least 7% from brownfield site photovoltaic projects that are not community renewable generation projects; and the remainder shall be determined through the long-term planning process described in subparagraph (A) of this paragraph (1).

In developing the long-term renewable resources procurement plan, the Agency shall consider other approaches, in addition to competitive procurements, that can be used to procure renewable energy credits from brownfield site photovoltaic projects and thereby help return blighted or contaminated land to productive use while enhancing public health and the well-being of Illinois residents, including those in environmental justice communities, as defined using existing methodologies and findings used by the Illinois Power Agency and its Administrator in its Illinois Solar for All Program.

Of the amount of renewable energy credits to be procured from either distributed or community solar photovoltaic projects using the programs outlined in
subparagraph (K) of this paragraph (1), the long-term plan
developed through the process described in subparagraph
(A) of this paragraph (1) shall use the following initial
breakdown, which may be adjusted upon review by the Agency
and approval by the Commission:

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

(ii) at least 25% from distributed renewable
energy generation devices with a nameplate capacity of
more than 25 kilowatts and no more than 2,000
kilowatts;

(iii) at least 25% from photovoltaic community
renewable generation projects; and

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

The ratable procurement of new renewable resources
discussed in this subparagraph (C) shall involve annual
procurements of new wind and new photovoltaic projects
and, in the case of the Adjustable Block Program created
by subparagraph (K) of this paragraph (1), the annual
release of new blocks of capacity each year with the goal
of encouraging stability and steady growth in the
renewable resources market and avoiding boom-bust cycles.

(ii) By the end of the 2025 delivery year:
At least 3,000,000 renewable energy credits for each delivery year shall come from new wind projects; and

At least 3,000,000 renewable energy credits for each delivery year shall come from new photovoltaic projects; of that amount, to the extent possible, the Agency shall procure: at least 50% from solar photovoltaic projects using the program outlined in subparagraph (K) of this paragraph (1) from distributed renewable energy devices or community renewable generation projects; at least 40% from utility-scale solar projects; at least 2% from brownfield site photovoltaic projects that are not community renewable generation projects; and the remainder shall be determined through the long-term planning process described in subparagraph (A) of this paragraph (1).

(iii) By the end of the 2030 delivery year:

At least 4,000,000 renewable energy credits for each delivery year shall come from new wind projects; and

At least 4,000,000 renewable energy credits for each delivery year shall come from new photovoltaic projects; of that amount, to the extent possible, the Agency shall procure: at
least 50% from solar photovoltaic projects using the program outlined in subparagraph (K) of this paragraph (1) from distributed renewable energy devices or community renewable generation projects; at least 40% from utility-scale solar projects; at least 2% from brownfield site photovoltaic projects that are not community renewable generation projects; and the remainder shall be determined through the long-term planning process described in subparagraph (A) of this paragraph (1).

For purposes of this Section:

"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) unless they are purchased in combination with the Adjustable Block Program established in subparagraph (K) of this paragraph (1), as described in paragraph
(3.5) of subsection (b) of Section 1-56 of this Act.

(D) Renewable energy credits shall be cost effective. For purposes of this subsection (c), "cost effective" means that the costs of procuring renewable energy resources do not cause the limit stated in subparagraph (E) of this paragraph (1) to be exceeded and, for renewable energy credits procured through a competitive procurement event, do not exceed benchmarks based on market prices for like products in the region. For purposes of this subsection (c), "like products" means contracts for renewable energy credits from the same or substantially similar technology, same or substantially similar vintage (new or existing), the same or substantially similar quantity, and the same or substantially similar contract length and structure. Benchmarks shall be developed by the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor and shall be subject to Commission review and approval. If price benchmarks for like products in the region are not available, the procurement administrator shall establish price benchmarks based on publicly available data on regional technology costs and expected current and future regional energy prices. The benchmarks in this Section shall not be used to curtail or otherwise reduce
contractual obligations entered into by or through the Agency prior to June 1, 2017 (the effective date of Public Act 99-906).

(E) For purposes of this subsection (c), the required procurement of cost-effective renewable energy resources for a particular year commencing prior to June 1, 2017 shall be measured as a percentage of the actual amount of electricity (megawatt-hours) supplied by the electric utility to eligible retail customers in the delivery year ending immediately prior to the procurement, and, for delivery years commencing on and after June 1, 2017, the required procurement of cost-effective renewable energy resources for a particular year shall be measured as a percentage of the actual amount of electricity (megawatt-hours) delivered by the electric utility in the delivery year ending immediately prior to the procurement, to all retail customers in its service territory. For purposes of this subsection (c), the amount paid per kilowatthour means the total amount paid for electric service expressed on a per kilowatthour basis. For purposes of this subsection (c), the total amount paid for electric service includes without limitation amounts paid for supply, transmission, distribution, surcharges, and add-on taxes.

Notwithstanding the requirements of this subsection (c), the total of renewable energy resources procured
under the procurement plan for any single year shall be subject to the limitations of this subparagraph (E). Until the delivery year beginning June 1, 2023, such procurement shall be reduced for all retail customers based on the amount necessary to limit the annual estimated average net increase due to the costs of these resources included in the amounts paid by eligible retail customers in connection with electric service to no more than the greater of 2.67% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009 or the incremental amount per kilowatthour paid for these resources in 2011. Beginning with the delivery year beginning June 1, 2023, such procurement shall be reduced for all retail customers based on the amount necessary to limit the annual estimated average net increase due to the costs of these resources included in the amounts paid by eligible retail customers in connection with electric service to no more than the greater of 4.88% of the amount paid per kilowatt hour by those customers during the year ending May 31, 2009 or the incremental amount per kilowatt hour paid for these resources in 2011. To arrive at a maximum dollar amount of renewable energy resources to be procured for the particular delivery year, the resulting per kilowatthour amount shall be applied to the actual amount of kilowatthours of electricity delivered, or applicable
portion of such amount as specified in paragraph (1) of this subsection (c), as applicable, by the electric utility in the delivery year immediately prior to the procurement to all retail customers in its service territory. The calculations required by this subparagraph (E) shall be made only once for each delivery year at the time that the renewable energy resources are procured. Once the determination as to the amount of renewable energy resources to procure is made based on the calculations set forth in this subparagraph (E) and the contracts procuring those amounts are executed, no subsequent rate impact determinations shall be made and no adjustments to those contract amounts shall be allowed. All costs incurred under such contracts shall be fully recoverable by the electric utility as provided in this Section.

(F) If the limitation on the amount of renewable energy resources procured in subparagraph (E) of this paragraph (1) prevents the Agency from meeting all of the goals in this subsection (c), the Agency's long-term plan shall prioritize compliance with the requirements of this subsection (c) regarding renewable energy credits in the following order:

(i) renewable energy credits under existing contractual obligations;

(i-5) funding for the Illinois Solar for All
Program, as described in subparagraph (O) of this paragraph (1);

(ii) renewable energy credits necessary to comply with the new wind and new photovoltaic procurement requirements described in items (i) through (iii) of subparagraph (C) of this paragraph (1); and

(iii) renewable energy credits necessary to meet the remaining requirements of this subsection (c).

(G) The following provisions shall apply to the Agency's procurement of renewable energy credits under this subsection (c):

(i) Notwithstanding whether a long-term renewable resources procurement plan has been approved, the Agency shall conduct an initial forward procurement for renewable energy credits from new utility-scale wind projects within 160 days after June 1, 2017 (the effective date of Public Act 99-906). For the purposes of this initial forward procurement, the Agency shall solicit 15-year contracts for delivery of 1,000,000 renewable energy credits delivered annually from new utility-scale wind projects to begin delivery on June 1, 2019, if available, but not later than June 1, 2021, unless the project has delays in the establishment of an operating interconnection with the applicable transmission or distribution system as a result of the actions or inactions of the transmission or
distribution provider, or other causes for force
majeure as outlined in the procurement contract, in
which case, not later than June 1, 2022. Payments to
suppliers of renewable energy credits shall commence
upon delivery. Renewable energy credits procured under
this initial procurement shall be included in the
Agency's long-term plan and shall apply to all
renewable energy goals in this subsection (c).

(ii) Notwithstanding whether a long-term renewable
resources procurement plan has been approved, the
Agency shall conduct an initial forward procurement
for renewable energy credits from new utility-scale
solar projects and brownfield site photovoltaic
projects within one year after June 1, 2017 (the
effective date of Public Act 99-906). For the purposes
of this initial forward procurement, the Agency shall
solicit 15-year contracts for delivery of 1,000,000
renewable energy credits delivered annually from new
utility-scale solar projects and brownfield site
photovoltaic projects to begin delivery on June 1,
2019, if available, but not later than June 1, 2021,
unless the project has delays in the establishment of
an operating interconnection with the applicable
transmission or distribution system as a result of the
actions or inactions of the transmission or
distribution provider, or other causes for force
majeure as outlined in the procurement contract, in which case, not later than June 1, 2022. The Agency may structure this initial procurement in one or more discrete procurement events. Payments to suppliers of renewable energy credits shall commence upon delivery. Renewable energy credits procured under this initial procurement shall be included in the Agency's long-term plan and shall apply to all renewable energy goals in this subsection (c).

(iii) Notwithstanding whether the Commission has approved the periodic long-term renewable resources procurement plan revision described in Section 16-111.5 of the Public Utilities Act, the Agency shall conduct at least one subsequent forward procurement for renewable energy credits from new utility-scale wind projects, new utility-scale solar, and new brownfield site photovoltaic projects within 120 days after the effective date of this amendatory Act of the 102nd General Assembly in quantities needed to meet the requirements of subparagraph (C) through the delivery year beginning June 1, 2021. The Agency shall also release additional blocks of capacity into the Adjustable Block Program, as needed to sustain the market for distributed renewable energy generation devices with nameplate capacities both smaller and larger than 25 kilowatts through the subsequent
long-term renewable resources procurement plan revision process, within 120 days after the effective date of this amendatory Act of the 102nd General Assembly notwithstanding whether the Commission has approved the periodic long-term renewable resources procurement plan revision described in Section 16-111.5 of the Public Utilities Act. Subsequent forward procurements for utility-scale wind projects shall solicit at least 1,000,000 renewable energy credits delivered annually per procurement event and shall be planned, scheduled, and designed such that the cumulative amount of renewable energy credits delivered from all new wind projects in each delivery year shall not exceed the Agency's projection of the cumulative amount of renewable energy credits that will be delivered from all new photovoltaic projects, including utility-scale and distributed photovoltaic devices, in the same delivery year at the time scheduled for wind contract delivery.

(iv) If, at any time after the time set for delivery of renewable energy credits pursuant to the initial procurements in items (i) and (ii) of this subparagraph (G), the cumulative amount of renewable energy credits projected to be delivered from all new wind projects in a given delivery year exceeds the cumulative amount of renewable energy credits
projected to be delivered from all new photovoltaic projects in that delivery year by 200,000 or more renewable energy credits, then the Agency shall within 60 days adjust the procurement programs in the long-term renewable resources procurement plan to ensure that the projected cumulative amount of renewable energy credits to be delivered from all new wind projects does not exceed the projected cumulative amount of renewable energy credits to be delivered from all new photovoltaic projects by 200,000 or more renewable energy credits, provided that nothing in this Section shall preclude the projected cumulative amount of renewable energy credits to be delivered from all new photovoltaic projects from exceeding the projected cumulative amount of renewable energy credits to be delivered from all new wind projects in each delivery year and provided further that nothing in this item (iv) shall require the curtailment of an executed contract. The Agency shall update, on a quarterly basis, its projection of the renewable energy credits to be delivered from all projects in each delivery year. Notwithstanding anything to the contrary, the Agency may adjust the timing of procurement events conducted under this subparagraph (G). The long-term renewable resources procurement plan shall set forth the process by which the
adjustments may be made.

(iv) (v) All procurements under this subparagraph (G) shall comply with the geographic requirements in subparagraph (I) of this paragraph (1) and shall follow the procurement processes and procedures described in this Section and Section 16-111.5 of the Public Utilities Act to the extent practicable, and these processes and procedures may be expedited to accommodate the schedule established by this subparagraph (G).

(H) The procurement of renewable energy resources for a given delivery year shall be reduced as described in this subparagraph (H) if an alternative retail electric supplier meets the requirements described in this subparagraph (H).

(i) Within 45 days after June 1, 2017 (the effective date of Public Act 99-906), an alternative retail electric supplier or its successor shall submit an informational filing to the Illinois Commerce Commission certifying that, as of December 31, 2015, the alternative retail electric supplier owned one or more electric generating facilities that generates renewable energy resources as defined in Section 1-10 of this Act, provided that such facilities are not powered by wind or photovoltaics, and the facilities generate one renewable energy credit for each
megawatt-hour of energy produced from the facility.

The informational filing shall identify each facility that was eligible to satisfy the alternative retail electric supplier's obligations under Section 16-115D of the Public Utilities Act as described in this item (i).

(ii) For a given delivery year, the alternative retail electric supplier may elect to supply its retail customers with renewable energy credits from the facility or facilities described in item (i) of this subparagraph (H) that continue to be owned by the alternative retail electric supplier.

(iii) The alternative retail electric supplier shall notify the Agency and the applicable utility, no later than February 28 of the year preceding the applicable delivery year or 15 days after June 1, 2017 (the effective date of Public Act 99-906), whichever is later, of its election under item (ii) of this subparagraph (H) to supply renewable energy credits to retail customers of the utility. Such election shall identify the amount of renewable energy credits to be supplied by the alternative retail electric supplier to the utility's retail customers and the source of the renewable energy credits identified in the informational filing as described in item (i) of this subparagraph (H), subject to the following
limitations:

For the delivery year beginning June 1, 2018, the maximum amount of renewable energy credits to be supplied by an alternative retail electric supplier under this subparagraph (H) shall be 68% multiplied by 25% multiplied by 14.5% multiplied by the amount of metered electricity (megawatt-hours) delivered by the alternative retail electric supplier to Illinois retail customers during the delivery year ending May 31, 2016.

For delivery years beginning June 1, 2019 and each year thereafter, the maximum amount of renewable energy credits to be supplied by an alternative retail electric supplier under this subparagraph (H) shall be 68% multiplied by 50% multiplied by 16% multiplied by the amount of metered electricity (megawatt-hours) delivered by the alternative retail electric supplier to Illinois retail customers during the delivery year ending May 31, 2016, provided that the 16% value shall increase by 1.5% each delivery year thereafter to 25% by the delivery year beginning June 1, 2025, and thereafter the 25% value shall apply to each delivery year.

For each delivery year, the total amount of
renewable energy credits supplied by all alternative retail electric suppliers under this subparagraph (H) shall not exceed 9% of the Illinois target renewable energy credit quantity. The Illinois target renewable energy credit quantity for the delivery year beginning June 1, 2018 is 14.5% multiplied by the total amount of metered electricity (megawatt-hours) delivered in the delivery year immediately preceding that delivery year, provided that the 14.5% shall increase by 1.5% each delivery year thereafter to 25% by the delivery year beginning June 1, 2025, and thereafter the 25% value shall apply to each delivery year.

If the requirements set forth in items (i) through (iii) of this subparagraph (H) are met, the charges that would otherwise be applicable to the retail customers of the alternative retail electric supplier under paragraph (6) of this subsection (c) for the applicable delivery year shall be reduced by the ratio of the quantity of renewable energy credits supplied by the alternative retail electric supplier compared to that supplier's target renewable energy credit quantity. The supplier's target renewable energy credit quantity for the delivery year beginning June 1, 2018 is 14.5% multiplied by the total amount of metered electricity (megawatt-hours) delivered by the alternative retail supplier in that delivery year,
provided that the 14.5% shall increase by 1.5% each
delivery year thereafter to 25% by the delivery year
beginning June 1, 2025, and thereafter the 25% value
shall apply to each delivery year.

On or before April 1 of each year, the Agency shall
annually publish a report on its website that
identifies the aggregate amount of renewable energy
credits supplied by alternative retail electric
suppliers under this subparagraph (H).

(I) The Agency shall design its long-term renewable
energy procurement plan 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 residents citizens of this State. In
order to further these legislative purposes, renewable
energy credits shall be eligible to be counted toward the
renewable energy requirements of this subsection (c) if
they are generated from facilities located in this State.
The Agency may qualify renewable energy credits from
facilities located in states adjacent to Illinois if the generator demonstrates and the Agency determines that the operation of such facility or facilities will help promote the State's interest in the health, safety, and welfare of its residents based on the public interest criteria described above. To ensure that the public interest criteria are applied to the procurement and given full effect, the Agency's long-term procurement plan shall describe in detail how each public interest factor shall be considered and weighted for facilities located in states adjacent to Illinois.

(J) In order to promote the competitive development of renewable energy resources in furtherance of the State's interest in the health, safety, and welfare of its residents, renewable energy credits shall not be eligible to be counted toward the renewable energy requirements of this subsection (c) if they are sourced 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. Each contract executed to purchase renewable energy credits under this subsection (c) shall provide for the contract's termination if the costs of the generating unit supplying the renewable energy credits subsequently begin to be recovered through rates regulated by this State or any other state or states; and each contract shall further provide that, in that event, the
supplier of the credits must return 110% of all payments received under the contract. Amounts returned under the requirements of this subparagraph (J) shall be retained by the utility and all of these amounts shall be used for the procurement of additional renewable energy credits from new wind or new photovoltaic resources as defined in this subsection (c). The long-term plan shall provide that these renewable energy credits shall be procured in the next procurement event.

Notwithstanding the limitations of this subparagraph (J), renewable energy credits sourced from generating units that are constructed, purchased, owned, or leased by an electric utility as part of an approved project, program, or pilot under Section 1-56 of this Act shall be eligible to be counted toward the renewable energy requirements of this subsection (c), regardless of how the costs of these units are recovered.

(K) The long-term renewable resources procurement plan developed by the Agency in accordance with subparagraph (A) of this paragraph (1) shall include an Adjustable Block program for the procurement of renewable energy credits from new photovoltaic projects that are distributed renewable energy generation devices or new photovoltaic community renewable generation projects. The Adjustable Block program shall be designed to provide for the steady, predictable, and sustainable growth of new
solar photovoltaic development in Illinois. To this end, the Adjustable Block program shall provide a transparent annual schedule of prices and quantities to enable the photovoltaic market to scale up and for renewable energy credit prices to adjust at a predictable rate over time. The prices set by the Adjustable Block program can be reflected as a set value or as the product of a formula.

The Adjustable Block program shall include for each category of eligible projects: a schedule of standard block purchase prices to be offered; a series of steps, with associated nameplate capacity and purchase prices that adjust from step to step; and automatic opening of the next step as soon as the nameplate capacity and available purchase prices for an open step are fully committed or reserved. Only projects energized on or after June 1, 2017 shall be eligible for the Adjustable Block program. The Agency shall develop program features and implementation processes that create consistent market signals, making the program predictable and sustainable for solar industry companies, thus allowing them to scale up long-term hiring and investment activities. For each block group the Agency shall determine the number of blocks, the amount of generation capacity in each block, and the purchase price for each block, provided that the purchase price provided and the total amount of generation in all blocks for all block groups shall be sufficient to
meet the goals in this subsection (c). The Agency shall establish program eligibility requirements that ensure that projects that enter the program are sufficiently mature to indicate a demonstrable path to completion. The Agency may periodically review its prior decisions establishing the number of blocks, the amount of generation capacity in each block, and the purchase price for each block, and may propose, on an expedited basis, changes to these previously set values, including but not limited to redistributing these amounts and the available funds as necessary and appropriate, subject to Commission approval as part of the periodic plan revision process described in Section 16-111.5 of the Public Utilities Act.

The Agency may define different block sizes, purchase prices, or other distinct terms and conditions for projects located in different utility service territories if the Agency deems it necessary to meet the goals in this subsection (c).

The Adjustable Block program shall include at least the following block groups in at least the following amounts, which may be adjusted upon review by the Agency and approval by the Commission as described in this subparagraph (K):

(i) At least 25% from distributed renewable energy generation devices with a nameplate capacity of no more than 25 kilowatts.
(ii) At least 25% from distributed renewable energy generation devices with a nameplate capacity of more than 25 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) other block groups as specified by the Agency and approved by the Commission in the long-term renewable resources procurement plan in order to meet the goals of this subsection (c) 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.

The Adjustable Block program shall be designed to ensure that renewable energy credits are procured from photovoltaic distributed renewable energy generation devices and new photovoltaic community renewable energy generation projects in diverse locations, including urban and rural areas, and are not concentrated in a few geographic areas or excluding particular geographic areas.

The Adjustable Block program shall reserve 15% of each block's capacity at the block's pricing to be available for qualified vendors that are participants in the
Illinois Clean Energy Black, Indigenous, and People of Color Contractor Accelerator, as described in the Clean Jobs, Workforce and Contractor Equity Act, and a total of 40% of each block's capacity at the block's price to be available for qualified vendors that score no less than 105 points in the equity points system described in subparagraphs (A) through (H) of paragraph (7) of this subsection (c). Nothing in this paragraph shall prohibit the opening of additional blocks for the unreserved capacity of each block. Beginning with the first update to the Long-Term Renewable Resources Procurement Plan after December 31, 2024, the Agency shall review the reserved capacity level for future blocks. In developing its annual budgets, the Agency shall project the amount of development in each block, at the prices of each block, expected to occur in the budget timeframe.

Immediately upon the effective date of this amendatory Act of the 102nd General Assembly, the Adjustable Block Program shall stop accepting applications from community renewable generation projects and shall stop allocating capacity remaining in open or future blocks to community renewable generation projects.

(L) The procurement of photovoltaic renewable energy credits under the Adjustable Block Program established under items (i) through (iv) of subparagraph (K) and the Community Solar Program established under subparagraph (N)
of this paragraph (1) shall be subject to the following contract and payment terms:

(i) The Agency shall procure contracts of at least 15 years in length.

(ii) For those renewable energy credits that qualify and are procured from projects with a nameplate capacity of no more than 10 kilowatts under item (i) of subparagraph (K) of this paragraph (1), the renewable energy credit 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. The electric utility shall receive and retire all renewable energy credits generated by the project for the first 15 years of operation.

(iii) For those renewable energy credits that qualify and are procured from projects with a nameplate capacity of more than 10 kilowatts but no more than 200 kilowatts or, if approved at the recommendation of the Agency in its long-term plan, from projects that include a community ownership component or are owned by a nonprofit or public entity under item (ii) and (iii) of subparagraph (K) of this paragraph (1) and any additional categories of distributed generation included in the long-term
renewable resources procurement plan and approved by the Commission, 20 percent of the renewable energy credit purchase price shall be paid 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. The remaining portion shall be paid ratably over the subsequent 4-year period. The electric utility shall receive and retire all renewable energy credits generated by the project for the first 15 years of operation.

(iv) For those renewable energy credits that qualify and are procured from all other projects under subparagraph (K) or (N) of this paragraph (L), the renewable energy credit purchase price shall be paid by the contracting utilities over the 15-year life of the contract. The electric utility shall receive and retire all renewable energy credits generated by the project for the first 15 years of operation.

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

(vi) 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. No contract shall be executed for an amount that is less than one renewable energy credit per year.

(vii) If, at any time, approved applications for the Adjustable Block program exceed funds collected by the electric utility or would cause the Agency to exceed the limitation described in subparagraph (E) of this paragraph (i) on the amount of renewable energy resources that may be procured, then the Agency shall consider future uncommitted funds to be reserved for these contracts on a first-come, first-served basis, with the delivery of renewable energy credits required beginning at the time that the reserved funds become available.

(viii) Nothing in this Section shall require the utility to advance any payment or pay any amounts that exceed, in a given delivery year, (i) the actual amount of revenues collected by the utility in the delivery year and unspent available revenues from prior delivery years, in both cases under paragraph (6) of this subsection (c) and subsection (k) of Section 16-108 of the Public Utilities Act and (ii) other utility-held funds authorized for renewables procurement by order of the Illinois Commerce Commission. Contracts and contracts executed under this Section shall expressly incorporate this limitation.
(ix) Notwithstanding items (ii), (iii), and (iv) of this subparagraph (L), the Agency shall not be restricted from offering additional payment structures if it determines that such adjustments will better achieve the goals of this subsection (c), as prioritized in subparagraph (F) of this paragraph (1) of this subsection (c). Any such adjustments shall be approved by the Commission as a long-term plan amendment under Section 16-111.5 of the Public Utilities Act.

(x) Notwithstanding other requirements of this subparagraph (L), no modification shall be required to Adjustable Block Program contracts if they were already executed before new contract forms are implemented under the revised long-term plan that follows this amendatory Act of the 102nd General Assembly, as described in subparagraph (A) of this paragraph (1).

(M) The Agency shall be authorized to retain one or more experts or expert consulting firms to develop, administer, implement, operate, and evaluate the Adjustable Block program described in subparagraph (K) of this paragraph (1), and the Agency shall retain the consultant or consultants in the same manner, to the extent practicable, as the Agency retains others to administer provisions of this Act, including, but not
limited to, the procurement administrator. The selection of experts and expert consulting firms and the procurement process described in this subparagraph (M) are exempt from the requirements of Section 20-10 of the Illinois Procurement Code, under Section 20-10 of that Code. The Agency shall strive to minimize administrative expenses in the implementation of the Adjustable Block program.

The Agency and its consultant or consultants shall monitor block activity, share program activity with stakeholders and conduct regularly scheduled meetings to discuss program activity and market conditions. If necessary, the Agency may make prospective administrative adjustments to the Adjustable Block program design, such as redistributing available funds or making adjustments to purchase prices as necessary to achieve the goals of this subsection (c). Program modifications to any price, capacity block, or other program element that do not deviate from the Commission's approved value by more than 25% shall take effect immediately and are not subject to Commission review and approval. Program modifications to any price, capacity block, or other program element that deviate more than 25% from the Commission's approved value must be approved by the Commission as a long-term plan amendment under Section 16-111.5 of the Public Utilities Act. The Agency shall consider stakeholder feedback when making adjustments to the Adjustable Block design and
shall notify stakeholders in advance of any planned changes.

Immediately upon the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall consider whether changes to Adjustable Block Program elements of less than 25% can and should be adopted to bring the Adjustable Block Program in line with the updated goals and targets of this subsection (c).

(N) The long-term renewable resources procurement plan required by this subsection (c) shall include a Community Solar Program for solar photovoltaic community renewable generation projects and may include additional community renewable generation programs or procurements open to other or additional renewable technology programs. The Agency shall establish the terms, conditions, and program requirements for the Community Solar Program and for any other program or procurement 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, create opportunities for subscribers to participate in local renewables projects in both urban and rural communities across the State, enable communities to self-organize their own renewables projects, and increase
community ownership of renewables projects. Any plan approved by the Commission shall allow subscriptions to community renewable generation projects to be portable and transferable. For purposes of this subparagraph (N):

"Community" means:

(i) a social unit in which people come together regularly to effect change;

(ii) a social unit in which participants are marked by a cooperative spirit, a common purpose, or shared interests or characteristics; or

(iii) a space understood by its residents to be delineated through geographic boundaries or landmarks.

"Community benefit" means:

(i) a range of services and activities that provide affirmative, economic, environmental, social, cultural, or physical value to a community; or

(ii) a mechanism that enables economic development, high-quality employment, and education opportunities for local workers and residents, or formal monitoring and oversight structures such that community members may ensure that those services and activities respond to local knowledge and needs.

"Community ownership" means an arrangement in
which:

(i) an electric generating facility is, or over time will be, in significant part, owned collectively by members of the community to which an electric generating facility provides benefits;

(ii) members of that community participate in decisions regarding the governance, operation, maintenance, and upgrades of and to that facility; and

(iii) members of that community benefit from regular use of that facility.

"Portable", "portable" means that subscriptions may be retained by the subscriber even if the subscriber relocates or changes its address within the same utility service territory.

"Stakeholder" means any person or entity with a declared or conceivable interest in a project.

"Transferable", "transferable" means that a subscriber may assign or sell subscriptions to another person within the same utility service territory.

The Community Solar Program established under this subparagraph (N) shall be designed to give preference to the procurement of renewable energy credits from projects that meet one or more of the following community criteria for a portion of the overall renewable energy credits to be procured under the Community Solar Program:
(i) include community ownership;
(ii) are put forward by approved vendors or companies that take higher numbers of the equity actions described in paragraph (7) of this subsection (c);
(iii) provide additional community benefit, beyond project participation as a subscriber;
(iv) ensure meaningful involvement in project organization and development by nonprofit organizations, public entities, or community members;
(v) increase the geographic diversity of projects in the Community Solar Program;
(vi) are also brownfield site photovoltaic projects;
(vii) ensure engagement in project operations and management by nonprofit organizations, public entities, or community members; or
(viii) serve only local subscribers.

Terms and guidance within these criteria that are not defined in this subparagraph (N) shall be defined by the Agency, with stakeholder input, during the development of the Agency's long-term renewable resources procurement plan.

The Community Solar Program shall procure renewable energy credits in the following manner:

(1) For a portion of the overall renewable energy
credits to be procured under the Community Solar Program, the Agency shall initiate a request for projects that serve a minimum of 50% residential and small business subscribers and maximize the community criteria in this subparagraph (N). The Agency shall score all projects submitted under this request for projects based on their ability to meet the community criteria. Both projects that better meet individual criteria as well as projects that address a higher number of criteria shall receive a higher score. The Agency shall also consider renewable energy credit price when qualifying and scoring projects. The Agency shall select the highest scoring projects to advance, subject to budget availability, reserving a portion of the capacity selected through the request for those projects that include a community ownership component.

(2) Once projects that maximize the community criteria have been selected, the Agency shall initiate a procurement for the remaining renewable energy credits from photovoltaic community renewable generation projects needed to meet the goals of subparagraph (C) of this paragraph (1). The Agency shall strive to procure renewable energy credits through the Community Solar Program 4 times per delivery year. This manner of procuring renewable energy credits for the Community Solar Program may be
adjusted upon review by the Agency and approval by the Commission through the long-term renewable resources procurement plan update process in order to better meet the goals of this subsection (c) and the requirements of this subparagraph (N).

Electric utilities shall provide a monetary credit to a subscriber's subsequent bill for service for the proportional output of a community renewable generation project attributable to that subscriber as specified in Section 16-107.5 of the Public Utilities Act.

The Agency shall procure renewable energy credits from subscribed shares of photovoltaic community renewable generation projects through the Community Solar Program described in this subparagraph (N) Adjustable Block program described in subparagraph (K) of this paragraph (l) or through the Illinois Solar for All Program described in Section 1-56 of this Act. The Agency shall procure renewable energy credits from unsubscribed shares of photovoltaic community renewable generation projects that have achieved a subscription level of 80% or higher at the average winning price from the most recent procurement of renewable energy credits from utility-scale solar photovoltaic projects or another amount established through the long-term planning process described in subparagraph (A) of this paragraph (l) of this subsection (c). The electric utility shall purchase any unsubscribed
energy from community renewable generation projects that are Qualifying Facilities ("QF") under the electric utility's tariff for purchasing the output from QFs under Public Utilities Regulatory Policies Act of 1978.

The owners of and any subscribers to a community renewable generation project shall not be considered public utilities or alternative retail electricity suppliers under the Public Utilities Act solely as a result of their interest in or subscription to a community renewable generation project and shall not be required to become an alternative retail electric supplier by participating in a community renewable generation project with a public utility.

(O) For the delivery year beginning June 1, 2018, the long-term renewable resources procurement plan required by this subsection (c) shall provide for the Agency to procure contracts to continue offering the Illinois Solar for All Program described in subsection (b) of Section 1-56 of this Act, and the contracts approved by the Commission shall be executed by the utilities that are subject to this subsection (c). The long-term renewable resources procurement plan shall allocate 5% of the funds available under the plan for the applicable delivery year, or $10,000,000 per delivery year, whichever is greater, to fund the programs, and the plan shall determine the amount of funding to be apportioned to the programs identified in
subsection (b) of Section 1-56 of this Act; provided that
for the delivery years beginning June 1, 2017, June 1,
2021, and June 1, 2025, the long-term renewable resources
procurement plan shall allocate 10% of the funds available
under the plan for the applicable delivery year, or
$20,000,000 per delivery year, whichever is greater, and
$10,000,000 of such funds in such year shall be used by an
electric utility that serves more than 3,000,000 retail
customers in the State to implement a Commission-approved
plan under Section 16-108.12 of the Public Utilities Act.
In making the determinations required under this
subparagraph (O), the Commission shall consider the
experience and performance under the programs and any
evaluation reports. The Commission shall also provide for
an independent evaluation of those programs on a periodic
basis that are funded under this subparagraph (O).

(P) The Agency shall give preference to the
procurement of renewable energy credits from new
utility-scale photovoltaic and wind projects that provide
additional land use and environmental benefits such as:

(i) agriculture-friendly benefits;

(ii) pollinator-friendly site practices as
identified in the Pollinator-Friendly Solar Site Act;

(iii) brownfield redevelopment, through location
at sites regulated under any of the programs
identified as a brownfield site photovoltaic project
under Section 1-10;

(iv) vegetative buffers, which are areas consisting of perennial vegetation, excluding invasive plants and noxious weeds, adjacent to a body of water that protects the water resources from runoff pollution, and stabilizes soils, shores, and banks to protect or provide riparian corridors;

(v) commitment to land use practices that result in carbon sequestration;

(vi) land use, design, siting, and construction practices that minimize interference with natural habitat and wildlife; and

(vii) other land use or environmental benefits identified by the Agency with input from stakeholders received during the long-term renewable resources procurement plan revision process.

(1.5) No Later than May 31, 2022, all Illinois electric cooperatives and municipal utilities shall develop a plan to ensure that their members and customers have access to renewable energy on a reasonably equivalent basis to all other residents in the State, including the overall percentage goals listed in subparagraph (A) of paragraph (1) of this Section and the carbon-free resources goals of subsection (k) of this Section 1-75. These plans shall be developed through a public process involving municipal utility and cooperative members,
customers, and other members of the public, and shall be filed with the Illinois Commerce Commission at least every 2 years.

(2) (Blank).

(3) (Blank).

(4) The electric utility shall retire all renewable energy credits used to comply with the standard.

(5) Beginning with the 2010 delivery year and ending June 1, 2017, an electric utility subject to this subsection (c) shall apply the lesser of the maximum alternative compliance payment rate or the most recent estimated alternative compliance payment rate for its service territory for the corresponding compliance period, established pursuant to subsection (d) of Section 16-115D of the Public Utilities Act to its retail customers that take service pursuant to the electric utility's hourly pricing tariff or tariffs. The electric utility shall retain all amounts collected as a result of the application of the alternative compliance payment rate or rates to such customers, and, beginning in 2011, the utility shall include in the information provided under item (1) of subsection (d) of Section 16-111.5 of the Public Utilities Act the amounts collected under the alternative compliance payment rate or rates for the prior year ending May 31. Notwithstanding any limitation on the procurement of renewable energy resources imposed by item
(2) of this subsection (c), the Agency shall increase its spending on the purchase of renewable energy resources to be procured by the electric utility for the next plan year by an amount equal to the amounts collected by the utility under the alternative compliance payment rate or rates in the prior year ending May 31.

(6) The electric utility shall be entitled to recover all of its costs associated with the procurement of renewable energy credits under plans approved under this Section and Section 16-111.5 of the Public Utilities Act. These costs shall include associated reasonable expenses for implementing the procurement programs, including, but not limited to, the costs of administering and evaluating the Adjustable Block program, through an automatic adjustment clause tariff in accordance with subsection (k) of Section 16-108 of the Public Utilities Act.

(7) Renewable energy credits procured from new photovoltaic projects or new distributed renewable energy generation devices under this Section after June 1, 2017 (the effective date of Public Act 99-906) 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.

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, and Illinois Solar for All Program shall provide employment opportunities for all segments of the population and workforce, including black, indigenous, and people of color-owned minority-owned and women-owned female-owned business enterprises, as well as black, indigenous, and people of color-owned and women-owned worker-owned cooperatives or other such employee-owned entities, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.

Specifically, as the Agency conducts competitive procurement processes and implements programs to procure renewable energy credits identified in the long-term renewable resources procurement plan, the Agency must give preference to the procurement of renewable energy credits from those entities, including approved vendors, companies, nonprofit organizations, and worker-owned cooperatives, as described in the equity actions points calculation in this paragraph (7). Entities from whom the Agency procures renewable energy credits shall comply with submitting an annual report of elements described in the equity actions points calculation in this paragraph (7) for the first 3 years after the year of the procurement event in which renewable energy credits were procured on
June 1 of each applicable year. For the purposes of this subsection (c):

"BIPOC" and "black, indigenous, and people of color" are identical in meaning and have the same definition as used in the Clean Jobs, Workforce and Contractor Equity Act.

"Labor peace agreement" means an agreement between an entity and any labor organization recognized under the National Labor Relations Act, referred to in this Act as a bona fide labor organization, that may prohibit labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the entity. This agreement means that the entity has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the entity's employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the entity's employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under State law, and terms and conditions of employment. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

"Energy worker" has the meaning set forth in Section 20-10 of the Energy Community Reinvestment Act.
The Illinois Power Agency, using alternative bidding procedures as provided for in subsection (i) of Section 20-10 of the Illinois Procurement Code, shall track and award equity actions in bids for the renewable energy credit procurements, Adjustable Block solar program, community renewable generation program, and Illinois Solar for All Program using a points system totaling a maximum of 260 points. This system shall consider both equity actions to meet the goals described in paragraph (7), and the bid prices, as follows:

(A) Hiring Equity Action (up to 20 points): awarded based on the percentage of the company's or entity's workforce (measured by full-time equivalents as defined by the Government Accountability Office of the United States Congress) who are BIPOC and who are paid at or above the prevailing wage; one point shall be awarded for each 5% of the workforce which is composed of BIPOC who are also paid at or above the prevailing wage, up to a maximum of 20 points.

(B) Clean Jobs Workforce Hubs Action and Returning Residents Action (up to 20 points): awarded based on the percentage of the workers associated with the project who are graduates or trainees from the Clean Jobs Workforce Hubs Network Program, or the Returning Residents Clean Jobs Training Program, or equivalent certification, and paid at or above the prevailing wage.
wage; one point shall be awarded for each 5% of the workforce which is composed of Clean Jobs Workforce Hubs Network Program graduates or trainees or Returning Residents Clean Jobs Training Program graduates or trainees who are also paid a living wage, up to a maximum of 20 points.

(C) Minority Business Enterprise Action (30 points): being an entity defined as a minority-owned business under Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act or (ii) an entity, including a business, a nonprofit, or a worker-owned cooperative registered with other state, regional, or local programs intended to certify minority-owned businesses.

(D) Contracting Equity Action (20 points): awarded based on the percentage of the company's or entity's subcontractors or vendors that are BIPOC-owned businesses, defined as a minority owned-business or a woman-owned business under Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, or awarded based on the percentage of the subcontracted workers associated with the project, including from all subcontractors and vendors that are Black, indigenous, and people of color who are paid at or above the prevailing wage; 5 points shall be awarded for each 10% of either subcontractors
or subcontractors' workers who are Black, indigenous, and people of color, whichever is greater, up to a maximum of 20 points. Bids may not be eligible for points under this subsection unless they plan to use subcontractors. If a company or entity does not use subcontractors, points awarded for the Contracting Equity Action shall be equivalent to the point value awarded for the Hiring Equity Action under subparagraph (A).

(E) Expanding Clean Energy Entrepreneurship Action (20 points): awarded to entities who are current or former participant contractors in the Expanding Clean Energy Entrepreneurship and Contractor Incubators Network Program or current or former participants in the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator Program.

(F) Community Benefits Action (15 points): (i) for projects 100 kW in size or larger, project has an executed Community Benefits Agreement that could include, but is not limited to, a commitment to hire local workers, union workers, energy workers transitioning to clean energy jobs, Clean Jobs Workforce Hubs Network Program graduates, or current or former participant contractors in the Expanding Clean Energy Entrepreneurship and Contractor Incubators Network Program a commitment to pay workers
at or above the prevailing wage, and a commitment to
give communities ownership opportunities in clean
ergy projects; and (ii) for projects under 100 kW in
size, companies pay their workforces at or above the
prevailing wage.

(G) Small Business Action (15 points): company's
workforce is composed of 3 or fewer full-time
employees (measured by full-time equivalents as
defined by the Government Accountability Office of the
United States Congress).

(H) Labor Peace Agreement Action (10 points): (i)
for a bidder with 20 or more employees: the bidder
attests that the bidder has entered into a labor peace
agreement, will abide by the terms of the agreement,
and will submit a copy of the page of the labor peace
agreement that contains the signatures of the union
representative and the installer, or (ii) for a bidder
that is a party to a labor peace agreement with a bona
fide labor organization that currently represents, or
is actively seeking to represent energy efficiency
installers and other workers in Illinois, or (iii) the
bidder submits an attestation affirming that the
bidder will use best efforts to use union labor in the
bidder's projects and in the construction or retrofit
of the facilities associated with the bidder's
renewable energy operations, where applicable.
(I) Price of bid (130 points): as scored by the Illinois Power Agency.

Bids scoring fewer than 135 points shall not be awarded contracts.

(8) To the greatest extent practical, the Agency shall give preference to the procurement of renewable energy credits from proposed utility-scale projects that are located in Clean Energy Empowerment Zones as defined in the Energy Community Reinvestment Act. If this paragraph (8) conflicts with other provisions of law or the Agency determines that full compliance with this paragraph (8) would be unreasonably costly or administratively impractical, the Agency shall be authorized to propose alternative approaches to achieve development of renewable energy resources in Clean Energy Empowerment Zones or seek an exemption from this requirement from the Commission.

(d) Clean coal portfolio standard.

(1) The procurement plans shall include electricity generated using clean coal. Each utility shall enter into one or more sourcing agreements with the initial clean coal facility, as provided in paragraph (3) of this subsection (d), covering electricity generated by the initial clean coal facility representing at least 5% of each utility's total supply to serve the load of eligible retail customers in 2015 and each year thereafter, as described in paragraph (3) of this subsection (d), subject
to the limits specified in paragraph (2) of this subsection (d). It is the goal of the State that by January 1, 2025, 25% of the electricity used in the State shall be generated by cost-effective clean coal facilities. For purposes of this subsection (d), "cost-effective" means that the expenditures pursuant to such sourcing agreements do not cause the limit stated in paragraph (2) of this subsection (d) to be exceeded and do not exceed cost-based benchmarks, which shall be developed to assess all expenditures pursuant to such sourcing agreements covering electricity generated by clean coal facilities, other than the initial clean coal facility, by the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor and shall be subject to Commission review and approval.

A utility party to a sourcing agreement shall immediately retire any emission credits that it receives in connection with the electricity covered by such agreement.

Utilities shall maintain adequate records documenting the purchases under the sourcing agreement to comply with this subsection (d) and shall file an accounting with the load forecast that must be filed with the Agency by July 15 of each year, in accordance with subsection (d) of Section 16-111.5 of the Public Utilities Act.

A utility shall be deemed to have complied with the
clean coal portfolio standard specified in this subsection 
(d) if the utility enters into a sourcing agreement as 
required by this subsection (d).

(2) For purposes of this subsection (d), the required 
execution of sourcing agreements with the initial clean 
coal facility for a particular year shall be measured as a 
percentage of the actual amount of electricity 
(megawatt-hours) supplied by the electric utility to 
eligible retail customers in the planning year ending 
immediately prior to the agreement’s execution. For 
purposes of this subsection (d), the amount paid per 
kilowatthour means the total amount paid for electric 
service expressed on a per kilowatthour basis. For 
purposes of this subsection (d), the total amount paid for 
electric service includes without limitation amounts paid 
for supply, transmission, distribution, surcharges and 
add-on taxes.

Notwithstanding the requirements of this subsection 
(d), the total amount paid under sourcing agreements with 
clean coal facilities pursuant to the procurement plan for 
any given year shall be reduced by an amount necessary to 
limit the annual estimated average net increase due to the 
costs of these resources included in the amounts paid by 
eligible retail customers in connection with electric 
service to:

(A) in 2010, no more than 0.5% of the amount paid
per kilowatthour by those customers during the year ending May 31, 2009;

(B) in 2011, the greater of an additional 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2010 or 1% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009;

(C) in 2012, the greater of an additional 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2011 or 1.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009;

(D) in 2013, the greater of an additional 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2012 or 2% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009; and

(E) thereafter, the total amount paid under sourcing agreements with clean coal facilities pursuant to the procurement plan for any single year shall be reduced by an amount necessary to limit the estimated average net increase due to the cost of these resources included in the amounts paid by eligible retail customers in connection with electric service to no more than the greater of (i) 2.015% of the amount paid per kilowatthour by those customers
during the year ending May 31, 2009 or (ii) the
incremental amount per kilowatthour paid for these
resources in 2013. These requirements may be altered
only as provided by statute.

No later than June 30, 2015, the Commission shall
review the limitation on the total amount paid under
sourcing agreements, if any, with clean coal facilities
pursuant to this subsection (d) and report to the General
Assembly its findings as to whether that limitation unduly
constrains the amount of electricity generated by
cost-effective clean coal facilities that is covered by
sourcing agreements.

(3) Initial clean coal facility. In order to promote
development of clean coal facilities in Illinois, each
electric utility subject to this Section shall execute a
sourcing agreement to source electricity from a proposed
clean coal facility in Illinois (the "initial clean coal
facility") that will have a nameplate capacity of at least
500 MW when commercial operation commences, that has a
final Clean Air Act permit on June 1, 2009 (the effective
date of Public Act 95-1027), and that will meet the
definition of clean coal facility in Section 1-10 of this
Act when commercial operation commences. The sourcing
agreements with this initial clean coal facility shall be
subject to both approval of the initial clean coal
facility by the General Assembly and satisfaction of the
requirements of paragraph (4) of this subsection (d) and shall be executed within 90 days after any such approval by the General Assembly. The Agency and the Commission shall have authority to inspect all books and records associated with the initial clean coal facility during the term of such a sourcing agreement. A utility's sourcing agreement for electricity produced by the initial clean coal facility shall include:

(A) a formula contractual price (the "contract price") approved pursuant to paragraph (4) of this subsection (d), which shall:

(i) be determined using a cost of service methodology employing either a level or deferred capital recovery component, based on a capital structure consisting of 45% equity and 55% debt, and a return on equity as may be approved by the Federal Energy Regulatory Commission, which in any case may not exceed the lower of 11.5% or the rate of return approved by the General Assembly pursuant to paragraph (4) of this subsection (d); and

(ii) provide that all miscellaneous net revenue, including but not limited to net revenue from the sale of emission allowances, if any, substitute natural gas, if any, grants or other support provided by the State of Illinois or the
United States Government, firm transmission rights, if any, by-products produced by the facility, energy or capacity derived from the facility and not covered by a sourcing agreement pursuant to paragraph (3) of this subsection (d) or item (5) of subsection (d) of Section 16-115 of the Public Utilities Act, whether generated from the synthesis gas derived from coal, from SNG, or from natural gas, shall be credited against the revenue requirement for this initial clean coal facility;

(B) power purchase provisions, which shall:

(i) provide that the utility party to such sourcing agreement shall pay the contract price for electricity delivered under such sourcing agreement;

(ii) require delivery of electricity to the regional transmission organization market of the utility that is party to such sourcing agreement;

(iii) require the utility party to such sourcing agreement to buy from the initial clean coal facility in each hour an amount of energy equal to all clean coal energy made available from the initial clean coal facility during such hour times a fraction, the numerator of which is such utility's retail market sales of electricity
(expressed in kilowatthours sold) in the State during the prior calendar month and the denominator of which is the total retail market sales of electricity (expressed in kilowatthours sold) in the State by utilities during such prior month and the sales of electricity (expressed in kilowatthours sold) in the State by alternative retail electric suppliers during such prior month that are subject to the requirements of this subsection (d) and paragraph (5) of subsection (d) of Section 16-115 of the Public Utilities Act, provided that the amount purchased by the utility in any year will be limited by paragraph (2) of this subsection (d); and

(iv) be considered pre-existing contracts in such utility's procurement plans for eligible retail customers;

(C) contract for differences provisions, which shall:

(i) require the utility party to such sourcing agreement to contract with the initial clean coal facility in each hour with respect to an amount of energy equal to all clean coal energy made available from the initial clean coal facility during such hour times a fraction, the numerator of which is such utility's retail market sales of
electricity (expressed in kilowatthours sold) in the utility's service territory in the State during the prior calendar month and the denominator of which is the total retail market sales of electricity (expressed in kilowatthours sold) in the State by utilities during such prior month and the sales of electricity (expressed in kilowatthours sold) in the State by alternative retail electric suppliers during such prior month that are subject to the requirements of this subsection (d) and paragraph (5) of subsection (d) of Section 16-115 of the Public Utilities Act, provided that the amount paid by the utility in any year will be limited by paragraph (2) of this subsection (d);

(ii) provide that the utility's payment obligation in respect of the quantity of electricity determined pursuant to the preceding clause (i) shall be limited to an amount equal to (1) the difference between the contract price determined pursuant to subparagraph (A) of paragraph (3) of this subsection (d) and the day-ahead price for electricity delivered to the regional transmission organization market of the utility that is party to such sourcing agreement (or any successor delivery point at which such
utility's supply obligations are financially settled on an hourly basis) (the "reference price") on the day preceding the day on which the electricity is delivered to the initial clean coal facility busbar, multiplied by (2) the quantity of electricity determined pursuant to the preceding clause (i); and

(iii) not require the utility to take physical delivery of the electricity produced by the facility;

(D) general provisions, which shall:

(i) specify a term of no more than 30 years, commencing on the commercial operation date of the facility;

(ii) provide that utilities shall maintain adequate records documenting purchases under the sourcing agreements entered into to comply with this subsection (d) and shall file an accounting with the load forecast that must be filed with the Agency by July 15 of each year, in accordance with subsection (d) of Section 16-111.5 of the Public Utilities Act;

(iii) provide that all costs associated with the initial clean coal facility will be periodically reported to the Federal Energy Regulatory Commission and to purchasers in
accordance with applicable laws governing
cost-based wholesale power contracts;

(iv) permit the Illinois Power Agency to
assume ownership of the initial clean coal
facility, without monetary consideration and
otherwise on reasonable terms acceptable to the
Agency, if the Agency so requests no less than 3
years prior to the end of the stated contract
term;

(v) require the owner of the initial clean
carbon facility to provide documentation to the
Commission each year, starting in the facility's
first year of commercial operation, accurately
reporting the quantity of carbon emissions from
the facility that have been captured and
sequestered and report any quantities of carbon
released from the site or sites at which carbon
emissions were sequestered in prior years, based
on continuous monitoring of such sites. If, in any
year after the first year of commercial operation,
the owner of the facility fails to demonstrate
that the initial clean coal facility captured and
sequestered at least 50% of the total carbon
emissions that the facility would otherwise emit
or that sequestration of emissions from prior
years has failed, resulting in the release of
carbon dioxide into the atmosphere, the owner of
the facility must offset excess emissions. Any
such carbon offsets must be permanent, additional,
verifiable, real, located within the State of
Illinois, and legally and practicably enforceable.
The cost of such offsets for the facility that are
not recoverable shall not exceed $15 million in
any given year. No costs of any such purchases of
carbon offsets may be recovered from a utility or
its customers. All carbon offsets purchased for
this purpose and any carbon emission credits
associated with sequestration of carbon from the
facility must be permanently retired. The initial
clean coal facility shall not forfeit its
designation as a clean coal facility if the
facility fails to fully comply with the applicable
carbon sequestration requirements in any given
year, provided the requisite offsets are
purchased. However, the Attorney General, on
behalf of the People of the State of Illinois, may
specifically enforce the facility's sequestration
requirement and the other terms of this contract
provision. Compliance with the sequestration
requirements and offset purchase requirements
specified in paragraph (3) of this subsection (d)
shall be reviewed annually by an independent
expert retained by the owner of the initial clean
coop facility, with the advance written approval
of the Attorney General. The Commission may, in
the course of the review specified in item (vii),
reduce the allowable return on equity for the
facility if the facility willfully fails to comply
with the carbon capture and sequestration
requirements set forth in this item (v);
(vi) include limits on, and accordingly
provide for modification of, the amount the
utility is required to source under the sourcing
agreement consistent with paragraph (2) of this
subsection (d);
(vii) require Commission review: (1) to
determine the justness, reasonableness, and
prudence of the inputs to the formula referenced
in subparagraphs (A)(i) through (A)(iii) of
paragraph (3) of this subsection (d), prior to an
adjustment in those inputs including, without
limitation, the capital structure and return on
equity, fuel costs, and other operations and
maintenance costs and (2) to approve the costs to
be passed through to customers under the sourcing
agreement by which the utility satisfies its
statutory obligations. Commission review shall
occur no less than every 3 years, regardless of
whether any adjustments have been proposed, and
shall be completed within 9 months;

(viii) limit the utility's obligation to such
amount as the utility is allowed to recover
through tariffs filed with the Commission,
provided that neither the clean coal facility nor
the utility waives any right to assert federal
pre-emption or any other argument in response to a
purported disallowance of recovery costs;

(ix) limit the utility's or alternative retail
electric supplier's obligation to incur any
liability until such time as the facility is in
commercial operation and generating power and
energy and such power and energy is being
delivered to the facility busbar;

(x) provide that the owner or owners of the
initial clean coal facility, which is the
counterparty to such sourcing agreement, shall
have the right from time to time to elect whether
the obligations of the utility party thereto shall
be governed by the power purchase provisions or
the contract for differences provisions;

(xi) append documentation showing that the
formula rate and contract, insofar as they relate
to the power purchase provisions, have been
approved by the Federal Energy Regulatory
Commission pursuant to Section 205 of the Federal Power Act;

(xii) provide that any changes to the terms of the contract, insofar as such changes relate to the power purchase provisions, are subject to review under the public interest standard applied by the Federal Energy Regulatory Commission pursuant to Sections 205 and 206 of the Federal Power Act; and

(xiii) conform with customary lender requirements in power purchase agreements used as the basis for financing non-utility generators.

(4) Effective date of sourcing agreements with the initial clean coal facility. Any proposed sourcing agreement with the initial clean coal facility shall not become effective unless the following reports are prepared and submitted and authorizations and approvals obtained:

(i) Facility cost report. The owner of the initial clean coal facility shall submit to the Commission, the Agency, and the General Assembly a front-end engineering and design study, a facility cost report, method of financing (including but not limited to structure and associated costs), and an operating and maintenance cost quote for the facility (collectively "facility cost report"), which shall be prepared in accordance with the requirements of this paragraph (4)
of subsection (d) of this Section, and shall provide
the Commission and the Agency access to the work
papers, relied upon documents, and any other backup
documentation related to the facility cost report.

(ii) Commission report. Within 6 months following
receipt of the facility cost report, the Commission,
in consultation with the Agency, shall submit a report
to the General Assembly setting forth its analysis of
the facility cost report. Such report shall include,
but not be limited to, a comparison of the costs
associated with electricity generated by the initial
clean coal facility to the costs associated with
electricity generated by other types of generation
facilities, an analysis of the rate impacts on
residential and small business customers over the life
of the sourcing agreements, and an analysis of the
likelihood that the initial clean coal facility will
commence commercial operation by and be delivering
power to the facility's busbar by 2016. To assist in
the preparation of its report, the Commission, in
consultation with the Agency, may hire one or more
experts or consultants, the costs of which shall be
paid for by the owner of the initial clean coal
facility. The Commission and Agency may begin the
process of selecting such experts or consultants prior
to receipt of the facility cost report.
(iii) General Assembly approval. The proposed sourcing agreements shall not take effect unless, based on the facility cost report and the Commission's report, the General Assembly enacts authorizing legislation approving (A) the projected price, stated in cents per kilowatthour, to be charged for electricity generated by the initial clean coal facility, (B) the projected impact on residential and small business customers' bills over the life of the sourcing agreements, and (C) the maximum allowable return on equity for the project; and

(iv) Commission review. If the General Assembly enacts authorizing legislation pursuant to subparagraph (iii) approving a sourcing agreement, the Commission shall, within 90 days of such enactment, complete a review of such sourcing agreement. During such time period, the Commission shall implement any directive of the General Assembly, resolve any disputes between the parties to the sourcing agreement concerning the terms of such agreement, approve the form of such agreement, and issue an order finding that the sourcing agreement is prudent and reasonable.

The facility cost report shall be prepared as follows:

(A) The facility cost report shall be prepared by duly licensed engineering and construction firms detailing the estimated capital costs payable to one
or more contractors or suppliers for the engineering, procurement and construction of the components comprising the initial clean coal facility and the estimated costs of operation and maintenance of the facility. The facility cost report shall include:

(i) an estimate of the capital cost of the core plant based on one or more front end engineering and design studies for the gasification island and related facilities. The core plant shall include all civil, structural, mechanical, electrical, control, and safety systems.

(ii) an estimate of the capital cost of the balance of the plant, including any capital costs associated with sequestration of carbon dioxide emissions and all interconnects and interfaces required to operate the facility, such as transmission of electricity, construction or backfeed power supply, pipelines to transport substitute natural gas or carbon dioxide, potable water supply, natural gas supply, water supply, water discharge, landfill, access roads, and coal delivery.

The quoted construction costs shall be expressed in nominal dollars as of the date that the quote is prepared and shall include capitalized financing costs
during construction, taxes, insurance, and other owner's costs, and an assumed escalation in materials and labor beyond the date as of which the construction cost quote is expressed.

(B) The front end engineering and design study for the gasification island and the cost study for the balance of plant shall include sufficient design work to permit quantification of major categories of materials, commodities and labor hours, and receipt of quotes from vendors of major equipment required to construct and operate the clean coal facility.

(C) The facility cost report shall also include an operating and maintenance cost quote that will provide the estimated cost of delivered fuel, personnel, maintenance contracts, chemicals, catalysts, consumables, spares, and other fixed and variable operations and maintenance costs. The delivered fuel cost estimate will be provided by a recognized third party expert or experts in the fuel and transportation industries. The balance of the operating and maintenance cost quote, excluding delivered fuel costs, will be developed based on the inputs provided by duly licensed engineering and construction firms performing the construction cost quote, potential vendors under long-term service agreements and plant operating agreements, or recognized third party plant
operator or operators.

The operating and maintenance cost quote (including the cost of the front end engineering and design study) shall be expressed in nominal dollars as of the date that the quote is prepared and shall include taxes, insurance, and other owner's costs, and an assumed escalation in materials and labor beyond the date as of which the operating and maintenance cost quote is expressed.

(D) The facility cost report shall also include an analysis of the initial clean coal facility's ability to deliver power and energy into the applicable regional transmission organization markets and an analysis of the expected capacity factor for the initial clean coal facility.

(E) Amounts paid to third parties unrelated to the owner or owners of the initial clean coal facility to prepare the core plant construction cost quote, including the front end engineering and design study, and the operating and maintenance cost quote will be reimbursed through Coal Development Bonds.

(5) Re-powering and retrofitting coal-fired power plants previously owned by Illinois utilities to qualify as clean coal facilities. During the 2009 procurement planning process and thereafter, the Agency and the Commission shall consider sourcing agreements covering
electricity generated by power plants that were previously
owned by Illinois utilities and that have been or will be
converted into clean coal facilities, as defined by
Section 1-10 of this Act. Pursuant to such procurement
planning process, the owners of such facilities may
propose to the Agency sourcing agreements with utilities
and alternative retail electric suppliers required to
comply with subsection (d) of this Section and item (5) of
subsection (d) of Section 16-115 of the Public Utilities
Act, covering electricity generated by such facilities. In
the case of sourcing agreements that are power purchase
agreements, the contract price for electricity sales shall
be established on a cost of service basis. In the case of
sourcing agreements that are contracts for differences,
the contract price from which the reference price is
subtracted shall be established on a cost of service
basis. The Agency and the Commission may approve any such
utility sourcing agreements that do not exceed cost-based
benchmarks developed by the procurement administrator, in
consultation with the Commission staff, Agency staff and
the procurement monitor, subject to Commission review and
approval. The Commission shall have authority to inspect
all books and records associated with these clean coal
facilities during the term of any such contract.

(6) Costs incurred under this subsection (d) or
pursuant to a contract entered into under this subsection
(d) shall be deemed prudently incurred and reasonable in amount and the electric utility shall be entitled to full cost recovery pursuant to the tariffs filed with the Commission.

(d-5) Zero emission standard.

(1) Beginning with the delivery year commencing on June 1, 2017, the Agency shall, for electric utilities that serve at least 100,000 retail customers in this State, procure contracts with zero emission facilities that are reasonably capable of generating cost-effective zero emission credits in an amount approximately equal to 16% of the actual amount of electricity delivered by each electric utility to retail customers in the State during calendar year 2014. For an electric utility serving fewer than 100,000 retail customers in this State that requested, under Section 16-111.5 of the Public Utilities Act, that the Agency procure power and energy for all or a portion of the utility's Illinois load for the delivery year commencing June 1, 2016, the Agency shall procure contracts with zero emission facilities that are reasonably capable of generating cost-effective zero emission credits in an amount approximately equal to 16% of the portion of power and energy to be procured by the Agency for the utility. The duration of the contracts procured under this subsection (d-5) shall be for a term of 10 years ending May 31, 2027. The quantity of zero
emission credits to be procured under the contracts shall be all of the zero emission credits generated by the zero emission facility in each delivery year; however, if the zero emission facility is owned by more than one entity, then the quantity of zero emission credits to be procured under the contracts shall be the amount of zero emission credits that are generated from the portion of the zero emission facility that is owned by the winning supplier.

The 16% value identified in this paragraph (1) is the average of the percentage targets in subparagraph (B) of paragraph (1) of subsection (c) of this Section for the 5 delivery years beginning June 1, 2017.

The procurement process shall be subject to the following provisions:

(A) Those zero emission facilities that intend to participate in the procurement shall submit to the Agency the following eligibility information for each zero emission facility on or before the date established by the Agency:

(i) the in-service date and remaining useful life of the zero emission facility;

(ii) the amount of power generated annually for each of the years 2005 through 2015, and the projected zero emission credits to be generated over the remaining useful life of the zero emission facility, which shall be used to
determine the capability of each facility;

(iii) the annual zero emission facility cost projections, expressed on a per megawatthour basis, over the next 6 delivery years, which shall include the following: operation and maintenance expenses; fully allocated overhead costs, which shall be allocated using the methodology developed by the Institute for Nuclear Power Operations; fuel expenditures; non-fuel capital expenditures; spent fuel expenditures; a return on working capital; the cost of operational and market risks that could be avoided by ceasing operation; and any other costs necessary for continued operations, provided that "necessary" means, for purposes of this item (iii), that the costs could reasonably be avoided only by ceasing operations of the zero emission facility; and

(iv) a commitment to continue operating, for the duration of the contract or contracts executed under the procurement held under this subsection (d-5), the zero emission facility that produces the zero emission credits to be procured in the procurement.

The information described in item (iii) of this subparagraph (A) may be submitted on a confidential basis and shall be treated and maintained by the
Agency, the procurement administrator, and the Commission as confidential and proprietary and exempt from disclosure under subparagraphs (a) and (g) of paragraph (1) of Section 7 of the Freedom of Information Act. The Office of Attorney General shall have access to, and maintain the confidentiality of, such information pursuant to Section 6.5 of the Attorney General Act.

(B) The price for each zero emission credit procured under this subsection (d-5) for each delivery year shall be in an amount that equals the Social Cost of Carbon, expressed on a price per megawatthour basis. However, to ensure that the procurement remains affordable to retail customers in this State if electricity prices increase, the price in an applicable delivery year shall be reduced below the Social Cost of Carbon by the amount ("Price Adjustment") by which the market price index for the applicable delivery year exceeds the baseline market price index for the consecutive 12-month period ending May 31, 2016. If the Price Adjustment is greater than or equal to the Social Cost of Carbon in an applicable delivery year, then no payments shall be due in that delivery year. The components of this calculation are defined as follows:

(i) Social Cost of Carbon: The Social Cost of
Carbon is $16.50 per megawatt-hour, which is based on the U.S. Interagency Working Group on Social Cost of Carbon's price in the August 2016 Technical Update using a 3% discount rate, adjusted for inflation for each year of the program. Beginning with the delivery year commencing June 1, 2023, the price per megawatt-hour shall increase by $1 per megawatt-hour, and continue to increase by an additional $1 per megawatt-hour each delivery year thereafter.

(ii) Baseline market price index: The baseline market price index for the consecutive 12-month period ending May 31, 2016 is $31.40 per megawatt-hour, which is based on the sum of (aa) the average day-ahead energy price across all hours of such 12-month period at the PJM Interconnection LLC Northern Illinois Hub, (bb) 50% multiplied by the Base Residual Auction, or its successor, capacity price for the rest of the RTO zone group determined by PJM Interconnection LLC, divided by 24 hours per day, and (cc) 50% multiplied by the Planning Resource Auction, or its successor, capacity price for Zone 4 determined by the Midcontinent Independent System Operator, Inc., divided by 24 hours per day.
(iii) Market price index: The market price index for a delivery year shall be the sum of projected energy prices and projected capacity prices determined as follows:

(aa) Projected energy prices: the projected energy prices for the applicable delivery year shall be calculated once for the year using the forward market price for the PJM Interconnection, LLC Northern Illinois Hub. The forward market price shall be calculated as follows: the energy forward prices for each month of the applicable delivery year averaged for each trade date during the calendar year immediately preceding that delivery year to produce a single energy forward price for the delivery year. The forward market price calculation shall use data published by the Intercontinental Exchange, or its successor.

(bb) Projected capacity prices:

(I) For the delivery years commencing June 1, 2017, June 1, 2018, and June 1, 2019, the projected capacity price shall be equal to the sum of (1) 50% multiplied by the Base Residual Auction, or its successor, price for the rest of the RTO
zone group as determined by PJM Interconnection LLC, divided by 24 hours per day and, (2) 50% multiplied by the resource auction price determined in the resource auction administered by the Midcontinent Independent System Operator, Inc., in which the largest percentage of load cleared for Local Resource Zone 4, divided by 24 hours per day, and where such price is determined by the Midcontinent Independent System Operator, Inc.

(II) For the delivery year commencing June 1, 2020, and each year thereafter, the projected capacity price shall be equal to the sum of (1) 50% multiplied by the Base Residual Auction, or its successor, price for the ComEd zone as determined by PJM Interconnection LLC, divided by 24 hours per day, and (2) 50% multiplied by the resource auction price determined in the resource auction administered by the Midcontinent Independent System Operator, Inc., in which the largest percentage of load cleared for Local Resource Zone 4, divided
by 24 hours per day, and where such price is determined by the Midcontinent Independent System Operator, Inc.

For purposes of this subsection (d-5):

"Rest of the RTO" and "ComEd Zone" shall have the meaning ascribed to them by PJM Interconnection, LLC.

"RTO" means regional transmission organization.

(C) No later than 45 days after June 1, 2017 (the effective date of Public Act 99-906), the Agency shall publish its proposed zero emission standard procurement plan. The plan shall be consistent with the provisions of this paragraph (1) and shall provide that winning bids shall be selected based on public interest criteria that include, but are not limited to, minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the residents citizens of this State. In particular, the selection of winning bids shall take into account the incremental environmental benefits resulting from the procurement, such as any existing environmental benefits that are preserved by the procurements held under Public Act 99-906 and would cease to exist if the procurements
were not held, including the preservation of zero
emission facilities. The plan shall also describe in
detail how each public interest factor shall be
considered and weighted in the bid selection process
to ensure that the public interest criteria are
applied to the procurement and given full effect.

For purposes of developing the plan, the Agency
shall consider any reports issued by a State agency,
board, or commission under House Resolution 1146 of
the 98th General Assembly and paragraph (4) of
subsection (d) of this Section, as well as publicly
available analyses and studies performed by or for
regional transmission organizations that serve the
State and their independent market monitors.

Upon publishing of the zero emission standard
procurement plan, copies of the plan shall be posted
and made publicly available on the Agency's website.
All interested parties shall have 10 days following
the date of posting to provide comment to the Agency on
the plan. All comments shall be posted to the Agency's
website. Following the end of the comment period, but
no more than 60 days later than June 1, 2017 (the
effective date of Public Act 99-906), the Agency shall
revise the plan as necessary based on the comments
received and file its zero emission standard
procurement plan with the Commission.
If the Commission determines that the plan will result in the procurement of cost-effective zero emission credits, then the Commission shall, after notice and hearing, but no later than 45 days after the Agency filed the plan, approve the plan or approve with modification. For purposes of this subsection (d-5), "cost effective" means the projected costs of procuring zero emission credits from zero emission facilities do not cause the limit stated in paragraph (2) of this subsection to be exceeded.

(C-5) As part of the Commission's review and acceptance or rejection of the procurement results, the Commission shall, in its public notice of successful bidders:

(i) identify how the winning bids satisfy the public interest criteria described in subparagraph (C) of this paragraph (1) of minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the residents citizens of this State;

(ii) specifically address how the selection of winning bids takes into account the incremental environmental benefits resulting from the procurement, including any existing environmental
benefits that are preserved by the procurements held under Public Act 99-906 and would have ceased to exist if the procurements had not been held, such as the preservation of zero emission facilities;

(iii) quantify the environmental benefit of preserving the resources identified in item (ii) of this subparagraph (C-5), including the following:

(aa) the value of avoided greenhouse gas emissions measured as the product of the zero emission facilities' output over the contract term multiplied by the U.S. Environmental Protection Agency eGrid subregion carbon dioxide emission rate and the U.S. Interagency Working Group on Social Cost of Carbon's price in the August 2016 Technical Update using a 3% discount rate, adjusted for inflation for each delivery year; and

(bb) the costs of replacement with other zero carbon dioxide resources, including wind and photovoltaic, based upon the simple average of the following:

(I) the price, or if there is more than one price, the average of the prices, paid for renewable energy credits from new
utility-scale wind projects in the procurement events specified in item (i) of subparagraph (G) of paragraph (1) of subsection (c) of this Section; and

(II) the price, or if there is more than one price, the average of the prices, paid for renewable energy credits from new utility-scale solar projects and brownfield site photovoltaic projects in the procurement events specified in item (ii) of subparagraph (G) of paragraph (1) of subsection (c) of this Section and, after January 1, 2015, renewable energy credits from photovoltaic distributed generation projects in procurement events held under subsection (c) of this Section.

Each utility shall enter into binding contractual arrangements with the winning suppliers.

The procurement described in this subsection (d-5), including, but not limited to, the execution of all contracts procured, shall be completed no later than May 10, 2017. Based on the effective date of Public Act 99-906, the Agency and Commission may, as appropriate, modify the various dates and timelines under this subparagraph and subparagraphs (C) and (D) of this paragraph (1). The procurement and plan
approval processes required by this subsection (d-5) shall be conducted in conjunction with the procurement and plan approval processes required by subsection (c) of this Section and Section 16-111.5 of the Public Utilities Act, to the extent practicable. Notwithstanding whether a procurement event is conducted under Section 16-111.5 of the Public Utilities Act, the Agency shall immediately initiate a procurement process on June 1, 2017 (the effective date of Public Act 99-906).

(D) Following the procurement event described in this paragraph (1) and consistent with subparagraph (B) of this paragraph (1), the Agency shall calculate the payments to be made under each contract for the next delivery year based on the market price index for that delivery year. The Agency shall publish the payment calculations no later than May 25, 2017 and every May 25 thereafter.

(E) Notwithstanding the requirements of this subsection (d-5), the contracts executed under this subsection (d-5) shall provide that the zero emission facility may, as applicable, suspend or terminate performance under the contracts in the following instances:

   (i) A zero emission facility shall be excused from its performance under the contract for any
cause beyond the control of the resource, including, but not restricted to, acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, acts of public enemy, explosions, orders, regulations or restrictions imposed by governmental, military, or lawfully established civilian authorities, which, in any of the foregoing cases, by exercise of commercially reasonable efforts the zero emission facility could not reasonably have been expected to avoid, and which, by the exercise of commercially reasonable efforts, it has been unable to overcome. In such event, the zero emission facility shall be excused from performance for the duration of the event, including, but not limited to, delivery of zero emission credits, and no payment shall be due to the zero emission facility during the duration of the event.

(ii) A zero emission facility shall be permitted to terminate the contract if legislation is enacted into law by the General Assembly that imposes or authorizes a new tax, special assessment, or fee on the generation of electricity, the ownership or leasehold of a
(iii) A zero emission facility shall be permitted to terminate the contract in the event that the resource requires capital expenditures in excess of $40,000,000 that were neither known nor reasonably foreseeable at the time it executed the contract and that a prudent owner or operator of such resource would not undertake.

(iv) A zero emission facility shall be permitted to terminate the contract in the event the Nuclear Regulatory Commission terminates the resource's license.

(F) If the zero emission facility elects to terminate a contract under subparagraph (E) of this paragraph (1), then the Commission shall reopen the docket in which the Commission approved the zero emission standard procurement plan under subparagraph (C) of this paragraph (1) and, after notice and hearing, enter an order acknowledging the contract termination election if such termination is consistent
with the provisions of this subsection (d-5).

(2) For purposes of this subsection (d-5), the amount paid per kilowatthour means the total amount paid for electric service expressed on a per kilowatthour basis. For purposes of this subsection (d-5), the total amount paid for electric service includes, without limitation, amounts paid for supply, transmission, distribution, surcharges, and add-on taxes.

Notwithstanding the requirements of this subsection (d-5), the contracts executed under this subsection (d-5) shall provide that the total of zero emission credits procured under a procurement plan shall be subject to the limitations of this paragraph (2). For each delivery year, the contractual volume receiving payments in such year shall be reduced for all retail customers based on the amount necessary to limit the net increase that delivery year to the costs of those credits included in the amounts paid by eligible retail customers in connection with electric service to no more than 1.65% of the amount paid per kilowatthour by eligible retail customers during the year ending May 31, 2009. The result of this computation shall apply to and reduce the procurement for all retail customers, and all those customers shall pay the same single, uniform cents per kilowatthour charge under subsection (k) of Section 16-108 of the Public Utilities Act. To arrive at a maximum dollar amount of zero emission
credits to be paid for the particular delivery year, the
resulting per kilowatthour amount shall be applied to the
actual amount of kilowatthours of electricity delivered by
the electric utility in the delivery year immediately
prior to the procurement, to all retail customers in its
service territory. Unpaid contractual volume for any
delivery year shall be paid in any subsequent delivery
year in which such payments can be made without exceeding
the amount specified in this paragraph (2). The
calculations required by this paragraph (2) shall be made
only once for each procurement plan year. Once the
determination as to the amount of zero emission credits to
be paid is made based on the calculations set forth in this
paragraph (2), no subsequent rate impact determinations
shall be made and no adjustments to those contract amounts
shall be allowed. All costs incurred under those contracts
and in implementing this subsection (d-5) shall be
recovered by the electric utility as provided in this
Section.

No later than June 30, 2019, the Commission shall
review the limitation on the amount of zero emission
credits procured under this subsection (d-5) and report to
the General Assembly its findings as to whether that
limitation unduly constrains the procurement of
cost-effective zero emission credits.

(3) Six years after the execution of a contract under
this subsection (d-5), the Agency shall determine whether the actual zero emission credit payments received by the supplier over the 6-year period exceed the Average ZEC Payment. In addition, at the end of the term of a contract executed under this subsection (d-5), or at the time, if any, a zero emission facility's contract is terminated under subparagraph (E) of paragraph (1) of this subsection (d-5), then the Agency shall determine whether the actual zero emission credit payments received by the supplier over the term of the contract exceed the Average ZEC Payment, after taking into account any amounts previously credited back to the utility under this paragraph (3). If the Agency determines that the actual zero emission credit payments received by the supplier over the relevant period exceed the Average ZEC Payment, then the supplier shall credit the difference back to the utility. The amount of the credit shall be remitted to the applicable electric utility no later than 120 days after the Agency's determination, which the utility shall reflect as a credit on its retail customer bills as soon as practicable; however, the credit remitted to the utility shall not exceed the total amount of payments received by the facility under its contract.

For purposes of this Section, the Average ZEC Payment shall be calculated by multiplying the quantity of zero emission credits delivered under the contract times the
average contract price. The average contract price shall be determined by subtracting the amount calculated under subparagraph (B) of this paragraph (3) from the amount calculated under subparagraph (A) of this paragraph (3), as follows:

(A) The average of the Social Cost of Carbon, as defined in subparagraph (B) of paragraph (1) of this subsection (d-5), during the term of the contract.

(B) The average of the market price indices, as defined in subparagraph (B) of paragraph (1) of this subsection (d-5), during the term of the contract, minus the baseline market price index, as defined in subparagraph (B) of paragraph (1) of this subsection (d-5).

If the subtraction yields a negative number, then the Average ZEC Payment shall be zero.

(4) Cost-effective zero emission credits procured from zero emission facilities shall satisfy the applicable definitions set forth in Section 1-10 of this Act.

(5) The electric utility shall retire all zero emission credits used to comply with the requirements of this subsection (d-5).

(6) Electric utilities shall be entitled to recover all of the costs associated with the procurement of zero emission credits through an automatic adjustment clause tariff in accordance with subsection (k) and (m) of
Section 16-108 of the Public Utilities Act, and the contracts executed under this subsection (d-5) shall provide that the utilities' payment obligations under such contracts shall be reduced if an adjustment is required under subsection (m) of Section 16-108 of the Public Utilities Act.

(7) This subsection (d-5) shall become inoperative on January 1, 2028.

(e) The draft procurement plans are subject to public comment, as required by Section 16-111.5 of the Public Utilities Act.

(f) The Agency shall submit the final procurement plan to the Commission. The Agency shall revise a procurement plan if the Commission determines that it does not meet the standards set forth in Section 16-111.5 of the Public Utilities Act.

(g) The Agency shall assess fees to each affected utility to recover the costs incurred in preparation of the annual procurement plan for the utility.

(h) The Agency shall assess fees to each bidder to recover the costs incurred in connection with a competitive procurement process.

(i) A renewable energy credit, carbon emission credit, or zero emission credit can only be used once to comply with a single portfolio or other standard as set forth in subsection (c), subsection (d), or subsection (d-5) of this Section, respectively. A renewable energy credit, carbon emission
credit, or zero emission credit cannot be used to satisfy the requirements of more than one standard. If more than one type of credit is issued for the same megawatt hour of energy, only one credit can be used to satisfy the requirements of a single standard. After such use, the credit must be retired together with any other credits issued for the same megawatt hour of energy.

(j) Renewable energy supply.

(1) Beginning with the energy to be delivered in the delivery year commencing on June 1, 2023, the Agency shall assess the feasibility of procuring cost-effective, long-term contracts for energy supply from renewable energy projects, in accordance with the requirements of Section 16-111.5 of the Public Utilities Act for the eligible retail customers of electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois.

(2) Long-term contracts as described in this subsection (j) shall refer to contracts that are preferably no less than a 15-year period, but in no case less than a 5-year period.

(3) The Agency shall evaluate energy supply procurements that enable greater achievement, or more cost-effective achievement, of the renewable energy goals in this Section, including through coordination or bundling with procurements of renewable energy credits, or
capacity from renewable energy resources, as provided under subparagraph (P) of subsection (c) of this Section, or capacity from renewable energy resources, as provided under subsection (k) of this Section.

(4) The Agency shall include in its annual procurement plan the results of this assessment and any recommended procurements. The Agency shall, at a minimum, reevaluate its assessment every 3 years, incorporating new information from updated data, including, but not limited to, the results of its procurements, competitive market trends, and energy procurements in other states.

(k) Capacity procurement.

(1) This Section grants the Illinois Power Agency the sole authority to conduct auctions for the purpose of procuring capacity if a public utility in the State elects to use the Fixed Resource Requirement Alternative as provided for in the Open Access Transmission Tariff, Reliability Assurance Agreement, and manuals of PJM Interconnection, LLC or its successors, and that election is approved by the Illinois Commerce Commission. Where the election is approved by the Illinois Commerce Commission, the Illinois Power Agency shall develop a procurement plan for the procurement of capacity in amounts necessary to ensure the public utility's resource adequacy pursuant to PJM's federally-mandated requirements. The Agency is authorized to conduct Capacity Procurement auctions as
necessary to meet the public utility's resource obligations while achieving the objectives set forth in this Section for the duration of the public utility's election of the Fixed Resource Requirement Alternative.

(2) The draft procurement plan is subject to public comment, as required by Section 16-111.5 of the Public Utilities Act.

(3) The Agency shall design the Capacity Procurement Plan to achieve the following objectives:

(i) Through one or more auctions which procure capacity for one or more years, meets the public utility's resource obligation under the Fixed Resource Requirement Alternative while maximizing benefits that meet the State's public interest in the health, safety and welfare of its residents, including, but not limited to: significantly reduced emissions in the State from power generation sources; consumer savings; and those interests described in subparagraph (I) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act.

(ii) Implements a limiter on auction payments to all resources that are not renewable energy resources, demand response, or energy efficiency resources. The limiter shall be imposed on all other resources such that total payments under the auction ensure consumer savings at an amount no less than 5% below a baseline
of previous years' payments.

(iii) Implements a limiter on participating carbon-emitting resources such that emissions decrease below a baseline of previous years' emissions.

(4) As part of its Capacity Procurement plans, the Agency may implement an auction for an optional bundled product which includes payments to resources that provide both capacity and renewable energy credits. Renewable energy resources that are not eligible to participate in auctions pursuant to subparagraph (J) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act are not eligible to participate in auctions conducted to implement Capacity Procurement plans.

(Source: P.A. 100-863, eff. 8-14-18; 101-81, eff. 7-12-19; 101-113, eff. 1-1-20.)

Section 90-20. The State Finance Act is amended by adding Sections 5.935, 5.936, 5.937 and as follows:

(30 ILCS 105/5.935 new)

Sec. 5.935. The Energy Community Reinvestment Fund.

(30 ILCS 105/5.936 new)

Sec. 5.936. The Illinois Commerce Commission Intervenor Compensation Fund.
Sec. 5.937. The Illinois Clean Energy Jobs and Justice Fund.

Section 90-25. The Illinois Income Tax Act is amended by changing Section 201 as follows:

(35 ILCS 5/201)

(Text of Section without the changes made by P.A. 101-8, which did not take effect (see Section 99 of P.A. 101-8))

Sec. 201. Tax imposed.

(a) In general. A tax measured by net income is hereby imposed on every individual, corporation, trust and estate for each taxable year ending after July 31, 1969 on the privilege of earning or receiving income in or as a resident of this State. Such tax shall be in addition to all other occupation or privilege taxes imposed by this State or by any municipal corporation or political subdivision thereof.

(b) Rates. The tax imposed by subsection (a) of this Section shall be determined as follows, except as adjusted by subsection (d-1):

(1) In the case of an individual, trust or estate, for taxable years ending prior to July 1, 1989, an amount equal to 2 1/2% of the taxpayer's net income for the taxable year.

(2) In the case of an individual, trust or estate, for
taxable years beginning prior to July 1, 1989 and ending
after June 30, 1989, an amount equal to the sum of (i) 2
1/2% of the taxpayer's net income for the period prior to
July 1, 1989, as calculated under Section 202.3, and (ii)
3% of the taxpayer's net income for the period after June
30, 1989, as calculated under Section 202.3.

(3) In the case of an individual, trust or estate, for
taxable years beginning after June 30, 1989, and ending
prior to January 1, 2011, an amount equal to 3% of the
taxpayer's net income for the taxable year.

(4) In the case of an individual, trust, or estate,
for taxable years beginning prior to January 1, 2011, and
ending after December 31, 2010, an amount equal to the sum
of (i) 3% of the taxpayer's net income for the period prior
to January 1, 2011, as calculated under Section 202.5, and
(ii) 5% of the taxpayer's net income for the period after
December 31, 2010, as calculated under Section 202.5.

(5) In the case of an individual, trust, or estate,
for taxable years beginning on or after January 1, 2011,
and ending prior to January 1, 2015, an amount equal to 5%
of the taxpayer's net income for the taxable year.

(5.1) In the case of an individual, trust, or estate,
for taxable years beginning prior to January 1, 2015, and
ending after December 31, 2014, an amount equal to the sum
of (i) 5% of the taxpayer's net income for the period prior
to January 1, 2015, as calculated under Section 202.5, and
(ii) 3.75% of the taxpayer's net income for the period after December 31, 2014, as calculated under Section 202.5.

(5.2) In the case of an individual, trust, or estate, for taxable years beginning on or after January 1, 2015, and ending prior to July 1, 2017, an amount equal to 3.75% of the taxpayer's net income for the taxable year.

(5.3) In the case of an individual, trust, or estate, for taxable years beginning prior to July 1, 2017, and ending after June 30, 2017, an amount equal to the sum of (i) 3.75% of the taxpayer's net income for the period prior to July 1, 2017, as calculated under Section 202.5, and (ii) 4.95% of the taxpayer's net income for the period after June 30, 2017, as calculated under Section 202.5.

(5.4) In the case of an individual, trust, or estate, for taxable years beginning on or after July 1, 2017, an amount equal to 4.95% of the taxpayer's net income for the taxable year.

(6) In the case of a corporation, for taxable years ending prior to July 1, 1989, an amount equal to 4% of the taxpayer's net income for the taxable year.

(7) In the case of a corporation, for taxable years beginning prior to July 1, 1989 and ending after June 30, 1989, an amount equal to the sum of (i) 4% of the taxpayer's net income for the period prior to July 1, 1989, as calculated under Section 202.3, and (ii) 4.8% of
the taxpayer's net income for the period after June 30, 1989, as calculated under Section 202.3.

(8) In the case of a corporation, for taxable years beginning after June 30, 1989, and ending prior to January 1, 2011, an amount equal to 4.8% of the taxpayer's net income for the taxable year.

(9) In the case of a corporation, for taxable years beginning prior to January 1, 2011, and ending after December 31, 2010, an amount equal to the sum of (i) 4.8% of the taxpayer's net income for the period prior to January 1, 2011, as calculated under Section 202.5, and (ii) 7% of the taxpayer's net income for the period after December 31, 2010, as calculated under Section 202.5.

(10) In the case of a corporation, for taxable years beginning on or after January 1, 2011, and ending prior to January 1, 2015, an amount equal to 7% of the taxpayer's net income for the taxable year.

(11) In the case of a corporation, for taxable years beginning prior to January 1, 2015, and ending after December 31, 2014, an amount equal to the sum of (i) 7% of the taxpayer's net income for the period prior to January 1, 2015, as calculated under Section 202.5, and (ii) 5.25% of the taxpayer's net income for the period after December 31, 2014, as calculated under Section 202.5.

(12) In the case of a corporation, for taxable years beginning on or after January 1, 2015, and ending prior to
July 1, 2017, an amount equal to 5.25% of the taxpayer's net income for the taxable year.

(13) In the case of a corporation, for taxable years beginning prior to July 1, 2017, and ending after June 30, 2017, an amount equal to the sum of (i) 5.25% of the taxpayer's net income for the period prior to July 1, 2017, as calculated under Section 202.5, and (ii) 7% of the taxpayer's net income for the period after June 30, 2017, as calculated under Section 202.5.

(14) In the case of a corporation, for taxable years beginning on or after July 1, 2017, an amount equal to 7% of the taxpayer's net income for the taxable year.

The rates under this subsection (b) are subject to the provisions of Section 201.5.

(b-5) Surcharge; sale or exchange of assets, properties, and intangibles of organization gaming licensees. For each of taxable years 2019 through 2027, a surcharge is imposed on all taxpayers on income arising from the sale or exchange of capital assets, depreciable business property, real property used in the trade or business, and Section 197 intangibles (i) of an organization licensee under the Illinois Horse Racing Act of 1975 and (ii) of an organization gaming licensee under the Illinois Gambling Act. The amount of the surcharge is equal to the amount of federal income tax liability for the taxable year attributable to those sales and exchanges. The surcharge imposed shall not apply if:
the organization gaming license, organization license, or racetrack property is transferred as a result of any of the following:

(A) bankruptcy, a receivership, or a debt adjustment initiated by or against the initial licensee or the substantial owners of the initial licensee;

(B) cancellation, revocation, or termination of any such license by the Illinois Gaming Board or the Illinois Racing Board;

(C) a determination by the Illinois Gaming Board that transfer of the license is in the best interests of Illinois gaming;

(D) the death of an owner of the equity interest in a licensee;

(E) the acquisition of a controlling interest in the stock or substantially all of the assets of a publicly traded company;

(F) a transfer by a parent company to a wholly owned subsidiary; or

(G) the transfer or sale to or by one person to another person where both persons were initial owners of the license when the license was issued; or

(2) the controlling interest in the organization gaming license, organization license, or racetrack property is transferred in a transaction to lineal
descendants in which no gain or loss is recognized or as a
descriptor of a transaction in accordance with Section 351 of
the Internal Revenue Code in which no gain or loss is
recognized; or

(3) live horse racing was not conducted in 2010 at a
racetrack located within 3 miles of the Mississippi River
under a license issued pursuant to the Illinois Horse
Racing Act of 1975.

The transfer of an organization gaming license,
organization license, or racetrack property by a person other
than the initial licensee to receive the organization gaming
license is not subject to a surcharge. The Department shall
adopt rules necessary to implement and administer this
subsection.

(c) Personal Property Tax Replacement Income Tax.
Beginning on July 1, 1979 and thereafter, in addition to such
income tax, there is also hereby imposed the Personal Property
Tax Replacement Income Tax measured by net income on every
corporation (including Subchapter S corporations), partnership
and trust, for each taxable year ending after June 30, 1979.
Such taxes are imposed on the privilege of earning or
receiving income in or as a resident of this State. The
Personal Property Tax Replacement Income Tax shall be in
addition to the income tax imposed by subsections (a) and (b)
of this Section and in addition to all other occupation or
privilege taxes imposed by this State or by any municipal
corporation or political subdivision thereof.

(d) Additional Personal Property Tax Replacement Income Tax Rates. The personal property tax replacement income tax imposed by this subsection and subsection (c) of this Section in the case of a corporation, other than a Subchapter S corporation and except as adjusted by subsection (d-1), shall be an additional amount equal to 2.85% of such taxpayer's net income for the taxable year, except that beginning on January 1, 1981, and thereafter, the rate of 2.85% specified in this subsection shall be reduced to 2.5%, and in the case of a partnership, trust or a Subchapter S corporation shall be an additional amount equal to 1.5% of such taxpayer's net income for the taxable year.

(d-1) Rate reduction for certain foreign insurers. In the case of a foreign insurer, as defined by Section 35A-5 of the Illinois Insurance Code, whose state or country of domicile imposes on insurers domiciled in Illinois a retaliatory tax (excluding any insurer whose premiums from reinsurance assumed are 50% or more of its total insurance premiums as determined under paragraph (2) of subsection (b) of Section 304, except that for purposes of this determination premiums from reinsurance do not include premiums from inter-affiliate reinsurance arrangements), beginning with taxable years ending on or after December 31, 1999, the sum of the rates of tax imposed by subsections (b) and (d) shall be reduced (but not increased) to the rate at which the total amount of tax imposed
under this Act, net of all credits allowed under this Act, shall equal (i) the total amount of tax that would be imposed on the foreign insurer's net income allocable to Illinois for the taxable year by such foreign insurer's state or country of domicile if that net income were subject to all income taxes and taxes measured by net income imposed by such foreign insurer's state or country of domicile, net of all credits allowed or (ii) a rate of zero if no such tax is imposed on such income by the foreign insurer's state of domicile. For the purposes of this subsection (d-1), an inter-affiliate includes a mutual insurer under common management.

(1) For the purposes of subsection (d-1), in no event shall the sum of the rates of tax imposed by subsections (b) and (d) be reduced below the rate at which the sum of:

(A) the total amount of tax imposed on such foreign insurer under this Act for a taxable year, net of all credits allowed under this Act, plus

(B) the privilege tax imposed by Section 409 of the Illinois Insurance Code, the fire insurance company tax imposed by Section 12 of the Fire Investigation Act, and the fire department taxes imposed under Section 11-10-1 of the Illinois Municipal Code,

equals 1.25% for taxable years ending prior to December 31, 2003, or 1.75% for taxable years ending on or after December 31, 2003, of the net taxable premiums written for
the taxable year, as described by subsection (1) of Section 409 of the Illinois Insurance Code. This paragraph will in no event increase the rates imposed under subsections (b) and (d).

(2) Any reduction in the rates of tax imposed by this subsection shall be applied first against the rates imposed by subsection (b) and only after the tax imposed by subsection (a) net of all credits allowed under this Section other than the credit allowed under subsection (i) has been reduced to zero, against the rates imposed by subsection (d).

This subsection (d-1) is exempt from the provisions of Section 250.

(e) Investment credit. A taxpayer shall be allowed a credit against the Personal Property Tax Replacement Income Tax for investment in qualified property.

(1) A taxpayer shall be allowed a credit equal to .5% of the basis of qualified property placed in service during the taxable year, provided such property is placed in service on or after July 1, 1984. There shall be allowed an additional credit equal to .5% of the basis of qualified property placed in service during the taxable year, provided such property is placed in service on or after July 1, 1986, and the taxpayer's base employment within Illinois has increased by 1% or more over the preceding year as determined by the taxpayer's employment
records filed with the Illinois Department of Employment Security. Taxpayers who are new to Illinois shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. The provisions added to this Section by Public Act 85-1200 (and restored by Public Act 87-895) shall be construed as declaratory of existing law and not as a new enactment. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is .5% and the denominator of which is 1%, but shall not exceed .5%. The investment credit shall not be allowed to the extent that it would reduce a taxpayer's liability in any tax year below zero, nor may any credit for qualified property be allowed for any year other than the year in which the property was placed in service in Illinois. For tax years ending on or after December 31, 1987, and on or before December 31, 1988, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit years if the taxpayer (i) makes investments
which cause the creation of a minimum of 2,000 full-time equivalent jobs in Illinois, (ii) is located in an enterprise zone established pursuant to the Illinois Enterprise Zone Act and (iii) is certified by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) as complying with the requirements specified in clause (i) and (ii) by July 1, 1986. The Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall notify the Department of Revenue of all such certifications immediately. For tax years ending after December 31, 1988, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit years. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, earlier credit shall be applied first.

(2) The term "qualified property" means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings and
signs that are real property, but not including land
or improvements to real property that are not a
structural component of a building such as
landscaping, sewer lines, local access roads, fencing,
parking lots, and other appurtenances;

(B) is depreciable pursuant to Section 167 of the
Internal Revenue Code, except that "3-year property"
as defined in Section 168(c)(2)(A) of that Code is not
eligible for the credit provided by this subsection
(e);

(C) is acquired by purchase as defined in Section
179(d) of the Internal Revenue Code;

(D) is used in Illinois by a taxpayer who is
primarily engaged in manufacturing, or in mining coal
or fluorite, or in retailing, or was placed in service
on or after July 1, 2006 in a River Edge Redevelopment
Zone established pursuant to the River Edge
Redevelopment Zone Act; and

(E) has not previously been used in Illinois in
such a manner and by such a person as would qualify for
the credit provided by this subsection (e) or
subsection (f).

(3) For purposes of this subsection (e),
"manufacturing" means the material staging and production
of tangible personal property by procedures commonly
regarded as manufacturing, processing, fabrication, or
assembling which changes some existing material into new shapes, new qualities, or new combinations. For purposes of this subsection (e) the term "mining" shall have the same meaning as the term "mining" in Section 613(c) of the Internal Revenue Code. For purposes of this subsection (e), the term "retailing" means the sale of tangible personal property for use or consumption and not for resale, or services rendered in conjunction with the sale of tangible personal property for use or consumption and not for resale. For purposes of this subsection (e), "tangible personal property" has the same meaning as when that term is used in the Retailers' Occupation Tax Act, and, for taxable years ending after December 31, 2008, does not include the generation, transmission, or distribution of electricity.

(4) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(5) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in Illinois by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(6) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(7) If during any taxable year, any property ceases to
be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside Illinois within 48 months after being placed in service, the Personal Property Tax Replacement Income Tax for such taxable year shall be increased. Such increase shall be determined by
(i) recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation and, (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (7), a reduction of the basis of qualified property resulting from a redetermination of the purchase price shall be deemed a disposition of qualified property to the extent of such reduction.

(8) Unless the investment credit is extended by law, the basis of qualified property shall not include costs incurred after December 31, 2018, except for costs incurred pursuant to a binding contract entered into on or before December 31, 2018.

(9) Each taxable year ending before December 31, 2000, a partnership may elect to pass through to its partners the credits to which the partnership is entitled under this subsection (e) for the taxable year. A partner may use the credit allocated to him or her under this
paragraph only against the tax imposed in subsections (c) and (d) of this Section. If the partnership makes that election, those credits shall be allocated among the partners in the partnership in accordance with the rules set forth in Section 704(b) of the Internal Revenue Code, and the rules promulgated under that Section, and the allocated amount of the credits shall be allowed to the partners for that taxable year. The partnership shall make this election on its Personal Property Tax Replacement Income Tax return for that taxable year. The election to pass through the credits shall be irrevocable.

For taxable years ending on or after December 31, 2000, a partner that qualifies its partnership for a subtraction under subparagraph (I) of paragraph (2) of subsection (d) of Section 203 or a shareholder that qualifies a Subchapter S corporation for a subtraction under subparagraph (S) of paragraph (2) of subsection (b) of Section 203 shall be allowed a credit under this subsection (e) equal to its share of the credit earned under this subsection (e) during the taxable year by the partnership or Subchapter S corporation, determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code. This paragraph is exempt from the provisions of Section 250.

(f) Investment credit; Enterprise Zone; River Edge
Redevelopment Zone.

(1) A taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for investment in qualified property which is placed in service in an Enterprise Zone created pursuant to the Illinois Enterprise Zone Act or, for property placed in service on or after July 1, 2006, a River Edge Redevelopment Zone established pursuant to the River Edge Redevelopment Zone Act. For partners, shareholders of Subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection (f) to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code. The credit shall be .5% of the basis for such property. The credit shall be available only in the taxable year in which the property is placed in service in the Enterprise Zone or River Edge Redevelopment Zone and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. For tax years ending on or after December 31, 1985, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds
the tax liability for that year, whether it exceeds the
original liability or the liability as later amended, such
excess may be carried forward and applied to the tax
liability of the 5 taxable years following the excess
credit year. The credit shall be applied to the earliest
year for which there is a liability. If there is credit
from more than one tax year that is available to offset a
liability, the credit accruing first in time shall be
applied first.

(2) The term qualified property means property which:

   (A) is tangible, whether new or used, including
        buildings and structural components of buildings;
   (B) is depreciable pursuant to Section 167 of the
        Internal Revenue Code, except that "3-year property"
        as defined in Section 168(c)(2)(A) of that Code is not
        eligible for the credit provided by this subsection
        (f);
   (C) is acquired by purchase as defined in Section
        179(d) of the Internal Revenue Code;
   (D) is used in the Enterprise Zone or River Edge
       Redevelopment Zone by the taxpayer; and
   (E) has not been previously used in Illinois in
       such a manner and by such a person as would qualify for
       the credit provided by this subsection (f) or
       subsection (e).

(3) The basis of qualified property shall be the basis
used to compute the depreciation deduction for federal income tax purposes.

(4) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in the Enterprise Zone or River Edge Redevelopment Zone by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(5) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(6) If during any taxable year, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside the Enterprise Zone or River Edge Redevelopment Zone within 48 months after being placed in service, the tax imposed under subsections (a) and (b) of this Section for such taxable year shall be increased. Such increase shall be determined by (i) recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation, and (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (6), a reduction of the basis of qualified property resulting from a redetermination of the purchase price shall be
deemed a disposition of qualified property to the extent of such reduction.

(7) There shall be allowed an additional credit equal to 0.5% of the basis of qualified property placed in service during the taxable year in a River Edge Redevelopment Zone, provided such property is placed in service on or after July 1, 2006, and the taxpayer's base employment within Illinois has increased by 1% or more over the preceding year as determined by the taxpayer's employment records filed with the Illinois Department of Employment Security. Taxpayers who are new to Illinois shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is 0.5% and the denominator of which is 1%, but shall not exceed 0.5%.

(8) For taxable years beginning on or after January 1, 2021, there shall be allowed an Enterprise Zone construction jobs credit against the taxes imposed under subsections (a) and (b) of this Section as provided in Section 13 of the Illinois Enterprise Zone Act.

The credit or credits may not reduce the taxpayer's
liability to less than zero. If the amount of the credit or
credits exceeds the taxpayer's liability, the excess may
be carried forward and applied against the taxpayer's
liability in succeeding calendar years in the same manner
provided under paragraph (4) of Section 211 of this Act.
The credit or credits shall be applied to the earliest
year for which there is a tax liability. If there are
credits from more than one taxable year that are available
to offset a liability, the earlier credit shall be applied
first.

For partners, shareholders of Subchapter S
corporations, and owners of limited liability companies,
if the liability company is treated as a partnership for
the purposes of federal and State income taxation, there
shall be allowed a credit under this Section to be
determined in accordance with the determination of income
and distributive share of income under Sections 702 and
704 and Subchapter S of the Internal Revenue Code.

The total aggregate amount of credits awarded under
the Blue Collar Jobs Act (Article 20 of Public Act 101-9
this amendatory Act of the 101st General Assembly) shall
not exceed $20,000,000 in any State fiscal year.

This paragraph (8) is exempt from the provisions of
Section 250.

(g) (Blank).

(h) Investment credit; High Impact Business.
(1) Subject to subsections (b) and (b-5) of Section 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for investment in qualified property which is placed in service by a Department of Commerce and Economic Opportunity designated High Impact Business. The credit shall be .5% of the basis for such property. The credit shall not be available (i) until the minimum investments in qualified property set forth in subdivision (a)(3)(A) of Section 5.5 of the Illinois Enterprise Zone Act have been satisfied or (ii) until the time authorized in subsection (b-5) of the Illinois Enterprise Zone Act for entities designated as High Impact Businesses under subdivisions (a)(3)(B), (a)(3)(C), and (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone Act, and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. The credit applicable to such investments shall be taken in the taxable year in which such investments have been completed. The credit for additional investments beyond the minimum investment by a designated high impact business authorized under subdivision (a)(3)(A) of Section 5.5 of the Illinois Enterprise Zone Act shall be available only in the taxable year in which the property is placed in service and shall not be allowed to the extent that it
would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. For tax years ending on or after December 31, 1987, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, the credit accruing first in time shall be applied first.

Changes made in this subdivision (h)(1) by Public Act 88-670 restore changes made by Public Act 85-1182 and reflect existing law.

(2) The term qualified property means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings;

(B) is depreciable pursuant to Section 167 of the Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (h);

(C) is acquired by purchase as defined in Section
179(d) of the Internal Revenue Code; and

(D) is not eligible for the Enterprise Zone Investment Credit provided by subsection (f) of this Section.

(3) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(4) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in a federally designated Foreign Trade Zone or Sub-Zone located in Illinois by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(5) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(6) If during any taxable year ending on or before December 31, 1996, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside Illinois within 48 months after being placed in service, the tax imposed under subsections (a) and (b) of this Section for such taxable year shall be increased. Such increase shall be determined by (i) recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such
property from such computation, and (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (6), a reduction of the basis of qualified property resulting from a redetermination of the purchase price shall be deemed a disposition of qualified property to the extent of such reduction.

(7) Beginning with tax years ending after December 31, 1996, if a taxpayer qualifies for the credit under this subsection (h) and thereby is granted a tax abatement and the taxpayer relocates its entire facility in violation of the explicit terms and length of the contract under Section 18-183 of the Property Tax Code, the tax imposed under subsections (a) and (b) of this Section shall be increased for the taxable year in which the taxpayer relocated its facility by an amount equal to the amount of credit received by the taxpayer under this subsection (h).

(h-5) High Impact Business construction jobs credit. For taxable years beginning on or after January 1, 2021, there shall also be allowed a High Impact Business construction jobs credit against the tax imposed under subsections (a) and (b) of this Section as provided in subsections (i) and (j) of Section 5.5 of the Illinois Enterprise Zone Act.

The credit or credits may not reduce the taxpayer's liability to less than zero. If the amount of the credit or
credits exceeds the taxpayer's liability, the excess may be carried forward and applied against the taxpayer's liability in succeeding calendar years in the manner provided under paragraph (4) of Section 211 of this Act. The credit or credits shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one taxable year that are available to offset a liability, the earlier credit shall be applied first.

For partners, shareholders of Subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for the purposes of federal and State income taxation, there shall be allowed a credit under this Section to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code.

The total aggregate amount of credits awarded under the Blue Collar Jobs Act (Article 20 of Public Act 101-9 this amendatory Act of the 101st General Assembly) shall not exceed $20,000,000 in any State fiscal year.

This subsection (h-5) is exempt from the provisions of Section 250.

(i) Credit for Personal Property Tax Replacement Income Tax. For tax years ending prior to December 31, 2003, a credit shall be allowed against the tax imposed by subsections (a) and (b) of this Section for the tax imposed by subsections (c)
and (d) of this Section. This credit shall be computed by
multiplying the tax imposed by subsections (c) and (d) of this
Section by a fraction, the numerator of which is base income
allocable to Illinois and the denominator of which is Illinois
base income, and further multiplying the product by the tax
rate imposed by subsections (a) and (b) of this Section.

Any credit earned on or after December 31, 1986 under this
subsection which is unused in the year the credit is computed
because it exceeds the tax liability imposed by subsections
(a) and (b) for that year (whether it exceeds the original
liability or the liability as later amended) may be carried
forward and applied to the tax liability imposed by
subsections (a) and (b) of the 5 taxable years following the
excess credit year, provided that no credit may be carried
forward to any year ending on or after December 31, 2003. This
credit shall be applied first to the earliest year for which
there is a liability. If there is a credit under this
subsection from more than one tax year that is available to
offset a liability the earliest credit arising under this
subsection shall be applied first.

If, during any taxable year ending on or after December
31, 1986, the tax imposed by subsections (c) and (d) of this
Section for which a taxpayer has claimed a credit under this
subsection (i) is reduced, the amount of credit for such tax
shall also be reduced. Such reduction shall be determined by
recomputing the credit to take into account the reduced tax
imposed by subsections (c) and (d). If any portion of the reduced amount of credit has been carried to a different taxable year, an amended return shall be filed for such taxable year to reduce the amount of credit claimed.

(j) Training expense credit. Beginning with tax years ending on or after December 31, 1986 and prior to December 31, 2003, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) under this Section for all amounts paid or accrued, on behalf of all persons employed by the taxpayer in Illinois or Illinois residents employed outside of Illinois by a taxpayer, for educational or vocational training in semi-technical or technical fields or semi-skilled or skilled fields, which were deducted from gross income in the computation of taxable income. The credit against the tax imposed by subsections (a) and (b) shall be 1.6% of such training expenses. For partners, shareholders of subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection (j) to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

Any credit allowed under this subsection which is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit
is first computed until it is used. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under this subsection shall be applied first. No carryforward credit may be claimed in any tax year ending on or after December 31, 2003.

(k) Research and development credit. For tax years ending after July 1, 1990 and prior to December 31, 2003, and beginning again for tax years ending on or after December 31, 2004, and ending prior to January 1, 2027, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for increasing research activities in this State. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 6 1/2% of the qualifying expenditures for increasing research activities in this State. For partners, shareholders of subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

For purposes of this subsection, "qualifying expenditures" means the qualifying expenditures as defined for the federal
credit for increasing research activities which would be allowable under Section 41 of the Internal Revenue Code and which are conducted in this State, "qualifying expenditures for increasing research activities in this State" means the excess of qualifying expenditures for the taxable year in which incurred over qualifying expenditures for the base period, "qualifying expenditures for the base period" means the average of the qualifying expenditures for each year in the base period, and "base period" means the 3 taxable years immediately preceding the taxable year for which the determination is being made.

Any credit in excess of the tax liability for the taxable year may be carried forward. A taxpayer may elect to have the unused credit shown on its final completed return carried over as a credit against the tax liability for the following 5 taxable years or until it has been fully used, whichever occurs first; provided that no credit earned in a tax year ending prior to December 31, 2003 may be carried forward to any year ending on or after December 31, 2003.

If an unused credit is carried forward to a given year from 2 or more earlier years, that credit arising in the earliest year will be applied first against the tax liability for the given year. If a tax liability for the given year still remains, the credit from the next earliest year will then be applied, and so on, until all credits have been used or no tax liability for the given year remains. Any remaining unused
credit or credits then will be carried forward to the next following year in which a tax liability is incurred, except that no credit can be carried forward to a year which is more than 5 years after the year in which the expense for which the credit is given was incurred.

No inference shall be drawn from Public Act 91-644 this amendatory Act of the 91st General Assembly in construing this Section for taxable years beginning before January 1, 1999.

It is the intent of the General Assembly that the research and development credit under this subsection (k) shall apply continuously for all tax years ending on or after December 31, 2004 and ending prior to January 1, 2027, including, but not limited to, the period beginning on January 1, 2016 and ending on July 6, 2017 (the effective date of Public Act 100-22) this amendatory Act of the 100th General Assembly. All actions taken in reliance on the continuation of the credit under this subsection (k) by any taxpayer are hereby validated.

(l) Environmental Remediation Tax Credit.

(i) For tax years ending after December 31, 1997 and on or before December 31, 2001, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for certain amounts paid for unreimbursed eligible remediation costs, as specified in this subsection. For purposes of this Section, "unreimbursed eligible remediation costs" means costs approved by the Illinois Environmental Protection Agency
("Agency") under Section 58.14 of the Environmental Protection Act that were paid in performing environmental remediation at a site for which a No Further Remediation Letter was issued by the Agency and recorded under Section 58.10 of the Environmental Protection Act. The credit must be claimed for the taxable year in which Agency approval of the eligible remediation costs is granted. The credit is not available to any taxpayer if the taxpayer or any related party caused or contributed to, in any material respect, a release of regulated substances on, in, or under the site that was identified and addressed by the remedial action pursuant to the Site Remediation Program of the Environmental Protection Act. After the Pollution Control Board rules are adopted pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act, determinations as to credit availability for purposes of this Section shall be made consistent with those rules. For purposes of this Section, "taxpayer" includes a person whose tax attributes the taxpayer has succeeded to under Section 381 of the Internal Revenue Code and "related party" includes the persons disallowed a deduction for losses by paragraphs (b), (c), and (f)(1) of Section 267 of the Internal Revenue Code by virtue of being a related taxpayer, as well as any of its partners. The credit allowed against the tax imposed by subsections
(a) and (b) shall be equal to 25% of the unreimbursed eligible remediation costs in excess of $100,000 per site, except that the $100,000 threshold shall not apply to any site contained in an enterprise zone as determined by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity). The total credit allowed shall not exceed $40,000 per year with a maximum total of $150,000 per site. For partners and shareholders of subchapter S corporations, there shall be allowed a credit under this subsection to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

(ii) A credit allowed under this subsection that is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is first earned until it is used. The term "unused credit" does not include any amounts of unreimbursed eligible remediation costs in excess of the maximum credit per site authorized under paragraph (i). This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under this subsection shall be applied first. A credit allowed under this subsection may be sold to a
buyer as part of a sale of all or part of the remediation site for which the credit was granted. The purchaser of a remediation site and the tax credit shall succeed to the unused credit and remaining carry-forward period of the seller. To perfect the transfer, the assignor shall record the transfer in the chain of title for the site and provide written notice to the Director of the Illinois Department of Revenue of the assignor's intent to sell the remediation site and the amount of the tax credit to be transferred as a portion of the sale. In no event may a credit be transferred to any taxpayer if the taxpayer or a related party would not be eligible under the provisions of subsection (i).

(iii) For purposes of this Section, the term "site" shall have the same meaning as under Section 58.2 of the Environmental Protection Act.

(m) Education expense credit. Beginning with tax years ending after December 31, 1999, a taxpayer who is the custodian of one or more qualifying pupils shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for qualified education expenses incurred on behalf of the qualifying pupils. The credit shall be equal to 25% of qualified education expenses, but in no event may the total credit under this subsection claimed by a family that is the custodian of qualifying pupils exceed (i) $500 for tax years ending prior to December 31, 2017, and (ii) $750 for tax
years ending on or after December 31, 2017. In no event shall a credit under this subsection reduce the taxpayer's liability under this Act to less than zero. Notwithstanding any other provision of law, for taxable years beginning on or after January 1, 2017, no taxpayer may claim a credit under this subsection (m) if the taxpayer's adjusted gross income for the taxable year exceeds (i) $500,000, in the case of spouses filing a joint federal tax return or (ii) $250,000, in the case of all other taxpayers. This subsection is exempt from the provisions of Section 250 of this Act.

For purposes of this subsection:

"Qualifying pupils" means individuals who (i) are residents of the State of Illinois, (ii) are under the age of 21 at the close of the school year for which a credit is sought, and (iii) during the school year for which a credit is sought were full-time pupils enrolled in a kindergarten through twelfth grade education program at any school, as defined in this subsection.

"Qualified education expense" means the amount incurred on behalf of a qualifying pupil in excess of $250 for tuition, book fees, and lab fees at the school in which the pupil is enrolled during the regular school year.

"School" means any public or nonpublic elementary or secondary school in Illinois that is in compliance with Title VI of the Civil Rights Act of 1964 and attendance at which satisfies the requirements of Section 26-1 of the School Code,
except that nothing shall be construed to require a child to attend any particular public or nonpublic school to qualify for the credit under this Section.

"Custodian" means, with respect to qualifying pupils, an Illinois resident who is a parent, the parents, a legal guardian, or the legal guardians of the qualifying pupils.

(n) River Edge Redevelopment Zone site remediation tax credit.

(i) For tax years ending on or after December 31, 2006, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for certain amounts paid for unreimbursed eligible remediation costs, as specified in this subsection. For purposes of this Section, "unreimbursed eligible remediation costs" means costs approved by the Illinois Environmental Protection Agency ("Agency") under Section 58.14a of the Environmental Protection Act that were paid in performing environmental remediation at a site within a River Edge Redevelopment Zone for which a No Further Remediation Letter was issued by the Agency and recorded under Section 58.10 of the Environmental Protection Act. The credit must be claimed for the taxable year in which Agency approval of the eligible remediation costs is granted. The credit is not available to any taxpayer if the taxpayer or any related party caused or contributed to, in any material respect, a release of regulated substances on, in, or
under the site that was identified and addressed by the remedial action pursuant to the Site Remediation Program of the Environmental Protection Act. Determinations as to credit availability for purposes of this Section shall be made consistent with rules adopted by the Pollution Control Board pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act. For purposes of this Section, "taxpayer" includes a person whose tax attributes the taxpayer has succeeded to under Section 381 of the Internal Revenue Code and "related party" includes the persons disallowed a deduction for losses by paragraphs (b), (c), and (f)(1) of Section 267 of the Internal Revenue Code by virtue of being a related taxpayer, as well as any of its partners. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 25% of the unreimbursed eligible remediation costs in excess of $100,000 per site.

(ii) A credit allowed under this subsection that is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is first earned until it is used. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under
this subsection shall be applied first. A credit allowed
under this subsection may be sold to a buyer as part of a
sale of all or part of the remediation site for which the
credit was granted. The purchaser of a remediation site
and the tax credit shall succeed to the unused credit and
remaining carry-forward period of the seller. To perfect
the transfer, the assignor shall record the transfer in
the chain of title for the site and provide written notice
to the Director of the Illinois Department of Revenue of
the assignor's intent to sell the remediation site and the
amount of the tax credit to be transferred as a portion of
the sale. In no event may a credit be transferred to any
taxpayer if the taxpayer or a related party would not be
eligible under the provisions of subsection (i).

(iii) For purposes of this Section, the term "site"
shall have the same meaning as under Section 58.2 of the
Environmental Protection Act.

(o) For each of taxable years during the Compassionate Use
of Medical Cannabis Program, a surcharge is imposed on all
taxpayers on income arising from the sale or exchange of
capital assets, depreciable business property, real property
used in the trade or business, and Section 197 intangibles of
an organization registrant under the Compassionate Use of
Medical Cannabis Program Act. The amount of the surcharge is
equal to the amount of federal income tax liability for the
taxable year attributable to those sales and exchanges. The
surcharge imposed does not apply if:

(1) the medical cannabis cultivation center registration, medical cannabis dispensary registration, or the property of a registration is transferred as a result of any of the following:

(A) bankruptcy, a receivership, or a debt adjustment initiated by or against the initial registration or the substantial owners of the initial registration;

(B) cancellation, revocation, or termination of any registration by the Illinois Department of Public Health;

(C) a determination by the Illinois Department of Public Health that transfer of the registration is in the best interests of Illinois qualifying patients as defined by the Compassionate Use of Medical Cannabis Program Act;

(D) the death of an owner of the equity interest in a registrant;

(E) the acquisition of a controlling interest in the stock or substantially all of the assets of a publicly traded company;

(F) a transfer by a parent company to a wholly owned subsidiary; or

(G) the transfer or sale to or by one person to another person where both persons were initial owners
of the registration when the registration was issued;

or

(2) the cannabis cultivation center registration, medical cannabis dispensary registration, or the controlling interest in a registrant's property is transferred in a transaction to lineal descendants in which no gain or loss is recognized or as a result of a transaction in accordance with Section 351 of the Internal Revenue Code in which no gain or loss is recognized.

(Source: P.A. 100-22, eff. 7-6-17; 101-9, eff. 6-5-19; 101-31, eff. 6-28-19; 101-207, eff. 8-2-19; 101-363, eff. 8-9-19; revised 11-18-20.)

(Text of Section with the changes made by P.A. 101-8, which did not take effect (see Section 99 of P.A. 101-8))

Sec. 201. Tax imposed.

(a) In general. A tax measured by net income is hereby imposed on every individual, corporation, trust and estate for each taxable year ending after July 31, 1969 on the privilege of earning or receiving income in or as a resident of this State. Such tax shall be in addition to all other occupation or privilege taxes imposed by this State or by any municipal corporation or political subdivision thereof.

(b) Rates. The tax imposed by subsection (a) of this Section shall be determined as follows, except as adjusted by subsection (d-1):
(1) In the case of an individual, trust or estate, for taxable years ending prior to July 1, 1989, an amount equal to 2 1/2% of the taxpayer's net income for the taxable year.

(2) In the case of an individual, trust or estate, for taxable years beginning prior to July 1, 1989 and ending after June 30, 1989, an amount equal to the sum of (i) 2 1/2% of the taxpayer's net income for the period prior to July 1, 1989, as calculated under Section 202.3, and (ii) 3% of the taxpayer's net income for the period after June 30, 1989, as calculated under Section 202.3.

(3) In the case of an individual, trust or estate, for taxable years beginning after June 30, 1989, and ending prior to January 1, 2011, an amount equal to 3% of the taxpayer's net income for the taxable year.

(4) In the case of an individual, trust, or estate, for taxable years beginning prior to January 1, 2011, and ending after December 31, 2010, an amount equal to the sum of (i) 3% of the taxpayer's net income for the period prior to January 1, 2011, as calculated under Section 202.5, and (ii) 5% of the taxpayer's net income for the period after December 31, 2010, as calculated under Section 202.5.

(5) In the case of an individual, trust, or estate, for taxable years beginning on or after January 1, 2011, and ending prior to January 1, 2015, an amount equal to 5% of the taxpayer's net income for the taxable year.
(5.1) In the case of an individual, trust, or estate, for taxable years beginning prior to January 1, 2015, and ending after December 31, 2014, an amount equal to the sum of (i) 5% of the taxpayer's net income for the period prior to January 1, 2015, as calculated under Section 202.5, and (ii) 3.75% of the taxpayer's net income for the period after December 31, 2014, as calculated under Section 202.5.

(5.2) In the case of an individual, trust, or estate, for taxable years beginning on or after January 1, 2015, and ending prior to July 1, 2017, an amount equal to 3.75% of the taxpayer's net income for the taxable year.

(5.3) In the case of an individual, trust, or estate, for taxable years beginning prior to July 1, 2017, and ending after June 30, 2017, an amount equal to the sum of (i) 3.75% of the taxpayer's net income for the period prior to July 1, 2017, as calculated under Section 202.5, and (ii) 4.95% of the taxpayer's net income for the period after June 30, 2017, as calculated under Section 202.5.

(5.4) In the case of an individual, trust, or estate, for taxable years beginning on or after July 1, 2017 and beginning prior to January 1, 2021, an amount equal to 4.95% of the taxpayer's net income for the taxable year.

(5.5) In the case of an individual, trust, or estate, for taxable years beginning on or after January 1, 2021, an amount calculated under the rate structure set forth in
Section 201.1.

(6) In the case of a corporation, for taxable years ending prior to July 1, 1989, an amount equal to 4% of the taxpayer's net income for the taxable year.

(7) In the case of a corporation, for taxable years beginning prior to July 1, 1989 and ending after June 30, 1989, an amount equal to the sum of (i) 4% of the taxpayer's net income for the period prior to July 1, 1989, as calculated under Section 202.3, and (ii) 4.8% of the taxpayer's net income for the period after June 30, 1989, as calculated under Section 202.3.

(8) In the case of a corporation, for taxable years beginning after June 30, 1989, and ending prior to January 1, 2011, an amount equal to 4.8% of the taxpayer's net income for the taxable year.

(9) In the case of a corporation, for taxable years beginning prior to January 1, 2011, and ending after December 31, 2010, an amount equal to the sum of (i) 4.8% of the taxpayer's net income for the period prior to January 1, 2011, as calculated under Section 202.5, and (ii) 7% of the taxpayer's net income for the period after December 31, 2010, as calculated under Section 202.5.

(10) In the case of a corporation, for taxable years beginning on or after January 1, 2011, and ending prior to January 1, 2015, an amount equal to 7% of the taxpayer's net income for the taxable year.
(11) In the case of a corporation, for taxable years beginning prior to January 1, 2015, and ending after December 31, 2014, an amount equal to the sum of (i) 7% of the taxpayer's net income for the period prior to January 1, 2015, as calculated under Section 202.5, and (ii) 5.25% of the taxpayer's net income for the period after December 31, 2014, as calculated under Section 202.5.

(12) In the case of a corporation, for taxable years beginning on or after January 1, 2015, and ending prior to July 1, 2017, an amount equal to 5.25% of the taxpayer's net income for the taxable year.

(13) In the case of a corporation, for taxable years beginning prior to July 1, 2017, and ending after June 30, 2017, an amount equal to the sum of (i) 5.25% of the taxpayer's net income for the period prior to July 1, 2017, as calculated under Section 202.5, and (ii) 7% of the taxpayer's net income for the period after June 30, 2017, as calculated under Section 202.5.

(14) In the case of a corporation, for taxable years beginning on or after July 1, 2017 and beginning prior to January 1, 2021, an amount equal to 7% of the taxpayer's net income for the taxable year.

(15) In the case of a corporation, for taxable years beginning on or after January 1, 2021, an amount equal to 7.99% of the taxpayer's net income for the taxable year.

The rates under this subsection (b) are subject to the
provisions of Section 201.5.

(b-5) Surcharge; sale or exchange of assets, properties, and intangibles of organization gaming licensees. For each of taxable years 2019 through 2027, a surcharge is imposed on all taxpayers on income arising from the sale or exchange of capital assets, depreciable business property, real property used in the trade or business, and Section 197 intangibles (i) of an organization licensee under the Illinois Horse Racing Act of 1975 and (ii) of an organization gaming licensee under the Illinois Gambling Act. The amount of the surcharge is equal to the amount of federal income tax liability for the taxable year attributable to those sales and exchanges. The surcharge imposed shall not apply if:

(1) the organization gaming license, organization license, or racetrack property is transferred as a result of any of the following:

(A) bankruptcy, a receivership, or a debt adjustment initiated by or against the initial licensee or the substantial owners of the initial licensee;

(B) cancellation, revocation, or termination of any such license by the Illinois Gaming Board or the Illinois Racing Board;

(C) a determination by the Illinois Gaming Board that transfer of the license is in the best interests of Illinois gaming;
(D) the death of an owner of the equity interest in a licensee;

(E) the acquisition of a controlling interest in the stock or substantially all of the assets of a publicly traded company;

(F) a transfer by a parent company to a wholly owned subsidiary; or

(G) the transfer or sale to or by one person to another person where both persons were initial owners of the license when the license was issued; or

(2) the controlling interest in the organization gaming license, organization license, or racetrack property is transferred in a transaction to lineal descendants in which no gain or loss is recognized or as a result of a transaction in accordance with Section 351 of the Internal Revenue Code in which no gain or loss is recognized; or

(3) live horse racing was not conducted in 2010 at a racetrack located within 3 miles of the Mississippi River under a license issued pursuant to the Illinois Horse Racing Act of 1975.

The transfer of an organization gaming license, organization license, or racetrack property by a person other than the initial licensee to receive the organization gaming license is not subject to a surcharge. The Department shall adopt rules necessary to implement and administer this
subsection.

(c) Personal Property Tax Replacement Income Tax. Beginning on July 1, 1979 and thereafter, in addition to such income tax, there is also hereby imposed the Personal Property Tax Replacement Income Tax measured by net income on every corporation (including Subchapter S corporations), partnership and trust, for each taxable year ending after June 30, 1979. Such taxes are imposed on the privilege of earning or receiving income in or as a resident of this State. The Personal Property Tax Replacement Income Tax shall be in addition to the income tax imposed by subsections (a) and (b) of this Section and in addition to all other occupation or privilege taxes imposed by this State or by any municipal corporation or political subdivision thereof.

(d) Additional Personal Property Tax Replacement Income Tax Rates. The personal property tax replacement income tax imposed by this subsection and subsection (c) of this Section in the case of a corporation, other than a Subchapter S corporation and except as adjusted by subsection (d-1), shall be an additional amount equal to 2.85% of such taxpayer's net income for the taxable year, except that beginning on January 1, 1981, and thereafter, the rate of 2.85% specified in this subsection shall be reduced to 2.5%, and in the case of a partnership, trust or a Subchapter S corporation shall be an additional amount equal to 1.5% of such taxpayer's net income for the taxable year.
(d-1) Rate reduction for certain foreign insurers. In the case of a foreign insurer, as defined by Section 35A-5 of the Illinois Insurance Code, whose state or country of domicile imposes on insurers domiciled in Illinois a retaliatory tax (excluding any insurer whose premiums from reinsurance assumed are 50% or more of its total insurance premiums as determined under paragraph (2) of subsection (b) of Section 304, except that for purposes of this determination premiums from reinsurance do not include premiums from inter-affiliate reinsurance arrangements), beginning with taxable years ending on or after December 31, 1999, the sum of the rates of tax imposed by subsections (b) and (d) shall be reduced (but not increased) to the rate at which the total amount of tax imposed under this Act, net of all credits allowed under this Act, shall equal (i) the total amount of tax that would be imposed on the foreign insurer's net income allocable to Illinois for the taxable year by such foreign insurer's state or country of domicile if that net income were subject to all income taxes and taxes measured by net income imposed by such foreign insurer's state or country of domicile, net of all credits allowed or (ii) a rate of zero if no such tax is imposed on such income by the foreign insurer's state of domicile. For the purposes of this subsection (d-1), an inter-affiliate includes a mutual insurer under common management.

(1) For the purposes of subsection (d-1), in no event shall the sum of the rates of tax imposed by subsections
(b) and (d) be reduced below the rate at which the sum of:

(A) the total amount of tax imposed on such foreign insurer under this Act for a taxable year, net of all credits allowed under this Act, plus

(B) the privilege tax imposed by Section 409 of the Illinois Insurance Code, the fire insurance company tax imposed by Section 12 of the Fire Investigation Act, and the fire department taxes imposed under Section 11-10-1 of the Illinois Municipal Code,

equals 1.25% for taxable years ending prior to December 31, 2003, or 1.75% for taxable years ending on or after December 31, 2003, of the net taxable premiums written for the taxable year, as described by subsection (1) of Section 409 of the Illinois Insurance Code. This paragraph will in no event increase the rates imposed under subsections (b) and (d).

(2) Any reduction in the rates of tax imposed by this subsection shall be applied first against the rates imposed by subsection (b) and only after the tax imposed by subsection (a) net of all credits allowed under this Section other than the credit allowed under subsection (i) has been reduced to zero, against the rates imposed by subsection (d).

This subsection (d-1) is exempt from the provisions of Section 250.
(e) Investment credit. A taxpayer shall be allowed a credit against the Personal Property Tax Replacement Income Tax for investment in qualified property.

(1) A taxpayer shall be allowed a credit equal to .5% of the basis of qualified property placed in service during the taxable year, provided such property is placed in service on or after July 1, 1984. There shall be allowed an additional credit equal to .5% of the basis of qualified property placed in service during the taxable year, provided such property is placed in service on or after July 1, 1986, and the taxpayer's base employment within Illinois has increased by 1% or more over the preceding year as determined by the taxpayer's employment records filed with the Illinois Department of Employment Security. Taxpayers who are new to Illinois shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. The provisions added to this Section by Public Act 85-1200 (and restored by Public Act 87-895) shall be construed as declaratory of existing law and not as a new enactment. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is .5% and the denominator of which is 1%, but shall not exceed .5%. The investment credit shall
not be allowed to the extent that it would reduce a taxpayer's liability in any tax year below zero, nor may any credit for qualified property be allowed for any year other than the year in which the property was placed in service in Illinois. For tax years ending on or after December 31, 1987, and on or before December 31, 1988, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit years if the taxpayer (i) makes investments which cause the creation of a minimum of 2,000 full-time equivalent jobs in Illinois, (ii) is located in an enterprise zone established pursuant to the Illinois Enterprise Zone Act and (iii) is certified by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) as complying with the requirements specified in clause (i) and (ii) by July 1, 1986. The Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall notify the Department of Revenue of all such certifications immediately. For tax years ending after December 31, 1988, the credit shall be allowed for the tax year in which the property is placed in service,
or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit years. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, earlier credit shall be applied first.

(2) The term "qualified property" means property which:

(A) is tangible, whether new or used, including buildings and structural components of buildings and signs that are real property, but not including land or improvements to real property that are not a structural component of a building such as landscaping, sewer lines, local access roads, fencing, parking lots, and other appurtenances;

(B) is depreciable pursuant to Section 167 of the Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (e);

(C) is acquired by purchase as defined in Section 179(d) of the Internal Revenue Code;

(D) is used in Illinois by a taxpayer who is
primarily engaged in manufacturing, or in mining coal
or fluorite, or in retailing, or was placed in service
on or after July 1, 2006 in a River Edge Redevelopment
Zone established pursuant to the River Edge
Redevelopment Zone Act; and

(E) has not previously been used in Illinois in
such a manner and by such a person as would qualify for
the credit provided by this subsection (e) or
subsection (f).

(3) For purposes of this subsection (e),
"manufacturing" means the material staging and production
of tangible personal property by procedures commonly
regarded as manufacturing, processing, fabrication, or
assembling which changes some existing material into new
shapes, new qualities, or new combinations. For purposes
of this subsection (e) the term "mining" shall have the
same meaning as the term "mining" in Section 613(c) of the
Internal Revenue Code. For purposes of this subsection
(e), the term "retailing" means the sale of tangible
personal property for use or consumption and not for
resale, or services rendered in conjunction with the sale
of tangible personal property for use or consumption and
not for resale. For purposes of this subsection (e),
"tangible personal property" has the same meaning as when
that term is used in the Retailers' Occupation Tax Act,
and, for taxable years ending after December 31, 2008,
(4) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(5) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in Illinois by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(6) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(7) If during any taxable year, any property ceases to be qualified property in the hands of the taxpayer within 48 months after being placed in service, or the situs of any qualified property is moved outside Illinois within 48 months after being placed in service, the Personal Property Tax Replacement Income Tax for such taxable year shall be increased. Such increase shall be determined by (i) recomputing the investment credit which would have been allowed for the year in which credit for such property was originally allowed by eliminating such property from such computation and, (ii) subtracting such recomputed credit from the amount of credit previously allowed. For the purposes of this paragraph (7), a reduction of the basis of qualified property resulting
from a redetermination of the purchase price shall be
deemed a disposition of qualified property to the extent
of such reduction.

(8) Unless the investment credit is extended by law,
the basis of qualified property shall not include costs
incurred after December 31, 2018, except for costs
incurred pursuant to a binding contract entered into on or
before December 31, 2018.

(9) Each taxable year ending before December 31, 2000,
a partnership may elect to pass through to its partners
the credits to which the partnership is entitled under
this subsection (e) for the taxable year. A partner may
use the credit allocated to him or her under this
paragraph only against the tax imposed in subsections (c)
and (d) of this Section. If the partnership makes that
election, those credits shall be allocated among the
partners in the partnership in accordance with the rules
set forth in Section 704(b) of the Internal Revenue Code,
and the rules promulgated under that Section, and the
allocated amount of the credits shall be allowed to the
partners for that taxable year. The partnership shall make
this election on its Personal Property Tax Replacement
Income Tax return for that taxable year. The election to
pass through the credits shall be irrevocable.

For taxable years ending on or after December 31,
2000, a partner that qualifies its partnership for a
subtraction under subparagraph (I) of paragraph (2) of subsection (d) of Section 203 or a shareholder that qualifies a Subchapter S corporation for a subtraction under subparagraph (S) of paragraph (2) of subsection (b) of Section 203 shall be allowed a credit under this subsection (e) equal to its share of the credit earned under this subsection (e) during the taxable year by the partnership or Subchapter S corporation, determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code. This paragraph is exempt from the provisions of Section 250.

(f) Investment credit; Enterprise Zone; River Edge Redevelopment Zone; Clean Energy Empowerment Zone.

(1) A taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for investment in qualified property which is placed in service in an Enterprise Zone created pursuant to the Illinois Enterprise Zone Act or, for property placed in service on or after July 1, 2006, a River Edge Redevelopment Zone established pursuant to the River Edge Redevelopment Zone Act, or for investment in renewable energy enterprises located in Clean Energy Empowerment Zones created pursuant to the Energy Community Reinvestment Act. For partners, shareholders of Subchapter S corporations, and owners of limited liability companies,
if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection (f) to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code. The credit shall be .5% of the basis for such property. The credit shall be available only in the taxable year in which the property is placed in service in the Enterprise Zone or River Edge Redevelopment Zone and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. For tax years ending on or after December 31, 1985, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit from more than one tax year that is available to offset a liability, the credit accruing first in time shall be applied first.

(2) The term qualified property means property which:

(A) is tangible, whether new or used, including
buildings and structural components of buildings;

(B) is depreciable pursuant to Section 167 of the Internal Revenue Code, except that "3-year property" as defined in Section 168(c)(2)(A) of that Code is not eligible for the credit provided by this subsection (f);

(C) is acquired by purchase as defined in Section 179(d) of the Internal Revenue Code;

(D) is used in the Enterprise Zone or River Edge Redevelopment Zone by the taxpayer; and

(E) has not been previously used in Illinois in such a manner and by such a person as would qualify for the credit provided by this subsection (f) or subsection (e).

(3) The basis of qualified property shall be the basis used to compute the depreciation deduction for federal income tax purposes.

(4) If the basis of the property for federal income tax depreciation purposes is increased after it has been placed in service in the Enterprise Zone or River Edge Redevelopment Zone by the taxpayer, the amount of such increase shall be deemed property placed in service on the date of such increase in basis.

(5) The term "placed in service" shall have the same meaning as under Section 46 of the Internal Revenue Code.

(6) If during any taxable year, any property ceases to
be qualified property in the hands of the taxpayer within
48 months after being placed in service, or the situs of
any qualified property is moved outside the Enterprise
Zone or River Edge Redevelopment Zone within 48 months
after being placed in service, the tax imposed under
subsections (a) and (b) of this Section for such taxable
year shall be increased. Such increase shall be determined
by (i) recomputing the investment credit which would have
been allowed for the year in which credit for such
property was originally allowed by eliminating such
property from such computation, and (ii) subtracting such
recomputed credit from the amount of credit previously
allowed. For the purposes of this paragraph (6), a
reduction of the basis of qualified property resulting
from a redetermination of the purchase price shall be
deemed a disposition of qualified property to the extent
of such reduction.

(7) There shall be allowed an additional credit equal
to 0.5% of the basis of qualified property placed in
service during the taxable year in a River Edge
Redevelopment Zone, provided such property is placed in
service on or after July 1, 2006, and the taxpayer's base
employment within Illinois has increased by 1% or more
over the preceding year as determined by the taxpayer's
employment records filed with the Illinois Department of
Employment Security. Taxpayers who are new to Illinois
shall be deemed to have met the 1% growth in base employment for the first year in which they file employment records with the Illinois Department of Employment Security. If, in any year, the increase in base employment within Illinois over the preceding year is less than 1%, the additional credit shall be limited to that percentage times a fraction, the numerator of which is 0.5% and the denominator of which is 1%, but shall not exceed 0.5%.

(8) For taxable years beginning on or after January 1, 2021, there shall be allowed an Enterprise Zone construction jobs credit against the taxes imposed under subsections (a) and (b) of this Section as provided in Section 13 of the Illinois Enterprise Zone Act.

The credit or credits may not reduce the taxpayer's liability to less than zero. If the amount of the credit or credits exceeds the taxpayer's liability, the excess may be carried forward and applied against the taxpayer's liability in succeeding calendar years in the same manner provided under paragraph (4) of Section 211 of this Act. The credit or credits shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one taxable year that are available to offset a liability, the earlier credit shall be applied first.

For partners, shareholders of Subchapter S
corporations, and owners of limited liability companies, if the liability company is treated as a partnership for the purposes of federal and State income taxation, there shall be allowed a credit under this Section to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code.

The total aggregate amount of credits awarded under the Blue Collar Jobs Act (Article 20 of Public Act 101-9 this amendatory Act of the 101st General Assembly) shall not exceed $20,000,000 in any State fiscal year.

This paragraph (8) is exempt from the provisions of Section 250.

(g) (Blank).

(h) Investment credit; High Impact Business.

(1) Subject to subsections (b) and (b-5) of Section 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for investment in qualified property which is placed in service by a Department of Commerce and Economic Opportunity designated High Impact Business. The credit shall be .5% of the basis for such property. The credit shall not be available (i) until the minimum investments in qualified property set forth in subdivision (a)(3)(A) of Section 5.5 of the Illinois Enterprise Zone Act have been satisfied or (ii) until the
time authorized in subsection (b-5) of the Illinois Enterprise Zone Act for entities designated as High Impact Businesses under subdivisions (a)(3)(B), (a)(3)(C), and (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone Act, and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. The credit applicable to such investments shall be taken in the taxable year in which such investments have been completed. The credit for additional investments beyond the minimum investment by a designated high impact business authorized under subdivision (a)(3)(A) of Section 5.5 of the Illinois Enterprise Zone Act shall be available only in the taxable year in which the property is placed in service and shall not be allowed to the extent that it would reduce a taxpayer's liability for the tax imposed by subsections (a) and (b) of this Section to below zero. For tax years ending on or after December 31, 1987, the credit shall be allowed for the tax year in which the property is placed in service, or, if the amount of the credit exceeds the tax liability for that year, whether it exceeds the original liability or the liability as later amended, such excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a liability. If there is credit
from more than one tax year that is available to offset a
liability, the credit accruing first in time shall be
applied first.

Changes made in this subdivision (h)(1) by Public Act
88-670 restore changes made by Public Act 85-1182 and
reflect existing law.

(2) The term qualified property means property which:

(A) is tangible, whether new or used, including
buildings and structural components of buildings;

(B) is depreciable pursuant to Section 167 of the
Internal Revenue Code, except that "3-year property"
as defined in Section 168(c)(2)(A) of that Code is not
eligible for the credit provided by this subsection
(h);

(C) is acquired by purchase as defined in Section
179(d) of the Internal Revenue Code; and

(D) is not eligible for the Enterprise Zone
Investment Credit provided by subsection (f) of this
Section.

(3) The basis of qualified property shall be the basis
used to compute the depreciation deduction for federal
income tax purposes.

(4) If the basis of the property for federal income
tax depreciation purposes is increased after it has been
placed in service in a federally designated Foreign Trade
Zone or Sub-Zone located in Illinois by the taxpayer, the
amount of such increase shall be deemed property placed in
service on the date of such increase in basis.

(5) The term "placed in service" shall have the same
meaning as under Section 46 of the Internal Revenue Code.

(6) If during any taxable year ending on or before
December 31, 1996, any property ceases to be qualified
property in the hands of the taxpayer within 48 months
after being placed in service, or the situs of any
qualified property is moved outside Illinois within 48
months after being placed in service, the tax imposed
under subsections (a) and (b) of this Section for such
taxable year shall be increased. Such increase shall be
determined by (i) recomputing the investment credit which
would have been allowed for the year in which credit for
such property was originally allowed by eliminating such
property from such computation, and (ii) subtracting such
recomputed credit from the amount of credit previously
allowed. For the purposes of this paragraph (6), a
reduction of the basis of qualified property resulting
from a redetermination of the purchase price shall be
deemed a disposition of qualified property to the extent
of such reduction.

(7) Beginning with tax years ending after December 31,
1996, if a taxpayer qualifies for the credit under this
subsection (h) and thereby is granted a tax abatement and
the taxpayer relocates its entire facility in violation of
the explicit terms and length of the contract under Section 18-183 of the Property Tax Code, the tax imposed under subsections (a) and (b) of this Section shall be increased for the taxable year in which the taxpayer relocated its facility by an amount equal to the amount of credit received by the taxpayer under this subsection (h).

(h-5) High Impact Business construction jobs credit. For taxable years beginning on or after January 1, 2021, there shall also be allowed a High Impact Business construction jobs credit against the tax imposed under subsections (a) and (b) of this Section as provided in subsections (i) and (j) of Section 5.5 of the Illinois Enterprise Zone Act.

The credit or credits may not reduce the taxpayer's liability to less than zero. If the amount of the credit or credits exceeds the taxpayer's liability, the excess may be carried forward and applied against the taxpayer's liability in succeeding calendar years in the manner provided under paragraph (4) of Section 211 of this Act. The credit or credits shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one taxable year that are available to offset a liability, the earlier credit shall be applied first.

For partners, shareholders of Subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for the purposes of
federal and State income taxation, there shall be allowed a
credit under this Section to be determined in accordance with
the determination of income and distributive share of income
under Sections 702 and 704 and Subchapter S of the Internal
Revenue Code.

The total aggregate amount of credits awarded under the
Blue Collar Jobs Act (Article 20 of Public Act 101-9 this
amendatory Act of the 101st General Assembly) shall not exceed
$20,000,000 in any State fiscal year.

This subsection (h-5) is exempt from the provisions of
Section 250.

(i) Credit for Personal Property Tax Replacement Income
Tax. For tax years ending prior to December 31, 2003, a credit
shall be allowed against the tax imposed by subsections (a)
and (b) of this Section for the tax imposed by subsections (c)
and (d) of this Section. This credit shall be computed by
multiplying the tax imposed by subsections (c) and (d) of this
Section by a fraction, the numerator of which is base income
allocable to Illinois and the denominator of which is Illinois
base income, and further multiplying the product by the tax
rate imposed by subsections (a) and (b) of this Section.

Any credit earned on or after December 31, 1986 under this
subsection which is unused in the year the credit is computed
because it exceeds the tax liability imposed by subsections
(a) and (b) for that year (whether it exceeds the original
liability or the liability as later amended) may be carried
forward and applied to the tax liability imposed by subsections (a) and (b) of the 5 taxable years following the excess credit year, provided that no credit may be carried forward to any year ending on or after December 31, 2003. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability the earliest credit arising under this subsection shall be applied first.

If, during any taxable year ending on or after December 31, 1986, the tax imposed by subsections (c) and (d) of this Section for which a taxpayer has claimed a credit under this subsection (i) is reduced, the amount of credit for such tax shall also be reduced. Such reduction shall be determined by recomputing the credit to take into account the reduced tax imposed by subsections (c) and (d). If any portion of the reduced amount of credit has been carried to a different taxable year, an amended return shall be filed for such taxable year to reduce the amount of credit claimed.

(j) Training expense credit. Beginning with tax years ending on or after December 31, 1986 and prior to December 31, 2003, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) under this Section for all amounts paid or accrued, on behalf of all persons employed by the taxpayer in Illinois or Illinois residents employed outside of Illinois by a taxpayer, for educational or
vocational training in semi-technical or technical fields or
semi-skilled or skilled fields, which were deducted from gross
income in the computation of taxable income. The credit
against the tax imposed by subsections (a) and (b) shall be
1.6% of such training expenses. For partners, shareholders of
subchapter S corporations, and owners of limited liability
companies, if the liability company is treated as a
partnership for purposes of federal and State income taxation,
there shall be allowed a credit under this subsection (j) to be
determined in accordance with the determination of income and
distributive share of income under Sections 702 and 704 and
subchapter S of the Internal Revenue Code.

Any credit allowed under this subsection which is unused
in the year the credit is earned may be carried forward to each
of the 5 taxable years following the year for which the credit
is first computed until it is used. This credit shall be
applied first to the earliest year for which there is a
liability. If there is a credit under this subsection from
more than one tax year that is available to offset a liability,
the earliest credit arising under this subsection shall be
applied first. No carryforward credit may be claimed in any
tax year ending on or after December 31, 2003.

(k) Research and development credit. For tax years ending
after July 1, 1990 and prior to December 31, 2003, and
beginning again for tax years ending on or after December 31,
2004, and ending prior to January 1, 2027, a taxpayer shall be
allowed a credit against the tax imposed by subsections (a) and (b) of this Section for increasing research activities in this State. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 6 1/2% of the qualifying expenditures for increasing research activities in this State. For partners, shareholders of subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this subsection to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

For purposes of this subsection, "qualifying expenditures" means the qualifying expenditures as defined for the federal credit for increasing research activities which would be allowable under Section 41 of the Internal Revenue Code and which are conducted in this State, "qualifying expenditures for increasing research activities in this State" means the excess of qualifying expenditures for the taxable year in which incurred over qualifying expenditures for the base period, "qualifying expenditures for the base period" means the average of the qualifying expenditures for each year in the base period, and "base period" means the 3 taxable years immediately preceding the taxable year for which the determination is being made.
Any credit in excess of the tax liability for the taxable year may be carried forward. A taxpayer may elect to have the unused credit shown on its final completed return carried over as a credit against the tax liability for the following 5 taxable years or until it has been fully used, whichever occurs first; provided that no credit earned in a tax year ending prior to December 31, 2003 may be carried forward to any year ending on or after December 31, 2003.

If an unused credit is carried forward to a given year from 2 or more earlier years, that credit arising in the earliest year will be applied first against the tax liability for the given year. If a tax liability for the given year still remains, the credit from the next earliest year will then be applied, and so on, until all credits have been used or no tax liability for the given year remains. Any remaining unused credit or credits then will be carried forward to the next following year in which a tax liability is incurred, except that no credit can be carried forward to a year which is more than 5 years after the year in which the expense for which the credit is given was incurred.

No inference shall be drawn from Public Act 91-644 this amendatory Act of the 91st General Assembly in construing this Section for taxable years beginning before January 1, 1999.

It is the intent of the General Assembly that the research and development credit under this subsection (k) shall apply continuously for all tax years ending on or after December 31,
2004 and ending prior to January 1, 2027, including, but not limited to, the period beginning on January 1, 2016 and ending on July 6, 2017 (the effective date of Public Act 100-22) this amendatory Act of the 100th General Assembly. All actions taken in reliance on the continuation of the credit under this subsection (k) by any taxpayer are hereby validated.

(l) Environmental Remediation Tax Credit.

(i) For tax years ending after December 31, 1997 and on or before December 31, 2001, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for certain amounts paid for unreimbursed eligible remediation costs, as specified in this subsection. For purposes of this Section, "unreimbursed eligible remediation costs" means costs approved by the Illinois Environmental Protection Agency ("Agency") under Section 58.14 of the Environmental Protection Act that were paid in performing environmental remediation at a site for which a No Further Remediation Letter was issued by the Agency and recorded under Section 58.10 of the Environmental Protection Act. The credit must be claimed for the taxable year in which Agency approval of the eligible remediation costs is granted. The credit is not available to any taxpayer if the taxpayer or any related party caused or contributed to, in any material respect, a release of regulated substances on, in, or under the site that was identified and addressed by the
remedial action pursuant to the Site Remediation Program of the Environmental Protection Act. After the Pollution Control Board rules are adopted pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act, determinations as to credit availability for purposes of this Section shall be made consistent with those rules. For purposes of this Section, "taxpayer" includes a person whose tax attributes the taxpayer has succeeded to under Section 381 of the Internal Revenue Code and "related party" includes the persons disallowed a deduction for losses by paragraphs (b), (c), and (f)(1) of Section 267 of the Internal Revenue Code by virtue of being a related taxpayer, as well as any of its partners. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 25% of the unreimbursed eligible remediation costs in excess of $100,000 per site, except that the $100,000 threshold shall not apply to any site contained in an enterprise zone as determined by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity). The total credit allowed shall not exceed $40,000 per year with a maximum total of $150,000 per site. For partners and shareholders of subchapter S corporations, there shall be allowed a credit under this subsection to be determined in accordance with the determination of income and
distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code.

(ii) A credit allowed under this subsection that is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is first earned until it is used. The term "unused credit" does not include any amounts of unreimbursed eligible remediation costs in excess of the maximum credit per site authorized under paragraph (i). This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under this subsection shall be applied first. A credit allowed under this subsection may be sold to a buyer as part of a sale of all or part of the remediation site for which the credit was granted. The purchaser of a remediation site and the tax credit shall succeed to the unused credit and remaining carry-forward period of the seller. To perfect the transfer, the assignor shall record the transfer in the chain of title for the site and provide written notice to the Director of the Illinois Department of Revenue of the assignor's intent to sell the remediation site and the amount of the tax credit to be transferred as a portion of the sale. In no event may a credit be transferred to any taxpayer if the taxpayer or a
related party would not be eligible under the provisions of subsection (i).

(iii) For purposes of this Section, the term "site" shall have the same meaning as under Section 58.2 of the Environmental Protection Act.

(m) Education expense credit. Beginning with tax years ending after December 31, 1999, a taxpayer who is the custodian of one or more qualifying pupils shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for qualified education expenses incurred on behalf of the qualifying pupils. The credit shall be equal to 25% of qualified education expenses, but in no event may the total credit under this subsection claimed by a family that is the custodian of qualifying pupils exceed (i) $500 for tax years ending prior to December 31, 2017, and (ii) $750 for tax years ending on or after December 31, 2017. In no event shall a credit under this subsection reduce the taxpayer's liability under this Act to less than zero. Notwithstanding any other provision of law, for taxable years beginning on or after January 1, 2017, no taxpayer may claim a credit under this subsection (m) if the taxpayer's adjusted gross income for the taxable year exceeds (i) $500,000, in the case of spouses filing a joint federal tax return or (ii) $250,000, in the case of all other taxpayers. This subsection is exempt from the provisions of Section 250 of this Act.

For purposes of this subsection:
"Qualifying pupils" means individuals who (i) are residents of the State of Illinois, (ii) are under the age of 21 at the close of the school year for which a credit is sought, and (iii) during the school year for which a credit is sought were full-time pupils enrolled in a kindergarten through twelfth grade education program at any school, as defined in this subsection.

"Qualified education expense" means the amount incurred on behalf of a qualifying pupil in excess of $250 for tuition, book fees, and lab fees at the school in which the pupil is enrolled during the regular school year.

"School" means any public or nonpublic elementary or secondary school in Illinois that is in compliance with Title VI of the Civil Rights Act of 1964 and attendance at which satisfies the requirements of Section 26-1 of the School Code, except that nothing shall be construed to require a child to attend any particular public or nonpublic school to qualify for the credit under this Section.

"Custodian" means, with respect to qualifying pupils, an Illinois resident who is a parent, the parents, a legal guardian, or the legal guardians of the qualifying pupils.

(n) River Edge Redevelopment Zone site remediation tax credit.

(i) For tax years ending on or after December 31, 2006, a taxpayer shall be allowed a credit against the tax imposed by subsections (a) and (b) of this Section for
certain amounts paid for unreimbursed eligible remediation costs, as specified in this subsection. For purposes of this Section, "unreimbursed eligible remediation costs" means costs approved by the Illinois Environmental Protection Agency ("Agency") under Section 58.14a of the Environmental Protection Act that were paid in performing environmental remediation at a site within a River Edge Redevelopment Zone for which a No Further Remediation Letter was issued by the Agency and recorded under Section 58.10 of the Environmental Protection Act. The credit must be claimed for the taxable year in which Agency approval of the eligible remediation costs is granted. The credit is not available to any taxpayer if the taxpayer or any related party caused or contributed to, in any material respect, a release of regulated substances on, in, or under the site that was identified and addressed by the remedial action pursuant to the Site Remediation Program of the Environmental Protection Act. Determinations as to credit availability for purposes of this Section shall be made consistent with rules adopted by the Pollution Control Board pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act. For purposes of this Section, "taxpayer" includes a person whose tax attributes the taxpayer has succeeded to under Section 381 of the Internal Revenue Code and "related
party" includes the persons disallowed a deduction for losses by paragraphs (b), (c), and (f)(1) of Section 267 of the Internal Revenue Code by virtue of being a related taxpayer, as well as any of its partners. The credit allowed against the tax imposed by subsections (a) and (b) shall be equal to 25% of the unreimbursed eligible remediation costs in excess of $100,000 per site.

(ii) A credit allowed under this subsection that is unused in the year the credit is earned may be carried forward to each of the 5 taxable years following the year for which the credit is first earned until it is used. This credit shall be applied first to the earliest year for which there is a liability. If there is a credit under this subsection from more than one tax year that is available to offset a liability, the earliest credit arising under this subsection shall be applied first. A credit allowed under this subsection may be sold to a buyer as part of a sale of all or part of the remediation site for which the credit was granted. The purchaser of a remediation site and the tax credit shall succeed to the unused credit and remaining carry-forward period of the seller. To perfect the transfer, the assignor shall record the transfer in the chain of title for the site and provide written notice to the Director of the Illinois Department of Revenue of the assignor's intent to sell the remediation site and the amount of the tax credit to be transferred as a portion of
the sale. In no event may a credit be transferred to any taxpayer if the taxpayer or a related party would not be eligible under the provisions of subsection (i).

(iii) For purposes of this Section, the term "site" shall have the same meaning as under Section 58.2 of the Environmental Protection Act.

(o) For each of taxable years during the Compassionate Use of Medical Cannabis Program, a surcharge is imposed on all taxpayers on income arising from the sale or exchange of capital assets, depreciable business property, real property used in the trade or business, and Section 197 intangibles of an organization registrant under the Compassionate Use of Medical Cannabis Program Act. The amount of the surcharge is equal to the amount of federal income tax liability for the taxable year attributable to those sales and exchanges. The surcharge imposed does not apply if:

(1) the medical cannabis cultivation center registration, medical cannabis dispensary registration, or the property of a registration is transferred as a result of any of the following:

(A) bankruptcy, a receivership, or a debt adjustment initiated by or against the initial registration or the substantial owners of the initial registration;

(B) cancellation, revocation, or termination of any registration by the Illinois Department of Public
(C) a determination by the Illinois Department of Public Health that transfer of the registration is in the best interests of Illinois qualifying patients as defined by the Compassionate Use of Medical Cannabis Program Act;

(D) the death of an owner of the equity interest in a registrant;

(E) the acquisition of a controlling interest in the stock or substantially all of the assets of a publicly traded company;

(F) a transfer by a parent company to a wholly owned subsidiary; or

(G) the transfer or sale to or by one person to another person where both persons were initial owners of the registration when the registration was issued; or

(2) the cannabis cultivation center registration, medical cannabis dispensary registration, or the controlling interest in a registrant's property is transferred in a transaction to lineal descendants in which no gain or loss is recognized or as a result of a transaction in accordance with Section 351 of the Internal Revenue Code in which no gain or loss is recognized.

(Source: P.A. 100-22, eff. 7-6-17; 101-8, see Section 99 for effective date; 101-9, eff. 6-5-19; 101-31, eff. 6-28-19;
Section 90-30. The Retailers' Occupation Tax Act is amended by adding Section 5k-5 as follows:

(35 ILCS 120/5k-5 new)

Sec. 5k-5. Building materials exemption; Clean Energy Empowerment Zone. Each retailer who makes a sale of building materials to be incorporated into renewable energy projects in a Clean Energy Empowerment Zone established under the Energy Community Reinvestment Act may deduct receipts from such sales when calculating the tax imposed by this Act. A renewable energy enterprise or other entity shall not make tax-free purchases under this Section unless it has an active exemption certificate at the time of purchase, which shall be issued by the Department in a form prescribed by the Department. The Department shall adopt by rule all other requirements necessary for the implementation and operation of this Section.

Section 90-35. The School Code is amended by adding Section 2-3.182 as follows:

(105 ILCS 5/2-3.182 new)

Sec. 2-3.182. Clean energy jobs curriculum.

(a) The General Assembly recognizes that clean energy is a
growing and important sector of the State's economy and that significant job opportunity exists in the sector. Consistent with the Clean Jobs, Workforce and Contractor Equity Act, the Board shall participate in the development of the clean energy jobs curriculum convened by the Department of Commerce and Economic Opportunity. The Board shall identify and collaboratively with stakeholders identified by the Board develop curriculum based on anticipated clean energy job availability and growth including participation from stakeholders engaged in delivering existing clean energy jobs workforce development programs in Illinois, specifically those programs tailored to members of economically disadvantaged communities, members of environmental justice communities, communities of color, persons with a criminal record, persons who are or were in the child welfare system, displaced energy workers, and members of any of these groups who are also women or transgender persons, as well as including youth. Clean energy jobs considered shall be consistent with "clean energy jobs" as defined in the Clean Jobs, Workforce and Contractor Equity Act, including, but not limited to, solar photovoltaic, solar thermal, wind energy, energy efficiency, site assessment, sales, and back office.

(b) In the development of the clean energy jobs curriculum, the Board shall consider broad occupational training applicable to the general construction sector as well as sector-specific skills, including training on the
manufacture and installation of healthier building materials
that contain fewer hazardous chemicals.

(c) Consideration should be given to inclusion of skills
applicable to trainees for whom secondary and higher education
has not been available.

Section 90-40. The Public Utilities Act is amended by
changing Sections 2-107, 8-103B, 9-220.3, 9-227, 10-104,
16-107, 16-107.5, 16-107.6, 16-111.5, and 16-128B and by
adding Sections 4-604, 4-605, 8-104.1, 8-512, 9-222.1B,
16-105.17, 16-107.7, 16-107.8, 16-108, 16-108.5, 16-108.9,
16-108.18, 16-111.10, and 16-131 as follows:

(220 ILCS 5/2-107) (from Ch. 111 2/3, par. 2-107)

Sec. 2-107. The office of the Commission shall be in
Springfield, but the Commission may, with the approval of the
Governor, establish and maintain branch offices at places
other than the seat of government. Such office shall be open
for business between the hours of 8:30 a.m. and 5:00 p.m.
throughout the year, and one or more responsible persons to be
designated by the executive director shall be on duty at all
times in immediate charge thereof.

The Commission shall hold stated meetings at least once a
month and may hold such special meetings as it may deem
necessary at any place within the State. At each regular and
special meeting that is open to the public, members of the
public shall be afforded time, subject to reasonable constraints, to make comments to or to ask questions of the Commission. In any contested or rulemaking proceeding, at the request of any party or at least 5 members of the public, the Commission shall hold at least one public hearing, at a time and place accessible and convenient for affected customers to participate, where members of the public are invited to participate and present public comments in accordance with 2 Ill. Adm. Code 1700.10. The hearing must take place at least 30 days prior to the Commission's final order on the case.

The Commission shall provide a web site and a toll-free telephone number to accept comments from Illinois residents regarding any matter under the auspices of the Commission or before the Commission. The Commission staff shall report, in a manner established by the Commission that is consistent with the Commission's rules regarding ex parte communications, to the full Commission comments and suggestions received through both venues before all relevant votes of the Commission.

The Commission may, for the authentication of its records, process and proceedings, adopt, keep and use a common seal, of which seal judicial notice shall be taken in all courts of this State; and any process, notice, order or other paper which the Commission may be authorized by law to issue shall be deemed sufficient if signed and certified by the Chairman of the Commission or his or her designee, either by hand or by facsimile, and with such seal attached; and all acts, orders,
proceedings, rules, entries, minutes, schedules and records of
the Commission, and all reports and documents filed with the
Commission, may be proved in any court of this State by a copy
thereof, certified to by the Chairman of the Commission, with
the seal of the Commission attached.

Notwithstanding any other provision of this Section, the
Commission's established procedures for accepting testimony
from Illinois residents on matters pending before the
Commission shall be consistent with the Commission's rules
regarding ex parte communications and due process.
(Source: P.A. 95-127, eff. 8-13-07.)

(220 ILCS 5/4-604 new)

Sec. 4-604. Electric and natural gas public utilities
ethical conduct and transparency.

(a) It is the policy of this State that, as regulated,
monopoly entities providing essential services, public
utilities must adhere to the highest standards of ethical
conduct. Recent events have demonstrated that at least one
public utility in this State has not adhered to the standards
of conduct expected by the State, and as such, has failed to
ensure safe, reliable service for customers at reasonable,
affordable rates. The General Assembly finds this breach of
the public trust, which has resulted in unreasonable rates for
some public utility customers, to be exceptionally concerning.

(b) It is in the public interest to ensure ethical public
utility conduct of the highest standards. It is therefore necessary for the public interest, safety, and welfare of the State and of public utility customers to develop rigorous ethical standards with limitations on and heightened scrutiny of public utility actions, expenditures and contracting, and to provide increased transparency to ensure ethical public utility conduct. The standards set forth in this Section and in the Illinois Administrative Code rules implementing this Section shall apply, to the extent practicable, to electric and natural gas public utilities and their holding or parent companies, affiliates, and service companies. The Commission shall have the authority to create rules and emergency rules, where applicable, to effectuate this Section.

(c) Public Utility Ethics Inspector. To ensure public utilities meet the highest level of ethical standards, including, but not limited to, those standards described in this Section, the Commission shall, within 60 days after the effective date of this amendatory Act of the 102nd General Assembly, establish an Accountability Division at the Commission, and shall create a new position at the Commission of Public Utility Ethics Inspector whose responsibilities shall include:

(1) hire and oversee independent monitors, as described in subsection (d);

(2) oversee development and publication of annual ethics audits of electric and natural gas public utilities
by independent monitors:

(3) supervise each independent monitor's monitoring, auditing, investigation, enforcement, reporting, and disciplinary activities, in addition to any other actions required of the independent monitors. In the event an independent monitor or the Public Utility Ethics Inspector finds a public utility has not complied with the standards set forth in this Section, or with administrative rules implementing this Section, the Public Utility Ethics Inspector shall detail such deficiencies in a report to the Commission and shall include a recommendation for Commission action. The Public Utility Ethics Inspector shall report to the Executive Director of the Illinois Commerce Commission. The Public Utility Ethics Inspector shall have the authority to hire additional staff for the Accountability Division as deemed necessary to fulfill the duties of this Section.

(d) Independent monitors. Within 90 days after the employment of the Public Utility Ethics Inspector by the Commission, the Public Utility Ethics Inspector shall establish new positions at the Illinois Commerce Commission within the Accountability Division of independent monitors for each public utility in the State. The role of the independent monitors shall be to oversee electric and natural gas public utilities' compliance with the standards described in this Section, with 83 Illinois Administrative Code, and with any
other portion of the Code or any statutory obligation regarding standards of ethical conduct. The independent monitors may also have other duties as deemed appropriate by the Public Utility Ethics Inspector. Independent monitors shall:

(1) Work in coordination with the public utility's Chief Compliance and Ethics Officer, as described in subsection (e), to ensure the public utility complies with the standards of conduct described in this Section, in the Illinois Administrative Code, and any other applicable authority, through investigation, enforcement, reporting, and disciplinary activities.

(2) Document violations of the standards in this Section or in related sections of the Illinois Administrative Code and, in coordination with the utility's Chief Compliance and Ethics Officer, ensure appropriate internal disciplinary actions and transparent reporting to the Commission. In the event of violations of the standards in this Section or in related sections of the Illinois Administrative Code where the public utility does not take disciplinary action, or where that action is not aligned with the recommendation of the independent monitor, the independent monitor shall, within 30 days, report the violation, the independent monitor's recommended disciplinary action, and the public utility's actual disciplinary action, to the Public Utilities Ethics
Inspector, who shall, within 30 days, file a report with
the Commission describing the violation and related
recommendations.

(3) Recommend to the public utility any new internal
controls, policies, practices or procedures the public
utility should undertake in order to ensure compliance
with this Section and with related sections of the
Illinois Administrative Code.

(4) At least annually, the independent monitor for a
public utility shall publish an ethics audit to be filed
with the Commission. The ethics audit shall describe the
public utility's internal controls, policies, practices,
and procedures to comply with the standards in this
Section and in the Illinois Administrative Code, and shall
document all instances of noncompliance. If internal
disciplinary actions were taken related to ethical conduct
governed by this Section or related Illinois
Administrative Code, the report shall also describe the
conduct and the responsive disciplinary actions taken. The
independent monitor shall also describe any
recommendations the independent monitor has made to the
public utility regarding standards of ethics, and the
public utility's responses to those recommendations. The
report shall be made public and redactions shall be
limited to the maximum extent practicable. Only
information which is critical to system security shall be
redacted; information in which the public utility claims a business interest shall not be deemed confidential or redacted.

(e) Chief Compliance and Ethics Officers. Within 60 days after the effective date of this amendatory Act of the 102nd General Assembly, each public utility in the State shall establish a new position of Chief Compliance and Ethics Officer. The Chief Compliance and Ethics Officer shall be employed by the public utility but shall serve as a liaison between the public utility and the public utility's independent monitor. The Chief Compliance and Ethics Officer shall be responsible for ensuring the public utility complies with the highest standards of ethical conduct, including, but not limited to, complying with the standards described in this Section, in the Illinois Administrative Code, and in any other applicable authority. The Chief Compliance and Ethics Officer shall oversee the creation and implementation of training for every director, officer, employee, contractor, consultant, lobbyist, vendor, agent, and business partner of the public utility on applicable ethics guidelines. The Chief Compliance and Ethics Officer shall oversee the creation and implementation of a centralized reporting system for which every director, officer, employee, contractor, consultant, lobbyist, vendor, agent, and business partner shall have training and submission access. The reporting system shall, at minimum, be used to document every instance of communication.
with a public official or their staff, and shall be designed to ensure efficient review by the independent monitor for potential violations of the standards in this Section and in the Illinois Administrative Code. The Chief Compliance and Ethics Officer shall oversee the ongoing monitoring of all contractors, consultants or vendors who are contracted for the purpose of carrying out lobbying or other duties that involve interacting with public officials or their staff to ensure their continued compliance with the applicable ethical standards and to ensure they are providing value to the business.

The Chief Compliance and Ethics Officer shall establish at the public utility internal controls, codes, policies, procedures, practices, and reporting to comply with the standards in this Section and in the Illinois Administrative Code, including, but not limited to:

(i) A public utility shall ensure it has a system of financial and accounting procedures, internal controls, and practices reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts. This system should be designed to provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets.
(ii) A public utility shall conduct periodic risk assessments and shall enforce, amend, and implement new internal controls, policies, procedures and practices based on those assessments.

(iii) A public utility shall implement mechanisms designed to ensure that its compliance code, internal controls, policies and procedures are effectively communicated to all directors, officers, employees, contractors, consultants, lobbyists, vendors, agents and business partners.

(iv) A public utility shall ensure that its directors and senior management provide strong, explicit, and visible support and commitment to its corporate policy against violations of U.S. and state law.

(v) A public utility shall implement mechanisms designed to effectively enforce its compliance code, controls, policies, practices and procedures, including appropriately providing incentive for compliance and disciplining violations. Such procedures, controls, policies, and practices shall be applied consistently and fairly, regardless of the position held by, or the importance of, the director, officer, or employee.

(vi) A public utility shall implement procedures to ensure that, where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, including disciplinary action, reporting to
the Commission, and assessing and modifying as appropriate
the internal controls, code, policies, practices and
procedures necessary to ensure the compliance program is
effective.

The Chief Compliance and Ethics Officer shall be
responsible for reporting to the public utility's independent
monitor any conduct that is in violation of the standards set
forth in this Section or in violation of sections of the
Illinois Administrative Code implementing these rules and any
other authority governing the public utility's ethical
conduct, including disciplinary action taken in response. In
coordination with the public utility's independent monitor,
the Chief Compliance and Ethics Officer shall be responsible
for internal disciplinary actions at the public utility for
violations of such standards.

At least annually, the Chief Compliance and Ethics
Officer, in coordination with the independent monitor, shall
review the utility's internal controls, policies, practices
and procedures for their continued effectiveness to ensure the
highest standards of ethical conduct among the public
utility's directors, officers, employees, contractors,
consultants, lobbyists, vendors, agents and business partners.

(f) A public utility shall, within 90 days after this
amendatory act of the 102nd General Assembly, develop and
implement internal controls, policies, and procedures to
achieve the following objectives:
(i) No public utility may allow a contractor, consultant, or vendor who is contracted for the purpose of carrying out lobbying pursuant to the Lobbyist Registration Act or other duties that involve interacting with elected officials or their staff to subcontract any portion of that work.

(ii) Electric and natural gas public utilities shall require contractors, consultants, or vendors who are contracted for the purpose of carrying out lobbying pursuant to the Lobbyist Registration Act or other duties that involve interacting with public officials or their staff to provide detailed invoices and reports describing activities taken and amounts billed for such activities, including: 1) time spent; 2) amount charged for activity, if any; 3) all person(s) involved; 4) summary description of discussions or exchanges, oral, written, electronic, or otherwise; and 5) anything of value requested or solicited, or provided to public officials or their staff, including hiring requests. Such invoices and reports shall be entered into a database accessible by, at minimum, the Chief Compliance and Ethics Officer and the public utility's independent monitor. No contracts shall be paid without a detailed invoice. Where anything of value is requested, received, given, or exchanged with a public official or their staff, such invoice or report must be explicitly reviewed by the independent monitor and the
Chief Compliance and Ethics Officer within 45 days after
the activity. No invoice related to the request, receipt,
gift, or exchange of something of value shall be paid
until that review is complete and the activity is
determined to be in compliance with ethical standards.

(iii) The hiring of contractors, consultants or
vendors who are contracted for the purpose of carrying out
lobbying pursuant to the Lobbyist Registration Act or
other duties that involve interacting with public
officials or their staff shall be reviewed and approved by
the Chief Compliance and Ethics Officer. The Chief
Compliance and Ethics Officer shall not approve any
contract or engagement until it has found there are no
conflicts of interest related to public officials. The
Chief Compliance and Ethics Officer shall oversee annual
or more frequent audits of every contractor, consultant,
or vendor who is contracted for the purpose of carrying
out lobbying or other duties that involve interacting with
public officials or their staff for continued review of
potential conflicts of interest related to elected
officials. The Chief Compliance and Ethics Officer shall
ensure that every contractor, consultant and vendor is
providing value to the business and providing detailed
invoices describing work done pursuant to paragraph (ii)
subsection (f).

(iv) All requests for anything of value made to a
public utility or its directors, officers, employees, contractors, consultants, lobbyists, vendors, agents and business partners by a public official or their staff shall be recorded in a database accessible by the independent monitor and the Company's Chief Ethics and Compliance Officer within 2 business days after the request. No action may be taken in response to such a request until the request has been reviewed and approved by the independent monitor and the Chief Ethics and Compliance Officer.

(g) The Commission shall, within 60 days after the effective date of this Amendatory Act of the 102nd General Assembly, initiate an emergency rulemaking to add additional requirements to Title 83 of the Illinois Administrative Code to accomplish the following objectives:

(i) No director, officer, employee, contractor, consultant, lobbyist, vendor, agent, representative, or business partner of a public utility may meet privately with any Commissioner or employee of the Illinois Commerce Commission regarding any topic or issue anticipated to be the subject of a contested hearing within the next 365 days. Any such anticipated meetings shall be open to the public and communicated to consumer, community, and environmental advocates.

(ii) Communication between any director, officer, employee, contractor, consultant, lobbyist, vendor, agent,
representative, or business partner of a public utility and any Commissioner or employee of the Illinois Commerce Commission on a topic or issue anticipated to be the subject of a contested hearing within the next 365 days shall be reported in a publicly available central database.

(h) All reports from the Public Utilities Ethics Inspector to the Commission shall be made public and redactions shall be limited to the maximum extent practicable. Only information which is critical to system security shall be redacted; information in which the public utility claims a business interest shall not be deemed confidential or redacted. The Public Utilities Ethics Inspector shall establish a procedure for making unredacted reports available to interested stakeholders who establish good cause that receipt of an unredacted report is in the public interest.

Adoption and implementation of these emergency rules is deemed to be necessary for the public interest, safety, and welfare.

(i) Noncompliance. In the event the Public Utility Ethics Inspector finds a public utility does not comply with any portion of this Section, or with the rules effectuated by this Section, the Public Utility Ethics Inspector shall issue a Report to the Commission detailing the public utility's deficiencies. The Commission shall have authority to open an investigation and shall order remediation and penalties as
appropriate.

(j) Each year, each public utility in the State shall remit amounts necessary for the State to pay the wages, overhead, travel expenses, and other costs of that public utility's independent monitor as well as that public utility's proportional share, by number of customers, of the Public Utility Ethics Inspector's wages, overhead, travel expenses, and other costs. These expenses shall not be recoverable in rates.

(k) A public utility's costs of complying with these requirements, including wages and other operating expenses, shall not be recoverable in rates.

(l) Where a public utility is the subject of a federal or State criminal investigation, or where the Commission initiates an investigation against a public utility for any violation of the standards set forth in this Section or Illinois Administrative Rules implementing this Section, the utility's costs related to such investigation shall not be recoverable in rates.

(220 ILCS 5/4-605 new)

Sec. 4-605. Restitution for misconduct.

(a) It is the policy of this State that public utility ethical and criminal misconduct shall not be tolerated. The General Assembly finds it necessary to collect restitution, to be distributed as described in subsection (d), from a public
utility who has been found guilty of violations of criminal law or who has entered into a Deferred Prosecution Agreement that details violations of criminal law.

(b) In light of such violations, the Illinois Commerce Commission shall, within 150 days after the effective date of this amendatory Act of the 102nd General Assembly, initiate an investigation into amounts necessary to be refunded to customers to restore funds to the State and to ratepayers that were collected by the electric public utility Commonwealth Edison Company as a result of ethical misconduct. The investigation shall conclude no later than 270 days following initiation, and shall be conducted as a contested proceeding. The investigation shall calculate benefits received by the public utility that were instituted as a result of illegal and unethical conduct, as set forth in the Deferred Prosecution Agreement of July 16, 2020 between the United States Attorney for the Northern District of Illinois and Commonwealth Edison Company, for passage of the Energy Infrastructure Modernization Act of 2011. The amount shall be no less than the total return on equity recovered for investments in infrastructure made pursuant to paragraph (1) of subsection (b) of Section 16-108.5 of this Act.

(c) Pursuant to subsection (d), the investigation shall calculate a schedule for remittance to state funds and to ratepayers, over a period of no more than 4 years, to be paid by the public utility from profits, returns, or shareholder
dollars. No costs related to the investigation, restitution, or refunds may be recoverable through rates.

(d) Funds collected pursuant to this Section shall be repaid by the public utility in the following manner:

(1) 25% shall be contributed to expand the Percentage of Income Payment Program;

(2) 25%, or no less than $20 million annually, shall be contributed to the Energy Community Reinvestment Fund to support the Jobs and Environmental Justice Grant Program, as described in the Expanding Clean Energy Entrepreneurship Program of the Clean Jobs, Workforce and Contractor Equity Act; and

(3) the remaining percentage of funds collected shall be provided as a per-kilowatt-hour credit to the public utility's ratepayers.

(220 ILCS 5/8-103B)

Sec. 8-103B. Energy efficiency and demand-response measures.

(a) It is the policy of the State that electric utilities are required to use cost-effective energy efficiency and demand-response measures to reduce delivery load. Requiring investment in cost-effective energy efficiency and demand-response measures will reduce direct and indirect costs to consumers by decreasing environmental impacts and by avoiding or delaying the need for new generation,
transmission, and distribution infrastructure. It serves the public interest to allow electric utilities to recover costs for reasonably and prudently incurred expenditures for energy efficiency and demand-response measures. As used in this Section, "cost-effective" means that the measures satisfy the total resource cost test. The low-income measures described in subsection (c) of this Section shall not be required to meet the total resource cost test. For purposes of this Section, the terms "energy-efficiency", "demand-response", "electric utility", and "total resource cost test" have the meanings set forth in the Illinois Power Agency Act. "Black, indigenous, and people of color" and "BIPOC" means people who are members of the groups described in subparagraphs (a) through (e) of paragraph (A) of subsection (1) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act. "Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program," "Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator," "Returning Resident Clean Energy Training Program," and "Clean Energy Workforce Training Hubs Program" are as set forth in the Clean Jobs, Workforce and Contractor Equity Act.

(a-5) This Section applies to electric utilities serving more than 500,000 retail customers in the State for those multi-year plans commencing after December 31, 2017.

(b) For purposes of this Section, electric utilities
subject to this Section that serve more than 3,000,000 retail
customers in the State shall be deemed to have achieved a
cumulative persisting annual savings of 6.6% from energy
efficiency measures and programs implemented during the period
beginning January 1, 2012 and ending December 31, 2017, which
percent is based on the deemed average weather normalized
sales of electric power and energy during calendar years 2014,
2015, and 2016 of 88,000,000 MWhs. For the purposes of this
subsection (b) and subsection (b-5), the 88,000,000 MWhs of
deemed electric power and energy sales shall be reduced by the
number of MWhs equal to the sum of the annual consumption of
customers that are exempt from subsections (a) through (j) of
this Section under subsection (l) of this Section, as averaged
across the calendar years 2014, 2015, and 2016. After 2017,
the deemed value of cumulative persisting annual savings from
energy efficiency measures and programs implemented during the
period beginning January 1, 2012 and ending December 31, 2017,
shall be reduced each year, as follows, and the applicable
value shall be applied to and count toward the utility's
achievement of the cumulative persisting annual savings goals
set forth in subsection (b-5):

(1) 5.8% deemed cumulative persisting annual savings
for the year ending December 31, 2018;
(2) 5.2% deemed cumulative persisting annual savings
for the year ending December 31, 2019;
(3) 4.5% deemed cumulative persisting annual savings
for the year ending December 31, 2020;  
(4) 4.0% deemed cumulative persisting annual savings for the year ending December 31, 2021;  
(5) 3.5% deemed cumulative persisting annual savings for the year ending December 31, 2022;  
(6) 3.1% deemed cumulative persisting annual savings for the year ending December 31, 2023;  
(7) 2.8% deemed cumulative persisting annual savings for the year ending December 31, 2024;  
(8) 2.5% deemed cumulative persisting annual savings for the year ending December 31, 2025;  
(9) 2.3% deemed cumulative persisting annual savings for the year ending December 31, 2026;  
(10) 2.1% deemed cumulative persisting annual savings for the year ending December 31, 2027;  
(11) 1.8% deemed cumulative persisting annual savings for the year ending December 31, 2028;  
(12) 1.7% deemed cumulative persisting annual savings for the year ending December 31, 2029; and  
(13) 1.5% deemed cumulative persisting annual savings for the year ending December 31, 2030;  
(14) 1.3% deemed cumulative persisting annual savings for the year ending December 31, 2031;  
(15) 1.1% deemed cumulative persisting annual savings for the year ending December 31, 2032;  
(16) 0.9% deemed cumulative persisting annual savings
for the year ending December 31, 2033;
(17) 0.7% deemed cumulative persisting annual savings
for the year ending December 31, 2034;
(18) 0.5% deemed cumulative persisting annual savings
for the year ending December 31, 2035;
(19) 0.4% deemed cumulative persisting annual savings
for the year ending December 31, 2036;
(20) 0.3% deemed cumulative persisting annual savings
for the year ending December 31, 2037;
(21) 0.2% deemed cumulative persisting annual savings
for the year ending December 31, 2038;
(22) 0.1% deemed cumulative persisting annual savings
for the year ending December 31, 2039; and
(23) 0.0% deemed cumulative persisting annual savings
for the year ending December 31, 2040 and all subsequent
years.

For purposes of this Section, "cumulative persisting
annual savings" means the total electric energy savings in a
given year from measures installed in that year or in previous
years, but no earlier than January 1, 2012, that are still
operational and providing savings in that year because the
measures have not yet reached the end of their useful lives.

(b-5) Beginning in 2018, electric utilities subject to
this Section that serve more than 3,000,000 retail customers
in the State shall achieve the following cumulative persisting
annual savings goals, as modified by subsection (f) of this
Section and as compared to the deemed baseline of 88,000,000 MWhs of electric power and energy sales set forth in subsection (b), as reduced by the number of MWhs equal to the sum of the annual consumption of customers that are exempt from subsections (a) through (j) of this Section under subsection (l) of this Section as averaged across the calendar years 2014, 2015, and 2016, through the implementation of energy efficiency measures during the applicable year and in prior years, but no earlier than January 1, 2012:

(1) 7.8% cumulative persisting annual savings for the year ending December 31, 2018;
(2) 9.1% cumulative persisting annual savings for the year ending December 31, 2019;
(3) 10.4% cumulative persisting annual savings for the year ending December 31, 2020;
(4) 11.8% cumulative persisting annual savings for the year ending December 31, 2021;
(5) 13.1% cumulative persisting annual savings for the year ending December 31, 2022;
(6) 14.4% cumulative persisting annual savings for the year ending December 31, 2023;
(7) 15.7% cumulative persisting annual savings for the year ending December 31, 2024;
(8) 17% cumulative persisting annual savings for the year ending December 31, 2025;
(9) 17.9% cumulative persisting annual savings for the year ending December 31, 2026.
year ending December 31, 2026;

(10) 18.8% cumulative persisting annual savings for the year ending December 31, 2027;

(11) 19.7% cumulative persisting annual savings for the year ending December 31, 2028;

(12) 20.6% cumulative persisting annual savings for the year ending December 31, 2029; and

(13) 21.5% cumulative persisting annual savings for the year ending December 31, 2030.

No later than December 31, 2021, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2031 through 2035. No later than December 31, 2024, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2036 through 2040. The Commission shall also establish additional cumulative persisting annual savings goals every 5 years thereafter to ensure utilities always have goals that extend at least 11 years into the future. The cumulative persisting annual savings goals beyond the year 2030 shall increase by 0.9 percentage points per year, absent a Commission decision to initiate a proceeding to consider establishing goals that increase by more or less than that amount. Such a proceeding must be conducted in accordance with the procedures described in subsection (f) of this Section. If such a proceeding is initiated, the cumulative persisting annual savings goals established by the Commission through
that proceeding shall reflect the Commission's best estimate of the maximum amount of additional savings that are forecast to be cost-effectively achievable unless such best estimates would result in goals that represent less than 0.5 percentage point annual increases in total cumulative persisting annual savings. The Commission may only establish goals that represent less than 0.5 percentage point annual increases in cumulative persisting annual savings if it can demonstrate, based on clear and convincing evidence and through independent analysis, that 0.5 percentage point increases are not cost-effectively achievable. The Commission shall inform its decision based on an energy efficiency potential study that conforms to the requirements of subsection (f-5) of this Section.

(b-10) For purposes of this Section, electric utilities subject to this Section that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall be deemed to have achieved a cumulative persisting annual savings of 6.6% from energy efficiency measures and programs implemented during the period beginning January 1, 2012 and ending December 31, 2017, which is based on the deemed average weather normalized sales of electric power and energy during calendar years 2014, 2015, and 2016 of 36,900,000 MWhs. For the purposes of this subsection (b-10) and subsection (b-15), the 36,900,000 MWhs of deemed electric power and energy sales shall be reduced by the number of MWhs equal to
the sum of the annual consumption of customers that are exempt
from subsections (a) through (j) of this Section under
subsection (l) of this Section, as averaged across the
calendar years 2014, 2015, and 2016. After 2017, the deemed
value of cumulative persisting annual savings from energy
efficiency measures and programs implemented during the period
beginning January 1, 2012 and ending December 31, 2017, shall
be reduced each year, as follows, and the applicable value
shall be applied to and count toward the utility's achievement
of the cumulative persisting annual savings goals set forth in
subsection (b-15):

(1) 5.8% deemed cumulative persisting annual savings
    for the year ending December 31, 2018;
(2) 5.2% deemed cumulative persisting annual savings
    for the year ending December 31, 2019;
(3) 4.5% deemed cumulative persisting annual savings
    for the year ending December 31, 2020;
(4) 4.0% deemed cumulative persisting annual savings
    for the year ending December 31, 2021;
(5) 3.5% deemed cumulative persisting annual savings
    for the year ending December 31, 2022;
(6) 3.1% deemed cumulative persisting annual savings
    for the year ending December 31, 2023;
(7) 2.8% deemed cumulative persisting annual savings
    for the year ending December 31, 2024;
(8) 2.5% deemed cumulative persisting annual savings
for the year ending December 31, 2025;
   (9) 2.3% deemed cumulative persisting annual savings
for the year ending December 31, 2026;
   (10) 2.1% deemed cumulative persisting annual savings
for the year ending December 31, 2027;
   (11) 1.8% deemed cumulative persisting annual savings
for the year ending December 31, 2028;
   (12) 1.7% deemed cumulative persisting annual savings
for the year ending December 31, 2029; and
   (13) 1.5% deemed cumulative persisting annual savings
for the year ending December 31, 2030;
   (14) 1.3% deemed cumulative persisting annual savings
for the year ending December 31, 2031;
   (15) 1.1% deemed cumulative persisting annual savings
for the year ending December 31, 2032;
   (16) 0.9% deemed cumulative persisting annual savings
for the year ending December 31, 2033;
   (17) 0.7% deemed cumulative persisting annual savings
for the year ending December 31, 2034;
   (18) 0.5% deemed cumulative persisting annual savings
for the year ending December 31, 2035;
   (19) 0.4% deemed cumulative persisting annual savings
for the year ending December 31, 2036;
   (20) 0.3% deemed cumulative persisting annual savings
for the year ending December 31, 2037;
   (21) 0.2% deemed cumulative persisting annual savings
for the year ending December 31, 2038;

(22) 0.1% deemed cumulative persisting annual savings
for the year ending December 31, 2039; and

(23) 0.0% deemed cumulative persisting annual savings
for the year ending December 31, 2040 and all subsequent
years.

(b-15) Beginning in 2018, electric utilities subject to
this Section that serve less than 3,000,000 retail customers
but more than 500,000 retail customers in the State shall
achieve the following cumulative persisting annual savings
goals, as modified by subsection (b-20) and subsection (f) of
this Section and as compared to the deemed baseline as reduced
by the number of MWhs equal to the sum of the annual
consumption of customers that are exempt from subsections (a)
through (j) of this Section under subsection (l) of this
Section as averaged across the calendar years 2014, 2015, and
2016, through the implementation of energy efficiency measures
during the applicable year and in prior years, but no earlier
than January 1, 2012:

(1) 7.4% cumulative persisting annual savings for the
year ending December 31, 2018;

(2) 8.2% cumulative persisting annual savings for the
year ending December 31, 2019;

(3) 9.0% cumulative persisting annual savings for the
year ending December 31, 2020;

(4) 9.8% cumulative persisting annual savings for the
year ending December 31, 2021;
(5) 10.6% cumulative persisting annual savings for the year ending December 31, 2022;
(6) 11.4% cumulative persisting annual savings for the year ending December 31, 2023;
(7) 12.2% cumulative persisting annual savings for the year ending December 31, 2024;
(8) 13% cumulative persisting annual savings for the year ending December 31, 2025;
(9) 13.6% cumulative persisting annual savings for the year ending December 31, 2026;
(10) 14.2% cumulative persisting annual savings for the year ending December 31, 2027;
(11) 14.8% cumulative persisting annual savings for the year ending December 31, 2028;
(12) 15.4% cumulative persisting annual savings for the year ending December 31, 2029; and
(13) 16% cumulative persisting annual savings for the year ending December 31, 2030.

No later than December 31, 2021, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2031 through 2035. No later than December 31, 2024, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2036 through 2040. The Commission shall also establish additional cumulative persisting annual savings
goals every 5 years thereafter to ensure utilities always have
goals that extend at least 11 years into the future. The
cumulative persisting annual savings goals beyond the year
2030 shall increase by 0.6 percentage points per year, absent
a Commission decision to initiate a proceeding to consider
establishing goals that increase by more or less than that
amount. Such a proceeding must be conducted in accordance with
the procedures described in subsection (f) of this Section. If
such a proceeding is initiated, the cumulative persisting
annual savings goals established by the Commission through
that proceeding shall reflect the Commission's best estimate
of the maximum amount of additional savings that are forecast
to be cost-effectively achievable unless such best estimates
would result in goals that represent less than 0.4 percentage
point annual increases in total cumulative persisting annual
savings. The Commission may only establish goals that
represent less than 0.4 percentage point annual increases in
cumulative persisting annual savings if it can demonstrate,
based on clear and convincing evidence and through independent
analysis, that 0.4 percentage point increases are not
cost-effectively achievable. The Commission shall inform its
decision based on an energy efficiency potential study that
conforms to the requirements of subsection (f-5) of this
Section.

The difference between the cumulative persisting annual
savings goal for the applicable calendar year and the
cumulative persisting annual savings goal for the immediately preceding calendar year is 0.8% for the period of January 1, 2018 through December 31, 2025 and 0.6% for the period of January 1, 2026 through December 31, 2030.

(b-20) Each electric utility subject to this Section may include cost-effective voltage optimization measures in its plans submitted under subsections (f) and (g) of this Section, and the costs incurred by a utility to implement the measures under a Commission-approved plan shall be recovered under the provisions of Article IX or Section 16-108.5 of this Act. For purposes of this Section, the measure life of voltage optimization measures shall be 15 years. The measure life period is independent of the depreciation rate of the voltage optimization assets deployed. Utilities may claim savings from voltage optimization on circuits for more than 15 years if they can demonstrate that they have made additional investments necessary to enable voltage optimization savings to continue beyond 15 years. Such demonstrations must be subject to the review of independent evaluation.

Within 270 days after June 1, 2017 (the effective date of Public Act 99-906), an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall file a plan with the Commission that identifies the cost-effective voltage optimization investment the electric utility plans to undertake through December 31, 2024. The Commission, after notice and hearing,
shall approve or approve with modification the plan within 120
days after the plan's filing and, in the order approving or
approving with modification the plan, the Commission shall
adjust the applicable cumulative persisting annual savings
goals set forth in subsection (b-15) to reflect any amount of
cost-effective energy savings approved by the Commission that
is greater than or less than the following cumulative
persisting annual savings values attributable to voltage
optimization for the applicable year:

(1) 0.0% of cumulative persisting annual savings for
the year ending December 31, 2018;

(2) 0.17% of cumulative persisting annual savings for
the year ending December 31, 2019;

(3) 0.17% of cumulative persisting annual savings for
the year ending December 31, 2020;

(4) 0.33% of cumulative persisting annual savings for
the year ending December 31, 2021;

(5) 0.5% of cumulative persisting annual savings for
the year ending December 31, 2022;

(6) 0.67% of cumulative persisting annual savings for
the year ending December 31, 2023;

(7) 0.83% of cumulative persisting annual savings for
the year ending December 31, 2024; and

(8) 1.0% of cumulative persisting annual savings for
the year ending December 31, 2025 and all subsequent
years.
In the event an electric utility jointly offers an energy efficiency measure or program with a gas utility under plans approved under this Section and Section 8-104 of this Act, the electric utility may continue offering the program, including the gas energy efficiency measures, in the event the gas utility discontinues funding the program. In that event, the energy savings value associated with such other fuels shall be converted to electric energy savings on an equivalent Btu basis for the premises. However, the electric utility shall prioritize programs for low-income residential customers to the extent practicable. An electric utility may recover the costs of offering the gas energy efficiency measures under this subsection (b-25).

For those energy efficiency measures or programs that save both electricity and other fuels but are not jointly offered with a gas utility under plans approved under this Section and Section 8-104 or not offered with an affiliated gas utility under paragraph (6) of subsection (f) of Section 8-104 of this Act, the electric utility may count savings of fuels other than electricity toward the achievement of its annual savings goal, and the energy savings value associated with such other fuels shall be converted to electric energy savings on an equivalent Btu basis at the premises.

In no event shall more than 10% of each year's applicable annual savings requirement incremental goal as defined in paragraph (7.5) of subsection (g) of this Section be met
through savings of fuels other than electricity.

(b-27) Beginning in 2022, an electric utility may offer and promote measures that electrify space heating, water heating, cooling, drying, cooking, industrial processes, and other building and industrial end uses that would otherwise be served by combustion of fossil fuel at the premises, provided that the electrification measures reduce total energy consumption at the premises. The electric utility may count the reduction in energy consumption at the premises toward achievement of its annual savings goals. The reduction in energy consumption at the premises shall be calculated as the difference between: (A) the reduction in Btu consumption of fossil fuels as a result of electrification, converted to kilowatt-hour equivalents by dividing by 3,412 Btu's per kilowatt hour; and (B) the increase in kilowatt hours of electricity consumption resulting from the displacement of fossil fuel consumption as a result of electrification. An electric utility may recover the costs of offering and promoting electrification measures under this subsection (b-27).

In no event shall electrification savings counted toward each year’s applicable annual total savings requirement, as defined in paragraph (7.5) of subsection (g) of this Section, be greater than:

(1) 5% per year for each year from 2022 through 2025;

(2) 10% per year for each year from 2026 through 2029;
and

(3) 15% per year for 2030 and all subsequent years.

In addition, a minimum of 25% of all electrification savings counted toward a utility's applicable annual total savings requirement must be from electrification of end uses in low-income housing. The limitations on electrification savings that may be counted toward a utility's annual savings goals are separate from and in addition to the subsection (b-25) limitations governing the counting of the other fuel savings resulting from efficiency measures and programs.

As part of the annual informational filing to the Commission that is required under paragraph (9) of subsection (g) of this Section, each utility shall identify the specific electrification measures offered under this subjection (b-27); the quantity of each electrification measure that was installed by its customers; the average total cost, average utility cost, average reduction in fossil fuel consumption, and average increase in electricity consumption associated with each electrification measure; the portion of installations of each electrification measure that were in low-income single-family housing, low-income multifamily housing, non-low-income single-family housing, non-low-income multifamily housing, commercial buildings, and industrial facilities; and the quantity of savings associated with each measure category in each customer category that are being counted toward the utility's applicable annual total savings
requirement.

(c) Electric utilities shall be responsible for overseeing the design, development, and filing of energy efficiency plans with the Commission and may, as part of that implementation, outsource various aspects of program development and implementation. A minimum of 10%, for electric utilities that serve more than 3,000,000 retail customers in the State, and a minimum of 7%, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, of the utility's entire portfolio funding level for a given year shall be used to procure cost-effective energy efficiency measures from units of local government, municipal corporations, school districts, public housing, and community college districts, and buildings owned by nonprofit organizations, provided that a minimum percentage of available funds shall be used to procure energy efficiency from public housing, which percentage shall be equal to public housing's share of public building energy consumption.

The utilities shall also implement energy efficiency measures targeted at low-income households, which, for purposes of this Section, shall be defined as households at or below 80% of area median income, and expenditures to implement the measures shall be no less than $40,000,000 $25,000,000 per year for electric utilities that serve more than 3,000,000 retail customers in the State and no less than $13,000,000 $8,350,000 per year for electric utilities that serve less
than 3,000,000 retail customers but more than 500,000 retail
customers in the State. The ratio of spending on efficiency
programs targeted at low-income multifamily buildings to
spending on efficiency programs targeted at low-income
single-family buildings shall be designed to achieve levels of
savings from each building type that are approximately
proportional to the magnitude of cost-effective lifetime
savings potential in each building type.

The utilities shall work to bundle low-income energy
efficiency offerings with other programs that serve low-income
households to maximize the benefits going to these households.
The utilities shall market and implement low-income energy
efficiency programs in coordination with low-income assistance
programs, Solar for All, and weatherization whenever
practicable. The program implementer shall walk the customer
through the enrollment process for any programs for which the
customer is eligible. The utilities shall also pilot targeting
customers with high arrearages, high energy intensity (ratio
of energy usage divided by home or unit square footage), or
energy assistance programs with energy efficiency offerings,
and then track reduction in arrearages as a result of the
targeting. This targeting and bundling of low-income energy
programs shall be offered to both low-income single-family and
multifamily customers (owners and residents).

The utilities shall also implement a health and safety
fund of a minimum of 0.5% of the total portfolio budget, for
electric utilities that serve more than 3,000,000 retail customers in the State, and a minimum of 0.5% of the total portfolio budget, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, of the utility's entire portfolio funding level for a given year, that shall be used for the purpose of making grants for technical assistance, construction, reconstruction, improvement, or repair of buildings to facilitate their participation in the energy efficiency programs targeted at low-income single-family and multifamily households. These funds may also be used for the purpose of making grants for technical assistance, construction, reconstruction, improvement, or repair of the following buildings to facilitate their participation in the energy efficiency programs created by this Section: (1) buildings that are owned or operated by registered 501(c)(3) public charities; and (2) day care centers, day care homes, or group day care homes, as defined under 89 Ill. Adm. Code Part 406, 407, or 408, respectively. Utilities shall also ensure that thermal insulating materials used for energy efficiency programs targeted at low-income single-family and multifamily households do not contain any substance that is a Category 1 respiratory sensitizer as defined by Appendix A to 29 CFR 1910.1200 (Health Hazard Criteria: A.4 Respiratory or Skin Sensitization) that was intentionally added or is present at greater than 0.1% (1000 ppm) by weight in the product.
Each electric utility shall assess opportunities to implement cost-effective energy efficiency measures and programs through a public housing authority or authorities located in its service territory. If such opportunities are identified, the utility shall propose such measures and programs to address the opportunities. Expenditures to address such opportunities shall be credited toward the minimum procurement and expenditure requirements set forth in this subsection (c).

Implementation of energy efficiency measures and programs targeted at low-income households should be contracted, when it is practicable, to independent third parties that have demonstrated capabilities to serve such households, with a preference for not-for-profit entities and government agencies that have existing relationships with or experience serving low-income communities in the State.

Each electric utility shall develop and implement reporting procedures that address and assist in determining the amount of energy savings that can be applied to the low-income procurement and expenditure requirements set forth in this subsection (c). Each electric utility shall also track the types and quantities or volumes of insulation and air sealing materials, and their associated energy saving benefits, installed in energy efficiency programs targeted at low-income single-family and multifamily households.

The electric utilities shall participate in also convene a
low-income energy efficiency accountability advisory committee ("the committee"), which will directly inform to assist in the design, implementation, and evaluation of the low-income and public-housing energy efficiency programs. The committee shall be comprised of the electric utilities subject to the requirements of this Section, the gas utilities subject to the requirements of Section 8-104.1 8-104 of this Act, the utilities' low-income energy efficiency implementation contractors, nonprofit organizations, community action agencies, advocacy groups, State and local governmental agencies, public-housing organizations, and representatives of community-based organizations, especially those living in or working with environmental justice communities and BIPOC communities. The committee shall be composed of 2 geographically differentiated subcommittees: one for stakeholders in northern Illinois and one for stakeholders in central and southern Illinois. The subcommittees shall meet together at least twice per year.

There shall be one statewide leadership committee led by and composed of community-based organizations that are representative of BIPOC and environmental justice communities and that includes equitable representation from BIPOC communities. The leadership committee shall be composed of an equal number of representatives from the 2 subcommittees. The subcommittees shall address specific programs and issues, with the leadership committee convening targeted workgroups as
needed. The leadership committee may elect to work with an independent facilitator to solicit and organize feedback, recommendations and meeting participation from a wide variety of community-based stakeholders. If a facilitator is used, they shall be fair and responsive to the needs of all stakeholders involved in the committee.

All committee meetings must be accessible, with rotating locations if meetings are held in-person, virtual participation options, and materials and agendas circulated well in advance.

There shall also be opportunities for direct input by committee members outside of committee meetings, such as via individual meetings, surveys, emails and calls, to ensure robust participation by stakeholders with limited capacity and ability to attend committee meetings. Committee meetings shall emphasize opportunities to bundle and coordinate delivery of low-income energy efficiency with other programs that serve low-income communities, such as Solar for All and bill payment assistance programs. Meetings shall include educational opportunities for stakeholders to learn more about these additional offerings, and the committee shall assist in figuring out the best methods for coordinated delivery and implementation of offerings when serving low-income communities. The committee shall directly and equitably influence and inform utility low-income and public-housing energy efficiency programs and priorities. Participating
utilities shall implement recommendations from the committee whenever possible.

Participating utilities shall track and report how input from the committee has led to new approaches and changes in their energy efficiency portfolios. This reporting shall occur at committee meetings and in quarterly energy efficiency reports to the Stakeholder Advisory Group and Illinois Commerce Commission, and other relevant reporting mechanisms. Participating utilities shall also report on relevant equity data and metrics requested by the committee, such as energy burden data, geographic, racial, and other relevant demographic data on where programs are being delivered and what populations programs are serving.

The Illinois Commerce Commission shall oversee and have relevant staff participate in the committee. The committee shall have a budget of 0.25% of each utility's entire efficiency portfolio funding for a given year. The budget shall be overseen by the Commission. The budget shall be used to provide grants for community-based organizations serving on the leadership committee, stipends for community-based organizations participating in the committee, grants for community-based organizations to do energy efficiency outreach and education, and relevant meeting needs as determined by the leadership committee. The education and outreach shall include, but is not limited to, basic energy efficiency education, information about low-income energy efficiency.
programs, and information on the committee's purpose, structure, and activities.

(d) Notwithstanding any other provision of law to the contrary, a utility providing approved energy efficiency measures and, if applicable, demand-response measures in the State shall be permitted to recover all reasonable and prudently incurred costs of those measures from all retail customers, except as provided in subsection (l) of this Section, as follows, provided that nothing in this subsection permits the double recovery of such costs from customers:

(1) The utility may recover its costs through an automatic adjustment clause tariff filed with and approved by the Commission. The tariff shall be established outside the context of a general rate case. Each year the Commission shall initiate a review to reconcile any amounts collected with the actual costs and to determine the required adjustment to the annual tariff factor to match annual expenditures. To enable the financing of the incremental capital expenditures, including regulatory assets, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, the utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital structure shall be deemed reasonable and used to set rates.
(2) A utility may recover its costs through an energy efficiency formula rate approved by the Commission under a filing under subsections (f) and (g) of this Section, which shall specify the cost components that form the basis of the rate charged to customers with sufficient specificity to operate in a standardized manner and be updated annually with transparent information that reflects the utility's actual costs to be recovered during the applicable rate year, which is the period beginning with the first billing day of January and extending through the last billing day of the following December. The energy efficiency formula rate shall be implemented through a tariff filed with the Commission under subsections (f) and (g) of this Section that is consistent with the provisions of this paragraph (2) and that shall be applicable to all delivery services customers. The Commission shall conduct an investigation of the tariff in a manner consistent with the provisions of this paragraph (2), subsections (f) and (g) of this Section, and the provisions of Article IX of this Act to the extent they do not conflict with this paragraph (2). The energy efficiency formula rate approved by the Commission shall remain in effect at the discretion of the utility and shall do the following:

(A) Provide for the recovery of the utility's actual costs incurred under this Section that are
prudently incurred and reasonable in amount consistent with Commission practice and law. The sole fact that a cost differs from that incurred in a prior calendar year or that an investment is different from that made in a prior calendar year shall not imply the imprudence or unreasonableness of that cost or investment.

(B) Reflect the utility's actual year-end capital structure for the applicable calendar year, excluding goodwill, subject to a determination of prudence and reasonableness consistent with Commission practice and law. To enable the financing of the incremental capital expenditures, including regulatory assets, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, a participating electric utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital structure shall be deemed reasonable and used to set rates.

(C) Include a cost of equity, which shall be calculated as the sum of the following:

(i) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15
Statistical Release or successor publication; and

(ii) 580 basis points.

At such time as the Board of Governors of the Federal Reserve System ceases to include the monthly average yields of 30-year U.S. Treasury bonds in its weekly H.15 Statistical Release or successor publication, the monthly average yields of the U.S. Treasury bonds then having the longest duration published by the Board of Governors in its weekly H.15 Statistical Release or successor publication shall instead be used for purposes of this paragraph (2).

(D) Permit and set forth protocols, subject to a determination of prudence and reasonableness consistent with Commission practice and law, for the following:

(i) recovery of incentive compensation expense that is based on the achievement of operational metrics, including metrics related to budget controls, outage duration and frequency, safety, customer service, efficiency and productivity, and environmental compliance; however, this protocol shall not apply if such expense related to costs incurred under this Section is recovered under Article IX or Section 16-108.5 of this Act; incentive compensation expense that is based on net income or an affiliate's earnings per share
shall not be recoverable under the energy efficiency formula rate;

(ii) recovery of pension and other post-employment benefits expense, provided that such costs are supported by an actuarial study; however, this protocol shall not apply if such expense related to costs incurred under this Section is recovered under Article IX or Section 16-108.5 of this Act;

(iii) recovery of existing regulatory assets over the periods previously authorized by the Commission;

(iv) as described in subsection (e), amortization of costs incurred under this Section; and

(v) projected, weather normalized billing determinants for the applicable rate year.

(E) Provide for an annual reconciliation, as described in paragraph (3) of this subsection (d), less any deferred taxes related to the reconciliation, with interest at an annual rate of return equal to the utility's weighted average cost of capital, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return, of the energy efficiency revenue requirement reflected in rates for
each calendar year, beginning with the calendar year
in which the utility files its energy efficiency
formula rate tariff under this paragraph (2), with
what the revenue requirement would have been had the
actual cost information for the applicable calendar
year been available at the filing date.

The utility shall file, together with its tariff, the
projected costs to be incurred by the utility during the
rate year under the utility's multi-year plan approved
under subsections (f) and (g) of this Section, including,
but not limited to, the projected capital investment costs
and projected regulatory asset balances with
correspondingly updated depreciation and amortization
reserves and expense, that shall populate the energy
efficiency formula rate and set the initial rates under
the formula.

The Commission shall review the proposed tariff in
conjunction with its review of a proposed multi-year plan,
as specified in paragraph (5) of subsection (g) of this
Section. The review shall be based on the same evidentiary
standards, including, but not limited to, those concerning
the prudence and reasonableness of the costs incurred by
the utility, the Commission applies in a hearing to review
a filing for a general increase in rates under Article IX
of this Act. The initial rates shall take effect beginning
with the January monthly billing period following the
The tariff's rate design and cost allocation across customer classes shall be consistent with the utility's automatic adjustment clause tariff in effect on June 1, 2017 (the effective date of Public Act 99-906); however, the Commission may revise the tariff's rate design and cost allocation in subsequent proceedings under paragraph (3) of this subsection (d).

If the energy efficiency formula rate is terminated, the then current rates shall remain in effect until such time as the energy efficiency costs are incorporated into new rates that are set under this subsection (d) or Article IX of this Act, subject to retroactive rate adjustment, with interest, to reconcile rates charged with actual costs.

(3) The provisions of this paragraph (3) shall only apply to an electric utility that has elected to file an energy efficiency formula rate under paragraph (2) of this subsection (d). Subsequent to the Commission's issuance of an order approving the utility's energy efficiency formula rate structure and protocols, and initial rates under paragraph (2) of this subsection (d), the utility shall file, on or before June 1 of each year, with the Chief Clerk of the Commission its updated cost inputs to the energy efficiency formula rate for the applicable rate year and the corresponding new charges, as well as the
information described in paragraph (9) of subsection (g) of this Section. Each such filing shall conform to the following requirements and include the following information:

(A) The inputs to the energy efficiency formula rate for the applicable rate year shall be based on the projected costs to be incurred by the utility during the rate year under the utility's multi-year plan approved under subsections (f) and (g) of this Section, including, but not limited to, projected capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense. The filing shall also include a reconciliation of the energy efficiency revenue requirement that was in effect for the prior rate year (as set by the cost inputs for the prior rate year) with the actual revenue requirement for the prior rate year (determined using a year-end rate base) that uses amounts reflected in the applicable FERC Form 1 that reports the actual costs for the prior rate year. Any over-collection or under-collection indicated by such reconciliation shall be reflected as a credit against, or recovered as an additional charge to, respectively, with interest calculated at a rate equal to the utility's weighted average cost of capital approved by
the Commission for the prior rate year, the charges for the applicable rate year. Such over-collection or under-collection shall be adjusted to remove any deferred taxes related to the reconciliation, for purposes of calculating interest at an annual rate of return equal to the utility's weighted average cost of capital approved by the Commission for the prior rate year, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return. Each reconciliation shall be certified by the participating utility in the same manner that FERC Form 1 is certified. The filing shall also include the charge or credit, if any, resulting from the calculation required by subparagraph (E) of paragraph (2) of this subsection (d).

Notwithstanding any other provision of law to the contrary, the intent of the reconciliation is to ultimately reconcile both the revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its energy efficiency formula rate tariff under paragraph (2) of this subsection (d), with what the revenue requirement determined using a year-end rate base for the applicable calendar year would have been had the actual cost information for the applicable calendar
year been available at the filing date.

For purposes of this Section, "FERC Form 1" means the Annual Report of Major Electric Utilities, Licensees and Others that electric utilities are required to file with the Federal Energy Regulatory Commission under the Federal Power Act, Sections 3, 4(a), 304 and 209, modified as necessary to be consistent with 83 Ill. Admin. Code Part 415 as of May 1, 2011. Nothing in this Section is intended to allow costs that are not otherwise recoverable to be recoverable by virtue of inclusion in FERC Form 1.

(B) The new charges shall take effect beginning on the first billing day of the following January billing period and remain in effect through the last billing day of the next December billing period regardless of whether the Commission enters upon a hearing under this paragraph (3).

(C) The filing shall include relevant and necessary data and documentation for the applicable rate year. Normalization adjustments shall not be required.

Within 45 days after the utility files its annual update of cost inputs to the energy efficiency formula rate, the Commission shall with reasonable notice, initiate a proceeding concerning whether the projected costs to be incurred by the utility and recovered during
the applicable rate year, and that are reflected in the inputs to the energy efficiency formula rate, are consistent with the utility's approved multi-year plan under subsections (f) and (g) of this Section and whether the costs incurred by the utility during the prior rate year were prudent and reasonable. The Commission shall also have the authority to investigate the information and data described in paragraph (9) of subsection (g) of this Section, including the proposed adjustment to the utility's return on equity component of its weighted average cost of capital. During the course of the proceeding, each objection shall be stated with particularity and evidence provided in support thereof, after which the utility shall have the opportunity to rebut the evidence. Discovery shall be allowed consistent with the Commission's Rules of Practice, which Rules of Practice shall be enforced by the Commission or the assigned administrative law judge. The Commission shall apply the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, during the proceeding as it would apply in a proceeding to review a filing for a general increase in rates under Article IX of this Act. The Commission shall not, however, have the authority in a proceeding under this paragraph (3) to consider or order any changes to the structure or
protocols of the energy efficiency formula rate approved under paragraph (2) of this subsection (d). In a proceeding under this paragraph (3), the Commission shall enter its order no later than the earlier of 195 days after the utility's filing of its annual update of cost inputs to the energy efficiency formula rate or December 15. The utility's proposed return on equity calculation, as described in paragraphs (7) through (9) of subsection (g) of this Section, shall be deemed the final, approved calculation on December 15 of the year in which it is filed unless the Commission enters an order on or before December 15, after notice and hearing, that modifies such calculation consistent with this Section. The Commission's determinations of the prudence and reasonableness of the costs incurred, and determination of such return on equity calculation, for the applicable calendar year shall be final upon entry of the Commission's order and shall not be subject to reopening, reexamination, or collateral attack in any other Commission proceeding, case, docket, order, rule, or regulation; however, nothing in this paragraph (3) shall prohibit a party from petitioning the Commission to rehear or appeal to the courts the order under the provisions of this Act.

(e) Beginning on June 1, 2017 (the effective date of Public Act 99-906), a utility subject to the requirements of this Section may elect to defer, as a regulatory asset, up to
the full amount of its expenditures incurred under this Section for each annual period, including, but not limited to, any expenditures incurred above the funding level set by subsection (f) of this Section for a given year. The total expenditures deferred as a regulatory asset in a given year shall be amortized and recovered over a period that is equal to the weighted average of the energy efficiency measure lives implemented for that year that are reflected in the regulatory asset. The unamortized balance shall be recognized as of December 31 for a given year. The utility shall also earn a return on the total of the unamortized balances of all of the energy efficiency regulatory assets, less any deferred taxes related to those unamortized balances, at an annual rate equal to the utility's weighted average cost of capital that includes, based on a year-end capital structure, the utility's actual cost of debt for the applicable calendar year and a cost of equity, which shall be calculated as the sum of the (i) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication; and (ii) 580 basis points, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return. Capital investment costs shall be depreciated and recovered over their useful lives consistent with generally accepted
accounting principles. The weighted average cost of capital shall be applied to the capital investment cost balance, less any accumulated depreciation and accumulated deferred income taxes, as of December 31 for a given year.

When an electric utility creates a regulatory asset under the provisions of this Section, the costs are recovered over a period during which customers also receive a benefit which is in the public interest. Accordingly, it is the intent of the General Assembly that an electric utility that elects to create a regulatory asset under the provisions of this Section shall recover all of the associated costs as set forth in this Section. After the Commission has approved the prudence and reasonableness of the costs that comprise the regulatory asset, the electric utility shall be permitted to recover all such costs, and the value and recoverability through rates of the associated regulatory asset shall not be limited, altered, impaired, or reduced.

(f) Beginning in 2017, each electric utility shall file an energy efficiency plan with the Commission to meet the energy efficiency standards for the next applicable multi-year period beginning January 1 of the year following the filing, according to the schedule set forth in paragraphs (1) through (3) of this subsection (f). If a utility does not file such a plan on or before the applicable filing deadline for the plan, it shall face a penalty of $100,000 per day until the plan is filed.
(1) No later than 30 days after June 1, 2017 (the effective date of Public Act 99-906), each electric utility shall file a 4-year energy efficiency plan commencing on January 1, 2018 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (1) through (4) of subsection (b-5) of this Section or in paragraphs (1) through (4) of subsection (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if the utility's expenditures are limited pursuant to subsection (m) of this Section or, for a utility that serves less than 3,000,000 retail customers, if each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate that achievement of such goals is not cost effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of
cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

(2) No later than March 1, 2021, each electric utility shall file a 4-year energy efficiency plan commencing on January 1, 2022 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (5) through (8) of subsection (b-5) of this Section or in paragraphs (5) through (8) of subsection (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if either (1) clear and convincing evidence demonstrates, through independent analysis, that the expenditure limits in subsection (m) of this Section preclude full achievement of the goals or (2) the utility's expenditures are limited pursuant to subsection (m) of this Section or, each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate by clear and convincing evidence and through independent analysis that achievement of such goals is not cost effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan.
filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. If there is any significant uncertainty regarding whether achieving the savings goals specified in paragraph (b-5) or (b-15) of this Section is possible both cost-effectively and within the expenditure limits in subsection (m), such savings goals shall not be reduced. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan, taking into account the results of the potential study required by subsection (f-5) of this Section.

(3) No later than March 1, 2025, each electric utility shall file a 4-year 5-year energy efficiency plan commencing on January 1, 2026 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (9) through (12) (13) of subsection (b-5) of this Section or in paragraphs (9) through (12) (13) of subsection (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the
goals may be reduced if either (1) clear and convincing evidence demonstrates, through independent analysis, that the expenditure limits in subsection (m) of this Section preclude full achievement of the goals or (2) the utility's expenditures are limited pursuant to subsection (m) of this Section or, each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate by clear and convincing evidence and through independent analysis that achievement of such goals is not cost effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year 5-year plan period. If there is any significant uncertainty regarding whether achieving the savings goals specified in paragraphs (b-5) or (b-15) of this Section is possible both cost-effectively and within the expenditure limits in subsection (m), such savings goals shall not be reduced. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year 5-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings
that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan, taking into account the results of the potential study required by subsection (f-5) of this Section.

(4) No later than March 1, 2029, and every 4 years thereafter, each electric utility shall file a 4-year energy efficiency plan commencing on January 1, 2030, and every 4 years thereafter, respectively, that is designed to achieve the cumulative persisting annual savings goals established by the Illinois Commerce Commission pursuant to direction of subsections (b-5) and (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if either (1) clear and convincing evidence and independent analysis demonstrates that the expenditure limits in subsection (m) of this Section preclude full achievement of the goals or (2) each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate by clear and convincing evidence and through independent analysis that achievement of such goals is not cost-effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have
been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. If there is any significant uncertainty regarding whether achieving the savings goals specified in paragraphs (b-5) or (b-15) of this Section is possible both cost-effectively and within the expenditure limits in subsection (m), such savings goals shall not be reduced. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

Each utility's plan shall set forth the utility's proposals to meet the energy efficiency standards identified in subsection (b-5) or (b-15), as applicable and as such standards may have been modified under this subsection (f), taking into account the unique circumstances of the utility's service territory and results of an energy efficiency potential study as described in subsection (f-5) of this Section. For those plans commencing on January 1, 2018, the Commission shall seek public comment on the utility's plan and
shall issue an order approving or disapproving each plan no later than 105 days after June 1, 2017 (the effective date of Public Act 99-906). For those plans commencing after December 31, 2021, the Commission shall seek public comment on the utility's plan and shall issue an order approving or disapproving each plan within 6 months after its submission. If the Commission disapproves a plan, the Commission shall, within 30 days, describe in detail the reasons for the disapproval and describe a path by which the utility may file a revised draft of the plan to address the Commission's concerns satisfactorily. If the utility does not refile with the Commission within 60 days, the utility shall be subject to penalties at a rate of $100,000 per day until the plan is filed. This process shall continue, and penalties shall accrue, until the utility has successfully filed a portfolio of energy efficiency and demand-response measures. Penalties shall be deposited into the Energy Efficiency Trust Fund.

   (f-5) Energy efficiency potential study. An energy efficiency potential study shall be commissioned and overseen by the Illinois Commerce Commission. The potential study shall be a dual fuel study, addressing both gas and electric efficiency potential, such that the requirements both in this subsection (f-5) and in subsection (j-5) of Section 8-104.1 are met in an integrated and cost-efficient manner. The potential study shall be reviewed as part of the approval of a utility's plan filed pursuant to subsection (f) of this
Section. The potential study shall be designed and conducted with input from a Potential Study Stakeholder Committee established by the Commission. This Committee shall be composed of representatives from each electric utility, the Illinois Attorney General's office, at least 2 environmental stakeholders, at least one community-based organization, and additional parties representing consumers. The Committee shall provide input, at a minimum, into the scope of work for the studies, the selection of vendors to perform the studies in accordance with appropriate confidentiality and conflict of interest provisions, and draft work products. The Committee shall make best efforts to achieve consensus on the key elements of the potential study, including:

(i) savings potential from efficiency measures and program concepts that are known at the time of the study;

(ii) likely emergence of new technology or new program concepts that could emerge;

(iii) likely savings potential from efficiency measures that may be unique to individual industries or individual facilities; and

(iv) the experience of other similar utilities, areas and jurisdictions in maximizing achievement of cost-effective savings.

When the Committee is not able to reach consensus, the Commission shall make the final decision.

(g) In submitting proposed plans and funding levels under
subsection (f) of this Section to meet the savings goals identified in subsection (b-5) or (b-15) of this Section, as applicable, the utility shall:

(1) Demonstrate that its proposed energy efficiency measures will achieve the applicable requirements that are identified in subsection (b-5) or (b-15) of this Section, as modified by subsection (f) of this Section.

(2) (Blank). Present specific proposals to implement new building and appliance standards that have been placed into effect.

(2.5) Demonstrate consideration of program options for (A) advancing new building codes, appliance standards, and municipal regulations governing existing and new building efficiency improvements and (B) supporting efforts to improve compliance with new building codes, appliance standards and municipal regulations, as potentially cost-effective means of acquiring energy savings to count toward savings goals.

(3) Demonstrate that its overall portfolio of measures, not including low-income programs described in subsection (c) of this Section, is cost-effective using the total resource cost test or complies with paragraphs (1) through (3) of subsection (f) of this Section and represents a diverse cross-section of opportunities for customers of all rate classes, other than those customers described in subsection (l) of this Section, to
participate in the programs. Individual measures need not be cost effective.

(3.5) Demonstrate that the utility's plan integrates the delivery of energy efficiency programs with natural gas efficiency programs, programs promoting distributed solar, programs promoting demand response and other efforts to address bill payment issues, including, but not limited to, LIHEAP and the Percentage of Income Payment Plan, to the extent such integration is practical and has the potential to enhance customer engagement, minimize market confusion, or reduce administrative costs.

(4) Present a third-party energy efficiency implementation program subject to the following requirements:

(A) beginning with the year commencing January 1, 2019, electric utilities that serve more than 3,000,000 retail customers in the State shall fund third-party energy efficiency programs in an amount that is no less than $25,000,000 per year, and electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall fund third-party energy efficiency programs in an amount that is no less than $8,350,000 per year;

(B) during 2018, the utility shall conduct a solicitation process for purposes of requesting
proposals from third-party vendors for those third-party energy efficiency programs to be offered during one or more of the years commencing January 1, 2019, January 1, 2020, and January 1, 2021; for those multi-year plans commencing on January 1, 2022 and January 1, 2026, the utility shall conduct a solicitation process during 2021 and 2025, respectively, for purposes of requesting proposals from third-party vendors for those third-party energy efficiency programs to be offered during one or more years of the respective multi-year plan period; for each solicitation process, the utility shall identify the sector, technology, or geographical area for which it is seeking requests for proposals; the solicitation process must be either for programs that fill gaps in the utility's program portfolio or for programs that target business sectors, building types, geographies, or other specific parts of its customer base with initiatives that would be more effective at reaching these customer segments than the utilities' programs filed in its energy efficiency plans;

(C) the utility shall propose the bidder qualifications, performance measurement process, and contract structure, which must include a performance payment mechanism and general terms and conditions; the proposed qualifications, process, and structure
shall be subject to Commission approval; and

    (D) the utility shall retain an independent third
party to score the proposals received through the
solicitation process described in this paragraph (4),
rank them according to their cost per lifetime
kilowatt-hours saved, and assemble the portfolio of
third-party programs.

The electric utility shall recover all costs
associated with Commission-approved, third-party
administered programs regardless of the success of those
programs.

(4.5) Implement cost-effective demand-response
measures to reduce peak demand by 0.1% over the prior year
for eligible retail customers, as defined in Section
16-111.5 of this Act, and for customers that elect hourly
service from the utility pursuant to Section 16-107 of
this Act, provided those customers have not been declared
competitive. This requirement continues until December 31,
2026.

(5) Include a proposed or revised cost-recovery tariff
mechanism, as provided for under subsection (d) of this
Section, to fund the proposed energy efficiency and
demand-response measures and to ensure the recovery of the
prudently and reasonably incurred costs of
Commission-approved programs.

(6) Provide for an annual independent evaluation of
the performance of the cost-effectiveness of the utility's portfolio of measures, as well as a full review of the multi-year plan results of the broader net program impacts and, to the extent practical, for adjustment of the measures on a going-forward basis as a result of the evaluations. The resources dedicated to evaluation shall not exceed 3% of portfolio resources in any given year.

(7) For electric utilities that serve more than 3,000,000 retail customers in the State:

(A) Through December 31, 2025, provide for an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section:

(i) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is less than the applicable annual incremental goal, then the return on equity component shall be reduced by a maximum of 200 basis points in the event that the utility achieved no more than 75% of such goal. If the utility achieved more than 75% of the applicable annual incremental goal but less than 100% of such goal, then the return on equity component shall be reduced by 8 basis points for each percent by which the utility failed to achieve the goal.

(ii) If the independent evaluator determines
that the utility achieved a cumulative persisting annual savings that is more than the applicable annual incremental goal, then the return on equity component shall be increased by a maximum of 200 basis points in the event that the utility achieved at least 125% of such goal. If the utility achieved more than 100% of the applicable annual incremental goal but less than 125% of such goal, then the return on equity component shall be increased by 8 basis points for each percent by which the utility achieved above the goal. If the applicable annual incremental goal was reduced under paragraphs (1) or (2) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in this item (ii):

(aa) the calculation for determining achievement that is at least 125% of the applicable annual incremental goal shall use the unreduced applicable annual incremental goal to set the value; and

(bb) the calculation for determining achievement that is less than 125% but more than 100% of the applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100%
achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 8 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% achievement.

(B) For the period January 1, 2026 through December 31, 2029 and in all subsequent 4-year periods 2030, provide for an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section:

(i) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is less than the applicable annual incremental goal, then the return on equity component shall be reduced by a maximum of 200 basis points in the event that the utility achieved no more than 66% of such goal. If the utility achieved more than 66% of the applicable annual incremental goal but less than 100% of such goal, then the return on equity component shall be reduced by 6 basis points for each percent by which the utility failed to achieve the goal.

(ii) If the independent evaluator determines
that the utility achieved a cumulative persisting annual savings that is more than the applicable annual incremental goal, then the return on equity component shall be increased by a maximum of 200 basis points in the event that the utility achieved at least 134% of such goal. If the utility achieved more than 100% of the applicable annual incremental goal but less than 134% of such goal, then the return on equity component shall be increased by 6 basis points for each percent by which the utility achieved above the goal. If the applicable annual incremental goal was reduced under paragraph (3) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in this item (ii):

(aa) the calculation for determining achievement that is at least 134% of the applicable annual incremental goal shall use the unreduced applicable annual incremental goal to set the value; and

(bb) the calculation for determining achievement that is less than 134% but more than 100% of the applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100%
achievement of the goal and shall use the unreduced goal to set the value for 134% achievement. The 6 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 134% achievement.

(C) Notwithstanding the provisions of subparagraphs (A) and (B) of this paragraph (7), if the applicable annual incremental goal for an electric utility is ever less than 0.6% of deemed average weather normalized sales of electric power and energy during calendar years 2014, 2015, and 2016, an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section shall be made as follows:

(i) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is less than would have been achieved had the applicable annual incremental goal been achieved, then the return on equity component shall be reduced by a maximum of 200 basis points if the utility achieved no more than 75% of its applicable annual total savings requirement as defined in paragraph (7.5) of this
subsection. If the utility achieved more than 75% of the applicable annual total savings requirement but less than 100% of such goal, then the return on equity component shall be reduced by 8 basis points for each percent by which the utility failed to achieve the goal.

(ii) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is more than would have been achieved had the applicable annual incremental goal been achieved, then the return on equity component shall be increased by a maximum of 200 basis points if the utility achieved at least 125% of its applicable annual total savings requirement. If the utility achieved more than 100% of the applicable annual total savings requirement but less than 125% of such goal, then the return on equity component shall be increased by 8 basis points for each percent by which the utility achieved above the applicable annual total savings requirement. If the applicable annual incremental goal was reduced under paragraphs (1) or (2) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in this item (ii):

(aa) the calculation for determining
achievement that is at least 125% of the applicable annual total savings requirement shall use the unreduced applicable annual incremental goal to set the value; and

(bb) the calculation for determining achievement that is less than 125% but more than 100% of the applicable annual total savings requirement shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 8 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% achievement.

(7.5) For purposes of this Section, the term "applicable annual incremental goal" means the difference between the cumulative persisting annual savings goal for the calendar year that is the subject of the independent evaluator's determination and the cumulative persisting annual savings goal for the immediately preceding calendar year, as such goals are defined in subsections (b-5) and (b-15) of this Section and as these goals may have been modified as provided for under subsection (b-20) and paragraphs (1) through (3) of subsection (f) of this
Section. Under subsections (b), (b-5), (b-10), and (b-15) of this Section, a utility must first replace energy savings from measures that have expired or reached the end of their measure lives and would otherwise have to be replaced to meet the applicable savings goals identified in subsection (b-5) or (b-15) of this Section before any progress towards achievement of its applicable annual incremental goal may be counted. Savings may expire because measures installed in previous years have reached the end of their lives, because measures installed in previous years are producing lower savings in the current year than in the previous year, or for other reasons identified by independent evaluators. Notwithstanding anything else set forth in this Section, the difference between the actual annual incremental savings achieved in any given year, including the replacement of energy savings from measures that have expired, and the applicable annual incremental goal shall not affect adjustments to the return on equity for subsequent calendar years under this subsection (g).

In this Section, "applicable annual total savings requirement" means the total amount of new annual savings that the utility must achieve in any given year to achieve the applicable annual incremental goal. This is equal to the applicable annual incremental goal plus the total new annual savings that are required to replace savings that
expired in or at the end of the previous year.

(8) For electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State:

(A) Through December 31, 2025, the applicable annual incremental goal shall be compared to the annual incremental savings as determined by the independent evaluator.

(i) The return on equity component shall be reduced by 8 basis points for each percent by which the utility did not achieve 84.4% of the applicable annual incremental goal.

(ii) The return on equity component shall be increased by 8 basis points for each percent by which the utility exceeded 100% of the applicable annual incremental goal.

(iii) The return on equity component shall not be increased or decreased if the annual incremental savings as determined by the independent evaluator is greater than 84.4% of the applicable annual incremental goal and less than 100% of the applicable annual incremental goal.

(iv) The return on equity component shall not be increased or decreased by an amount greater than 200 basis points pursuant to this subparagraph (A).
(B) For the period of January 1, 2026 through December 31, 2029 and in all subsequent 4-year periods 2030, the applicable annual incremental goal shall be compared to the annual incremental savings as determined by the independent evaluator.

(i) The return on equity component shall be reduced by 6 basis points for each percent by which the utility did not achieve 100% of the applicable annual incremental goal.

(ii) The return on equity component shall be increased by 6 basis points for each percent by which the utility exceeded 100% of the applicable annual incremental goal.

(iii) The return on equity component shall not be increased or decreased by an amount greater than 200 basis points pursuant to this subparagraph (B).

(C) Notwithstanding provisions in subparagraphs (A) and (B) of paragraph (7) of this subsection, if the applicable annual incremental goal for an electric utility is ever less than 0.6% of deemed average weather normalized sales of electric power and energy during calendar years 2014, 2015 and 2016, an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section shall be made as
follows:

(i) The return on equity component shall be reduced by 8 basis points for each percent by which the utility did not achieve 100% of the applicable annual total savings requirement.

(ii) The return on equity component shall be increased by 8 basis points for each percent by which the utility exceeded 100% of the applicable annual total savings requirement.

(iii) The return on equity component shall not be increased or decreased by an amount greater than 200 basis points pursuant to this subparagraph (C).

(D) (C) If the applicable annual incremental goal was reduced under paragraphs (1), (2), (3), or (4) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in subparagraphs (A), and (B), and (C) of this paragraph (8):

(i) The calculation for determining achievement that is at least 125% or 134%, as applicable, of the applicable annual incremental goal or the applicable annual total savings requirement, as applicable, shall use the unreduced applicable annual incremental goal to set the value.
(ii) For the period through December 31, 2025, the calculation for determining achievement that is less than 125% but more than 100% of the applicable annual incremental goal or the applicable annual total savings requirement, as applicable, shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 8 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% achievement.

(iii) For the period of January 1, 2026 through December 31, 2029 and all subsequent 4-year periods, the calculation for determining achievement that is less than 125% or 134%, as applicable, but more than 100% of the applicable annual incremental goal or the applicable annual total savings requirement, as applicable, shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 6 or 8 basis point values, as applicable, shall also be modified, as
necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% or between 100% and 134% achievement, as applicable. For determining achievement that is less than 134% but more than 100% of the applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 6 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 134% achievement.

(9) The utility shall submit the energy savings data to the independent evaluator no later than 30 days after the close of the plan year. The independent evaluator shall determine the cumulative persisting annual savings for a given plan year, as well as an estimate of job impacts and other macroeconomic impacts of the efficiency programs for that year, no later than 120 days after the close of the plan year. The utility shall submit an informational filing to the Commission no later than 160 days after the close of the plan year that attaches the independent evaluator's final report identifying the
cumulative persisting annual savings for the year and calculates, under paragraph (7) or (8) of this subsection (g), as applicable, any resulting change to the utility's return on equity component of the weighted average cost of capital applicable to the next plan year beginning with the January monthly billing period and extending through the December monthly billing period. However, if the utility recovers the costs incurred under this Section under paragraphs (2) and (3) of subsection (d) of this Section, then the utility shall not be required to submit such informational filing, and shall instead submit the information that would otherwise be included in the informational filing as part of its filing under paragraph (3) of such subsection (d) that is due on or before June 1 of each year.

For those utilities that must submit the informational filing, the Commission may, on its own motion or by petition, initiate an investigation of such filing, provided, however, that the utility's proposed return on equity calculation shall be deemed the final, approved calculation on December 15 of the year in which it is filed unless the Commission enters an order on or before December 15, after notice and hearing, that modifies such calculation consistent with this Section.

The adjustments to the return on equity component described in paragraphs (7) and (8) of this subsection (g)
shall be applied as described in such paragraphs through a separate tariff mechanism, which shall be filed by the utility under subsections (f) and (g) of this Section.

(9.5) The utility must demonstrate how it will ensure that program implementation contractors and energy efficiency installation vendors will meet multiple workforce equity building criteria, including, but not limited to:

(i) Ensuring that an amount of program portfolio incentive funding proportional to the population of BIPOC persons within the utility's territory, as updated every 2 years, is administered or installed by energy efficiency installation vendors who meet one of the following criteria:

(aa) certified under Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act; or

(bb) certified by another municipal, state, federal, or other certification for disadvantaged businesses; or

(cc) submit an affidavit showing that the vendor meets the eligibility criteria for a certification program such as those in subdivision (aa) or (bb); or

(dd) if the vendor is a nonprofit, meet any of the criteria in subdivision (aa), (bb), or (cc) or
is controlled by a board of directors that consists of 51% or greater individuals who are minorities, women, or persons with a disability as defined by the Business Enterprise for Minorities, Women, and Persons with a Disability Act.

(ii) Ensuring that program implementation contractors and energy efficiency installation vendors pay employees working on energy efficiency programs at or above the prevailing wage rate when such a wage rate has been published by the Illinois Department of Labor and pay employees working on energy efficiency programs at or above the median wage rate for a similar job description in the nearest metropolitan area when there is no applicable published prevailing wage rate. If necessary, utilities may conduct surveys to establish the median wage rate for a given job description. Utilities shall establish reporting procedures for vendors that ensure compliance with this subsection, but are structured to avoid, wherever possible, placing an undue administrative burden on vendors.

(iii) Ensuring that program implementation contractor employees and energy efficiency installation vendor employees are proportional to the population of BIPOC persons, within the utility's territory, as updated every 2 years.
(iv) Ensuring that 30% or more of the energy efficiency installation vendor employees working for vendors reporting to each program implementation contractor are graduates of or trainees in the Clean Energy Workforce Training Hubs programs, Returning Residents Clean Jobs training programs, or similar programs offering equivalent certifications.

(v) Ensuring that vendors who are very small businesses of 5 or fewer full-time employees, businesses that have completed or are participating in the Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program, and businesses that have completed or are participating in the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator, receive a substantial portion of program portfolio funding. Utility plans to achieve this shall include efforts to provide the necessary training and administrative support needed for very small businesses to meet utility-mandated training, certification, insurance, and security-related contract requirements.

(9.6) Utilities shall collect data necessary to ensure compliance with paragraph (9.5) no less than quarterly and shall communicate progress toward compliance with paragraph (9.5) to program implementation contractors and energy efficiency installation vendors no less than
quarterly. When it seems unlikely that the criteria in paragraph (9.5) will be met, utilities shall work with relevant vendors, providing education, training, and other resources needed to ensure compliance and, where necessary, adjusting or terminating work with vendors that cannot assist with compliance.

(10) Utilities required to implement efficiency programs under subsections (b-5) and (b-10) shall report annually to the Illinois Commerce Commission and the General Assembly on how hiring, contracting, job training, and other practices related to its energy efficiency programs enhance the diversity of vendors working on such programs. These reports must include data on vendor and employee diversity, including data on the implementation of paragraphs (9.5) and (9.6). If the utility is not meeting the requirements of paragraphs (9.5) and (9.6), the utility shall submit a plan to adjust their activities so that they meet the requirements of paragraphs (9.5) and (9.6) within the following year.

(h) No more than 6% of energy efficiency and demand-response program revenue may be allocated for research, development, or pilot deployment of new equipment or measures.

(i) When practicable, electric utilities shall incorporate advanced metering infrastructure data into the planning, implementation, and evaluation of energy efficiency measures and programs, subject to the data privacy and confidentiality
protections of applicable law.

(j) The independent evaluator shall follow the guidelines and use the savings set forth in Commission-approved energy efficiency policy manuals and technical reference manuals, as each may be updated from time to time. Until such time as measure life values for energy efficiency measures implemented for low-income households under subsection (c) of this Section are incorporated into such Commission-approved manuals, the low-income measures shall have the same measure life values that are established for same measures implemented in households that are not low-income households.

(k) Notwithstanding any provision of law to the contrary, an electric utility subject to the requirements of this Section may file a tariff cancelling an automatic adjustment clause tariff in effect under this Section or Section 8-103, which shall take effect no later than one business day after the date such tariff is filed. Thereafter, the utility shall be authorized to defer and recover its expenditures incurred under this Section through a new tariff authorized under subsection (d) of this Section or in the utility's next rate case under Article IX or Section 16-108.5 of this Act, with interest at an annual rate equal to the utility's weighted average cost of capital as approved by the Commission in such case. If the utility elects to file a new tariff under subsection (d) of this Section, the utility may file the tariff within 10 days after June 1, 2017 (the effective date of
Public Act 99-906), and the cost inputs to such tariff shall be based on the projected costs to be incurred by the utility during the calendar year in which the new tariff is filed and that were not recovered under the tariff that was cancelled as provided for in this subsection. Such costs shall include those incurred or to be incurred by the utility under its multi-year plan approved under subsections (f) and (g) of this Section, including, but not limited to, projected capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense. The Commission shall, after notice and hearing, approve, or approve with modification, such tariff and cost inputs no later than 75 days after the utility filed the tariff, provided that such approval, or approval with modification, shall be consistent with the provisions of this Section to the extent they do not conflict with this subsection (k). The tariff approved by the Commission shall take effect no later than 5 days after the Commission enters its order approving the tariff.

No later than 60 days after the effective date of the tariff cancelling the utility's automatic adjustment clause tariff, the utility shall file a reconciliation that reconciles the moneys collected under its automatic adjustment clause tariff with the costs incurred during the period beginning June 1, 2016 and ending on the date that the electric utility's automatic adjustment clause tariff was cancelled. In
the event the reconciliation reflects an under-collection, the utility shall recover the costs as specified in this subsection (k). If the reconciliation reflects an over-collection, the utility shall apply the amount of such over-collection as a one-time credit to retail customers' bills.

(l) (Blank). For the calendar years covered by a multi-year plan commencing after December 31, 2017, subsections (a) through (j) of this Section do not apply to any retail customers of an electric utility that serves more than 3,000,000 retail customers in the State and whose total highest 30 minute demand was more than 10,000 kilowatts, or any retail customers of an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State and whose total highest 15 minute demand was more than 10,000 kilowatts. For purposes of this subsection (l), "retail customer" has the meaning set forth in Section 16-102 of this Act. A determination of whether this subsection is applicable to a customer shall be made for each multi-year plan beginning after December 31, 2017. The criteria for determining whether this subsection (l) is applicable to a retail customer shall be based on the 12 consecutive billing periods prior to the start of the first year of each such multi-year plan.

(m) Notwithstanding the requirements of this Section, as part of a proceeding to approve a multi-year plan under
subsections (f) and (g) of this Section if the multi-year plan
has been designed to maximize savings, but does not meet the
cost cap limitations of this subsection, the Commission shall
reduce the amount of energy efficiency measures implemented
for any single year, and whose costs are recovered under
subsection (d) of this Section, by an amount necessary to
limit the estimated average net increase due to the cost of the
measures to no more than

(1) 3.5% for each of the 4 years beginning January 1, 2018,

(2) (blank), 3.75% for each of the 4 years beginning
January 1, 2022, and

(3) 4% for each of the 4 ½ years beginning January 1, 2022 2026,

(4) 4.25% for the 4 years beginning January 1, 2026, and

(5) 4.25% plus an increase sufficient to account for
the rate of inflation between January 1, 2026 and January
1 of the first year of each subsequent 4-year plan cycle,
of the average amount paid per kilowatthour by residential
eligible retail customers during calendar year 2015. An
electric utility may plan to spend up to 10% more in any year
during an applicable multi-year plan period to
cost-effectively achieve additional savings so long as the
average over the applicable multi-year plan period does not
exceed the percentages defined in items (1) through (5). To
determine the total amount that may be spent by an electric utility in any single year, the applicable percentage of the average amount paid per kilowatthour shall be multiplied by the total amount of energy delivered by such electric utility in the calendar year 2015, adjusted to reflect the proportion of the utility's load attributable to customers who are exempt from subsections (a) through (j) of this Section under subsection (l) of this Section. For purposes of this subsection (m), the amount paid per kilowatthour includes, without limitation, estimated amounts paid for supply, transmission, distribution, surcharges, and add-on taxes. For purposes of this Section, "eligible retail customers" shall have the meaning set forth in Section 16-111.5 of this Act. Once the Commission has approved a plan under subsections (f) and (g) of this Section, no subsequent rate impact determinations shall be made.

(Source: P.A. 100-840, eff. 8-13-18; 101-81, eff. 7-12-19.)

(220 ILCS 5/8-104.1 new)

Sec. 8-104.1. Gas utilities; annual savings goals.

(a) It is the policy of the State that gas utilities are required to use cost-effective energy efficiency to reduce delivery load. Requiring investment in cost-effective energy efficiency will reduce direct and indirect costs to consumers by decreasing environmental impacts and by reducing the amount of natural gas that needs to be purchased and avoiding or
delaying the need for new transmission, distribution, storage
and other related infrastructure. It serves the public
interest to allow gas utilities to recover costs for
reasonably and prudently incurred expenditures for energy
efficiency measures.

(b) In this Section:

"Cost-effective" means that the measures satisfy the total
resource cost test that, for purposes of this Section, means a
standard that is met if, for an investment in energy
efficiency, the benefit-cost ratio is greater than one. The
benefit-cost ratio is the ratio of the net present value of the
total benefits of the measures to the net present value of the
total costs as calculated over the lifetime of the measures.
The total resource cost test compares the sum of avoided
natural gas utility costs, representing the benefits that
accrue to the natural gas system and the participant in the
delivery of those efficiency measures and including avoided
costs associated with the use of electricity or other fuels,
avoided cost associated with reduced water consumption, and
avoided costs associated with reduced operation and
maintenance costs, as well as other quantifiable societal
benefits, to the sum of all incremental costs of end-use
measures (including both utility and participant
contributions), plus costs to administer, deliver, and
evaluate each demand-side measure, to quantify the net savings
obtained by substituting demand-side measures for supply
resources. In calculating avoided costs, reasonable estimates shall be included for financial costs likely to be imposed by future regulation of emissions of greenhouse gases. In discounting future societal costs and benefits for the purpose of calculating net present values, a societal discount rate based on actual, long-term Treasury bond yields shall be used. The low-income measures described in subsection (f) of this Section shall not be required to meet the total resource cost test.

"Cumulative persisting annual savings" means the total gas energy savings in a given year from measures installed in that year or in previous years, but no earlier than January 1, 2022, that are still operational and providing savings in that year because the measures have not yet reached the end of their useful lives.

"Energy efficiency" means measures that reduce the amount of energy required to achieve a given end use. "Energy efficiency" also includes measures that reduce the total Btus of electricity and natural gas needed to meet the end use or uses. "Black, indigenous, and people of color" and "BIPOC" means people who are members of the groups described in subparagraphs (a) through (e) of paragraph (A) of subsection (1) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act. "Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program," "Clean Energy Black, Indigenous, and People of Color
Primes Contractor Accelerator," "Returning Resident Clean Energy Training Program," and "Clean Energy Workforce Training Hubs Program" are as set forth in the Clean Jobs, Workforce and Contractor Equity Act.

(c) This Section applies to all gas distribution utilities in the State for those multi-year plans that include energy efficiency programs commencing after December 31, 2022.

(d) Beginning in 2023, gas utilities subject to this Section shall achieve the following cumulative persisting annual savings goals, as compared to a deemed baseline equivalent to the utility's average annual therm throughput in 2016 through 2020 through the implementation of energy efficiency measures during the applicable year and in prior years, but no earlier than January 1, 2023:

(1) 1.2% cumulative persisting annual savings for the year ending December 31, 2023;

(2) 2.1% cumulative persisting annual savings for the year ending December 31, 2024;

(3) 3.0% cumulative persisting annual savings for the year ending December 31, 2025;

(4) 3.9% cumulative persisting annual savings for the year ending December 31, 2026;

(5) 4.8% cumulative persisting annual savings for the year ending December 31, 2027;

(6) 5.7% cumulative persisting annual savings for the year ending December 31, 2028;
(7) 6.6% cumulative persisting annual savings for the year ending December 31, 2029;

(8) 7.4% cumulative persisting annual savings for the year ending December 31, 2030;

(9) 8.2% cumulative persisting annual savings for the year ending December 31, 2031;

(10) 9.0% cumulative persisting annual savings for the year ending December 31, 2032;

(11) 9.8% cumulative persisting annual savings for the year ending December 31, 2033;

(12) 10.6% cumulative persisting annual savings for the year ending December 31, 2034;

(13) 11.4% cumulative persisting annual savings for the year ending December 31, 2035;

(14) 12.1% cumulative persisting annual savings for the year ending December 31, 2036; and

(15) 12.8% cumulative persisting annual savings for the year ending December 31, 2037.

No later than December 31, 2025, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2037 through 2041. The Commission shall also establish additional cumulative persisting annual savings goals every 5 years thereafter to ensure utilities always have goals that extend at least 11 years into the future. The cumulative persisting annual savings goals beyond the year 2035 shall increase by 0.6
percentage points per year absent a Commission decision to
initiate a proceeding to consider establishing goals that
increase by more or less than that amount. Such a proceeding
must be conducted in accordance with the procedures described
in subsection (f) of this Section. If such a proceeding is
initiated, the cumulative persisting annual savings goals
established by the Commission through that proceeding shall
reflect the Commission's best estimate of the maximum amount
of additional gas savings that are forecast to be
cost-effectively achievable unless such best estimates would
result in goals that represent less than 0.4 percentage point
annual increases in total cumulative persisting annual
savings. The Commission may only establish goals that
represent less than 0.4 percentage point annual increases in
cumulative persisting annual savings if it can demonstrate,
based on clear and convincing evidence, that 0.4 percentage
point increases are not cost-effectively achievable. The
Commission shall inform its decision based on an energy
efficiency potential study that conforms to the requirements
of subsection (j-5) of this Section.

(e) If a gas utility jointly offers an energy efficiency
measure or program with an electric utility under plans
approved under this Section and Section 8-103B of this Act,
the gas utility may continue offering the program, including
the electric energy efficiency measures, if the electric
utility discontinues funding the program. In that event, the
energy-savings value associated with such other fuels shall be
converted to gas energy savings on an equivalent Btu basis for
the premises. However, the gas utility shall prioritize
programs for low-income residential customers to the extent
practicable. A gas utility may recover the costs of offering
the gas energy efficiency measures under this subsection (e).

For those energy efficiency measures or programs that save
both gas and other fuels but are not jointly offered with an
electric utility under plans approved under this Section and
Section 8-103B, the gas utility may count savings of fuels
other than gas toward the achievement of its annual savings
goal, and the energy-savings value associated with such other
fuels shall be converted to gas energy savings on an
equivalent Btu basis at the premises.

In no event shall more than 10% of each year's applicable
annual total savings requirement as defined in paragraph (8)
of subsection (j) of this Section be met through savings of
fuels other than gas.

(f) Gas utilities are responsible for overseeing the
design, development, and filing of energy efficiency plans
with the Commission and may, as part of that implementation,
outsource various aspects of program development and
implementation. A minimum of 10% of the utility's entire
portfolio funding level for a given year shall be used to
procure cost-effective energy efficiency measures from units
of local government, municipal corporations, school districts,
public housing, community college districts, and nonprofit-owned buildings provided that a minimum percentage of available funds shall be used to procure energy efficiency from public housing, which percentage shall be equal to public housing's share of public building energy consumption.

The utilities shall also implement energy efficiency measures targeted at low-income single-family and multifamily households, which, as used in this Section, means households at or below 80% of area median income, and expenditures to implement the measures shall be no less than 25% of the utility's total efficiency portfolio budget.

At least 70% of spending on programs targeted at low-income households shall go toward integrated whole building efficiency programs, as defined in subsection (g), or individual measures that reduce space heating needs through improvements to the building envelope, heating distribution systems, or heating system controls. In implementing these programs, utilities shall ensure that thermal insulating materials used in the building envelope do not contain any substance that is a Category 1 respiratory sensitizer as defined by Appendix A to 29 CFR 1910.1200 (Health Hazard Criteria: A.4 Respiratory or Skin Sensitization) that was intentionally added or is present at greater than 0.1% (1000 ppm) by weight in the product. Programs targeted at low-income households, which address single-family and multifamily buildings shall be treated such that forecast savings to be
achieved in each building type are approximately in proportional to the magnitude of cost-effective energy efficiency opportunities in these respective building types.

Each gas utility shall assess opportunities to implement cost-effective energy efficiency measures and programs through a public-housing authority or authorities located in its service territory. If such opportunities are identified, the utility shall propose such measures and programs to address the opportunities. Expenditures to address such opportunities shall be credited toward the minimum procurement and expenditure requirements set forth in this subsection (f).

Implementation of energy efficiency measures and programs targeted at low-income households shall be contracted, when it is practical, to independent third parties that have demonstrated capabilities to serve such households, with a preference for not-for-profit entities and government agencies that have existing relationships with or experience serving low-income communities in the State.

Each gas utility shall develop and implement reporting procedures that address and assist in determining the amount of energy savings that can be applied to the low-income procurement and expenditure requirements set forth in this subsection (f). Each gas utility shall also track the types and quantities or volumes of insulation and air sealing materials, and their associated energy saving benefits, installed in energy efficiency programs targeted at low-income
Each gas utility shall implement a health and safety fund of a minimum of 0.5% of the utility's entire portfolio funding level for a given year, that shall be used for the purpose of making grants for technical assistance, construction, reconstruction, improvement, or repair of buildings to facilitate their participation in the energy efficiency programs targeted at low-income single-family and multifamily households. These funds may also be used for the purpose of making grants for technical assistance, construction, reconstruction, improvement, or repair of the following buildings to facilitate their participation in the energy efficiency programs created by this Section: (1) buildings that are owned or operated by registered 501(c)(3) public charities; and (2) day care centers, day care homes, or group day care homes, as defined by 89 Ill. Adm. Code Part 406, 407, or 408, respectively.

The gas utilities shall participate in a low-income energy efficiency accountability committee ("the committee"), which will directly inform the design, implementation, and evaluation of the low-income and public-housing energy efficiency programs. The committee shall be composed of the electric utilities subject to the requirements of Section 8-103B of this Act, the gas utilities subject to the requirements of this Section, the utilities' low-income energy efficiency implementation contractors, nonprofit
organizations, community action agencies, advocacy groups, State and local governmental agencies, public-housing organizations, and representatives of community-based organizations, especially those living in or working with environmental justice communities and BIPOC communities. The committee shall be composed of a statewide leadership committee and 2 geographically differentiated subcommittees: one for stakeholders in northern Illinois and one for stakeholders in central and southern Illinois. The subcommittees shall meet together at least twice per year.

There shall be a statewide leadership committee led by and composed of community-based organizations that are representative of BIPOC and environmental justice communities and that includes equitable representation from BIPOC communities. The leadership committee shall be composed of an equal number of representatives from the 2 subcommittees.

The subcommittees shall address specific programs and issues, with the leadership committee convening targeted workgroups as needed. The leadership committee may elect to work with an independent facilitator to solicit and organize feedback, recommendations and meeting participation from a wide variety of community-based stakeholders. If a facilitator is used, they shall be fair and responsive to the needs of all stakeholders involved in the committee.

All committee meetings must be accessible, with rotating locations if meetings are held in-person, virtual
participation options, and materials and agendas circulated well in advance.

There shall also be opportunities for direct input by committee members outside of committee meetings, such as via individual meetings, surveys, emails and calls, to ensure robust participation by stakeholders with limited capacity and ability to attend committee meetings. Committee meetings shall emphasize opportunities to bundle and coordinate delivery of low-income energy efficiency with other programs that serve low-income communities, such as Solar for All and bill payment assistance programs. Meetings shall include educational opportunities for stakeholders to learn more about these additional offerings, and the committee shall assist in figuring out the best methods for coordinated delivery and implementation of offerings when serving low-income communities. The committee shall directly and equitably influence and inform utility low-income and public-housing energy efficiency programs and priorities.

Participating utilities shall implement recommendations from the committee whenever possible. Participating utilities shall track and report how input from the committee has led to new approaches and changes in their energy efficiency portfolios. This reporting shall occur at committee meetings and in quarterly energy efficiency reports to the Stakeholder Advisory Group and Illinois Commerce Commission, and other relevant reporting mechanisms. Participating utilities shall
also report on relevant equity data and metrics requested by the committee, such as energy burden data, geographic, racial, and other relevant demographic data on where programs are being delivered and what populations programs are serving.

The Illinois Commerce Commission shall oversee and have relevant staff participate in the committee. The committee shall have a budget of 0.25% of each utility's entire efficiency portfolio funding for a given year. The budget shall be overseen by the Commission. The budget shall be used to provide grants for community-based organizations serving on the leadership committee, stipends for community-based organizations participating in the committee, grants for community-based organizations to do energy efficiency outreach and education, and relevant meeting needs as determined by the leadership committee. The education and outreach shall include, but is not limited to, basic energy efficiency education, information about low-income energy efficiency programs, and information on the committee's purpose, structure, and activities.

(g) At least 50% of the entire efficiency program portfolio budget shall be spent on any combination of (1) heating energy savings from integrated, residential or nonresidential, new or existing whole building efficiency programs; and (2) individual heating measures in residential or nonresidential buildings, new or existing, that reduce the amount of space heating needs through improvements to the
efficiency of building envelopes (including, but not limited
to, insulation measures, efficient windows and air leakage
reduction), improvements to systems for distributing heat
(including, but not limited to, duct leakage reduction, duct
insulation or pipe insulation) in buildings, improvements to
ventilation systems (including, but not limited to heat
recovery ventilation and demand control ventilation measures)
or improvements to controls of heating equipment (including,
but not limited to, advanced thermostats). Spending on
efficient furnaces, efficient boilers, or other efficient
heating equipment measures outside of or separate from
integrated whole building efficiency programs is permitted
within the efficiency program portfolio, but does not count
toward the minimum spending requirement in this subsection
(g). Spending on integrated whole building efficiency programs
targeted to low-income customers, as well as spending on
individual building envelope, heating distribution system,
ventilation system and heating system control measures
installed in low-income homes does count toward this
requirement. The portion of portfolio spending on program
marketing, training of installers, audits of buildings,
inspections of work performed, and other administrative and
technical expenses that are clearly tied to promotion and
delivery of integrated whole building efficiency programs or
installation of individual building envelope, heating
distribution system, ventilation system or heating system
control measures shall count toward this requirement. If this 
minimum requirement is not met, any performance incentive 
earned under paragraph (7) of subsection (j) should be reduced 
by the percentage point level of shortfall in meeting this 
requirement; if the utility is subject to a performance 
penalty, then the magnitude of the penalty shall be increased 
by the percentage point shortfall in meeting this requirement.

As used in this subsection (g), "integrated whole building 
efficiency programs" means programs designed to optimize the 
heating efficiency of buildings by comprehensively and 
simultaneously addressing cost-effective energy-savings 
opportunities associated with heating equipment, heating 
distribution systems, heating system controls, ventilation 
systems and building envelopes; such programs may be targeted 
to existing buildings or to construction of new buildings.

(h) Notwithstanding any other provision of law to the 
contrary, a utility providing approved energy efficiency 
measures in the State shall be permitted to recover all 
reasonable and prudently incurred costs of those measures from 
all distribution system customers, provided that nothing in 
this subsection (h) permits the double recovery of such costs 
from customers.

(i) Beginning in 2022, each gas utility shall file an 
energy efficiency plan with the Commission to meet the energy 
efficiency standards for the next applicable multi-year period 
beginning January 1 of the year following the filing,
according to the schedule set forth in paragraphs (1) through (5) of this subsection (i). If a utility does not file such a plan on or before the applicable filing deadline for the plan, it shall face a penalty of $100,000 per day until the plan is filed.

(1) No later March 1, 2022, each gas utility shall file a 3-year energy efficiency plan commencing on January 1, 2023 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (1) through (3) of subsection (d) of this Section through implementation of energy efficiency measures; however, the goals may be reduced if the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate beyond a reasonable doubt that achievement of such goals is not cost-effective. Annual increases in cumulative persisting annual savings goals during the applicable 3-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 3-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan, taking into account the results of the potential study required by subsection (j-5) of this Section.

(2) No later than March 1, 2025, each gas utility
shall file a 4-year energy efficiency plan commencing on January 1, 2026 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (4) through (7) of subsection (d) of this Section through implementation of energy efficiency measures; however, the goals may be reduced if each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate beyond a reasonable doubt that achievement of such goals is not cost-effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. Annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan, taking into account the results of the potential study required by subsection (j-5) of this Section.

(3) No later than March 1, 2029, each gas utility
shall file a 4-year energy efficiency plan commencing on January 1, 2030 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (8) through (11) of subsection (d) of this Section through implementation of energy efficiency measures; however, the goals may be reduced if each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate beyond a reasonable doubt that achievement of such goals is not cost-effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. Annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan, taking into account the results of the potential study required by subsection (j-5) of this Section.

(4) No later than March 1, beginning in 2033 and each 4
years thereafter, each gas utility shall file a 4-year energy efficiency plan commencing on January 1, beginning in 2034 and each 4-year period thereafter, that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (12) through (15) of subsection (d), as well as goals for subsequent years that are established by the Illinois Commerce Commission pursuant to direction of subsection (d) of this Section, through implementation of energy efficiency measures; however, the goals may be reduced if each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate beyond a reasonable doubt that achievement of such goals is not cost-effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. Annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval
of the utility's proposed plan, taking into account the results of the potential study required by subsection (j-5) of this Section.

Each utility's plan shall set forth the utility's proposals to meet the energy efficiency standards identified in subsection (d). The Commission shall seek public comment on the utility's plan and shall issue an order approving or disapproving each plan within 6 months after its submission. If the Commission disapproves a plan, the Commission shall, within 30 days, describe in detail the reasons for the disapproval and describe a path by which the utility may file a revised draft of the plan to address the Commission's concerns satisfactorily. If the utility does not refile with the Commission within 60 days, the utility shall be subject to penalties at a rate of $100,000 per day until the plan is filed. This process shall continue, and penalties shall accrue, until the utility has successfully filed a portfolio of energy efficiency measures. Penalties shall be deposited into the Energy Efficiency Trust Fund.

(j) In submitting proposed plans and funding levels under subsection (i) of this Section to meet the savings goals identified in subsection (d), the utility shall:

(1) Demonstrate that its proposed energy efficiency measures will achieve the applicable requirements that are identified in subsection (d) of this Section.

(2) Demonstrate consideration of program options for
(A) advancing new building codes, appliance standards, and municipal regulations governing existing and new building efficiency improvements and (B) supporting efforts to improve compliance with new building codes, appliance standards and municipal regulations, as potentially cost-effective means of acquiring energy savings to count toward savings goals.

(3) Demonstrate that its overall portfolio of measures, not including low-income programs described in subsection (f) of this Section, is cost-effective using the total resource cost test, complies with subsection (i) of this Section and represents a diverse cross-section of opportunities for customers of all rate classes, to participate in the programs. Individual measures need not be cost-effective.

(3.5) Demonstrate that the utility's plan integrates the delivery of energy efficiency programs with electric efficiency programs and other efforts to address bill payment issues, including, but not limited to, LIHEAP and the Percent Income Payment Plan, to the extent such integration is practical and has the potential to enhance customer engagement, minimize market confusion, or reduce administrative costs.

(4) Present a third-party energy efficiency implementation program subject to the following requirements:
(A) Beginning with the year commencing January 1, 2024, gas utilities shall fund third-party energy efficiency programs in an amount that is no less than 10% of total efficiency portfolio budgets per year.

(B) For the multi-year plans commencing on January 1, 2023, the utility shall conduct a solicitation process during 2023 for purposes of requesting proposals from third-party vendors for those third-party energy efficiency programs to be offered during one or more years of the last 2 years of the 2023 to 2025 plan period. For the solicitation process, the utility shall identify the sector, technology, or a geographic area for which it is seeking requests for proposals. The solicitation process must be for programs that fill gaps in the utility's program portfolio or target business sectors, building types, geographies or other specific parts of its customer base with initiatives that would be more effective at reaching these customer segments than the utilities' programs filed in its energy efficiency plans.

(C) For multi-year plans commencing on January 1, 2026, January 1, 2030, and every 4 years thereafter, the utility shall conduct a solicitation process during 2025, 2029, and every 4 years thereafter, respectively, for purposes of requesting proposals
from third-party vendors for those third-party energy
efficiency programs to be offered during one or more
years of the respective multi-year plan period; for
each solicitation process, the utility shall identify
the sector, technology, or geographic area for which
it is seeking requests for proposals; the solicitation
process must be for programs that fill gaps in the
utility's program portfolio or target business
sectors, building types, geographies or other specific
parts of its customer base with initiatives that would
be more effective at reaching these customer segments
than the utilities' programs filed in its energy
efficiency plans.

(D) The utility shall propose the bidder
qualifications, performance measurement process, and
contract structure, which must include a performance
payment mechanism and general terms and conditions;
the proposed qualifications, process, and structure
shall be subject to Commission approval.

(E) The utility shall retain an independent third
party to score the proposals received through the
solicitation process described in this paragraph (4),
rank them according to their cost per lifetime
kilowatt hours saved, and assemble the portfolio of
third-party programs.
The gas utility shall recover all costs associated
with Commission-approved, third-party administered programs regardless of the success of those programs.

(5) Include a proposed or revised cost-recovery mechanism, as provided for under subsection (h) of this Section, to fund the proposed energy efficiency measures and to ensure the recovery of the prudently and reasonably incurred costs of Commission-approved programs.

(6) Provide for an annual independent evaluation of the performance of the cost-effectiveness of the utility's portfolio of measures, as well as a full review of the multi-year plan results of the broader net program impacts and, to the extent practical, for adjustment of the measures on a going-forward basis as a result of the evaluations. The resources dedicated to evaluation shall not exceed 3% of portfolio resources in any given year.

(7) Each gas utility shall be eligible to earn a shareholder incentive for effective implementation of its efficiency programs. The incentive shall be tied to each utility's annual energy efficiency spending and its savings relative to its applicable annual total savings requirement as defined in paragraph (8) of this subsection (j). There shall be no incentive if the independent evaluator determines the utility failed to achieve savings equal to at least 85% of its applicable annual total savings requirement. The utility shall earn an incentive equal 0.5% of total annual efficiency spending in the year
being evaluated for every one percentage point above 85% up to 100% of its applicable annual total savings requirement that the utility achieved in that year, such that the utility shall earn an incentive equal to 7.5% of spending for meeting 100% of its applicable annual total savings requirement. The utility shall earn an additional 0.3% of spending for every one percentage point above 100% of its applicable annual total savings requirement achieved, with a maximum incentive of 15% for achieving 125% of its applicable annual total savings requirement.

(7.5) In this Section, "applicable annual incremental goal" means the difference between the cumulative persisting annual savings goal for the calendar year that is the subject of the independent evaluator's determination and the cumulative persisting annual savings goal for the immediately preceding calendar year, as such goals are defined in subsection (d) of this Section. Under subsection (d) of this Section, a utility must first replace energy savings from measures that have expired and would otherwise have to be replaced to meet the applicable savings goals identified in subsection (d) of this Section before any progress toward achievement of its applicable annual incremental goal may be counted. Savings may expire because measures installed in previous years have reached the end of their lives, because measures installed in previous years are producing lower savings in the current
year than in the previous year or for other reasons identified by independent evaluators. Notwithstanding anything else set forth in this Section, the difference between the actual annual incremental savings achieved in any given year, including the replacement of energy savings that have expired, and the applicable annual incremental goal shall not affect adjustments to the return on equity for subsequent calendar years under this subsection (j).

(8) In this Section, "applicable annual total savings requirement" means the total amount of new annual savings that the utility must achieve in any given year to achieve the applicable annual incremental goal. This shall be equal to the applicable annual incremental goal plus the total new annual savings that are required to replace savings that expired in or at the end of the previous year.

(9) The utility shall submit the energy-savings data to the independent evaluator no later than 30 days after the close of the plan year. The independent evaluator shall determine the cumulative persisting annual savings and the utility's performance relative to its applicable annual total savings requirement for a given plan year no later than 120 days after the close of the plan year. The independent evaluator must also estimate the job impacts and other macroeconomic impacts of the utility's efficiency programs. The utility shall submit an
informational filing to the Commission no later than 160
days after the close of the plan year that attaches the
independent evaluator's final report identifying the
cumulative persisting annual savings for the year and
calculates, under paragraph (7) of this subsection (j), as
applicable, the magnitude of any shareholder incentive
that the utility has earned.

(9.5) The utility must demonstrate how it will ensure
that program implementation contractors and energy
efficiency installation vendors will meet multiple
workforce equity building criteria, including, but not
limited to:

(i) Ensuring that an amount of program portfolio
incentive funding proportional to the population of
BIPOC persons within the utility's territory, as
updated every 2 years, is administered or installed by
energy efficiency installation vendors who meet one of
the following criteria:

(aa) certified under Section 2 of the Business
Enterprise for Minorities, Women, and Persons with
Disabilities Act; or

(bb) certified by another municipal, state,
federal, or other certification for disadvantaged
businesses; or

(cc) submit an affidavit showing that the
vendor meets the eligibility criteria for a
certification program such as those in subdivision (aa) or (bb); or

(dd) if the vendor is a nonprofit, meet any of the criteria in subdivision (aa), (bb), or (cc) or is controlled by a board of directors that consists of 51% or greater BIPOC persons.

(ii) Ensuring that program implementation contractors and energy efficiency installation vendors pay employees working on energy efficiency programs at or above the prevailing wage rate when such a wage rate has been published by the Illinois Department of Labor and pay employees working on energy efficiency programs at or above the median wage rate for a similar job description in the nearest metropolitan area when there is no applicable published prevailing wage rate. If necessary, utilities may conduct surveys to establish the median wage rate for a given job description. Utilities shall establish reporting procedures for vendors that ensure compliance with this subsection, but are structured to avoid, wherever possible, placing an undue administrative burden on vendors.

(iii) Ensuring that program implementation contractor employees and energy efficiency installation vendor employees are proportional to the population of people of color, as defined in
subparagraphs (a) through (e) of paragraph (A)(1) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, within the utility's territory, as updated every 2 years.

(iv) Ensuring that 30% or more of the energy efficiency installation vendor employees working for vendors reporting to each program implementation contractor are graduates of or trainees in the Clean Energy Workforce Training Hubs programs, Returning Residents Clean Jobs Training programs, or similar programs offering equivalent certifications.

(v) Ensuring that vendors who are very small businesses of 5 or fewer full-time employees, businesses that have completed or are participating in the Expanding Clean Energy Entrepreneurship and Contractor Incubator Network Program, and businesses that have completed or are participating in the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator, receive a substantial portion of program portfolio funding. Utility plans to achieve this shall include efforts to provide the necessary training and administrative support needed for very small businesses to meet utility-mandated training, certification, insurance, and security-related contract requirements.

(9.6) Utilities shall collect data necessary to ensure
compliance with paragraph (9.5) no less than quarterly and shall communicate progress toward compliance with paragraph (9.5) to program implementation contractors and energy efficiency installation vendors no less than quarterly. When it seems unlikely that the criteria in paragraph (9.5) will be met, utilities shall work with relevant vendors, providing education, training, and other resources needed to ensure compliance and, where necessary, adjusting or terminating work with vendors that cannot assist with compliance.

(10) A utility required to implement efficiency programs under this Section shall report annually to the Illinois Commerce Commission and the General Assembly on how hiring, contracting, job training, and other practices related to its energy efficiency programs enhance the diversity of vendors working on such programs. These reports must include data on vendor and employee diversity, including data on the implementation of paragraphs (9.5) and (9.6). If the utility is not meeting the requirements of paragraphs (9.5) and (9.6), the utility shall submit a plan to adjust their activities so that they meet the requirements of paragraphs (9.5) and (9.6) within the following year.

(j-5) Energy efficiency potential study. An energy efficiency potential study shall be commissioned and overseen by the Illinois Commerce Commission. The potential study shall
be a dual fuel study, addressing both gas and electric efficiency potential, such that the requirements both in this subsection (j-5) and in subsection (f-5) of Section 8-103B are met in an integrated and cost-efficient manner. The potential study shall be designed and conducted with input from a Potential Study Stakeholder Committee established by the Commission. This Committee shall be composed of representatives from each electric utility, the Illinois Attorney General's office, at least 2 environmental stakeholders, at least one community-based organization, and additional parties representing consumers. The Committee shall provide input, at a minimum, into the scope of work for the studies, the selection of vendors to perform the studies in accordance with appropriate confidentiality and conflict of interest provisions, and draft work products. The Committee shall make best efforts to achieve consensus on the key elements of the potential study, including:

(i) savings potential from efficiency measures and program concepts that are known at the time of the study;

(ii) likely emergence of new technology or new program concepts that could emerge, including proxies for new technologies or program concepts that cannot be specifically named, identified, or characterized at the time of the study;

(iii) likely savings potential from efficiency measures that may be unique to individual industries or
individual facilities; and

(iv) the experience of other similar utilities, areas
and jurisdictions in maximizing achievement of
cost-effective savings.

When the committee is not able to reach consensus, the
Commission shall make the final decision.

(k) No more than 6% of energy efficiency and
demand-response program revenue may be allocated for research,
development, or pilot deployment of new equipment or measures.

(l) When practical, gas utilities shall incorporate
advanced metering infrastructure data into the planning,
implementation, and evaluation of energy efficiency measures
and programs, subject to the data privacy and confidentiality
protections of applicable law.

(m) The independent evaluator shall follow the guidelines
and use the savings set forth in Commission-approved energy
efficiency policy manuals and technical reference manuals, as
each may be updated from time to time. Until measure life
values for energy efficiency measures implemented for
low-income households under subsection (f) of this Section are
incorporated into such Commission-approved manuals, the
low-income measures shall have the same measure life values
that are established for same measures implemented in
households that are not low-income households.

(220 ILCS 5/8-512 new)
Sec. 8-512. Renewable energy access plan.

(a) It is the policy of this State to promote cost-effective transmission system development that ensures reliability of the electric transmission system, lowers carbon emissions, minimizes long-term costs for consumers, and supports the electric policy goals of this State.

The General Assembly finds that:

(1) Transmission planning, primarily for reliability purposes, but also for economic and public policy reasons is conducted by regional transmission organizations in which transmission-owning Illinois utilities and other stakeholders are members.

(2) Order No. 1000 of the Federal Energy Regulatory Commission requires regional transmission organizations to plan for transmission system needs in light of state public policies, and to accept input from states during the transmission system planning processes.

(3) The State of Illinois does not currently have a comprehensive power and environmental policy planning process to identify transmission infrastructure needs that can serve as a vital input into the regional and inter-regional transmission organization planning processes conducted under Order No. 1000 and other laws.

(4) This State is an electricity generation and power transmission hub, and can leverage that position to invest in infrastructure that enables new and existing Illinois
generators to meet the public policy goals of the State of Illinois and of interconnected states while cost-effectively supporting tens of thousands of jobs in the renewable energy sector in this State.

(5) The nation cannot readily access this State's low-cost, clean electric power, and this State is hindered in its ability to develop and support its low-carbon economy and keep electricity prices low in Illinois and interconnected states.

(6) Existing transmission infrastructure may constrain the State's achievement of 100% renewable energy by 2050, a carbon-free power sector by 2030, and an expanded use of electric vehicles in a just and equitable way.

(7) Transmission system congestion within this State and the regional transmission organizations serving this State limits the ability of this State's existing and new electric generation facilities that do not emit carbon dioxide, including renewable energy resources and zero emission facilities, to serve the public policy goals of this State and other states, which constrains investment in this State.

(8) Investment in infrastructure to support existing and new electric generation facilities that do not emit carbon dioxide, including renewable energy resources and zero emission facilities, stimulates significant economic development and job growth in this State, as well as
creates environmental and public health benefits in this State.

(9) Creating a forward-looking plan for this State's electric transmission infrastructure, as opposed to relying on case-by-case development and repeated marginal upgrades, will achieve a lower-cost system for Illinois' electricity customers. A forward-looking plan can also help integrate and achieve a comprehensive set of objectives and multiple state, regional, and national policy goals.

(10) Alternatives to overhead electric transmission lines can achieve cost-effective resolution of system impacts, and warrant investigation of the circumstances those alternatives should be considered and approved. The alternatives are likely to be beneficial as investment in electric transmission infrastructure moves forward.

(b) Consistent with the findings identified in subsection (a), the Commission shall open an investigation to deliberate, develop, and adopt a renewable energy access plan no later than December 31, 2022. To assist and support the Commission in the development of the plan, the Commission shall retain the services of technical and policy experts with relevant fields of expertise, solicit technical and policy analysis from the public, and provide for a 120-day open public comment period after publication of a draft report, which shall be published no later than 90 days after the comment period ends.
The plan shall, at a minimum, do the following:

(1) designate renewable energy access plan zones throughout this State in areas in which renewable energy resources and suitable land areas are sufficient to develop generating capacity from renewable energy technologies;

(2) develop a plan to achieve transmission capacity necessary to deliver to electric customers in Illinois and other states, in a manner that is most beneficial and cost-effective to the customers, the electric output from renewable energy technologies in the renewable energy access plan zones;

(3) use this State's position as an electricity generation and power transmission hub to create new investment in this State's renewable energy resources;

(4) introduce and consider programs, policies, and electric transmission projects that can be adopted within this State and advocated for at regional transmission organizations, that promote the cost-effective delivery of power from renewable energy resources interconnected to the bulk electric system to meet the renewable portfolio standard targets under subsection (c) of Section 1-75 of the Illinois Power Agency Act, and to meet current and future public policy goals of other states, the region, or the nation;

(5) introduce and consider proposals to improve
regional transmission organizations' regional and
interregional system planning processes and an analysis of
how those proposals would improve reliability and
cost-effective delivery of electricity in Illinois and the
region;

(6) the Commission's specific findings, based on
technical and policy analysis, regarding locations of
renewable energy access plan zones, the transmission
system developments needed to cost-effectively achieve the
public policy goals identified herein, any recommended
policies to initiate within this State, or recommended
advocacy at regional transmission organizations; and

(7) the Commission's conclusions and proposed
recommendations based on its analysis.

(c) No later than December 31, 2025, and in each
odd-numbered year thereafter, the Commission shall open an
investigation to deliberate, develop, and adopt an updated
renewable energy access plan that, at a minimum, evaluates the
implementation and effectiveness of the renewable energy
access plan, recommends improvements to the renewable energy
access plan, and provides changes to transmission capacity
necessary to deliver electric output from the renewable energy
access plan zones.

(220 ILCS 5/9-220.3)

(Section scheduled to be repealed on December 31, 2023)
Sec. 9-220.3. Natural gas surcharges authorized.

(a) Tariff.

(1) Pursuant to Section 9-201 of this Act, a natural gas utility serving more than 700,000 customers may file a tariff for a surcharge which adjusts rates and charges to provide for recovery of costs associated with investments in qualifying infrastructure plant, independent of any other matters related to the utility's revenue requirement.

(2) Within 30 days after the effective date of this amendatory Act of the 98th General Assembly, the Commission shall adopt emergency rules to implement the provisions of this amendatory Act of the 98th General Assembly. The utility may file with the Commission tariffs implementing the provisions of this amendatory Act of the 98th General Assembly after the effective date of the emergency rules authorized by subsection (i).

(3) The Commission shall issue an order approving, or approving with modification to ensure compliance with this Section, the tariff no later than 120 days after such filing of the tariffs filed pursuant to this Section. The utility shall have 7 days following the date of service of the order to notify the Commission in writing whether it will accept any modifications so identified in the order or whether it has elected not to proceed with the tariff. If the order includes no modifications or if the utility
notifies the Commission that it will accept such modifications, the tariff shall take effect on the first day of the calendar year in which the Commission issues the order, subject to petitions for rehearing and appellate procedures. After the tariff takes effect, the utility may, upon 10 days' notice to the Commission, file to withdraw the tariff at any time, and the Commission shall approve such filing without suspension or hearing, subject to a final reconciliation as provided in subsection (e) of this Section.

(4) When a natural gas utility withdraws the surcharge tariff, the utility shall not recover any additional charges through the surcharge approved pursuant to this Section, subject to the resolution of the final reconciliation pursuant to subsection (e) of this Section. The utility's qualifying infrastructure investment net of accumulated depreciation may be transferred to the natural gas utility's rate base in the utility's next general rate case. The utility's delivery base rates in effect upon withdrawal of the surcharge tariff shall not be adjusted at the time the surcharge tariff is withdrawn.

(5) A natural gas utility that is subject to its delivery base rates being fixed at their current rates pursuant to a Commission order entered in Docket No. 11-0046, notwithstanding the effective date of its tariff authorized pursuant to this Section, shall reflect in a
tariff surcharge only those projects placed in service after the fixed rate period of the merger agreement has expired by its terms.

(b) For purposes of this Section, "qualifying infrastructure plant" includes only plant additions placed in service not reflected in the rate base used to establish the utility's delivery base rates. "Costs associated with investments in qualifying infrastructure plant" shall include a return on qualifying infrastructure plant and recovery of depreciation and amortization expense on qualifying infrastructure plant, net of the depreciation included in the utility's base rates on any plant retired in conjunction with the installation of the qualifying infrastructure plant. Collectively the "qualifying infrastructure plant" and "costs associated with investments in qualifying infrastructure plant" are referred to as the "qualifying infrastructure investment" and that are related to one or more of the following:

(1) the installation of facilities to retire and replace underground natural gas facilities, including facilities appurtenant to facilities constructed of those materials such as meters, regulators, and services, and that are constructed of cast iron, wrought iron, ductile iron, unprotected coated steel, unprotected bare steel, mechanically coupled steel, copper, Cellulose Acetate Butyrate (CAB) plastic, pre-1973 DuPont Aldyl "A"
polyethylene, PVC, or other types of materials identified by a State or federal governmental agency as being prone to leakage;

(2) the relocation of meters from inside customers' facilities to outside;

(3) the upgrading of the gas distribution system from a low pressure to a medium pressure system, including installation of high-pressure facilities to support the upgrade;

(4) modernization investments by a combination utility, as defined in subsection (b) of Section 16-108.5 of this Act, to install:

   (A) advanced gas meters in connection with the installation of advanced electric meters pursuant to Sections 16-108.5 and 16-108.6 of this Act; and

   (B) the communications hardware and software and associated system software that creates a network between advanced gas meters and utility business systems and allows the collection and distribution of gas-related information to customers and other parties in addition to providing information to the utility itself;

(5) replacing high-pressure transmission pipelines and associated facilities identified as having a higher risk of leakage or failure or installing or replacing high-pressure transmission pipelines and associated
facilities to establish records and maximum allowable operating pressures;

(6) replacing difficult to locate mains and service pipes and associated facilities; and

(7) replacing or installing transmission and distribution regulator stations, regulators, valves, and associated facilities to establish over-pressure protection.

With respect to the installation of the facilities identified in paragraph (1) of subsection (b) of this Section, the natural gas utility shall determine priorities for such installation with consideration of projects either: (i) integral to a general government public facilities improvement program or (ii) ranked in the highest risk categories in the utility's most recent Distribution Integrity Management Plan where removal or replacement is the remedial measure.

(c) Qualifying infrastructure investment, defined in subsection (b) of this Section, recoverable through a tariff authorized by subsection (a) of this Section, shall not include costs or expenses incurred in the ordinary course of business for the ongoing or routine operations of the utility, including, but not limited to:

(1) operating and maintenance costs; and

(2) costs of facilities that are revenue-producing, which means facilities that are constructed or installed for the purpose of serving new customers.
(d) Gas utility commitments. A natural gas utility that has in effect a natural gas surcharge tariff pursuant to this Section shall:

(1) recognize that the General Assembly identifies improved public safety and reliability of natural gas facilities as the cornerstone upon which this Section is designed, and qualifying projects should be encouraged, selected, and prioritized based on these factors; and

(2) provide information to the Commission as requested to demonstrate that (i) the projects included in the tariff are indeed qualifying projects and (ii) the projects are selected and prioritized taking into account improved public safety and reliability.

(3) The amount of qualifying infrastructure investment eligible for recovery under the tariff in the applicable calendar year is limited to the lesser of (i) the actual qualifying infrastructure plant placed in service in the applicable calendar year and (ii) the difference by which total plant additions in the applicable calendar year exceed the baseline amount, and subject to the limitation in subsection (g) of this Section. A natural gas utility can recover the costs of qualifying infrastructure investments through an approved surcharge tariff from the beginning of each calendar year subject to the reconciliation initiated under paragraph (2) of subsection (e) of this Section, during which the Commission may make
adjustments to ensure that the limits defined in this paragraph are not exceeded. Further, if total plant additions in a calendar year do not exceed the baseline amount in the applicable calendar year, the Commission, during the reconciliation initiated under paragraph (2) of subsection (e) of this Section for the applicable calendar year, shall adjust the amount of qualifying infrastructure investment eligible for recovery under the tariff to zero.

(4) For purposes of this Section, "baseline amount" means an amount equal to the utility's average of total depreciation expense, as reported on page 336, column (b) of the utility's ILCC Form 21, for the calendar years 2006 through 2010.

(e) Review of investment.

(1) The amount of qualifying infrastructure investment shall be shown on an Information Sheet supplemental to the surcharge tariff and filed with the Commission monthly or some other time period at the option of the utility. The Information Sheet shall be accompanied by data showing the calculation of the qualifying infrastructure investment adjustment. Unless otherwise ordered by the Commission, each qualifying infrastructure investment adjustment shown on an Information Sheet shall become effective pursuant to the utility's approved tariffs.

(2) For each calendar year in which a surcharge tariff is in effect, the natural gas utility shall file a
petition with the Commission to initiate hearings to reconcile amounts billed under each surcharge authorized pursuant to this Section with the actual prudently incurred costs recoverable under this tariff in the preceding year. The petition filed by the natural gas utility shall include testimony and schedules that support the accuracy and the prudence of the qualifying infrastructure investment for the calendar year being reconciled. The petition filed shall also include the number of jobs attributable to the natural gas surcharge tariff as required by rule. The review of the utility's investment shall include identification and review of all plant that was ranked within the highest risk categories in that utility's most recent Distribution Integrity Management Plan.

(f) The rate of return applied shall be the overall rate of return authorized by the Commission in the utility's last gas rate case.

(g) The cumulative amount of increases billed under the surcharge, since the utility's most recent delivery service rate order, shall not exceed an annual average 4% of the utility's delivery base rate revenues, but shall not exceed 5.5% in any given year. On the effective date of new delivery base rates, the surcharge shall be reduced to zero with respect to qualifying infrastructure investment that is transferred to the rate base used to establish the utility's
delivery base rates, provided that the utility may continue to
close or refund any reconciliation adjustment determined
pursuant to subsection (e) of this Section.

(h) If a gas utility obtains a surcharge tariff under this
Section 9-220.3, then it and its affiliates are excused from
the rate case filing requirements contained in Sections
9-220(h) and 9-220(h-1). In the event a natural gas utility,
prior to the effective date of this amendatory Act of the 98th
General Assembly, made a rate case filing that is still
pending on the effective date of this amendatory Act of the
98th General Assembly, the natural gas utility may, at the
time it files its surcharge tariff with the Commission, also
file a notice with the Commission to withdraw its rate case
filing. Any affiliate of such natural gas utility may also
file to withdraw its rate case filing. Upon receipt of such
notice, the Commission shall dismiss the rate case filing with
prejudice and such tariffs and the record related thereto
shall not be the subject of any further hearing,
investigation, or proceeding of any kind related to rates for
gas delivery services. Notwithstanding the foregoing, a
natural gas utility shall not be permitted to withdraw a rate
case filing for which a proposed order recommending a rate
reduction is pending. A natural gas utility shall not be
permitted to withdraw the gas delivery services tariffs that
are the subject of Commission Docket Nos. 12-0511/12-0512
(cons.). None of the costs incurred for the withdrawn rate
case are recoverable from ratepayers.

(i) The Commission shall promulgate rules and regulations to carry out the provisions of this Section under the emergency rulemaking provisions set forth in Section 5-45 of the Illinois Administrative Procedure Act, and such emergency rules shall be effective no later than 30 days after the effective date of this amendatory Act of the 98th General Assembly.

(j) Utilities that have elected to recover qualifying infrastructure investment costs pursuant to this Section shall file annually their Distribution Integrity Management Plan (DIMP) with the Commission no later than June 1 of each year the utility has said tariff in effect. The DIMP shall include the following information:

(1) Baseline Distribution System Data: Information such as demand, system pressures and flows, and metering infrastructure.

(2) Financial Data: historical and projected spending on distribution system infrastructure.

(3) Scenario Analysis: Discussion of projected changes in usage over time.

(4) Descriptions of all qualifying infrastructure investment proposed for the coming year.

(k) Within 45 days after filing, the Commission shall, with reasonable notice, open an investigation to consider whether the Plan meets the objectives set forth in this
subsection and contains the information required by subsection (j). The Commission shall issue a final order approving the Plan, with any modifications the Commission deems reasonable and appropriate to achieve the goals of this Section, within 270 days after the Plan filing. The investigation shall assess whether the DIMP:

(1) ensures optimized use of utility infrastructure assets and resources to minimize total system costs;
(2) enables greater customer engagement, empowerment, and options for services;
(3) to the maximum extent possible, achieves and or supports the achievement of greenhouse gas emissions reductions as described by Section 9.10 of the Environmental Protection Act; and
(4) supports existing Illinois policy goals promoting energy efficiency.

The Commission process shall maximize the sharing of information, ensure robust stakeholder participation, and recognize the responsibility of the utility to ultimately manage the grid in a safe, reliable manner.

This Section is repealed December 31, 2023.

(Source: P.A. 98-57, eff. 7-5-13.)

(220 ILCS 5/9-222.1B new)

Sec. 9-222.1B. Clean Energy Empowerment Zone exemption. A renewable energy enterprise that is located within a Clean
Energy Empowerment Zone established under the Energy Community Reinvestment Act shall be exempt from the additional charges added to the renewable energy enterprise's utility bills as a pass-on of municipal and State utility taxes under Sections 9-221 and 9-222 of this Act, to the extent such charges are exempted by ordinance adopted in accordance with paragraph (e) of Section 8-11-2 of the Illinois Municipal Code in the case of municipal utility taxes, and to the extent such charges are exempted by the percentage specified by the Department of Commerce and Economic Opportunity in the case of State utility taxes, provided such renewable energy enterprise meets the following criteria:

(1) it (i) makes investments that cause the creation of a minimum of 200 full-time equivalent jobs in Illinois; (ii) makes investments of at least $175,000,000 that cause the creation of a minimum of 150 full-time equivalent jobs in Illinois; (iii) makes investments that cause the retention of a minimum of 300 full-time equivalent jobs in the manufacturing sector, as defined by the North American Industry Classification System, in an area in Illinois in which the unemployment rate is above 9% and makes an application to the Department within 3 months after the effective date of this amendatory Act of the 102nd General Assembly and certifies relocation of the 300 full-time equivalent jobs within 48 months after the application; or (iv) makes investments that cause the retention of a
minimum of 1,000 full-time jobs in Illinois;

(2) it is located in a Clean Energy Empowerment Zone established under the Energy Community Reinvestment Act; and

(3) it is certified by the Department of Commerce and Economic Opportunity as complying with the requirements specified in clauses (1) and (2) of this Section.

The Department of Commerce and Economic Opportunity shall determine the period during which such exemption from the charges imposed under Section 9-222 is in effect which shall not exceed 30 years or the term of the Clean Energy Empowerment Zone, whichever period is shorter, except that the exemption period for a renewable energy enterprise qualifying under item (iii) of clause (1) of this Section shall not exceed 30 years.

The Department of Commerce and Economic Opportunity has the power to adopt rules to carry out the provisions of this Section including procedures for complying with the requirements specified in clauses (1) and (2) of this Section and procedures for applying for the exemptions authorized under this Section; to define the amounts and types of eligible investments that a renewable energy enterprise must make in order to receive State utility tax exemptions pursuant to Sections 9-222 and 9-222.1 of this Act; to approve such utility tax exemptions for renewable energy enterprise whose investments are not yet placed in service; and to require that renewable energy enterprise granted tax exemptions repay the
exempted tax should the renewable energy enterprise fail to
comply with the terms and conditions of the certification.
However, no renewable energy enterprise shall be required, as
a condition for certification under clause (3) of this
Section, to attest that its decision to invest under clause
(1) of this Section and to locate under clause (2) of this
Section is predicated upon the availability of the exemptions
authorized by this Section.

A renewable energy enterprise shall be exempt, in whole or
in part, from the pass-on charges of municipal utility taxes
imposed under Section 9-221, only if it meets the criteria
specified in clauses (1) through (3) of this Section and the
municipality has adopted an ordinance authorizing the
exemption under paragraph (e) of Section 8-11-2 of the
Illinois Municipal Code. Upon certification of the renewable
energy enterprise by the Department of Commerce and Economic
Opportunity, the Department of Commerce and Economic
Opportunity shall notify the Department of Revenue of such
certification. The Department of Revenue shall notify the
public utilities of the exemption status of renewable energy
enterprises from the pass-on charges of State and municipal
utility taxes. Such exemption status shall be effective within
3 months after certification of the renewable energy
enterprise.

(220 ILCS 5/9-227) (from Ch. 111 2/3, par. 9-27)
Sec. 9-227. It is the policy of this State to encourage electric and natural gas public utilities to promote the welfare of this State and their communities through donations made from the utility's shareholder profits rather than by using ratepayer funds. Such contributions shall not be recoverable through the public utility's rates. It shall be proper for the Commission to consider as an operating expense, for the purpose of determining whether a rate or other charge or classification is sufficient, donations made by a public utility for the public welfare or for charitable scientific, religious or educational purposes, provided that such donations are reasonable in amount. In determining the reasonableness of such donations, the Commission may not establish, by rule, a presumption that any particular portion of an otherwise reasonable amount may not be considered as an operating expense. The Commission shall be prohibited from disallowing by rule, as an operating expense, any portion of a reasonable donation for public welfare or charitable purposes.

(Source: P.A. 85-122.)

(220 ILCS 5/10-104) (from Ch. 111 2/3, par. 10-104)

Sec. 10-104. Public hearings.

(a) As used in this Section, "major case" includes:

(1) rate cases;

(2) rulemakings;

(3) other proceedings with a significant effect on
rates;

(4) large infrastructure projects with significant nonrate impacts on communities near their location;

(5) new programs;

(6) any planning docketed related to energy efficiency, renewable energy, and interconnection infrastructure; and

(7) any other docketed or undocketed proceedings for which the Commission feels that robust public engagement is needed.

(b) When the outcome of a major case would have effects statewide, or have any significant effects outside the territory of the utility or utilities involved in the case, the Commission shall hold at least 5 public hearings for the purpose of receiving public comment on each such major case. One of these hearings must be in the Chicago metropolitan area. One of these hearings must be in Springfield. The remaining 3 hearings must be outside of the Chicago metropolitan area and Springfield. One of the hearings shall be held within the county in which the subject matter of the hearing is situated, if it is situated within one county. When the outcome of a major case would have effects only within the territory of one utility, the Commission shall hold at least 5 public hearings at a variety of geographic locations within the utility's territory. The locations shall be chosen to give a wide variety of stakeholders the best opportunity to participate in the hearings. The Commission may combine public
hearings for multiple major cases into one event at a single
venue, where practicable and compliant with all other
requirements.

(c) The public hearings shall be held at times that make them accessible to the public, including to residents who work during the day. The public hearings shall be held at locations easily accessible, whenever possible, by public transportation. The public hearings shall be held at locations with wheelchair access. Upon request, a sign language interpreter or other equivalent assistance for the hearing impaired shall be provided. Upon request, translation services shall be provided. Translation services may include real-time telephone-based or other real-time translation services. All written materials distributed at public hearings by the Commission or utilities must be available at the hearing in Spanish and, upon request and reasonable notice, other languages. Call-in options shall be provided.

(d) At least 3 commissioners shall attend each public hearing in person.

(e) Public hearings under this Section are subject to the Open Meetings Act.

(f) The Commission may collect a reasonable fee from the affected utility to offset the cost of public hearings, including the cost of staffing. Within 30 days after the effective date of this amendatory Act of the 102nd General Assembly, the Commission shall set the amount of the fee and
shall update the amount of the fee no less often than every 3
years thereafter. All fees charged and collected by the
Commission shall be paid promptly after the receipt of the
same, accompanied by a detailed statement thereof, into the
Public Utility Fund in the State treasury. All hearings before
the Commission or any commissioner or administrative law judge
shall be held within the county in which the subject matter of
the hearing is situated, or if the subject matter of the
hearing is situated in more than one county, then at a place or
places designated by the Commission, or agreed upon by the
parties in interest, within one or more such counties, or at
the place which in the judgment of the Commission shall be most
economical to the parties to be heard.
(Source: P.A. 100-840, eff. 8-13-18.)

(220 ILCS 5/16-105.17 new)

Sec. 16-105.17. Multi-year integrated grid plan.

(a) Findings and Purpose. The General Assembly finds that
better aligning regulated utility operations, expenditures and
investments with public benefit goals including safety; reliability; efficiency; affordability; equity; emissions
reductions; and expansion of clean distributed energy
resources, is critical to ensuring that Illinois residents and
businesses do not suffer economic and environmental harm from
the State's energy systems and to maximize the potential
benefits from utility expenditures. To that end, it is the
policy of the State of Illinois to promote inclusive, comprehensive, transparent, cost-effective distribution system planning that minimizes long-term costs for Illinois customers and supports the achievement of state renewable energy development and other clean energy, public health, and environmental policy goals. Utility distribution system expenditures, programs, investments and policies must be evaluated in coordination with these goals. In particular, the General Assembly finds that:

(1) Illinois' electricity distribution system must cost-effectively integrate renewable energy resources, including utility-scale renewable energy resources, community renewable generation and distributed renewable energy resources, support beneficial electrification including electric vehicle use and adoption, promote opportunities for third-party investment in nontraditional, grid-related technologies and resources such as batteries, solar photovoltaic panels and smart thermostats, reduce energy usage generally and especially during times of greatest reliance on fossil fuels, and enhance customer engagement opportunities.

(2) Inclusive distribution system planning is an essential tool for the Illinois Commerce Commission, public utilities, and stakeholders to effectively coordinate environmental, consumer, reliability and equity goals at fair and reasonable costs, and for ensuring
transparent utility accountability for meeting those goals.

(3) Any planning process should advance Illinois energy policy goals while ensuring utility investments are cost-effective. Such a process should maximize the sharing of information, ensure robust stakeholder participation, and recognize the responsibility of the utility to ultimately manage the grid in a safe, reliable manner.

(4) Since the passage of the Energy Infrastructure Modernization Act in 2011, Illinois consumers have invested billions of dollars toward electric utility grid modernization. In the absence of a transparent distribution planning process, however, those investments have not served customers' best interests, have failed to promote the expansion of clean distributed energy resources, and have failed to advance equity and environmental justice.

(5) The traditional regulatory model rewards utilities for increasing capital expenditures by basing allowed revenues on the value of the rate base, resulting in an incentive for ever-increasing capital investments. The General Assembly is concerned that the existing regulatory model does not align the interests of customers, the State, and utilities because it does not encourage utilities to systematically analyze and consider nontraditional solutions to utility, customer and grid
needs that may be more efficient and cost effective, and less environmentally harmful than traditional solutions. Nontraditional solutions include distributed energy resources owned or implemented by customers and independent third parties, controllable load, beneficial electrification, or rate design that rewards efficient energy use, for example.

(6) The General Assembly also finds that Illinois utilities' current processes for planning their distribution system are not reasonably accessible or transparent to individuals and communities who pay for and are affected by the utilities' distribution system assets, and that more inclusive and accessible distribution system planning processes would be in the interests of all Illinois residents, but especially those residents historically most negatively impacted by unsafe or environmentally harmful energy infrastructure.

(7) The General Assembly finds it would be beneficial to require utilities to demonstrate how their spending promotes identified state energy goals, such as integrating renewable energy; empowering customers; supporting electric vehicles, beneficial electrification and energy storage; achieving equity goals; and maintaining reliability.

The General Assembly therefore directs the utilities to implement distribution system planning in order to accelerate
progress on Illinois clean energy and environmental goals and hold electric utilities publicly accountable for their performance.

(b) Definitions. As used in this Section:

"Commission" means the Illinois Commerce Commission.

"Demand response" means measures that decrease peak electricity demand or shift demand from peak to off-peak periods.

"Distributed energy resources" or "DER" means a wide range of technologies that are located on the customer side of the customer's electric meter and can provide value to the distribution system, including, but not limited to, distributed generation, energy storage, electric vehicles, and demand response technologies.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its Program Administrator in the Illinois Solar for All Program.

(c) Application. This Section applies to electric utilities serving more than 500,000 retail customers in the State.

(d) Objectives. The Multi-Year Integrated Grid Plan ("the Plan") shall be designed to:

(1) ensure coordination of the State's renewable energy goals, climate and environmental goals, utility distribution system investments, and programs, policies
and investments described in this Section to maximize the benefits of each while ensuring utility expenditures are cost-effective;

(2) bring the benefits of grid modernization and clean energy, including, but not limited to, deployment of distributed energy resources, to ratepayers in economically disadvantaged and environmental justice communities throughout Illinois, with at least 40% of these benefits being allocated to these ratepayers;

(3) enable greater customer engagement, empowerment, and options for energy services;

(4) reduce grid congestion, minimize the time and expense associated with interconnection, and increase the capacity of the distribution grid to host increasing levels of distributed energy resources, to facilitate availability and development of distributed energy resources, particularly in locations that enhance consumer and environmental benefits;

(5) ensure opportunities for robust public participation through open, transparent planning processes;

(6) provide for the analysis of the cost-effectiveness of proposed system investments, which takes into account environmental costs and benefits;

(7) to the maximum extent possible, achieve or support the achievement of Illinois environmental goals, including
those described in Section 9.10 of the Environmental Protection Act, Section 1-75 of the Illinois Power Agency Act, and emissions reductions required to improve the health, safety and prosperity of all Illinois residents;

(8) support existing Illinois policy goals promoting distributed energy resources and investments in renewable energy resources; and

(9) provide sufficient public information to the Commission, stakeholders, and market participants in order to enable nonemitting customer-owned or third-party distributed energy resources, acting individually or in aggregate, to seamlessly and easily connect to the grid; provide grid benefits; support grid services; and achieve environmental outcomes, without necessarily requiring utility ownership or unreasonable control over those resources, and enable those resources to act as alternatives to utility capital investments.

(e) Plan Development Stakeholder Process. No later than February 1, 2022, the Illinois Commerce Commission shall initiate a series of no fewer than 6 workshops which shall inform the filing requirements for, and contents of, the Multi-Year Integrated Grid Plans to be filed by electric utilities subject to this Section. The series of workshops shall be 11 months in length, concluding no later than December 31, 2022. The workshops shall be facilitated by an independent third-party facilitator selected by Staff of the
Illinois Commerce Commission and approved by the Executive Director of the Illinois Commerce Commission.

(1) The workshops shall be designed to achieve the following objectives:

(i) review utilities’ past, current and planned capital investments and all supporting data;

(ii) review utilities’ historic and projected load;

(iii) review how utilities plan to invest in their distribution system in order to meet the system’s projected needs;

(iv) review locational data on reliability, service quality, program participation and investment, provided by the utilities;

(v) integrate input from diverse stakeholders, including representatives from environmental justice communities, geographically diverse communities, low-income representatives, consumer representatives, environmental representatives, organized labor representatives, third-party technology providers, and utilities;

(vi) consider proposals from utilities and stakeholders on programs and policies necessary to achieve the objectives in subsection (d) of this Section; and

(vii) develop detailed filing requirements
applicable to each component of the utilities’ Multi-Year Integrated Grid Plan filings under paragraph (2) of subsection (f) of this Section.

(2) To the extent any of the information in subparagraphs (i) through (iv) of paragraph (1) of this subsection is designated as confidential because disclosure of such threatens the security of critical system infrastructure, that information shall be redacted as necessary but made available to parties who agree in writing to abide by confidentiality agreements as approved by the Office of General Counsel of the Illinois Commerce Commission. Information appropriately designated as confidential shall only include that which is critical to system security, and shall not include that information in which the electric utility claims a proprietary business interest.

(3) Workshops should be organized and facilitated in a manner that encourages representation from diverse stakeholders, ensuring equitable opportunities for participation, without requiring formal intervention or representation by an attorney. Workshops should be held during both day and evening hours, in a variety of locations around the State, and should allow remote participation.

(4) Utilities shall provide system data, including data described in subparagraphs (i) through (iv) of
paragraph (1) of subsection (e), at a time prior to the start of workshops to allow interested stakeholders to reasonably review data before attending workshops. To facilitate public feedback, the administrator facilitating the workshops shall, throughout the workshop process, develop questions for stakeholder input on topics being considered. This may include, but is not limited to: design of the workshop process, locational data and information provided by utilities, alignment of plans, programs, investments and objectives, and other topics as deemed appropriate by the Commission facilitation staff. Stakeholder feedback shall not be limited to these questions.

(5) Workshops shall not be considered settlement negotiations, compromise negotiations, or offers to compromise for the purposes of Illinois Rule of Evidence 408. All materials shared as a part of the workshop process shall be made publicly available on a website made available by the Commission.

(6) On conclusion of the workshops, the Commission shall open a comment period that allows interested and diverse stakeholders to submit comments and recommendations regarding the utilities' Multi-Year Integrated Grid Plan filings. Based on the workshop process and stakeholder comments and recommendations offered verbally or in writing during the workshops and in
writing during the comment period following the workshops, the independent third-party facilitator shall prepare a report, to be submitted to the Commission no later than February 1, 2022, describing the stakeholders, discussions, proposals, and areas of consensus and disagreement from the workshop process, and making recommendations to the Commission regarding the utilities' Multi-Year Integrated Grid Plan filings. Interested stakeholders shall have an opportunity to provide comment on the independent third-party facilitator Report.

(7) Based on discussions in the workshops, the Staff Report, and stakeholder comments and recommendations made during and following the workshop process, the Commission shall issue Initiating Orders no later than April 1, 2022, requiring the electric utilities subject to this Section to file the first Multi-Year Integrated Grid Plan no later than June 1, 2022. The Initiating Orders shall specify the requirements applicable to the utilities' Multi-Year Integrated Grid Plans, above and beyond any requirements described in paragraph (2) of subsection (f) of this Section, and shall:

(i) analyze and identify specific programs, policies, and initiatives, among those that were raised during the workshop process, that the utilities must implement as a part of their Multi-Year Integrated Grid Plans; and
(ii) specify types of analyses and calculations the utilities shall perform, as well as scenarios they must analyze and (where applicable) specific assumptions they must use in the development of their Multi-Year Integrated Grid Plans.

(f) Multi-Year Integrated Grid Plan.

(1) Design Objectives. Pursuant to this subsection (f) of this Section and the Initiating Orders of the Commission, to be filed no later than April 1, 2022, and for each subsequent Plan thereafter, each electric utility subject to this Section shall, no later than June 1, 2022, submit its first Multi-Year Integrated Grid Plan. While each Multi-Year Integrated Grid Plan will include a long-term, ten-year planning horizon, the Initial Plan shall be in effect from June 1, 2023 through May 31, 2026.

Each Plan shall:

(i) incorporate requirements established by the Commission in its Initiating Order; and

(ii) Propose programs, policies and plans designed to optimize achievement of the objectives set forth in subsection (d) of this Section.

To the extent practicable and reasonable, all programs, policies and initiatives proposed by the utility in its plan should be informed by stakeholder input received during the workshop process pursuant to subsection (e) of this Section. Where specific stakeholder
input has not been incorporated in proposed programs, policies, and plans, the electric utility shall provide an explanation as to why that input was not incorporated.

(2) Plan Components. In order to ensure electric utilities’ ability to meet the goals and objectives set forth in this Section, the Multi-Year Integrated Grid Plans must include, at minimum, the following information:

(i) Baseline Distribution System Data. A detailed description of the current operating conditions for the distribution system, including a detailed description, with supporting data, of: system conditions, including asset age and useful life, ratings, loadings, and other characteristics, as well as:

(A) modeling software currently used and planned software deployments;

(B) the distribution system annual loss percentage for the prior year (average of 12 monthly loss percentages);

(C) the maximum hourly coincident load (kW) for the distribution system as measured at the interface between the transmission and distribution system;

(D) total distribution substation capacity in kVa;

(E) total distribution transformer capacity in
(F) total miles of overhead distribution wire;

(G) total miles of underground distribution wire;

(H) current and expected reliability measures;

(I) detailed listing of all high-voltage and low-voltage substations and circuits including, at minimum, the following for each substation and circuit: age, remaining useful life, capacity rating, historical peak demand, historical interval data, historic annual peak load growth, forecast future annual peak load growth, historical outages and voltage violations, distribution system reliability events, anticipated or modeled violations, existing and planned visibility and measurement (feeder-level and time) data, monitoring and control capabilities, daytime minimum load, and other characteristics as necessary to allow the Commission and stakeholders to analyze system data for the purposes of achieving the goals of this Section;

(J) distributed energy resource deployment by type, size, customer class, and geographic dispersion; and

(K) total number and nameplate capacity of
distributed energy resources that completed interconnection to the system in each of the prior 5 years, including average time to process interconnection applications for each type of resource and interconnection level.

(ii) Distribution System Planning Process. A detailed description of the electric utility's distribution system planning process including, but not limited to: any process required by a regional transmission organization; forecasts, inputs and assumptions of future total load and future peak demand; planned infrastructure investments and underlying assumptions regarding the necessity of such investments; the electric utility's identification of investments associated with the Commission's renewable energy access plan, pursuant to Section 8-512 of this Act; and other relevant details for the ten-year planning horizon.

(iii) Hosting Capacity and Interconnection Analysis. A hosting capacity analysis which includes a detailed and current analysis of how much capacity is available on each substation, circuit and node for integrating renewable and distributed energy resources as allowed by thermal ratings, protection system limits, power quality standards, and safety standards. This section must include: circuit-level maps and
downloadable data sets for public use; an assessment
of how anticipated investments (for as far into the
future as the utility has planned investments) will
impact the analysis; and a narrative discussion of how
the hosting capacity analysis advances customer-sited
distributed energy resources, including in particular
electric vehicles, electric storage systems and
photovoltaic resources.

(iv) Scenario Analysis and Load Forecasting.
Detailed load forecasts for the following 10 years at
the substation and circuit level, using dynamic load
casting (forecasting using multiple scenarios and
probabilistic planning) and accounting for the impacts
of anticipated energy efficiency programs, demand
response programs, distributed energy resources,
electric vehicle adoption, and other known or
anticipated variables. This section shall also include
a detailed description of the electric utility's
anticipated capacity, thermal, voltage or other grid
constraints for the following 3-year period, including
modifications or upgrades to the system required to
accommodate anticipated future load and distributed
energy resource adoption. This section shall also
include a discussion of the development of base-case,
medium and high scenarios of distributed energy
resources deployment, reflecting a reasonable mix of
individual distributed energy resource adoption and aggregated or bundled distributed energy resource service types, and detailed information on the methodologies used to develop those scenarios.

(v) Grid Value Analysis. An evaluation of the short- and long-run benefits and costs of distributed energy resources located on the distribution system, including, but not limited to, the locational, temporal, and performance-based benefits and costs of distributed energy resources. This evaluation shall be based on the reductions or increases in local generation capacity needs, avoided or increased investments in distribution infrastructure, avoided or increased line-losses, voltage support and ancillary services, safety benefits, reliability benefits, resilience benefits, and any other savings, benefits or value the distributed energy resources individually or in aggregate provide to the distribution system or costs to ratepayers of the electric utility. The utility shall use the results of this evaluation to inform its analysis of Solution Sourcing Opportunities, including nonwires alternatives, under subparagraph (H) of paragraph (2) subsection (f) of this Section. The Commission may use the data produced through this evaluation to, among other use-cases, establish tariffs and compensation for distributed
energy resources interconnecting to the utility's
distribution system, including rebates provided by the
electric utility pursuant to Section 16-107.6 of this
Act.

(vi) Utility System Investment Plan. A detailed
description of historic distribution system capital
investments for the preceding 5 years and planned
capital investments for the following 10 years, as
well as load forecasts and all other data supporting
those investments. This section shall include
projected costs, scope of work, prioritization of
work, sequencing of investments, and explanations of
how planned investments will meet the objectives
described in subsection (d).

(vii) Utility Operations Plan. A detailed
description of historic distribution system operations
and maintenance expenditures for the preceding 5 years
and of planned operations and maintenance expenditures
for the following 10 years, as well as the data,
reasoning and explanation supporting planned
expenditures. This section shall also include a
description of total costs spent on distributed energy
resource interconnection review and commissioning
(including application review, responding to
inquiries, metering, testing and other costs), as well
as interconnection fees and charges to customers and
installers of distributed energy resources, including
(application, metering and make-ready fees), broken
down by type of generation and category or level of
interconnection review, over each of the preceding 5
years.

(viii) Solution Sourcing Opportunities.
Identification of potential cost-effective solutions
from nontraditional and third-party owned investments
that could meet anticipated grid needs, including, but
not limited to: distributed energy resource
procurements, tariffs or contracts, programmatic
solutions, rate design options, technologies or
programs that facilitate load flexibility, nonwires
alternatives, and other solutions that are intended to
meet the objectives described at subsection (d). It is
the policy of this State that cost-effective
third-party or customer-owned distributed energy
resources shall be prioritized because those resources
create robust competition and customer choice.

(ix) Interoperability Plan. A detailed description
of the utility's interoperability plan, which must
describe the manner in which the electric utility's
current and planned distribution system investments
will work together and exchange information and data,
the extent to which the utility is implementing open
standards and interfaces with third-party distributed
energy resource owners and aggregators, and the
utility's plan for interoperability testing and
certification.

(x) Flexibility Analysis. A detailed analysis of
current and projected flexible resources, including
resource type, size (in MW and MWh), location and
environmental impact, as well as anticipated needs
that can be met using flexible resources (including,
but not limited to, peak load reduction, managing ramp
needs, storing excess generation, and avoiding
unnecessary transmission expenditures).

(xi) Equity Requirements. A description of,
exclusive of low-income rate relief programs and other
income-qualified programs, how the utility is ensuring
that at least 40% of benefits from programs, policies,
and initiatives proposed in their Multi-Year
Integrated Grid Plan will be directed to ratepayers in
low-income and environmental justice communities. This
should include locational reporting, at the
census-tract level, on distribution system
investments, program participation, and reliability
and service quality data.

(3) To the extent any information in utilities'
Multi-Year Integrated Grid Plans is designated as
confidential because disclosure of such threatens the
security of critical system infrastructure, that
information shall be redacted as necessary but made available to parties who agree in writing to abide by confidentiality requirements as approved by the Office of General Counsel of the Illinois Commerce Commission. Information appropriately designated as confidential shall only include that which is critical to system security, and shall not include that information in which the electric utility claims only a proprietary business interest.

(4) Comprehensive Consideration of Related Plans, Tariffs, Programs and Policies. It is the policy of this State that holistic consideration of all related investments, planning processes, tariffs, rate design options, programs, and other utility policies and plans shall be required. To that end, the Commission shall consider, comprehensively, the impact of all related plans, tariffs, programs and policies on the Plan and on each other, including:

(i) time-of-use pricing program, pursuant to Section 16-107.7 of this Act, hourly pricing program, pursuant to Section 16-107 of this Act, and any other time-variant or dynamic pricing program;

(ii) distributed generation rebate, pursuant to Section 16-107.6 of this Act;

(iii) net electricity metering, pursuant to Section 16-107.5 of this Act;
(iv) energy efficiency programs, pursuant to Section 8-103B of this Act;

(v) Electric Vehicle Access for All programs, pursuant to Section 30 of the Electric Vehicle Act;

(vi) beneficial electrification programs, pursuant to Section 16-107.8 of this Act; (vii) Clean Energy Empowerment Zone Pilot Projects, pursuant to Section 16-108.9 of this Act;

(viii) Equitable Energy Upgrade Program, pursuant to Section 16-111.10 of this Act; and

(ix) other plans, programs and policies that are relevant to distribution grid investments, costs planning, etc.

The Plan shall comprehensively detail the relationship between these plans, tariffs, and programs and the Plan and to the electric utility's achievement of the objectives in subsection (d). The Plan shall be designed to coordinate each of these plans, programs and tariffs with the electric utility's long-term distribution system investment planning in order to maximize the benefits of each.

(5) Hearing Procedure. The Initiating Order for the Initial Multi-Year Integrated Grid Plan, as well as each electric utility's subsequent Integrated Grid Plans under subsection (g), shall begin a contested proceeding as described in subsection d of Section 10-101.1 of this Act.

(i) In evaluating a utility's Plan, the Commission
shall consider, at minimum, whether the Plan:

(A) meets the objectives of this Section;

(B) includes the components in paragraph (2)
of subsection (f) of this Section;

(C) incorporates input from interested
stakeholders, including parties and people who
offer public comment;

(D) considers nontraditional and
nonutility-owned investment alternatives that can
meet grid needs and provide additional benefits
(including consumer, economic and environmental
benefits) beyond comparable, traditional
utility-planned capital investments;

(E) equitably benefits environmental justice
communities; and

(F) maximizes consumer, environmental,
ecoconomic and community benefits.

(ii) The Commission, after notice and hearing,
shall modify each electric utility's Plan as necessary
to comply with the objectives of this Section. The
Commission may approve, or modify and approve, a Plan
only if it finds that the Plan is reasonable, complies
with the objectives and requirements of this Section,
and reasonably incorporates input from parties. The
Commission's approval of any Plan does not constitute
approval, or any adjudication of the prudence or
reasonableness, of any expenditures associated with the Plan. The Commission may reject each electric utility's Plan if it finds that the Plan does not comply with the objectives and requirements of this Section. Where the Commission enters an Order rejecting a Plan, the utility must refile a Plan within 3 months after that Order, and until the Commission approves a Plan, the utility's existing Plan will remain in effect.

(iii) For all Integrated Grid Plan filings, the Commission shall enter an order no later than 9 months after the date of filing.

(iv) Each electric utility shall file its proposed Initial Multi-Year Integrated Grid Plan no later than June 1, 2022. Prior to that date and following the Initiating Order, the Commission shall initiate a case management conference and shall take any appropriate steps to begin meaningful consideration of issues, including enabling interested parties to begin conducting discovery.

(6) Implementation Plans.

(i) As part of its order approving a utility's Multi-Year Integrated Grid Plan, including any modifications required, the Commission shall create a subsequent implementation plan docket, or multiple implementation plan dockets, if the Commission
determines that multiple dockets would be preferable, to consider the utility's detailed plans for:

(A) acquiring the level of demand response resources specified in its approved Multi-Year Integrated Grid Plan;

(B) acquiring the level of load flexibility or energy storage resources specified in its approved Multi-Year Integrated Grid Plan;

(C) achieving the level of transportation, building and industry electrification specified in its approved Multi-Year Integrated Grid Plan, or implementing optimized charging or other beneficial electrification programs;

(D) developing any of the plans, tariffs, programs or policies required by paragraph (4) of subsection (e) and additionally required by the Commission in its Order regarding the Multi-Year Integrated Grid Plan; and

(E) developing the Hosting Capacity and Interconnection Analysis required by paragraph (2) of subsection (f);

(F) developing a process to screen, analyze and procure nonwires alternatives; and

(G) addressing any other topic or resource area covered by the utility's Multi-Year Integrated Grid Plan for which the Commission
considers it important and necessary to receive and approve a greater level of detail regarding the utility's plans.

(ii) Each implementation plan shall include a detailed explanation of:

(A) the projected costs (investments and expenses) and benefits of each plan or program to be considered in the implementation plan, including related financial incentives, marketing, and administration;

(B) categories and sub-categories of resources or services to be acquired to achieve the objectives in the Multi-Year Integrated Grid Plan (for example, the implementation plan for demand response shall identify the different types of demand response resources that will collectively be pursued to achieve the total level of demand response capability approved in the Plan);

(C) the marketing, customer recruitment and engagement, financial incentive, procurement approach and other important elements of the plan or program, including efforts to cultivate qualifying customers in low-income and environmental justice communities;

(D) an explanation of how the proposed plans or programs will be able to achieve the objective
in the Multi-Year Integrated Grid Plan;

(E) an analysis of how, exclusive of low-income rate relief and other income-qualified programs, the implementation plan will contribute to the Multi-year Integrated Grid Plan's requirement that at least 40% of benefits from programs, policies, and initiatives will be directed to low-income and environmental justice communities;

(F) a discussion of any risk in the utility's ability to acquire the planned levels of resource acquisition within the approved budget, as well as contingency plans for addressing such risks; and

(G) a plan for periodic (but at least quarterly) engagement with stakeholders on the rollout and implementation of the implementation plans in order to inform them of plans and progress, as well as to solicit input on opportunities for improving plans and implementation or on ways to modify plans as needed.

(iii) The implementation plan dockets shall be contested proceedings, with opportunities for discovery and filing of testimony by interested stakeholders. Each utility shall file its implementation plans within 90 days after approval,
with any modifications, of its Multi-Year Integrated
Grid Plan.

(g) Subsequent Multi-Year Integrated Grid Plans. No later
than June 1, 2025 and every 4 years thereafter, each electric
utility subject to this Section shall file a new Multi-Year
Integrated Grid Plan for the subsequent 4 delivery years after
the completion of the then-effective Plan. Each Plan shall
meet the requirements described in subsection (f), and shall
be preceded by a workshop process which meets the same
requirements described in subsection (e). If appropriate, the
Commission may require additional implementation dockets to
follow Subsequent Multi-Year Integrated Grid Plan filings.

(220 ILCS 5/16-107)

Sec. 16-107. Real-time pricing.

(a) Each electric utility shall file, on or before May 1,
1998, a tariff or tariffs which allow nonresidential retail
customers in the electric utility's service area to elect
real-time pricing beginning October 1, 1998.

(b) Each electric utility shall file, on or before May 1,
2000, a tariff or tariffs which allow residential retail
customers in the electric utility's service area to elect
real-time pricing beginning October 1, 2000.

(b-5) Each electric utility shall file a tariff or tariffs
allowing residential retail customers in the electric
utility's service area to elect real-time pricing beginning
January 2, 2007. The Commission may, after notice and hearing, approve the tariff or tariffs. A tariff or tariffs approved pursuant to this subsection (b-5) shall, at a minimum, describe (i) the methodology for determining the market price of energy to be reflected in the real-time rate and (ii) the manner in which customers who elect real-time pricing will be provided with ready access to hourly market prices, including, but not limited to, day-ahead hourly energy prices. A customer who elects real-time pricing under a tariff approved under this subsection (b-5) and thereafter terminates the election shall not return to taking service under the tariff for a period of 12 months following the date on which the customer terminated real-time pricing. However, this limitation shall cease to apply on such date that the provision of electric power and energy is declared competitive under Section 16-113 of this Act for the customer group or groups to which this subsection (b-5) applies.

A proceeding under this subsection (b-5) may not exceed 120 days in length.

(b-10) Each electric utility providing real-time pricing pursuant to subsection (b-5) shall install a meter capable of recording hourly interval energy use at the service location of each customer that elects real-time pricing pursuant to this subsection.

(b-15) If the Commission issues an order pursuant to subsection (b-5), the affected electric utility shall contract
with an entity not affiliated with the electric utility to serve as a program administrator to develop and implement a program to provide consumer outreach, enrollment, and education concerning real-time pricing and to establish and administer an information system and technical and other customer assistance that is necessary to enable customers to manage electricity use. The program administrator: (i) shall be selected and compensated by the electric utility, subject to Commission approval; (ii) shall have demonstrated technical and managerial competence in the development and administration of demand management programs; and (iii) may develop and implement risk management, energy efficiency, and other services related to energy use management for which the program administrator shall be compensated by participants in the program receiving such services. The electric utility shall provide the program administrator with all information and assistance necessary to perform the program administrator's duties, including, but not limited to, customer, account, and energy use data. The electric utility shall permit the program administrator to include inserts in residential customer bills 2 times per year to assist with customer outreach and enrollment.

The program administrator shall submit an annual report to the electric utility no later than April 1 of each year describing the operation and results of the program, including information concerning the number and types of customers using
real-time pricing, changes in customers' energy use patterns, an assessment of the value of the program to both participants and non-participants, and recommendations concerning modification of the program and the tariff or tariffs filed under subsection (b-5). This report shall be filed by the electric utility with the Commission within 30 days of receipt and shall be available to the public on the Commission's web site.

(b-20) The Commission shall monitor the performance of programs established pursuant to subsection (b-15) and shall order the termination or modification of a program if it determines that the program is not, after a reasonable period of time for development not to exceed 4 years, resulting in net benefits to the residential customers of the electric utility.

(b-25) An electric utility shall be entitled to recover reasonable costs incurred in complying with this Section, provided that recovery of the costs is fairly apportioned among its residential customers as provided in this subsection (b-25). The electric utility may apportion costs on the residential customers who elect real-time pricing, but may also impose some of the costs of real-time pricing on customers who do not elect real-time pricing.

(c) The electric utility's tariff or tariffs filed pursuant to this Section shall be subject to Article IX.

(d) This Section does not apply to any electric utility providing service to 100,000 or fewer customers.
(e) Eligible customers shall include, but are not limited to, customers participating in net electricity metering under the terms of Section 16-107.5 of this Act.

(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-107.5)

Sec. 16-107.5. Net electricity metering.

(a) The General Assembly Legislature finds and declares that a program to provide net electricity metering, as defined in this Section, for eligible customers 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. The General Assembly further finds and declares that ensuring a smooth, predictable transition from full net metering of the retail electricity rate to the distributed generation rebate described in Section 16-107.6 of this Act is important to achieve these legislative goals. In implementing the investigation discussed in subsection (e) of Section 16-107.6 of this Act and the transition discussed in subsection (n) of this Section 16-107.5, the Commission shall ensure that distributed generation customers are fairly compensated for the benefits and services that customer-sited distributed generation provides and that the distributed generation market in Illinois continues to experience stable growth for both small and large customers.
(b) As used in this Section:

(i) "Community renewable generation project" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"Delivery service provider" means a public utility as defined in subsection (a) of Section 3-105 of this Act.

"Electricity provider" means an electric utility or alternative retail electric supplier providing energy supply.

(ii) "Eligible customer" means a retail customer or retail customers with that owns or operates a solar, wind, or other eligible renewable electrical generating facility with a rated capacity of not more than 2,000 kilowatts that is located on the customer's or customers' side of the billing meter premises and is intended primarily to offset the customer's or customers' own current or future electrical requirements when accounting for shading, orientation, and other siting factors that can reasonably be expected to alter an eligible renewable electrical generating facility's generation output. An eligible customer does not need to own the solar, wind, or other eligible renewable electrical generating facility. Subscribers to community renewable generation projects shall also be considered eligible customers for the purpose of this Section, including subscribers to community renewable generation projects that are larger than 2,000 kilowatts.

(iii) "Electricity provider" means an electric utility or alternative retail electric
(iv) "Eligible renewable electrical generating facility" means a generator, which may include the co-location of an energy storage system, that is interconnected under rules adopted by the Commission and is powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated and unadulterated wood waste, landscape trimmings, livestock manure, anaerobic digestion of livestock or food processing waste, fuel cells or microturbines powered by renewable fuels, or hydroelectric energy.

"Energy storage system" means commercially available technology that is capable of absorbing energy and storing it for a period of time for use at a later time, including, but not limited to, electrochemical, thermal, and electromechanical technologies, and may be interconnected on the customer's side of the billing meter or interconnected via its own meter.

"Future electrical requirements" means the reasonable anticipation of load growth, such as from the addition of an electric vehicle, the addition of electric space heating or water heating, modeled electrical requirements upon occupation of a new or vacant property, as well as other reasonable expectations of future electrical use.

(v) "Net electricity metering" (or "net metering") means the measurement, during the billing period applicable to...
an eligible customer, of the net amount of electricity supplied by an electricity provider to the customer's premises or provided to the electricity provider by the customer or subscriber. 

"Statewide net metering penetration" means the sum of nameplate capacity of all net metering facilities in the State, excluding community renewable generation projects, divided by the sum of peak demand of electricity delivered by each delivery service provider (with the peak identified independently for each provider) in the State during the previous year.

(vi) "Subscriber" has shall have the meaning as set forth in Section 1-10 of the Illinois Power Agency Act.

and

(vii) "Subscription" has shall have the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

(c) A net metering facility shall be equipped with metering equipment that can measure the flow of electricity in both directions at the same rate.

(1) For eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is not provided based on hourly pricing, this shall typically be accomplished
through use of a single, bi-directional meter. If the eligible customer's existing electric revenue meter does not meet this requirement, the electricity provider shall arrange for the local electric utility or a meter service provider to install and maintain a new revenue meter at the electricity provider's expense, which may be the smart meter described by subsection (b) of Section 16-108.5 of this Act.

(2) For eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt demand basis and electric supply service is not provided based on hourly pricing, this shall typically be accomplished through use of a dual channel meter capable of measuring the flow of electricity both into and out of the customer's facility at the same rate and ratio. If such customer's existing electric revenue meter does not meet this requirement, then the electricity provider shall arrange for the local electric utility or a meter service provider to install and maintain a new revenue meter at the electricity provider's expense, which may be the smart meter described by subsection (b) of Section 16-108.5 of this Act.

(3) For all other eligible customers, until such time as the local electric utility installs a smart meter, as
described by subsection (b) of Section 16-108.5 of this Act, the electricity provider may arrange for the local electric utility or a meter service provider to install and maintain metering equipment capable of measuring the flow of electricity both into and out of the customer's facility at the same rate and ratio, typically through the use of a dual channel meter. If the eligible customer's existing electric revenue meter does not meet this requirement, then the costs of installing such equipment shall be paid for by the customer.

(d) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is not provided based on hourly pricing in the following manner:

(1) If the amount of electricity used by the customer during the billing period exceeds the amount of electricity produced by the customer, the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in subsection (e-5) of this Section.

(2) If the amount of electricity produced by a customer during the billing period exceeds the amount of
electricity used by the customer during that billing period, the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour credit to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.

(3) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits in the customer's account shall expire.

(d-5) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is provided based on hourly pricing or time-of-use rates in the following manner:

(1) If the amount of electricity used by the customer
during any hourly or time-of-use period exceeds the amount of electricity produced by the customer, the electricity provider shall charge the customer for the net electricity supplied to and used by the customer according to the terms of the contract or tariff to which the same customer would be assigned to or be eligible for if the customer was not a net metering customer.

(2) If the amount of electricity produced by a customer during any hourly period or time-of-use period exceeds the amount of electricity used by the customer during that hourly period or time-of-use period, the energy provider shall apply a credit for the net kilowatt-hours produced in such period. The credit shall consist of an energy credit and a delivery service credit. The energy credit shall be valued at the same price per kilowatt-hour as the electric service provider would charge for kilowatt-hour energy sales during that same hourly or time-of-use period. The delivery credit shall be equal to the net kilowatt-hours produced in such hourly or time-of-use period times a credit that reflects all kilowatt-hour based charges in the customer's electric service rate, excluding energy charges.

(e) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and
whose electric delivery service is provided and measured on a kilowatt demand basis and electric supply service is not provided based on hourly pricing in the following manner:

(1) If the amount of electricity used by the customer during the billing period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in subsection (e-5) of this Section. The customer shall remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer.

(2) If the amount of electricity produced by a customer during the billing period exceeds the amount of electricity used by the customer during that billing period, then the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour credit that reflects the kilowatt-hour based charges in the customer's electric service rate to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.
(3) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits in the customer's account shall expire.

(e-5) An electricity provider shall provide electric service to eligible customers who utilize net metering at non-discriminatory rates that are identical, with respect to rate structure, retail rate components, and any monthly charges, to the rates that the customer would be charged if not a net metering customer. An electricity provider shall not charge net metering customers any fee or charge or require additional equipment, insurance, or any other requirements not specifically authorized by interconnection standards authorized by the Commission, unless the fee, charge, or other requirement would apply to other similarly situated customers who are not net metering customers. The customer will remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer. Subsections (c) through (e) of this Section shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to, the provision of the
appropriate metering equipment for non-residential customers.

(f) Notwithstanding the requirements of subsections (c) through (e-5) of this Section, an electricity provider must require dual-channel metering for customers operating eligible renewable electrical generating facilities with a nameplate rating up to 2,000 kilowatts and to whom the provisions of neither subsection (d), (d-5), nor (e) of this Section apply. In such cases, electricity charges and credits shall be determined as follows:

(1) The electricity provider shall assess and the customer remains responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the gross amount of kilowatt-hours supplied to the eligible customer by the electricity provider.

(2) Each month that service is supplied by means of dual-channel metering, the electricity provider shall compensate the eligible customer for any excess kilowatt-hour credits at the electricity provider's avoided cost of electricity supply over the monthly period or as otherwise specified by the terms of a power-purchase agreement negotiated between the customer and electricity provider.

(3) For all eligible net metering customers taking service from an electricity provider under contracts or tariffs employing hourly or time of use rates, any monthly consumption of electricity shall be calculated according
to the terms of the contract or tariff to which the same customer would be assigned to or be eligible for if the customer was not a net metering customer. When those same customer-generators are net generators during any discrete hourly or time of use period, the net kilowatt-hours produced shall be valued at the same price per kilowatt-hour as the electric service provider would charge for retail kilowatt-hour sales during that same time of use period.

(g) For purposes of federal and State laws providing renewable energy credits or greenhouse gas credits, the eligible customer shall be treated as owning and having title to the renewable energy attributes, renewable energy credits, and greenhouse gas emission credits related to any electricity produced by the qualified generating unit. The electricity provider may not condition participation in a net metering program on the signing over of a customer's renewable energy credits; provided, however, this subsection (g) shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth the ownership or title of the credits.

(h) Within 120 days after the effective date of this amendatory Act of the 95th General Assembly, the Commission shall establish standards for net metering and, if the Commission has not already acted on its own initiative, standards for the interconnection of eligible renewable
generating equipment to the utility system. The interconnection standards shall address any procedural barriers, delays, and administrative costs associated with the interconnection of customer-generation while ensuring the safety and reliability of the units and the electric utility system. The Commission shall consider the Institute of Electrical and Electronics Engineers (IEEE) Standard 1547 and the issues of (i) reasonable and fair fees and costs, (ii) clear timelines for major milestones in the interconnection process, (iii) nondiscriminatory terms of agreement, and (iv) any best practices for interconnection of distributed generation.

(h-3) On and after the effective date of this amendatory Act of the 102nd General Assembly, it is the policy of the State that:

(1) Electric utilities must provide interconnection customers with a detailed accounting of the components of the utility's cost to study and perform system upgrades, with itemized lists of equipment costs, labor costs, engineering costs, and administrative costs associated with the study or system upgrade.

(2) An electric utility that has failed to meet an interconnection timeline by more than 20 days is subject to a penalty of $1,000 for each day over 20 days past the applicable date upon which the utility action was due.

(3) The Illinois Commerce Commission shall, within 60
days after the effective date of this amendatory Act of the 102nd General Assembly, hire or contract with an independent grid engineer to address delays and disputes between the utility and the interconnection customer. Specifically, this independent engineer shall:

(A) review utility cost estimates at the request of interconnection customers;
(B) resolve technical disputes between utilities and interconnection customers regarding necessary upgrades and costs thereof;
(C) authorize customers to self-supply interconnection studies when the electric utility is unable to provide such studies at a reasonable cost and schedule; and
(D) authorize customers to self-build system upgrades consistent with electric utility standards when the electric utility cannot provide such upgrades and interconnection facilities at a reasonable cost and schedule.

The process to hire or contract with an independent grid engineer described in this paragraph (3) is exempt from the requirements of the Illinois Procurement Code, pursuant to Section 20-10 of that Code.

(h-5) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, the Commission shall open a proceeding to update the interconnection
standards and applicable utility tariffs. For the public
interest, safety, and welfare of Illinois residents, the
Commission may adopt emergency rules under Section 5-45 of the
Illinois Administrative Procedure Act to implement the
requirements of subsection (h-3) and this subsection (h-5). In
addition to the requirements of subsection (h-3), the
Commission shall also revise the standards to address critical
standards for interconnection and the following issues:

(1) transparency and accuracy of costs, both direct
and indirect, while maintaining system security through
the effective management of confidentiality agreements;

(2) standardization of typical costs associated with
interconnection;

(3) transparency of the interconnection queue or
queues and hosting capacity;

(4) development of hosting capacity maps that enable
greater visibility to customers about the locations with
the greatest need or availability for distributed
generation;

(5) predictability of the queue management process and
enforcement of timelines;

(6) ability to undertake group interconnection studies
and share interconnection costs among multiple applicants;

(7) minimum requirements for application to the
interconnection process and throughout the interconnection
process to avoid queue clogging behavior;
(8) requirements that the electric utility performing the interconnection study justify its interconnection study cost and the estimates of costs for identified upgrades, and to cap payments required by the interconnection customer for the electric utility installed facilities to the lesser of +50% of the Feasibility Study estimate, +25% of the System Impact Study estimate, or +10% of the Facilities Study estimate;

(9) facilitation of the deployment of energy storage systems while ensuring the continued grid safety and reliability of the system, including addressing the following:

(A) treatment of energy storage systems as generation for purposes of the interconnection, ownership, and operation;

(B) fair study assumptions that reflect the operational profile of the energy storage device;

(C) streamlined notification-only interconnection requirements for nonexporting systems that meet utility criteria for safety and reliability, as is determined through a robust stakeholder process; and

(D) enabling exports from customer-sited energy storage systems for participation either in utility programs or wholesale markets;

(10) establishment of a dispute resolution process designed to address instances of unreasonable impediments
by the electric utility to the critical standards for interconnection enumerated in paragraphs (1) through (9) of this subsection (h-5). The Commission shall make available adequate Commission staff for this dispute resolution process to ensure that matters are decided on an expedited basis; and

(11) other policies, processes, tariffs, and standards associated with interconnection, including the creation of standards and processes that support the achievement of the objectives in subparagraph (K) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act

As part of this proceeding initiated under this subsection (h-5), the Commission shall establish an interconnection working group. The working group shall include representatives from electric utilities, developers of renewable electric generating facilities, representatives of interconnection customers, Commission staff, and other stakeholders. The working group shall be facilitated by Commission staff. The working group shall examine and make recommendations regarding best practices for interconnection process and customer service for interconnecting customer adopting distributed energy resources, including energy storage, interconnection of new technologies, including smart inverters and energy storage, and, without limitation, other technical, policy, and tariff issues related to and affecting interconnection
The working group shall report to the Commission on changes to interconnection rules and tariffs and any other recommendations as determined by the working group within 6 months after its first meeting. The report shall include positions and recommendations of the working group and individual working group members. The report of the working group shall be entered into evidence in the rulemaking process mandated by this subsection (h-5). The working group shall be reconvened one year following the enactment of the rules adopted pursuant to this subsection (h-5) to recommend any additional changes and assess the performance of the rules in meeting the goals as described above.

(i) All electricity providers shall begin to offer net metering no later than April 1, 2008.

(j) An electricity provider shall provide net metering to eligible customers until both of the following occur: (i) the statewide net metering penetration equals 5% and (ii) the Commission approves the utility tariffs prescribed by subsection (e) of Section 16-107.6 of this Act that make distributed generation rebates available to all eligible customers, including residential customers, and those tariffs go into effect. After that time the load of its net metering customers equals 5% of the total peak demand supplied by that electricity provider during the previous year. After such time as the load of the electricity provider's net metering
customers equals 5% of the total peak demand supplied by that electricity provider during the previous year, eligible customers that begin taking net metering shall no longer be eligible for netting of delivery service credits as described in subsection (n) of this Section only be eligible for netting of energy.

(k) Each electricity provider shall maintain records and report annually to the Commission the total number of net metering customers served by the provider, as well as the type, capacity, and energy sources of the generating systems used by the net metering customers. Nothing in this Section shall limit the ability of an electricity provider to request the redaction of information deemed by the Commission to be confidential business information.

(l)(1) Notwithstanding the definition of "eligible customer" in item (ii) of subsection (b) of this Section, each electricity provider shall allow net metering as set forth in this subsection (l) and for the following projects:

(A) properties owned or leased by multiple customers that contribute to the operation of an eligible renewable electrical generating facility through an ownership or leasehold interest of at least 200 watts in such facility, such as a community-owned wind project, a community-owned biomass project, a community-owned solar project, or a community methane digester processing livestock waste from multiple sources, provided that the facility is also
located within the utility's service territory;

(B) individual units, apartments, or properties located in a single building that are owned or leased by multiple customers and collectively served by a common eligible renewable electrical generating facility, such as an office or apartment building, a shopping center or strip mall served by photovoltaic panels on the roof; and

(C) subscriptions to community renewable generation projects, including community renewable generation projects on the customer's side of the billing meter of a host facility and partially used for the customer's own load.

In addition, the nameplate capacity of the eligible renewable electric generating facility that serves the demand of the properties, units, or apartments identified in paragraphs (1) and (2) of this subsection (1) shall not exceed 2,000 kilowatts in nameplate capacity in total. Any eligible renewable electrical generating facility or community renewable generation project that is powered by photovoltaic electric energy and installed after the effective date of this amendatory Act of the 99th General Assembly must be 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.

(2) Notwithstanding anything to the contrary, an electricity provider shall provide credits for the electricity
produced by the projects described in paragraph (1) of this subsection (l). The electricity provider shall provide credits that include at least energy supply, capacity, transmission, and the purchased electricity adjustment, as applicable, at the subscriber's energy supply rate on the subscriber's monthly bill equal to the subscriber's share of the production of electricity from the project, as determined by paragraph (3) of this subsection (l).

(3) For the purposes of facilitating net metering, the owner or operator of the eligible renewable electrical generating facility or community renewable generation project shall be responsible for determining the amount of the credit that each customer or subscriber participating in a project under this subsection (l) is to receive in the following manner:

(A) The owner or operator shall, on a monthly basis, provide to the electric utility the kilowatthours of generation attributable to each of the utility's retail customers and subscribers participating in projects under this subsection (l) in accordance with the customer's or subscriber's share of the eligible renewable electric generating facility's or community renewable generation project's output of power and energy for such month. The owner or operator shall electronically transmit such calculations and associated documentation to the electric utility, in a format or method set forth in the applicable
tariff, on a monthly basis so that the electric utility can reflect the monetary credits on customers' and subscribers' electric utility bills. The electric utility shall be permitted to revise its tariffs to implement the provisions of this amendatory Act of the 102nd General Assembly this amendatory Act of the 99th General Assembly. The owner or operator shall separately provide the electric utility with the documentation detailing the calculations supporting the credit in the manner set forth in the applicable tariff.

(B) For those participating customers and subscribers who receive their energy supply from an alternative retail electric supplier, the electric utility shall remit to the applicable alternative retail electric supplier the information provided under subparagraph (A) of this paragraph (3) for such customers and subscribers in a manner set forth in such alternative retail electric supplier's net metering program, or as otherwise agreed between the utility and the alternative retail electric supplier. The alternative retail electric supplier shall then submit to the utility the amount of the charges for power and energy to be applied to such customers and subscribers, including the amount of the credit associated with net metering.

(C) A participating customer or subscriber may provide authorization as required by applicable law that directs
the electric utility to submit information to the owner or
operator of the eligible renewable electrical generating
facility or community renewable generation project to
which the customer or subscriber has an ownership or
leasehold interest or a subscription. Such information
shall be limited to the components of the net metering
credit calculated under this subsection (l), including the
bill credit rate, total kilowatthours, and total monetary
credit value applied to the customer's or subscriber's
bill for the monthly billing period.

For community renewable generation projects located behind
the meter of a host facility, the determination of the
quantity of energy eligible for crediting to participating
customers or subscribers of the community renewable generation
project shall be based on any energy production of the project
that exceeds the host's instantaneous on-site consumption
during the applicable billing period.

(l-5) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility
subject to this Section shall file a tariff to implement the
provisions of subsection (l) of this Section, which shall,
consistent with the provisions of subsection (l), describe the
terms and conditions under which owners or operators of
qualifying properties, units, or apartments may participate in
net metering. The Commission shall approve, or approve with
modification, the tariff within 120 days after the effective
date of this amendatory Act of the 102nd General Assembly this
amendatory Act of the 99th General Assembly.

(m) Nothing in this Section shall affect the right of an
electricity provider to continue to provide, or the right of a
retail customer to continue to receive service pursuant to a
contract for electric service between the electricity provider
and the retail customer in accordance with the prices, terms,
and conditions provided for in that contract. Either the
electricity provider or the customer may require compliance
with the prices, terms, and conditions of the contract.

(n) At such time, if any, that statewide net metering
penetration equals 5% the load of the electricity provider's
net metering customers equals 5% of the total peak demand
supplied by that electricity provider during the previous
year, as specified in subsection (j) of this Section, and the
distributed generation rebate tariff for the electricity
utility prescribed by subsection (e) of Section 16-107.6 of
this Act has gone into effect and the rebate is approved and
available to eligible customers, the net metering services
described in subsections (d), (d-5), (e), (e-5), and (f) of
this Section shall no longer be offered, except as to those
eligible renewable generating facilities for which retail
customers that are receiving net metering service under these
subsections at the time the net metering services under those
subsections are no longer offered; those systems shall
continue to receive net metering services described in
subsections (d), (d-5), (e), (e-5), and (f) of this Section
for the lifetime of the system, regardless of whether those
retail customers change electricity providers or whether the
retail customer benefiting from the system changes. Those
retail customers that begin taking net metering service after
the date that net metering services are no longer offered
under such subsections shall be subject to the provisions set
forth in the following paragraphs (1) through (3) of this
subsection (n):

(1) An electricity provider shall charge or credit for
the net electricity supplied to eligible customers or
provided by eligible customers whose electric supply
service is not provided based on hourly pricing in the
following manner:

(A) If the amount of electricity used by the
customer during the billing period exceeds the amount
of electricity produced by the customer, then the
electricity provider shall charge the customer for the
net kilowatt-hour based electricity charges reflected
in the customer's electric service rate supplied to
and used by the customer as provided in paragraph (3)
of this subsection (n).

(B) If the amount of electricity produced by a
customer during the billing period exceeds the amount
of electricity used by the customer during that
billing period, then the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour energy credit that reflects the kilowatt-hour based energy charges in the customer's electric service rate to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity provider shall continue to carry over any excess kilowatt-hour energy credits earned and apply those credits to subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.

(C) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits in the customer's account shall expire.

(2) An electricity provider shall charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric supply service is provided based on hourly pricing in the following manner:

(A) If the amount of electricity used by the
customer during any hourly period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in paragraph (3) of this subsection (n).

(B) If the amount of electricity produced by a customer during any hourly period exceeds the amount of electricity used by the customer during that hourly period, the energy provider shall calculate an energy credit for the net kilowatt-hours produced in such period. The value of the energy credit shall be calculated using the same price per kilowatt-hour as the electric service provider would charge for kilowatt-hour energy sales during that same hourly period.

(3) An electricity provider shall provide electric service to eligible customers who utilize net metering at non-discriminatory rates that are identical, with respect to rate structure, retail rate components, and any monthly charges, to the rates that the customer would be charged if not a net metering customer. An electricity provider shall charge the customer for the net electricity supplied to and used by the customer according to the terms of the contract or tariff to which the same customer would be assigned or be eligible for if the customer was not a net metering customer. An electricity provider shall not
charge net metering customers any fee or charge or require additional equipment, insurance, or any other requirements not specifically authorized by interconnection standards authorized by the Commission, unless the fee, charge, or other requirement would apply to other similarly situated customers who are not net metering customers. The charge or credit that the customer receives for net electricity shall be at a rate equal to the customer's energy supply rate. The customer remains responsible for the gross amount of delivery services charges, supply-related charges that are kilowatt based, and all taxes and fees related to such charges. The customer also remains responsible for all taxes and fees that would otherwise be applicable to the net amount of electricity used by the customer. Paragraphs (1) and (2) of this subsection (n) shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to, the provision of the appropriate metering equipment for non-residential customers. Nothing in this paragraph (3) shall be interpreted to mandate that a utility that is only required to provide delivery services to a given customer must also sell electricity to such customer.

(o) Within 90 days after the effective date of this
amendatory Act of the 102nd General Assembly, each electric utility subject to this Section shall file a tariff that shall, consistent with the provisions of this Section, propose the terms and conditions under which an eligible customer may participate in net metering. The Commission shall approve, or approve with modification based on a stakeholder process, the tariff within 120 days after the effective date of this amendatory Act of the 102nd General Assembly. Each electric utility shall file any changes to terms as a subsequent tariff for approval or approval with modifications from the Commission.

(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-107.6)

Sec. 16-107.6. Distributed generation rebate.

(a) In this Section:

"Distributed energy resource" means a wide range of technologies that are located on the customer side of the customer's electric meter and can provide value to the distribution system, including, but not limited to, distributed generation, energy storage, electric vehicles, and demand response technologies.

"Smart inverter" means a device that converts direct current into alternating current and meets the IEEE 1547-2018 equipment standards. Until devices that meet the IEEE 1547-2018 standard are available, devices that meet the UL
1741 SA standard are acceptable can autonomously contribute to grid support during excursions from normal operating voltage and frequency conditions by providing each of the following: dynamic reactive and real power support, voltage and frequency ride-through, ramp rate controls, communication systems with ability to accept external commands, and other functions from the electric utility.

"Subscriber" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"Subscription" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"Threshold date" means the date on which statewide net metering penetration equals 5% the load of an electricity provider's net metering customers equals 5% of the total peak demand supplied by that electricity provider during the previous year, as specified under subsection (j) of Section 16-107.5 of this Act.

(b) An electric utility that serves more than 200,000 customers in the State shall file a petition with the Commission requesting approval of the utility's tariff to provide a rebate to a retail customer who owns or operates distributed generation that meets the following criteria:

(1) has a nameplate generating capacity no greater than 2,000 kilowatts and is primarily used to offset that customer's electricity load;

(2) is located on the customer's side of the billing
meter premises, for the customer's own use, and not for
commercial use or sales, including, but not limited to,
wholesale sales of electric power and energy;

(3) is located in the electric utility's service
territory; and

(4) is interconnected under rules adopted by the
Commission by means of the inverter or smart inverter
required by this Section, as applicable.

For purposes of this Section, "distributed generation"
shall satisfy the definition of distributed renewable energy
generation device set forth in Section 1-10 of the Illinois
Power Agency Act to the extent such definition is consistent
with the requirements of this Section.

In addition, any new photovoltaic distributed generation
that is installed after the effective date of this amendatory
Act of the 99th General Assembly must be installed by a
qualified person, as defined by subsection (i) of Section 1-56

The tariff shall provide that the smart inverter
associated with the distributed generation shall provide
autonomous responses to grid conditions through its default
settings as approved by the Commission utility shall be
permitted to operate and control the smart inverter associated
with the distributed generation that is the subject of the
rebate for the purpose of preserving reliability during
distribution system reliability events and shall address the
terms and conditions of the operation and the compensation associated with the operation. Nothing in this Section shall negate or supersede Institute of Electrical and Electronics Engineers equipment interconnection requirements or standards or other similar standards or requirements. The tariff shall not limit the ability of the smart inverter or other distributed energy resource to provide wholesale market products such as regulation, demand response, or other services, or limit the ability of the owner of the smart inverter or the other distributed energy resource to receive compensation for providing those wholesale market products or services. The tariff shall also provide for additional uses of the smart inverter that shall be separately compensated and which may include, but are not limited to, voltage and VAR support, regulation, and other grid services. As part of the proceeding described in subsection (c) of this Section, the Commission shall review and determine whether smart inverters can provide any additional uses or services. If the Commission determines that an additional use or service would be beneficial, the Commission shall determine the terms and conditions of the operation and how the use or service should be separately compensated.

(c) The proposed tariff authorized by subsection (b) of this Section shall include the following participation terms and formulae to calculate the value of the rebates to be applied under this Section for distributed generation that
satisfies the criteria set forth in subsection (b) of this Section:

(1) Until the utility's tariff or tariffs setting the new compensation values established under subsection (e) take effect utility files its tariff or tariffs to place into effect the rebate values established by the Commission under subsection (e) of this Section, non-residential customers that are taking service under a net metering program offered by an electricity provider under the terms of Section 16-107.5 of this Act may apply for a rebate as provided for in this Section. The value of the rebate shall be $250 per kilowatt of nameplate generating capacity, measured as nominal DC power output, of a non-residential customer's distributed generation.

(2) After the utility's tariff or tariffs setting the new rebate values established under subsection (e) of this Section take effect, retail customers may, as applicable, make the following elections:

(A) Residential customers that are taking service under a net metering program offered by an electricity provider under the terms of Section 16-107.5 of this Act on the threshold date may elect to either continue to take such service under the terms of such program as in effect on such threshold date for the useful life of the customer's eligible renewable electric generating facility as defined in such Section, or file an
application to receive a rebate under the terms of this Section, provided that such application must be submitted within 6 months after the effective date of the tariff approved under subsection (d) of this Section. The value of the rebate shall be the amount established by the Commission and reflected in the utility's tariff approved pursuant to subsection (e) of this Section.

(B) Non-residential customers that are taking service under a net metering program offered by an electricity provider under the terms of Section 16-107.5 of this Act on the threshold date may apply for a rebate as provided for in this Section. The value of the rebate shall be the amount established by the Commission and reflected in the utility's tariff approved pursuant to subsection (e) of this Section.

(3) Upon approval of a rebate application submitted under this subsection (c), the retail customer shall no longer be entitled to receive any delivery service credits for the excess electricity generated by its facility and shall be subject to the provisions of subsection (n) of Section 16-107.5 of this Act.

(4) To be eligible for a rebate described in this subsection (c), customers who begin taking service after the effective date of this amendatory Act of the 99th General Assembly under a net metering program offered by
an electricity provider under the terms of Section 16-107.5 of this Act must have a smart inverter associated with the customer's distributed generation.

(d) The Commission shall review the proposed tariff submitted under subsections (b) and (c) of this Section and may make changes to the tariff that are consistent with this Section and with the Commission's authority under Article IX of this Act, subject to notice and hearing. Following notice and hearing, the Commission shall issue an order approving, or approving with modification, such tariff no later than 240 days after the utility files its tariff.

(e) When statewide the total generating capacity of the electricity provider's net metering penetration, as defined in Section 16-107.5, customers is equal to 3%, the Commission shall open an investigation into an annual process and formula for calculating the compensation value of rebates for the retail customers described in subsections (b) and (f) of this Section that submit rebate applications after the threshold date for an electric utility that elected to file a tariff pursuant to this Section. The investigation shall include, at minimum, diverse sets of stakeholders, a review of best practices in calculating the value of distributed energy resource benefits, and assessments of present and future technological capabilities of distributed energy resources. Compensation shall reflect all known and measurable values of the distributed energy resources over their full expected
useful lives. Compensation shall reflect, but shall not be limited to, any geographic, time-based, performance-based, and other benefits of distributed energy resources, as well as technological capabilities and present and future grid needs. The Commission’s final order concluding this investigation shall establish a formula for the compensation of distributed energy resources, and an initial set of inputs for that formula. The Commission’s final order concluding this proceeding shall also direct the utilities to update the formula, on an annual basis, with inputs derived from their integrated grid plans developed pursuant to Section 16-105.17. The Commission shall also determine, as a part of its investigation under this subsection, whether distributed energy resources can provide any additional beneficial uses or services through utility-controlled responses to grid conditions. If the Commission determines that distributed energy resources can provide additional beneficial uses or services, the Commission shall determine the terms and conditions for the operation and compensation of those uses and services. That compensation shall be above and beyond any rebate that the distributed energy resource receives. Diverse sets of stakeholders, calculations for valuing distributed energy resource benefits to the grid based on best practices, and assessments of present and future technological capabilities of distributed energy resources. The value of such rebates shall reflect the value of the distributed
generation to the distribution system at the location at which it is interconnected, taking into account the geographic, time-based, and performance-based benefits, as well as technological capabilities and present and future grid needs. The Commission shall consider the electric utility's integrated grid plan developed pursuant to Section 16-105.17 of this Act to help identify the value of distributed energy resources for the purpose of calculating the rebates described in this subsection. The Commission shall determine additional compensation for distributed generation that creates savings and value on the distribution system by being co-located or in close proximity to electric vehicle charging infrastructure in use by medium-duty and heavy-duty vehicles, primarily serving environmental justice communities, as outlined in the utility integrated grid planning process under Section 16-105.17 of this Act. No later than 10 days after the Commission enters its final order under this subsection (e), each the utility shall file its tariff or tariffs in compliance with the order, including new tariffs for the recovery of costs incurred under this subsection (e) that shall provide for volumetric-based cost recovery, and the Commission shall approve, or approve with modification, the tariff or tariffs within 240 45 days after the utility's filing. For those rebate applications filed after the threshold date but before the utility's tariff or tariffs filed pursuant to this subsection (e) take effect, the value of the rebate shall remain at the value established
in subsection (c) of this Section until the tariff is approved. As part of the process, the Commission shall ensure that the distributed generation rebate results in stable growth of both small and large distributed generation projects in Illinois as provided in subsection (j) of Section 16-107.5 of this Act, with particular attention to impacts to the growth of residential distributed generation customers. The Commission has the authority to establish interim rebate values for part or all of a utility's service territory to ensure transparency and stability of compensation for distributed energy resources in the utility's service territory.

(f) Notwithstanding any provision of this Act to the contrary, the owner, developer, or subscriber of a generation facility that is part of a net metering program provided under subsection (l) of Section 16-107.5 shall also be eligible to apply for the rebate described in this Section. A subscriber to the generation facility may apply for a rebate in the amount of the subscriber's subscription only if the owner, developer, or previous subscriber to the same panel or panels has not already submitted an application, and, regardless of whether the subscriber is a residential or non-residential customer, may be allowed the amount identified in paragraph (1) of subsection (c) or in subsection (e) of this Section applicable to such customer on the date that the application is submitted. An application for a rebate for a portion of a
project described in this subsection (f) may be submitted at
or after the time that a related request for net metering is
made.

(g) No later than 60 days after the utility receives an
application for a rebate under its tariff approved under
subsection (d) or (e) of this Section, the utility shall issue
a rebate to the applicant under the terms of the tariff. In the
event the application is incomplete or the utility is
otherwise unable to calculate the payment based on the
information provided by the owner, the utility shall issue the
payment no later than 60 days after the application is
complete or all requested information is received.

(h) An electric utility shall recover from its retail
customers all of the costs of the rebates made under a tariff
or tariffs approved under subsection (d) of placed into effect
under this Section, including, but not limited to, the value
of the rebates and all costs incurred by the utility to comply
with and implement subsections (b) and (c) of this Section,
but not including costs incurred by the utility to comply with
and implement subsection (e) of this Section, consistent with
the following provisions:

(1) The utility shall defer the full amount of its
costs incurred under this Section as a regulatory asset.
The total costs deferred as a regulatory asset shall be
amortized over a 15-year period. The unamortized balance
shall be recognized as of December 31 for a given year. The
utility shall also earn a return on the total of the
unamortized balance of the regulatory assets, less any
defered taxes related to the unamortized balance, at an
annual rate equal to the utility's weighted average cost
of capital that includes, based on a year-end capital
structure, the utility's actual cost of debt for the
applicable calendar year and a cost of equity, which shall
be calculated as the sum of (i) the average for the
applicable calendar year of the monthly average yields of
30-year U.S. Treasury bonds published by the Board of
Governors of the Federal Reserve System in its weekly H.15
Statistical Release or successor publication; and (ii) 580
basis points, including a revenue conversion factor
calculated to recover or refund all additional income
taxes that may be payable or receivable as a result of that
return.

When an electric utility creates a regulatory asset
under the provisions of this Section, the costs are
recovered over a period during which customers also
receive a benefit, which is in the public interest.
Accordingly, it is the intent of the General Assembly that
an electric utility that elects to create a regulatory
asset under the provisions of this Section shall recover
all of the associated costs, including, but not limited
to, its cost of capital as set forth in this Section. After
the Commission has approved the prudence and
reasonableness of the costs that comprise the regulatory asset, the electric utility shall be permitted to recover all such costs, and the value and recoverability through rates of the associated regulatory asset shall not be limited, altered, impaired, or reduced. To enable the financing of the incremental capital expenditures, including regulatory assets, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, the utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital structure shall be deemed reasonable and used to set rates.

(2) The utility, at its election, may recover all of the costs it incurs under this Section as part of a filing for a general increase in rates under Article IX of this Act, as part of an annual filing to update a performance-based formula rate under subsection (d) of Section 16-108.5 of this Act, or through an automatic adjustment clause tariff, provided that nothing in this paragraph (2) permits the double recovery of such costs from customers. If the utility elects to recover the costs it incurs under this Section through an automatic adjustment clause tariff, the utility may file its proposed tariff together with the tariff it files under subsection (b) of this Section or at a later time. The
proposed tariff shall provide for an annual reconciliation, less any deferred taxes related to the reconciliation, with interest at an annual rate of return equal to the utility's weighted average cost of capital as calculated under paragraph (1) of this subsection (h), including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return, of the revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its automatic adjustment clause tariff under this subsection (h), with what the revenue requirement would have been had the actual cost information for the applicable calendar year been available at the filing date. The Commission shall review the proposed tariff and may make changes to the tariff that are consistent with this Section and with the Commission's authority under Article IX of this Act, subject to notice and hearing. Following notice and hearing, the Commission shall issue an order approving, or approving with modification, such tariff no later than 240 days after the utility files its tariff.

(i) An electric utility shall recover from its retail customers, on a volumetric basis, all of the costs of the rebates made under a tariff or tariffs placed into effect under subsection (e) of this Section, including, but not
limited to, the value of the rebates and all costs incurred by
the utility to comply with and implement subsection (e) of
this Section, consistent with the following provisions:

(1) The utility may defer a portion of its costs as a
regulatory asset. The Commission shall determine the
portion that may be appropriately deferred as a regulatory
asset. Factors that the Commission shall consider in
determining the portion of costs that shall be deferred as
a regulatory asset include, but are not limited to: (i)
whether and the extent to which a cost effectively
defered or avoided other distribution system costs; (ii)
the extent to which a cost provides environmental
benefits; (iii) the extent to which a cost improves system
reliability or resilience; (iv) the electric utility's
distribution system plan developed pursuant to Section
16-108.17 of this Act; and (v) such other factors as the
Commission deems appropriate. The remainder of costs shall
be deemed an operating expense and shall be recoverable if
found prudent and reasonable by the Commission.

The total costs deferred as a regulatory asset shall
be amortized over a 15-year period. The unamortized
balance shall be recognized as of December 31 for a given
year. The utility shall also earn a return on the total of
the unamortized balance of the regulatory assets, less any
defered taxes related to the unamortized balance, at an
annual rate equal to the utility's weighted average cost
of capital that includes, based on a year-end capital
structure, the utility's actual cost of debt for the
applicable calendar year and a cost of equity, which shall
be calculated as the sum of: (I) the average for the
applicable calendar year of the monthly average yields of
30-year U.S. Treasury bonds published by the Board of
Governors of the Federal Reserve System in its weekly H.15
Statistical Release or successor publication; and (II) 580
basis points, including a revenue conversion factor
calculated to recover or refund all additional income
taxes that may be payable or receivable as a result of that
return.

When an electric utility creates a regulatory asset
under the provisions of this subsection (i), the costs are
recovered over a period during which customers also
receive a benefit, which is in the public interest.
Accordingly, it is the intent of the General Assembly that
an electric utility that elects to create a regulatory
asset under the provisions of this Section shall recover
all of the associated costs, including, but not limited
to, its cost of capital as set forth in this Section. After
the Commission has approved the prudence and
reasonableness of the costs that comprise the regulatory
asset, the electric utility shall be permitted to recover
all such costs, and the value and recoverability through
rates of the associated regulatory asset shall not be
limited, altered, impaired, or reduced. To enable the
financing of the incremental capital expenditures,
including regulatory assets, for electric utilities that
serve less than 3,000,000 retail customers but more than
500,000 retail customers in the State, the utility's
actual year-end capital structure that includes a common
equity ratio, excluding goodwill, of up to and including
50% of the total capital structure shall be deemed
reasonable and used to set rates.

(2) The utility may recover all of the costs through
an automatic adjustment clause tariff, on a volumetric
basis. The utility may file its proposed cost-recovery
tariff together with the tariff it files under subsection
(e) of this Section or at a later time. The proposed tariff
shall provide for an annual reconciliation, less any
deferred taxes related to the reconciliation, with
interest at an annual rate of return equal to the
utility's weighted average cost of capital as calculated
under paragraph (1) of this subsection (i), including a
revenue conversion factor calculated to recover or refund
all additional income taxes that may be payable or
receivable as a result of that return, of the revenue
requirement reflected in rates for each calendar year,
beginning with the calendar year in which the utility
files its automatic adjustment clause tariff under this
subsection (i), with what the revenue requirement would
have been had the actual cost information for the applicable calendar year been available at the filing date. The Commission shall review the proposed tariff and may make changes to the tariff that are consistent with this Section and with the Commission's authority under Article IX of this Act, subject to notice and hearing. Following notice and hearing, the Commission shall issue an order approving, or approving with modification, such tariff no later than 240 days after the utility files its tariff.

(j) No later than 90 days after the Commission enters an order, or order on rehearing, whichever is later, approving an electric utility's proposed tariff under subsection (d) of this Section, the electric utility shall provide notice of the availability of rebates under this Section. Subsequent to the utility's notice, any entity that offers in the State, for sale or lease, distributed generation and estimates the dollar saving attributable to such distributed generation shall provide estimates based on both delivery service credits, if applicable and if available under Section 16-107.5 of this Act, and the rebates available under this Section.

(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-107.7 new)

Sec. 16-107.7. Residential time-of-use pricing.

(a) The General Assembly finds that time-of-use rates and
pricing plans can lower energy costs for consumers and reduce
grid costs as well as help Illinois achieve its energy policy
goals by improving load shape, encouraging energy
conservation, and shifting usage away from periods where
fossil fuels are used to meet peak demand. Further, by
providing consumers information relating the costs of service
to the time of energy usage, time-of-use rates can help
consumers reduce their energy bills by using electricity when
it is less costly. Time-of-use rates can help allocate
electricity system costs more accurately and thus equitably to
those who cause costs. Such rates can reduce the need for
ramping resources and increase the grid's ability to
cost-effectively integrate greater quantities of variable
renewable energy and distributed energy resources.

(b) An electric utility that has a tariff in effect under
Section 16-108.5 as of the effective date of this amendatory
Act of the 102nd General Assembly shall also offer at least one
market-based, time-of-use rate for eligible retail customers
that choose to take power and energy supply service from the
utility. The utility shall file its time-of-use rate tariff no
later than 120 days after the effective date of this
amendatory Act of the 102nd General Assembly, and each utility
subject to this requirement shall implement the requirements
of this paragraph by filing a tariff with the Commission. The
tariff or tariffs shall be subject to the following
provisions:
(1) If more than one tariff is proposed, at least one tariff shall include at least 3 time blocks: a peak time block defined as 2 p.m. to 7 p.m. on nonholiday weekdays or the 5 consecutive hours best reflecting the highest system peak demands, an off-peak time block defined as 10 a.m. to 2 p.m. and 7 p.m. to 10 p.m. on nonholiday weekdays or the 7 total hours, occurring in some combination before and after the peak period, which reflect the next highest system peak demands, and a super-off-peak time block defined as all other hours including weekend days.

2) This tariff shall strive to achieve price ratios between the blocks as follows: the super-off-peak time block price shall be no less than zero but no greater than one-half of the price of the off-peak time block price, and the off-peak time block price shall be no greater than one-half of the price of the peak time block price.

(3) The time-of-use rate shall include the costs of electric capacity, costs of transmission services, and charges for network integration transmission service, transmission enhancement, and locational reliability, as these terms are defined in the PJM Interconnection LLC Open Access Transmission Tariff and manuals on January 1, 2019, within the prices for each time block and seasonal block in which the associated costs generally are incurred. If the Open Access Transmission Tariff or manuals subsequently renames those terms, the services
reflected under those terms shall continue to be included in the time-of-use rate described in this paragraph (2).

(4) Adjustments to the charges set by the tariff may be made on a semi-annual basis, as follows: each May and November, the utility shall submit to the Commission, through an informational filing, its updated charges, and such charges shall take effect beginning with the June monthly billing period and December monthly billing period, respectively.

(5) The tariff shall include a purchased energy adjustment to fully recover the supply costs for the customers taking service under this tariff. "Eligible customers" includes, but is not limited to, customers participating in net electricity metering under the terms of Section 16-107.5.

(c) The Commission shall, after notice and hearing, approve the tariff or tariffs with modifications the Commission finds necessary to improve the program design, customer participation in the program, or coordination with existing utility pricing programs, energy efficiency programs, demand response programs, and any other programs supporting Illinois energy policy goals and the integration of distributed energy resources. The Commission shall also consider how the proposed time-of-use rate design reflects the system costs and usage patterns of the utility. A proceeding under this subsection may not exceed 120 days in length.
(d) If the Commission issues an order pursuant to this subsection, the affected electric utility shall contract with an entity not affiliated with the electric utility to serve as a program administrator to develop and implement a program to provide consumer outreach, enrollment, and education concerning time-of-use pricing and to establish and administer an information system and technical and other customer assistance that is necessary to enable customers to manage electricity use. The program administrator: (i) shall be selected and compensated by the electric utility, subject to Commission approval; (ii) shall have demonstrated technical and managerial competence in the development and administration of demand management programs; and (iii) may develop and implement risk management, energy efficiency, and other services related to energy use management for which the program administrator shall be compensated by participants in the program receiving such services. The electric utility shall provide the program administrator with all information and assistance necessary to perform the program administrator's duties, including, but not limited to, customer, account, and energy use data. The electric utility shall permit the program administrator to include inserts in residential customer bills 2 times per year to assist with customer outreach and enrollment.

The program administrator shall submit an annual report to the electric utility no later than April 1 of each year
describing the operation and results of the program, including information concerning the number and types of customers using the program, changes in customers' energy use patterns, an assessment of the value of the program to both participants and nonparticipants, and recommendations concerning modification of the program and the tariff or tariffs filed under this Section. This report shall be filed by the electric utility with the Commission within 30 days after receipt and shall be available to the public on the Commission's website.

(e) Once the tariff or tariffs has been in effect for 24 months, the Commission may, upon complaint, petition, or its own initiative, open a proceeding to investigate whether changes or modifications to the tariff or tariffs, program administration and any other program design element is necessary to achieve the goals described in subsection (a) of this Section. Such a proceeding may not last more than 120 days from the date upon which the investigation is opened by Commission order.

(f) An electric utility shall be entitled to recover reasonable costs incurred in complying with this Section, provided that recovery of the costs is fairly apportioned among its residential customers.

(g) The electric utility's tariff or tariffs filed pursuant to this Section shall be subject to the provisions of Article IX of this Act insofar as they do not conflict with this Section.
(h) This Section does not apply to any electric utility providing service to 100,000 or fewer customers.

(220 ILCS 5/16-107.8 new)

Sec. 16-107.8. Beneficial electrification.

(a) It is the intent of the General Assembly to decrease reliance on fossil fuels, reduce pollution from the transportation sector, increase access to electrification for all consumers, and ensure that electric vehicle adoption and increased electricity usage and demand do not place significant additional burdens on the electric system and create benefits for Illinois residents.

(b) As used in this Section:

"Beneficial electrification programs" means programs that lower carbon dioxide emissions, replace fossil fuel use, create cost savings, improve electric grid operations, reduce increases to peak demand, improve electric usage load shape, and align electric usage with times of renewable generation. All beneficial electrification programs shall provide for incentives such that customers are induced to use electricity at times of low overall system usage or at times when generation from renewable energy sources is high. "Beneficial electrification programs" include a portfolio of the following:

(1) time-of-use electric rates;

(2) hourly pricing electric rates;
(3) charging plans or rates set by electric vehicle service providers that encourage off-peak charging;

(4) optimized charging programs or programs that encourage charging at times beneficial to the electric grid;

(5) demand-response programs specifically related to electrification efforts;

(6) incentives for electrification and associated infrastructure tied to using electricity at beneficial times;

(7) incentives for electrification and associated infrastructure targeted to medium-duty and heavy-duty vehicles used by transit agencies;

(8) incentives for electrification and associated infrastructure targeted to school buses;

(9) incentives for electrification and associated infrastructure for medium-duty and heavy-duty government and private fleet vehicles;

(10) low-income programs that provide access to electric vehicles for communities where car ownership or new car ownership is not common;

(11) incentives for electrification in low-income and environmental justice communities;

(12) incentives or programs to enable quicker adoption of electric vehicles by developing public charging stations in dense areas, workplaces, and in low-income
(13) incentives or programs to develop electric vehicles infrastructure to ensure electric vehicles can travel statewide, filling the gaps in deployment, particularly in rural areas or along highway corridors;

(14) incentives or planning to encourage the development in close proximity of electrification and renewable energy generation to reduce grid impacts; and

(15) other such programs as defined by the Commission.

"Disadvantaged participant contractor" has the meaning set forth in Clean Jobs, Workforce and Contractor Equity Act.

"Displaced energy worker" has the meaning set forth in Section 20-10 of the Energy Community Reinvestment Act.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its program administrator in the Illinois Solar for All Program.

"Labor peace agreement" means an agreement between an entity and any labor organization recognized under the National Labor Relations Act, referred to in this Act as a bona fide labor organization, that may prohibit labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the entity. This agreement means that the entity has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the entity's
employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the entity's employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under State law, and terms and conditions of employment. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

"Low-income" means persons and families whose income does not exceed 80% of area median income, adjusted for family size and revised every 2 years.

"Optimized charging programs" mean programs whereby owners of electric vehicles can set their vehicles to be charged based on the electric system's current demand, retail or wholesale market rates, incentives, the carbon or other pollution intensity of the electric generation mix, the provision of grid services, efficient use of the electric grid, or the availability of clean energy generation. Optimized charging programs may be operated by utilities as well as third parties.

"BIPOC" and "black, indigenous, and people of color" are identical in meaning and have the same definition as used in the Clean Jobs, Workforce and Contractor Equity Act.

(c) No later than November 30, 2021, electric utilities serving greater than 500,000 customers in the State shall initiate a stakeholder workshop process to solicit input on
the design of beneficial electrification programs that the utility shall offer. The stakeholder workshop process shall take into consideration the benefits of electric vehicle adoption and barriers to adoption, including:

(1) the benefit of lower bills for customers who do not charge electric vehicles;

(2) benefits from electric vehicle usage of the distribution system;

(3) the avoidance and reduction in capacity costs from optimized charging and off-peak charging;

(4) energy price and cost reductions; and

(5) environmental benefits, including greenhouse gas emission and other pollution reductions.

(6) current barriers to mass-market adoption, including cost of ownership and availability of charging stations;

(7) benefits of and incentives for medium-duty and heavy-duty fleet vehicle electrification;

(8) opportunities for environmental justice and low-income communities to benefit from electrification.

The workshops should consider barriers, incentives, enabling rate structures, and other opportunities for the bill reduction and environmental benefits described in this subsection.

Stakeholders and the electric utilities shall propose discrete beneficial electrification programs and shall provide
estimates of the costs and benefits of those programs in the
workshops. The process shall be open and transparent with
inclusion of stakeholder interests, including stakeholders
representing environmental justice and low-income communities.

(d) No later than May 31, 2022, electric utilities serving
greater than 500,000 customers in the State shall file a
Beneficial Electrification Plan with the Illinois Commerce
Commission for programs that start no later than January 1,
2023. The Beneficial Electrification Plan shall specifically
address, at a minimum, the following:

   (1) the development and implementation of time-of-use
   rates and their benefit for electric vehicle users and for
   all customers;

   (2) the development of optimized charging programs to
   achieve savings identified, and new contracts and
   compensation for services in those programs, through
   signals that allow electric vehicle charging to respond to
   local system conditions, manage critical peak periods,
   serve as a demand response or peak resource, and maximize
   renewable energy use and integration into the grid;

   (3) plans to address environmental justice interests
   and the provision of opportunities for residents and
   businesses in environmental justice communities to
directly benefit from transportation electrification;

   (4) financial and other challenges to electric vehicle
usage in low-income communities, and strategies for
overcoming those challenges, particularly in communities
and for people for whom car ownership is not an option;

(5) plans to increase access to Level 3 Public Electric Vehicle Charging Infrastructure located along transportation corridors to serve vehicles that need quicker charging times and vehicles of persons who have no other access to charging infrastructure, regardless of whether those projects participate in optimized charging programs;

(6) opportunities for coordination and cohesion with electric vehicle and electric vehicle charging equipment incentives established by any agency, department, board, or commission of the State of Illinois, any other unit of government in the State, any national programs, or any unit of the federal government;

(7) ideas for the development of online tools, applications, and data sharing that provide essential information to those charging electric vehicles, and enable an automated charging response to price signals, emission signals, real-time renewable generation production, and other Commission-approved or customer-desired indicators of beneficial charging times; and

(8) an outline of proposed customer education measures, including a shadow billing option to allow customers to compare current and historical monthly bills
under different rate plans, cost calculators to compare
electric vehicles costs with internal combustion engine
vehicle costs, the use of utility communications for
proactive customer engagement on electric vehicles, rate
and cost comparison information materials for car dealers
and their customers, and direct outreach to diverse
communities through community and other organizations.
(e) The initial Beneficial Electrification Plans submitted
under subsection (d) shall include at least the following
programs:

(1) Electric Vehicle Access for All Program. Electric
utilities that serve more than 3,000,000 retail customers
in the State shall reimburse $7,500,000 per year, or 15%
of the total plan budget, to the Department of Commerce
and Economic Opportunity for programs developed under the
Electric Vehicle Access for All Program. Electric
utilities that serve less than 3,000,000 retail customers
but more than 500,000 retail customers in the State shall
reimburse $3,150,000, or 15% of the total plan budget, to
the Department of Commerce and Economic Opportunity for
programs developed under the Electric Vehicle for All
Program.

(2) Medium-Duty and Heavy-Duty Vehicle Charging
Programs. Electric utilities that serve more than
3,000,000 retail customers in the State must offer a
rebate program that averages $25,000,000 per year, or 50%
of the program budget, for the duration of the plan for rebates to government entity retail customers to support the electrification of public transit, as well as government, commercial and school bus fleet vehicles. Electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall reimburse $10,500,000, or 50% of the program budget, for the duration of the plan for rebates to government entity retail customers to support the electrification of public transit, as well as government, commercial and school bus fleet vehicles. Rebates for public transit agencies must be used toward the purchase and installation of all-electric transit buses, the purchase and installation of electric vehicle charging infrastructure, or necessary supporting infrastructure, to be used in transit routes that primarily serve low-income communities or environmental justice communities. The amount of the rebate should be designed to cover the expected capital gap and needs of Illinois transit agencies. Rebates for government, commercial, or other retail customers to support the electrification of fleets and school buses must be used toward the purchase and installation of electric transit or school buses, electric vehicle charging infrastructure, or necessary supporting infrastructure, for vehicles that primarily serve or travel through low-income communities or environmental
justice communities. Recipients of rebates under this paragraph must participate in an optimized charging program. Operations, whether private or public, that primarily serve governmental or educational institutions, shall be prioritized over commercial vehicle operations that do not primarily serve a governmental or educational institution.

(3) Mass-market program. All electric utilities serving more than 500,000 customers may spend up to the remaining plan budget each year on rebates that support the widespread adoption and integration of electric vehicles. Electric utilities serving more than 500,000 customers may offer a rebate program that offers retail customers a rebate of up to $500 for the purchase or installation of electric vehicle charging infrastructure, provided that the customer takes electric service under an hourly pricing program or a time-of-use rate, or participates in an optimized charging program. Further, electric utilities serving more than 500,000 customers shall offer a rebate program to incentivize the purchase and installation of publicly accessible electric vehicle charging stations throughout its service territory, with a prioritization for workplace charging and public charging in dense urban areas and in low-income communities. Finally, electric utilities serving more than 500,000 customers shall offer a rebate program to incentivize the
development of publicly accessible fast charging stations targeted to fill the gaps in deployment, and along State highway corridors.

(f) The Commission shall open an investigation into the electric utility's (if serving more than 500,000 customers) Beneficial Electrification Plan to determine if the proposed plan is cost-beneficial. The plan shall be determined to be cost-beneficial if the total cost of beneficial electrification expenditures is less than the net present value of increased electricity costs (defined as marginal avoided energy, avoided capacity, and avoided transmission and distribution system costs) avoided by programs under the plan, the net present value of reductions in other customer energy costs, and the societal value of reduced carbon emissions and surface-level pollutants, particularly in environmental justice communities. The calculation of costs and benefits should be based on net impacts. The Commission shall review the Plan and determine whether the portfolio of programs or initiatives as a whole is optimized to address all key policy objectives, including: maximizing total energy cost savings, maximizing rate reductions so that nonparticipants can benefit, facilitating better grid management, maximizing carbon emission reductions, reducing other harmful emissions and particularly localized emissions in economically disadvantaged and environmental justice communities, and addressing environmental justice interests by ensuring there
are significant opportunities for residents and businesses in environmental justice communities to directly participate in and benefit from programs.

(g) Any electric utility serving more than 500,000 customers shall update its Beneficial Electrification Plan every 3 years and, beginning with the first update, shall develop the Plan in conjunction with the distribution system planning process described in Section 16-105.17 of this Act, including incorporation of stakeholder feedback from that process.

(h) For utilities serving more than 3,000,000 retail customers in the State, the annual total cost of all programs and initiatives in the Beneficial Electrification Plan shall not exceed $50,000,000 per year and shall be recovered volumetrically from all retail customers as an operating expense in its Multi-Year Rate Plan. For utilities serving less than 3,000,000 retail customers, but more than 500,000 retail customers, the annual total cost of all programs and initiatives in the Beneficial Electrification Plan shall not exceed $21,000,000 per year and shall be recovered volumetrically from all retail customers as an operating expense in its Multi-Year Rate Plan.

(i) In meeting the requirements of this Section, to the extent feasible and consistent with State and federal law, all beneficial electrification programs included in Beneficial Electrification Plans shall provide employment opportunities
for all segments of the population and workforce, including BIPOC-owned and women-owned business enterprises, as well as BIPOC-owned and women-owned worker-owned cooperatives or other such employee-owned entities, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.

Specifically, to the extent feasible and consistent with State and federal law, as utilities conduct selection and contracting of businesses, nonprofit organizations, or worker-owned cooperatives for implementation of beneficial electrification programs or projects providing electrification for vehicles and associated electric vehicle infrastructure, utilities must give preference to businesses, nonprofit organizations, or worker-owned cooperatives as described in the workforce equity actions points calculation as specified in this subsection (i). Utilities shall track and award equity actions in selection of businesses, nonprofit organizations, or worker-owned cooperatives, using a points system totaling a maximum of 235 points. This system shall consider both equity actions to meet the goals described in this Section and the bid prices, as specified in paragraphs (1) through (9) of this subsection (i). Businesses, nonprofit organizations, and worker-owned cooperatives that are selected and contracted for implementation of beneficial electrification programs or projects providing electrification for vehicles and associated electric vehicle infrastructure by utilities shall submit no
later than June 1 of each applicable year an annual report of
elements described in the equity actions points calculation in
paragraphs (1) through (9) of this subsection (i) for the
first 3 years after the year in which installation contracts
were awarded.

(1) Hiring Equity Action (up to 20 points): awarded based
on the percentage of the company's or entity's workforce
(measured by full-time equivalents as defined by the
Government Accountability Office of the United States
Congress) are black, indigenous, and people of color and are
paid at or above the prevailing wage. One point shall be
awarded for each 5% of the workforce which is composed of BIPOC
persons who are also paid at or above the prevailing wage, up
to a maximum of 20 points.

(2) Clean Jobs Workforce Hubs and Returning Residents
Action (up to 20 points): awarded based on the percentage of
the workers associated with the project who are graduates or
trainees from the Clean Jobs Workforce Hubs Network Program,
or theReturning Residents Clean Jobs Training Program, or
equivalent certification, and paid at or above the prevailing
wage; one point shall be awarded for each 5% of the workforce
which is composed of Clean Jobs Workforce Hubs Network Program
graduates or trainees or Returning Residents Clean Jobs
Training Program graduates or trainees who are also paid a
living wage, up to a maximum of 20 points.

(3) BIPOC Business Enterprise Action (30 points): being
(i) an entity defined as a minority-owned business under Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act or (ii) an entity, including a business, a nonprofit, or a worker-owned cooperative registered with other state, regional, or local programs intended to certify minority-owned entities.

(4) Contracting Equity Action (20 points): awarded based on the percentage of the company's or entity's subcontractors or vendors are entities defined as a minority-owned business or a women-owned business under Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act or on the percentage of the subcontracted workers associated with the project, including from all subcontractors and vendors, are BIPOC persons (members of a racial or ethnic minority group) paid at or above the prevailing wage; 5 points shall be awarded for each 10% of either subcontractors or subcontractors' workers who are BIPOC persons, whichever is greater, up to a maximum of 20 points. If a company or entity does not use subcontractors or vendors, points awarded for the Contracting Equity Action shall be equivalent to the point value awarded for the Hiring Equity Action under paragraph(1).

(5) Expanding Clean Energy Entrepreneurship Action (20 points): awarded to entities who are current or former disadvantaged participant contractors in the Expanding Clean Energy Entrepreneurship and Contractor Incubators Network
Program or current or former participants in the Illinois Clean Energy Black, Indigenous, and People of Color Primes Contractor Accelerator Program.

(6) Community Benefits Action (15 points): (i) for projects 100 kW in size or larger, project has an executed Community Benefits Agreement that could include, but is not limited to a commitment to hire local workers, union workers, energy workers transitioning to clean energy jobs, Clean Jobs Workforce Hubs Network Program graduates, or current or former disadvantaged participant contractors in the Expanding Clean Energy Entrepreneurship and Contractor Incubators Network Program; a commitment to pay workers at or above the prevailing wage; and a commitment to give communities ownership opportunities in electric vehicle projects, where relevant; and (ii) for projects under 100 kW in size, companies pay their workforces at or above the prevailing wage.

(7) Small Business Action (15 points): the entity's workforce is composed of 3 or fewer full-time employees (measured by full-time equivalents as defined by the Government Accountability Office of the United States Congress).

(8) Labor Peace Agreements Action (10 points): (i) for an installer with 20 or more employees: the installer attests that the installer has entered into a labor peace agreement, will abide by the terms of the agreement, and will submit a
copy of the page of the labor peace agreement that contains the signatures of the union representative and the installer, or
(ii) for an installer that is a party to a labor peace agreement with a bona fide labor organization that currently represents, or is actively seeking to represent electric vehicle infrastructure and equipment installers and other workers in Illinois, or (iii) the installer submits an attestation affirming that the installer will use best efforts to use union labor in the installer's projects and in the construction or retrofit of the facilities associated with the installer's electric vehicle infrastructure and equipment operations, where applicable.

(9) Price of bid (130 points): as scored by utilities awarding contracts to electric vehicle installers.

Bids scoring fewer than 135 points shall not be awarded contracts.

(220 ILCS 5/16-108)

Sec. 16-108. Recovery of costs associated with the provision of delivery and other services.

(a) An electric utility shall file a delivery services tariff with the Commission at least 210 days prior to the date that it is required to begin offering such services pursuant to this Act. An electric utility shall provide the components of delivery services that are subject to the jurisdiction of the Federal Energy Regulatory Commission at the same prices,
terms and conditions set forth in its applicable tariff as approved or allowed into effect by that Commission. The Commission shall otherwise have the authority pursuant to Article IX to review, approve, and modify the prices, terms and conditions of those components of delivery services not subject to the jurisdiction of the Federal Energy Regulatory Commission, including the authority to determine the extent to which such delivery services should be offered on an unbundled basis. In making any such determination the Commission shall consider, at a minimum, the effect of additional unbundling on (i) the objective of just and reasonable rates, (ii) electric utility employees, and (iii) the development of competitive markets for electric energy services in Illinois.

(b) The Commission shall enter an order approving, or approving as modified, the delivery services tariff no later than 30 days prior to the date on which the electric utility must commence offering such services. The Commission may subsequently modify such tariff pursuant to this Act.

(c) The electric utility's tariffs shall define the classes of its customers for purposes of delivery services charges. Delivery services shall be priced and made available to all retail customers electing delivery services in each such class on a nondiscriminatory basis regardless of whether the retail customer chooses the electric utility, an affiliate of the electric utility, or another entity as its supplier of electric power and energy. Charges for delivery services shall
be cost based, and shall allow the electric utility to recover the costs of providing delivery services through its charges to its delivery service customers that use the facilities and services associated with such costs. Such costs shall include the costs of owning, operating and maintaining transmission and distribution facilities. The Commission shall also be authorized to consider whether, and if so to what extent, the following costs are appropriately included in the electric utility's delivery services rates: (i) the costs of that portion of generation facilities used for the production and absorption of reactive power in order that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility, and (ii) the costs associated with the use and redispatch of generation facilities to mitigate constraints on the transmission or distribution system in order that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility. Nothing in this subsection shall be construed as directing the Commission to allocate any of the costs described in (i) or (ii) that are found to be appropriately included in the electric utility's delivery services rates to any particular customer group or geographic area in setting delivery services rates.

(d) The Commission shall establish charges, terms and conditions for delivery services that are just and reasonable
and shall take into account customer impacts when establishing such charges. In establishing charges, terms and conditions for delivery services, the Commission shall take into account voltage level differences. A retail customer shall have the option to request to purchase electric service at any delivery service voltage reasonably and technically feasible from the electric facilities serving that customer's premises provided that there are no significant adverse impacts upon system reliability or system efficiency. A retail customer shall also have the option to request to purchase electric service at any point of delivery that is reasonably and technically feasible provided that there are no significant adverse impacts on system reliability or efficiency. Such requests shall not be unreasonably denied.

(e) Electric utilities shall recover the costs of installing, operating or maintaining facilities for the particular benefit of one or more delivery services customers, including without limitation any costs incurred in complying with a customer's request to be served at a different voltage level, directly from the retail customer or customers for whose benefit the costs were incurred, to the extent such costs are not recovered through the charges referred to in subsections (c) and (d) of this Section.

(f) An electric utility shall be entitled but not required to implement transition charges in conjunction with the offering of delivery services pursuant to Section 16-104. If
an electric utility implements transition charges, it shall
implement such charges for all delivery services customers and
for all customers described in subsection (h), but shall not
implement transition charges for power and energy that a
retail customer takes from cogeneration or self-generation
facilities located on that retail customer's premises, if such
facilities meet the following criteria:

(i) the cogeneration or self-generation facilities
serve a single retail customer and are located on that
retail customer's premises (for purposes of this
subparagraph and subparagraph (ii), an industrial or
manufacturing retail customer and a third party contractor
that is served by such industrial or manufacturing
customer through such retail customer's own electrical
distribution facilities under the circumstances described
in subsection (vi) of the definition of "alternative
retail electric supplier" set forth in Section 16-102,
shall be considered a single retail customer);

(ii) the cogeneration or self-generation facilities
either (A) are sized pursuant to generally accepted
engineering standards for the retail customer's electrical
load at that premises (taking into account standby or
other reliability considerations related to that retail
customer's operations at that site) or (B) if the facility
is a cogeneration facility located on the retail
customer's premises, the retail customer is the thermal
host for that facility and the facility has been designed to meet that retail customer's thermal energy requirements resulting in electrical output beyond that retail customer's electrical demand at that premises, comply with the operating and efficiency standards applicable to "qualifying facilities" specified in title 18 Code of Federal Regulations Section 292.205 as in effect on the effective date of this amendatory Act of 1999;

(iii) the retail customer on whose premises the facilities are located either has an exclusive right to receive, and corresponding obligation to pay for, all of the electrical capacity of the facility, or in the case of a cogeneration facility that has been designed to meet the retail customer's thermal energy requirements at that premises, an identified amount of the electrical capacity of the facility, over a minimum 5-year period; and

(iv) if the cogeneration facility is sized for the retail customer's thermal load at that premises but exceeds the electrical load, any sales of excess power or energy are made only at wholesale, are subject to the jurisdiction of the Federal Energy Regulatory Commission, and are not for the purpose of circumventing the provisions of this subsection (f).

If a generation facility located at a retail customer's premises does not meet the above criteria, an electric utility implementing transition charges shall implement a transition
charge until December 31, 2006 for any power and energy taken
by such retail customer from such facility as if such power and
energy had been delivered by the electric utility. Provided,
however, that an industrial retail customer that is taking
power from a generation facility that does not meet the above
criteria but that is located on such customer's premises will
not be subject to a transition charge for the power and energy
taken by such retail customer from such generation facility if
the facility does not serve any other retail customer and
either was installed on behalf of the customer and for its own
use prior to January 1, 1997, or is both predominantly fueled
by byproducts of such customer's manufacturing process at such
premises and sells or offers an average of 300 megawatts or
more of electricity produced from such generation facility
into the wholesale market. Such charges shall be calculated as
provided in Section 16-102, and shall be collected on each
kilowatt-hour delivered under a delivery services tariff to a
retail customer from the date the customer first takes
delivery services until December 31, 2006 except as provided
in subsection (h) of this Section. Provided, however, that an
electric utility, other than an electric utility providing
service to at least 1,000,000 customers in this State on
January 1, 1999, shall be entitled to petition for entry of an
order by the Commission authorizing the electric utility to
implement transition charges for an additional period ending
no later than December 31, 2008. The electric utility shall
file its petition with supporting evidence no earlier than 16
months, and no later than 12 months, prior to December 31,
2006. The Commission shall hold a hearing on the electric
utility's petition and shall enter its order no later than 8
months after the petition is filed. The Commission shall
determine whether and to what extent the electric utility
shall be authorized to implement transition charges for an
additional period. The Commission may authorize the electric
utility to implement transition charges for some or all of the
additional period, and shall determine the mitigation factors
to be used in implementing such transition charges; provided,
that the Commission shall not authorize mitigation factors
less than 110% of those in effect during the 12 months ended
December 31, 2006. In making its determination, the Commission
shall consider the following factors: the necessity to
implement transition charges for an additional period in order
to maintain the financial integrity of the electric utility;
the prudence of the electric utility's actions in reducing its
costs since the effective date of this amendatory Act of 1997;
the ability of the electric utility to provide safe, adequate
and reliable service to retail customers in its service area;
and the impact on competition of allowing the electric utility
to implement transition charges for the additional period.

(g) The electric utility shall file tariffs that establish
the transition charges to be paid by each class of customers to
the electric utility in conjunction with the provision of
delivery services. The electric utility's tariffs shall define the classes of its customers for purposes of calculating transition charges. The electric utility's tariffs shall provide for the calculation of transition charges on a customer-specific basis for any retail customer whose average monthly maximum electrical demand on the electric utility's system during the 6 months with the customer's highest monthly maximum electrical demands equals or exceeds 3.0 megawatts for electric utilities having more than 1,000,000 customers, and for other electric utilities for any customer that has an average monthly maximum electrical demand on the electric utility's system of one megawatt or more, and (A) for which there exists data on the customer's usage during the 3 years preceding the date that the customer became eligible to take delivery services, or (B) for which there does not exist data on the customer's usage during the 3 years preceding the date that the customer became eligible to take delivery services, if in the electric utility's reasonable judgment there exists comparable usage information or a sufficient basis to develop such information, and further provided that the electric utility can require customers for which an individual calculation is made to sign contracts that set forth the transition charges to be paid by the customer to the electric utility pursuant to the tariff.

(h) An electric utility shall also be entitled to file tariffs that allow it to collect transition charges from
retail customers in the electric utility's service area that
do not take delivery services but that take electric power or
energy from an alternative retail electric supplier or from an
electric utility other than the electric utility in whose
service area the customer is located. Such charges shall be
calculated, in accordance with the definition of transition
charges in Section 16-102, for the period of time that the
customer would be obligated to pay transition charges if it
were taking delivery services, except that no deduction for
delivery services revenues shall be made in such calculation,
and usage data from the customer's class shall be used where
historical usage data is not available for the individual
customer. The customer shall be obligated to pay such charges
on a lump sum basis on or before the date on which the customer
commences to take service from the alternative retail electric
supplier or other electric utility, provided, that the
electric utility in whose service area the customer is located
shall offer the customer the option of signing a contract
pursuant to which the customer pays such charges ratably over
the period in which the charges would otherwise have applied.

(i) An electric utility shall be entitled to add to the
bills of delivery services customers charges pursuant to
Sections 9-221, 9-222 (except as provided in Section 9-222.1),
and Section 16-114 of this Act, Section 5-5 of the Electricity
Infrastructure Maintenance Fee Law, Section 6-5 of the
Renewable Energy, Energy Efficiency, and Coal Resources

(j) If a retail customer that obtains electric power and energy from cogeneration or self-generation facilities installed for its own use on or before January 1, 1997, subsequently takes service from an alternative retail electric supplier or an electric utility other than the electric utility in whose service area the customer is located for any portion of the customer's electric power and energy requirements formerly obtained from those facilities (including that amount purchased from the utility in lieu of such generation and not as standby power purchases, under a cogeneration displacement tariff in effect as of the effective date of this amendatory Act of 1997), the transition charges otherwise applicable pursuant to subsections (f), (g), or (h) of this Section shall not be applicable in any year to that portion of the customer's electric power and energy requirements formerly obtained from those facilities, provided, that for purposes of this subsection (j), such portion shall not exceed the average number of kilowatt-hours per year obtained from the cogeneration or self-generation facilities during the 3 years prior to the date on which the customer became eligible for delivery services, except as provided in subsection (f) of Section 16-110.

(k) The electric utility shall be entitled to recover through tariffed charges all of the costs associated with the
purchase of zero emission credits from zero emission facilities to meet the requirements of subsection (d-5) of Section 1-75 of the Illinois Power Agency Act. Such costs shall include the costs of procuring the zero emission credits, as well as the reasonable costs that the utility incurs as part of the procurement processes and to implement and comply with plans and processes approved by the Commission under such subsection (d-5). The costs shall be allocated across all retail customers through a single, uniform cents per kilowatt-hour charge applicable to all retail customers, which shall appear as a separate line item on each customer's bill. Beginning June 1, 2017, the electric utility shall be entitled to recover through tariffed charges all of the costs associated with the purchase of renewable energy resources to meet the long-term goals and targets of the renewable energy resource standards of subsection (c) of Section 1-75 of the Illinois Power Agency Act, under procurement plans as approved in accordance with that Section and Section 16-111.5 of this Act. Such costs shall include the costs of procuring the renewable energy resources, as well as the reasonable costs that the utility incurs as part of the procurement processes and to implement and comply with plans and processes approved by the Commission under such Sections. The costs associated with the purchase of renewable energy resources shall be allocated across all retail customers in proportion to the amount of renewable energy resources the utility procures for
such customers through a single, uniform cents per kilowatt-hour charge applicable to such retail customers, which shall appear as a separate line item on each such customer's bill.

Notwithstanding whether the Commission has approved the initial long-term renewable resources procurement plan as of June 1, 2017, an electric utility shall place new tariffed charges into effect beginning with the June 2017 monthly billing period, to the extent practicable, to begin recovering the costs of procuring renewable energy resources, as those charges are calculated under the limitations described in subparagraph (E) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act. Notwithstanding the date on which the utility places such new tariffed charges into effect, the utility shall be permitted to collect the charges under such tariff as if the tariff had been in effect beginning with the first day of the June 2017 monthly billing period. Money collected from customers for the procurement of renewable energy resources in a given delivery may be spent by the utility for the procurement of renewable resources over any of the following 5 delivery years, after which money shall be credited back to retail customers, provided that up to $170,000,000 of funds collected, but not used, in a given delivery year are first made available to the Illinois Solar for All Program established under subsection (b) of Section 1-56 of the Illinois Power Agency Act to cover budget
shortfalls due to unexpected fluctuations in the amount of
money available to that Program from the Illinois Power Agency
Renewable Energy Resources Fund. The electric utility shall
spend all money collected in earlier delivery years that has
not yet been returned to customers, first, before spending
money collected in later delivery years. The for the delivery
years commencing June 1, 2017, June 1, 2018, and June 1, 2019,
the electric utility shall deposit into a separate interest
bearing account of a financial institution the monies
collected under the tariffed charges. Any interest earned
shall be credited back to retail customers under the
reconciliation proceeding provided for in this subsection (k),
provided that the electric utility shall first be reimbursed
from the interest for the administrative costs that it incurs
to administer and manage the account. Any taxes due on the
funds in the account, or interest earned on it, will be paid
from the account or, if insufficient monies are available in
the account, from the monies collected under the tariffed
charges to recover the costs of procuring renewable energy
resources. Monies deposited in the account shall be subject to
the review, reconciliation, and true-up process described in
this subsection (k) that is applicable to the funds collected
and costs incurred for the procurement of renewable energy
resources.

The electric utility shall be entitled to recover all of
the costs identified in this subsection (k) through automatic
adjustment clause tariffs applicable to all of the utility's retail customers that allow the electric utility to adjust its tariffed charges consistent with this subsection (k). The determination as to whether any excess funds were collected during a given delivery year for the purchase of renewable energy resources, and the crediting of any excess funds back to retail customers, shall not be made until after the close of the delivery year, which will ensure that the maximum amount of funds is available to implement the approved long-term renewable resources procurement plan during a given delivery year. The electric utility's collections under such automatic adjustment clause tariffs to recover the costs of renewable energy resources and zero emission credits from zero emission facilities shall be subject to separate annual review, reconciliation, and true-up against actual costs by the Commission under a procedure that shall be specified in the electric utility's automatic adjustment clause tariffs and that shall be approved by the Commission in connection with its approval of such tariffs. The procedure shall provide that any difference between the electric utility's collections for zero emission credits under the automatic adjustment charges for an annual period and the electric utility's actual costs of renewable energy resources and zero emission credits from zero emission facilities for that same annual period shall be refunded to or collected from, as applicable, the electric utility's retail customers in subsequent periods.
Nothing in this subsection (k) is intended to affect, limit, or change the right of the electric utility to recover the costs associated with the procurement of renewable energy resources for periods commencing before, on, or after June 1, 2017, as otherwise provided in the Illinois Power Agency Act.

Notwithstanding anything to the contrary, the Commission shall not conduct an annual review, reconciliation, and true-up associated with renewable energy resources' collections and costs for the delivery years commencing June 1, 2017, June 1, 2018, June 1, 2019, and June 1, 2020, and shall instead conduct a single review, reconciliation, and true-up associated with renewable energy resources' collections and costs for the 4-year period beginning June 1, 2017 and ending May 31, 2021, provided that the review, reconciliation, and true-up shall not be initiated until after August 31, 2021. During the 4-year period, the utility shall be permitted to collect and retain funds under this subsection (k) and to purchase renewable energy resources under an approved long-term renewable resources procurement plan using those funds regardless of the delivery year in which the funds were collected during the 4-year period.

If the amount of funds collected during the delivery year commencing June 1, 2017, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2018, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power
Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall. For purposes of this Section, "funding shortfall" means the difference between $200,000,000 and the amount appropriated by the General Assembly to the Illinois Power Agency Renewable Energy Resources Fund during the period that commences on the effective date of this amendatory act of the 99th General Assembly and ends on August 1, 2018.

If the amount of funds collected during the delivery year commencing June 1, 2018, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2019, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.

If the amount of funds collected during the delivery year commencing June 1, 2019, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2020, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.
Agency Act in the same proportion the programs are funded
under that subsection (b). However, any amount identified
under this subsection (k) to fund programs under subsection
(b) of Section 1-56 of the Illinois Power Agency Act shall be
reduced if it exceeds the funding shortfall.

The funding available under this subsection (k), if any,
for the programs described under subsection (b) of Section
1-56 of the Illinois Power Agency Act shall not reduce the
amount of funding for the programs described in subparagraph
(O) of paragraph (1) of subsection (c) of Section 1-75 of the
Illinois Power Agency Act. If funding is available under this
subsection (k) for programs described under subsection (b) of
Section 1-56 of the Illinois Power Agency Act, then the
long-term renewable resources plan shall provide for the
Agency to procure contracts in an amount that does not exceed
the funding, and the contracts approved by the Commission
shall be executed by the applicable utility or utilities.

(l) A utility that has terminated any contract executed
under subsection (d-5) of Section 1-75 of the Illinois Power
Agency Act shall be entitled to recover any remaining balance
associated with the purchase of zero emission credits prior to
such termination, and such utility shall also apply a credit
to its retail customer bills in the event of any
over-collection.

(m)(1) An electric utility that recovers its costs of
procuring zero emission credits from zero emission
facilities through a cents-per-kilowatthour charge under to subsection (k) of this Section shall be subject to the requirements of this subsection (m). Notwithstanding anything to the contrary, such electric utility shall, beginning on April 30, 2018, and each April 30 thereafter until April 30, 2026, calculate whether any reduction must be applied to such cents-per-kilowatthour charge that is paid by retail customers of the electric utility that are exempt from subsections (a) through (j) of Section 8-103B of this Act under subsection (l) of Section 8-103B. Such charge shall be reduced for such customers for the next delivery year commencing on June 1 based on the amount necessary, if any, to limit the annual estimated average net increase for the prior calendar year due to the future energy investment costs to no more than 1.3% of 5.98 cents per kilowatt-hour, which is the average amount paid per kilowatthour for electric service during the year ending December 31, 2015 by Illinois industrial retail customers, as reported to the Edison Electric Institute.

The calculations required by this subsection (m) shall be made only once for each year, and no subsequent rate impact determinations shall be made.

(2) For purposes of this Section, "future energy investment costs" shall be calculated by subtracting the cents-per-kilowatthour charge identified in subparagraph (A) of this paragraph (2) from the sum of the
cents-per-kilowatthour charges identified in subparagraph
subparagraph (B) of this paragraph (2):

(A) The cents-per-kilowatthour charge identified
in the electric utility's tariff placed into effect
under Section 8-103 of the Public Utilities Act that,
on December 1, 2016, was applicable to those retail
customers that are exempt from subsections (a) through
(j) of Section 8-103B of this Act under subsection (l)
of Section 8-103B.

(B) The sum of the following
cents-per-kilowatthour charges applicable to those
retail customers that are exempt from subsections (a)
through (j) of Section 8-103B of this Act under
subsection (l) of Section 8-103B, provided that if one
or more of the following charges has been in effect and
applied to such customers for more than one calendar
year, then each charge shall be equal to the average of
the charges applied over a period that commences with
the calendar year ending December 31, 2017 and ends
with the most recently completed calendar year prior
to the calculation required by this subsection (m):

(i) the cents-per-kilowatthour charge to
recover the costs incurred by the utility under
subsection (d-5) of Section 1-75 of the Illinois
Power Agency Act, adjusted for any reductions
required under this subsection (m); and
(ii) the cents-per-kilowatthour charge to recover the costs incurred by the utility under Section 16-107.6 of the Public Utilities Act.

If no charge was applied for a given calendar year under item (i) or (ii) of this subparagraph (B), then the value of the charge for that year shall be zero.

(3) If a reduction is required by the calculation performed under this subsection (m), then the amount of the reduction shall be multiplied by the number of years reflected in the averages calculated under subparagraph (B) of paragraph (2) of this subsection (m). Such reduction shall be applied to the cents-per-kilowatthour charge that is applicable to those retail customers that are exempt from subsections (a) through (j) of Section 8-103B of this Act under subsection (l) of Section 8-103B beginning with the next delivery year commencing after the date of the calculation required by this subsection (m).

(4) The electric utility shall file a notice with the Commission on May 1 of 2018 and each May 1 thereafter until May 1, 2026 containing the reduction, if any, which must be applied for the delivery year which begins in the year of the filing. The notice shall contain the calculations made pursuant to this Section. By October 1 of each year beginning in 2018, each electric utility shall notify the Commission if it appears, based on an estimate of the calculation required in this subsection (m), that a
reduction will be required in the next year.
(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-108.5)
Sec. 16-108.5. Infrastructure investment and modernization; regulatory reform.
(a) (Blank).
(b) For purposes of this Section, "participating utility" means an electric utility or a combination utility serving more than 1,000,000 customers in Illinois that voluntarily elects and commits to undertake (i) the infrastructure investment program consisting of the commitments and obligations described in this subsection (b) and (ii) the customer assistance program consisting of the commitments and obligations described in subsection (b-10) of this Section, notwithstanding any other provisions of this Act and without obtaining any approvals from the Commission or any other agency other than as set forth in this Section, regardless of whether any such approval would otherwise be required. "Combination utility" means a utility that, as of January 1, 2011, provided electric service to at least one million retail customers in Illinois and gas service to at least 500,000 retail customers in Illinois. A participating utility shall recover the expenditures made under the infrastructure investment program through the ratemaking process, including, but not limited to, the performance-based formula rate and
process set forth in this Section.

During the infrastructure investment program's peak program year, a participating utility other than a combination utility shall create 2,000 full-time equivalent jobs in Illinois, and a participating utility that is a combination utility shall create 450 full-time equivalent jobs in Illinois related to the provision of electric service. These jobs shall include direct jobs, contractor positions, and induced jobs, but shall not include any portion of a job commitment, not specifically contingent on an amendatory Act of the 97th General Assembly becoming law, between a participating utility and a labor union that existed on December 30, 2011 (the effective date of Public Act 97-646) and that has not yet been fulfilled. A portion of the full-time equivalent jobs created by each participating utility shall include incremental personnel hired subsequent to December 30, 2011 (the effective date of Public Act 97-646). For purposes of this Section, "peak program year" means the consecutive 12-month period with the highest number of full-time equivalent jobs that occurs between the beginning of investment year 2 and the end of investment year 4.

A participating utility shall meet one of the following commitments, as applicable:

(1) Beginning no later than 180 days after a participating utility other than a combination utility files a performance-based formula rate tariff pursuant to
subsection (c) of this Section, or, beginning no later than January 1, 2012 if such utility files such performance-based formula rate tariff within 14 days of October 26, 2011 (the effective date of Public Act 97-616), the participating utility shall, except as provided in subsection (b-5):

(A) over a 5-year period, invest an estimated $1,300,000,000 in electric system upgrades, modernization projects, and training facilities, including, but not limited to:

(i) distribution infrastructure improvements totaling an estimated $1,000,000,000, including underground residential distribution cable injection and replacement and mainline cable system refurbishment and replacement projects;

(ii) training facility construction or upgrade projects totaling an estimated $10,000,000, provided that, at a minimum, one such facility shall be located in a municipality having a population of more than 2 million residents and one such facility shall be located in a municipality having a population of more than 150,000 residents but fewer than 170,000 residents; any such new facility located in a municipality having a population of more than 2 million residents must be designed for the purpose
of obtaining, and the owner of the facility shall apply for, certification under the United States Green Building Council's Leadership in Energy Efficiency Design Green Building Rating System;

(iii) wood pole inspection, treatment, and replacement programs;

(iv) an estimated $200,000,000 for reducing the susceptibility of certain circuits to storm-related damage, including, but not limited to, high winds, thunderstorms, and ice storms; improvements may include, but are not limited to, overhead to underground conversion and other engineered outcomes for circuits; the participating utility shall prioritize the selection of circuits based on each circuit's historical susceptibility to storm-related damage and the ability to provide the greatest customer benefit upon completion of the improvements; to be eligible for improvement, the participating utility's ability to maintain proper tree clearances surrounding the overhead circuit must not have been impeded by third parties; and

(B) over a 10-year period, invest an estimated $1,300,000,000 to upgrade and modernize its transmission and distribution infrastructure and in Smart Grid electric system upgrades, including, but
not limited to:

(i) additional smart meters;

(ii) distribution automation;

(iii) associated cyber secure data communication network; and

(iv) substation micro-processor relay upgrades.

(2) Beginning no later than 180 days after a participating utility that is a combination utility files a performance-based formula rate tariff pursuant to subsection (c) of this Section, or, beginning no later than January 1, 2012 if such utility files such performance-based formula rate tariff within 14 days of October 26, 2011 (the effective date of Public Act 97-616), the participating utility shall, except as provided in subsection (b-5):

(A) over a 10-year period, invest an estimated $265,000,000 in electric system upgrades, modernization projects, and training facilities, including, but not limited to:

(i) distribution infrastructure improvements totaling an estimated $245,000,000, which may include bulk supply substations, transformers, reconductoring, and rebuilding overhead distribution and sub-transmission lines, underground residential distribution cable
injection and replacement and mainline cable
system refurbishment and replacement projects;

(ii) training facility construction or upgrade
projects totaling an estimated $1,000,000; any
such new facility must be designed for the purpose
of obtaining, and the owner of the facility shall
apply for, certification under the United States
Green Building Council's Leadership in Energy
Efficiency Design Green Building Rating System;
and

(iii) wood pole inspection, treatment, and
replacement programs; and

(B) over a 10-year period, invest an estimated
$360,000,000 to upgrade and modernize its transmission
and distribution infrastructure and in Smart Grid
electric system upgrades, including, but not limited
to:

(i) additional smart meters;

(ii) distribution automation;

(iii) associated cyber secure data
communication network; and

(iv) substation micro-processor relay
upgrades.

For purposes of this Section, "Smart Grid electric system
upgrades" shall have the meaning set forth in subsection (a)
of Section 16-108.6 of this Act.
The investments in the infrastructure investment program described in this subsection (b) shall be incremental to the participating utility's annual capital investment program, as defined by, for purposes of this subsection (b), the participating utility's average capital spend for calendar years 2008, 2009, and 2010 as reported in the applicable Federal Energy Regulatory Commission (FERC) Form 1; provided that where one or more utilities have merged, the average capital spend shall be determined using the aggregate of the merged utilities' capital spend reported in FERC Form 1 for the years 2008, 2009, and 2010. A participating utility may add reasonable construction ramp-up and ramp-down time to the investment periods specified in this subsection (b). For each such investment period, the ramp-up and ramp-down time shall not exceed a total of 6 months.

Within 60 days after filing a tariff under subsection (c) of this Section, a participating utility shall submit to the Commission its plan, including scope, schedule, and staffing, for satisfying its infrastructure investment program commitments pursuant to this subsection (b). The submitted plan shall include a schedule and staffing plan for the next calendar year. The plan shall also include a plan for the creation, operation, and administration of a Smart Grid test bed as described in subsection (c) of Section 16-108.8. The plan need not allocate the work equally over the respective periods, but should allocate material increments throughout
such periods commensurate with the work to be undertaken. No
later than April 1 of each subsequent year, the utility shall
submit to the Commission a report that includes any updates to
the plan, a schedule for the next calendar year, the
expenditures made for the prior calendar year and
cumulatively, and the number of full-time equivalent jobs
created for the prior calendar year and cumulatively. If the
utility is materially deficient in satisfying a schedule or
staffing plan, then the report must also include a corrective
action plan to address the deficiency. The fact that the plan,
implementation of the plan, or a schedule changes shall not
imply the imprudence or unreasonableness of the infrastructure
investment program, plan, or schedule. Further, no later than
45 days following the last day of the first, second, and third
quarters of each year of the plan, a participating utility
shall submit to the Commission a verified quarterly report for
the prior quarter that includes (i) the total number of
full-time equivalent jobs created during the prior quarter,
(ii) the total number of employees as of the last day of the
prior quarter, (iii) the total number of full-time equivalent
hours in each job classification or job title, (iv) the total
number of incremental employees and contractors in support of
the investments undertaken pursuant to this subsection (b) for
the prior quarter, and (v) any other information that the
Commission may require by rule.

With respect to the participating utility's peak job
commitment, if, after considering the utility's corrective action plan and compliance thereunder, the Commission enters an order finding, after notice and hearing, that a participating utility did not satisfy its peak job commitment described in this subsection (b) for reasons that are reasonably within its control, then the Commission shall also determine, after consideration of the evidence, including, but not limited to, evidence submitted by the Department of Commerce and Economic Opportunity and the utility, the deficiency in the number of full-time equivalent jobs during the peak program year due to such failure. The Commission shall notify the Department of any proceeding that is initiated pursuant to this paragraph. For each full-time equivalent job deficiency during the peak program year that the Commission finds as set forth in this paragraph, the participating utility shall, within 30 days after the entry of the Commission's order, pay $6,000 to a fund for training grants administered under Section 605-800 of the Department of Commerce and Economic Opportunity Law, which shall not be a recoverable expense.

With respect to the participating utility's investment amount commitments, if, after considering the utility's corrective action plan and compliance thereunder, the Commission enters an order finding, after notice and hearing, that a participating utility is not satisfying its investment amount commitments described in this subsection (b), then the
utility shall no longer be eligible to annually update the performance-based formula rate tariff pursuant to subsection (d) of this Section. In such event, the then current rates shall remain in effect until such time as new rates are set pursuant to Article IX of this Act, subject to retroactive adjustment, with interest, to reconcile rates charged with actual costs.

If the Commission finds that a participating utility is no longer eligible to update the performance-based formula rate tariff pursuant to subsection (d) of this Section, or the performance-based formula rate is otherwise terminated, then the participating utility's voluntary commitments and obligations under this subsection (b) shall immediately terminate, except for the utility's obligation to pay an amount already owed to the fund for training grants pursuant to a Commission order.

In meeting the obligations of this subsection (b), to the extent feasible and consistent with State and federal law, the investments under the infrastructure investment program should provide employment opportunities for all segments of the population and workforce, including black, indigenous, and people of color-owned and women-owned minority-owned and female-owned business enterprises, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.

(b-5) Nothing in this Section shall prohibit the
Commission from investigating the prudence and reasonableness of the expenditures made under the infrastructure investment program during the annual review required by subsection (d) of this Section and shall, as part of such investigation, determine whether the utility's actual costs under the program are prudent and reasonable. The fact that a participating utility invests more than the minimum amounts specified in subsection (b) of this Section or its plan shall not imply imprudence or unreasonableness.

If the participating utility finds that it is implementing its plan for satisfying the infrastructure investment program commitments described in subsection (b) of this Section at a cost below the estimated amounts specified in subsection (b) of this Section, then the utility may file a petition with the Commission requesting that it be permitted to satisfy its commitments by spending less than the estimated amounts specified in subsection (b) of this Section. The Commission shall, after notice and hearing, enter its order approving, or approving as modified, or denying each such petition within 150 days after the filing of the petition.

In no event, absent General Assembly approval, shall the capital investment costs incurred by a participating utility other than a combination utility in satisfying its infrastructure investment program commitments described in subsection (b) of this Section exceed $3,000,000,000 or, for a participating utility that is a combination utility,
$720,000,000. If the participating utility's updated cost estimates for satisfying its infrastructure investment program commitments described in subsection (b) of this Section exceed the limitation imposed by this subsection (b-5), then it shall submit a report to the Commission that identifies the increased costs and explains the reason or reasons for the increased costs no later than the year in which the utility estimates it will exceed the limitation. The Commission shall review the report and shall, within 90 days after the participating utility files the report, report to the General Assembly its findings regarding the participating utility's report. If the General Assembly does not amend the limitation imposed by this subsection (b-5), then the utility may modify its plan so as not to exceed the limitation imposed by this subsection (b-5) and may propose corresponding changes to the metrics established pursuant to subparagraphs (5) through (8) of subsection (f) of this Section, and the Commission may modify the metrics and incremental savings goals established pursuant to subsection (f) of this Section accordingly.

(b-10) All participating utilities shall make contributions for an energy low-income and support program in accordance with this subsection. Beginning no later than 180 days after a participating utility files a performance-based formula rate tariff pursuant to subsection (c) of this Section, or beginning no later than January 1, 2012 if such utility files such performance-based formula rate tariff
within 14 days of December 30, 2011 (the effective date of
Public Act 97-646), and without obtaining any approvals from
the Commission or any other agency other than as set forth in
this Section, regardless of whether any such approval would
otherwise be required, a participating utility other than a
combination utility shall pay $10,000,000 per year for 5 years
and a participating utility that is a combination utility
shall pay $1,000,000 per year for 10 years to the energy
low-income and support program, which is intended to fund
customer assistance programs with the primary purpose being
avoidance of imminent disconnection. Such programs may
include:

(1) a residential hardship program that may partner
with community-based organizations, including senior
citizen organizations, and provides grants to low-income
residential customers, including low-income senior
citizens, who demonstrate a hardship;

(2) a program that provides grants and other bill
payment concessions to veterans with disabilities who
demonstrate a hardship and members of the armed services
or reserve forces of the United States or members of the
Illinois National Guard who are on active duty pursuant to
an executive order of the President of the United States,
an act of the Congress of the United States, or an order of
the Governor and who demonstrate a hardship;

(3) a budget assistance program that provides tools
and education to low-income senior citizens to assist them
with obtaining information regarding energy usage and
effective means of managing energy costs;

(4) a non-residential special hardship program that
provides grants to non-residential customers such as small
businesses and non-profit organizations that demonstrate a
hardship, including those providing services to senior
citizen and low-income customers; and

(5) a performance-based assistance program that
provides grants to encourage residential customers to make
on-time payments by matching a portion of the customer's
payments or providing credits towards arrearages.

The payments made by a participating utility pursuant to
this subsection (b-10) shall not be a recoverable expense. A
participating utility may elect to fund either new or existing
customer assistance programs, including, but not limited to,
those that are administered by the utility.

Programs that use funds that are provided by a
participating utility to reduce utility bills may be
implemented through tariffs that are filed with and reviewed
by the Commission. If a utility elects to file tariffs with the
Commission to implement all or a portion of the programs,
those tariffs shall, regardless of the date actually filed, be
deemed accepted and approved, and shall become effective on
December 30, 2011 (the effective date of Public Act 97-646).
The participating utilities whose customers benefit from the
funds that are disbursed as contemplated in this Section shall file annual reports documenting the disbursement of those funds with the Commission. The Commission has the authority to audit disbursement of the funds to ensure they were disbursed consistently with this Section.

If the Commission finds that a participating utility is no longer eligible to update the performance-based formula rate tariff pursuant to subsection (d) of this Section, or the performance-based formula rate is otherwise terminated, then the participating utility's voluntary commitments and obligations under this subsection (b-10) shall immediately terminate.

(c) A participating utility may elect to recover its delivery services costs through a performance-based formula rate approved by the Commission, which shall specify the cost components that form the basis of the rate charged to customers with sufficient specificity to operate in a standardized manner and be updated annually with transparent information that reflects the utility's actual costs to be recovered during the applicable rate year, which is the period beginning with the first billing day of January and extending through the last billing day of the following December. In the event the utility recovers a portion of its costs through automatic adjustment clause tariffs on October 26, 2011 (the effective date of Public Act 97-616), the utility may elect to continue to recover these costs through such tariffs, but then
these costs shall not be recovered through the performance-based formula rate. In the event the participating utility, prior to December 30, 2011 (the effective date of Public Act 97-646), filed electric delivery services tariffs with the Commission pursuant to Section 9-201 of this Act that are related to the recovery of its electric delivery services costs that are still pending on December 30, 2011 (the effective date of Public Act 97-646), the participating utility shall, at the time it files its performance-based formula rate tariff with the Commission, also file a notice of withdrawal with the Commission to withdraw the electric delivery services tariffs previously filed pursuant to Section 9-201 of this Act. Upon receipt of such notice, the Commission shall dismiss with prejudice any docket that had been initiated to investigate the electric delivery services tariffs filed pursuant to Section 9-201 of this Act, and such tariffs and the record related thereto shall not be the subject of any further hearing, investigation, or proceeding of any kind related to rates for electric delivery services.

The performance-based formula rate shall be implemented through a tariff filed with the Commission consistent with the provisions of this subsection (c) that shall be applicable to all delivery services customers. The Commission shall initiate and conduct an investigation of the tariff in a manner consistent with the provisions of this subsection (c) and the provisions of Article IX of this Act to the extent they do not
conflict with this subsection (c). Except in the case where the Commission finds, after notice and hearing, that a participating utility is not satisfying its investment amount commitments under subsection (b) of this Section, the performance-based formula rate shall remain in effect at the discretion of the utility. The performance-based formula rate approved by the Commission shall do the following:

1. Provide for the recovery of the utility's actual costs of delivery services that are prudently incurred and reasonable in amount consistent with Commission practice and law. The sole fact that a cost differs from that incurred in a prior calendar year or that an investment is different from that made in a prior calendar year shall not imply the imprudence or unreasonableness of that cost or investment.

2. Reflect the utility's actual year-end capital structure for the applicable calendar year, excluding goodwill, subject to a determination of prudence and reasonableness consistent with Commission practice and law. To enable the financing of the incremental capital expenditures, including regulatory assets, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, a participating electric utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital
structure shall be deemed reasonable and used to set rates.

(3) Include a cost of equity, which shall be calculated as the sum of the following:

(A) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication; and

(B) 580 basis points.

At such time as the Board of Governors of the Federal Reserve System ceases to include the monthly average yields of 30-year U.S. Treasury bonds in its weekly H.15 Statistical Release or successor publication, the monthly average yields of the U.S. Treasury bonds then having the longest duration published by the Board of Governors in its weekly H.15 Statistical Release or successor publication shall instead be used for purposes of this paragraph (3).

(4) Permit and set forth protocols, subject to a determination of prudence and reasonableness consistent with Commission practice and law, for the following:

(A) recovery of incentive compensation expense that is based on the achievement of operational metrics, including metrics related to budget controls, outage duration and frequency, safety, customer
service, efficiency and productivity, and environmental compliance. Incentive compensation expense that is based on net income or an affiliate's earnings per share shall not be recoverable under the performance-based formula rate;

(B) recovery of pension and other post-employment benefits expense, provided that such costs are supported by an actuarial study;

(C) recovery of severance costs, provided that if the amount is over $3,700,000 for a participating utility that is a combination utility or $10,000,000 for a participating utility that serves more than 3 million retail customers, then the full amount shall be amortized consistent with subparagraph (F) of this paragraph (4);

(D) investment return at a rate equal to the utility's weighted average cost of long-term debt, on the pension assets as, and in the amount, reported in Account 186 (or in such other Account or Accounts as such asset may subsequently be recorded) of the utility's most recently filed FERC Form 1, net of deferred tax benefits;

(E) recovery of the expenses related to the Commission proceeding under this subsection (c) to approve this performance-based formula rate and initial rates or to subsequent proceedings related to
the formula, provided that the recovery shall be amortized over a 3-year period; recovery of expenses related to the annual Commission proceedings under subsection (d) of this Section to review the inputs to the performance-based formula rate shall be expensed and recovered through the performance-based formula rate;

(F) amortization over a 5-year period of the full amount of each charge or credit that exceeds $3,700,000 for a participating utility that is a combination utility or $10,000,000 for a participating utility that serves more than 3 million retail customers in the applicable calendar year and that relates to a workforce reduction program's severance costs, changes in accounting rules, changes in law, compliance with any Commission-initiated audit, or a single storm or other similar expense, provided that any unamortized balance shall be reflected in rate base. For purposes of this subparagraph (F), changes in law includes any enactment, repeal, or amendment in a law, ordinance, rule, regulation, interpretation, permit, license, consent, or order, including those relating to taxes, accounting, or to environmental matters, or in the interpretation or application thereof by any governmental authority occurring after October 26, 2011 (the effective date of Public Act
97-616);

(G) recovery of existing regulatory assets over the periods previously authorized by the Commission;

(H) historical weather normalized billing determinants; and

(I) allocation methods for common costs.

(5) Provide that if the participating utility's earned rate of return on common equity related to the provision of delivery services for the prior rate year (calculated using costs and capital structure approved by the Commission as provided in subparagraph (2) of this subsection (c), consistent with this Section, in accordance with Commission rules and orders, including, but not limited to, adjustments for goodwill, and after any Commission-ordered disallowances and taxes) is more than 50 basis points higher than the rate of return on common equity calculated pursuant to paragraph (3) of this subsection (c) (after adjusting for any penalties to the rate of return on common equity applied pursuant to the performance metrics provision of subsection (f) of this Section), then the participating utility shall apply a credit through the performance-based formula rate that reflects an amount equal to the value of that portion of the earned rate of return on common equity that is more than 50 basis points higher than the rate of return on common equity calculated pursuant to paragraph (3) of this
subsection (c) (after adjusting for any penalties to the rate of return on common equity applied pursuant to the performance metrics provision of subsection (f) of this Section) for the prior rate year, adjusted for taxes. If the participating utility's earned rate of return on common equity related to the provision of delivery services for the prior rate year (calculated using costs and capital structure approved by the Commission as provided in subparagraph (2) of this subsection (c), consistent with this Section, in accordance with Commission rules and orders, including, but not limited to, adjustments for goodwill, and after any Commission-ordered disallowances and taxes) is more than 50 basis points less than the return on common equity calculated pursuant to paragraph (3) of this subsection (c) (after adjusting for any penalties to the rate of return on common equity applied pursuant to the performance metrics provision of subsection (f) of this Section), then the participating utility shall apply a charge through the performance-based formula rate that reflects an amount equal to the value of that portion of the earned rate of return on common equity that is more than 50 basis points less than the rate of return on common equity calculated pursuant to paragraph (3) of this subsection (c) (after adjusting for any penalties to the rate of return on common equity applied pursuant to the
performance metrics provision of subsection (f) of this Section) for the prior rate year, adjusted for taxes.

(6) Provide for an annual reconciliation, as described in subsection (d) of this Section, with interest, of the revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its performance-based formula rate tariff pursuant to subsection (c) of this Section, with what the revenue requirement would have been had the actual cost information for the applicable calendar year been available at the filing date.

The utility shall file, together with its tariff, final data based on its most recently filed FERC Form 1, plus projected plant additions and correspondingly updated depreciation reserve and expense for the calendar year in which the tariff and data are filed, that shall populate the performance-based formula rate and set the initial delivery services rates under the formula. For purposes of this Section, "FERC Form 1" means the Annual Report of Major Electric Utilities, Licensees and Others that electric utilities are required to file with the Federal Energy Regulatory Commission under the Federal Power Act, Sections 3, 4(a), 304 and 209, modified as necessary to be consistent with 83 Ill. Admin. Code Part 415 as of May 1, 2011. Nothing in this Section is intended to allow costs that are not otherwise recoverable to be recoverable by virtue of inclusion in FERC
Form 1.

After the utility files its proposed performance-based formula rate structure and protocols and initial rates, the Commission shall initiate a docket to review the filing. The Commission shall enter an order approving, or approving as modified, the performance-based formula rate, including the initial rates, as just and reasonable within 270 days after the date on which the tariff was filed, or, if the tariff is filed within 14 days after October 26, 2011 (the effective date of Public Act 97-616), then by May 31, 2012. Such review shall be based on the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, the Commission applies in a hearing to review a filing for a general increase in rates under Article IX of this Act. The initial rates shall take effect within 30 days after the Commission's order approving the performance-based formula rate tariff.

Until such time as the Commission approves a different rate design and cost allocation pursuant to subsection (e) of this Section, rate design and cost allocation across customer classes shall be consistent with the Commission's most recent order regarding the participating utility's request for a general increase in its delivery services rates.

Subsequent changes to the performance-based formula rate structure or protocols shall be made as set forth in Section
9-201 of this Act, but nothing in this subsection (c) is intended to limit the Commission's authority under Article IX and other provisions of this Act to initiate an investigation of a participating utility's performance-based formula rate tariff, provided that any such changes shall be consistent with paragraphs (1) through (6) of this subsection (c). Any change ordered by the Commission shall be made at the same time new rates take effect following the Commission's next order pursuant to subsection (d) of this Section, provided that the new rates take effect no less than 30 days after the date on which the Commission issues an order adopting the change.

A participating utility that files a tariff pursuant to this subsection (c) must submit a one-time $200,000 filing fee at the time the Chief Clerk of the Commission accepts the filing, which shall be a recoverable expense.

In the event the performance-based formula rate is terminated, the then current rates shall remain in effect until such time as new rates are set pursuant to Article IX of this Act, subject to retroactive rate adjustment, with interest, to reconcile rates charged with actual costs. At such time that the performance-based formula rate is terminated, the participating utility's voluntary commitments and obligations under subsection (b) of this Section shall immediately terminate, except for the utility's obligation to pay an amount already owed to the fund for training grants pursuant to a Commission order issued under subsection (b) of
this Section.

(d) Subsequent to the Commission's issuance of an order approving the utility's performance-based formula rate structure and protocols, and initial rates under subsection (c) of this Section, the utility shall file, on or before May 1 of each year, with the Chief Clerk of the Commission its updated cost inputs to the performance-based formula rate for the applicable rate year and the corresponding new charges. Each such filing shall conform to the following requirements and include the following information:

(1) The inputs to the performance-based formula rate for the applicable rate year shall be based on final historical data reflected in the utility's most recently filed annual FERC Form 1 plus projected plant additions and correspondingly updated depreciation reserve and expense for the calendar year in which the inputs are filed. The filing shall also include a reconciliation of the revenue requirement that was in effect for the prior rate year (as set by the cost inputs for the prior rate year) with the actual revenue requirement for the prior rate year (determined using a year-end rate base) that uses amounts reflected in the applicable FERC Form 1 that reports the actual costs for the prior rate year. Any over-collection or under-collection indicated by such reconciliation shall be reflected as a credit against, or recovered as an additional charge to, respectively, with
interest calculated at a rate equal to the utility's weighted average cost of capital approved by the Commission for the prior rate year, the charges for the applicable rate year. Provided, however, that the first such reconciliation shall be for the calendar year in which the utility files its performance-based formula rate tariff pursuant to subsection (c) of this Section and shall reconcile (i) the revenue requirement or requirements established by the rate order or orders in effect from time to time during such calendar year (weighted, as applicable) with (ii) the revenue requirement determined using a year-end rate base for that calendar year calculated pursuant to the performance-based formula rate using (A) actual costs for that year as reflected in the applicable FERC Form 1, and (B) for the first such reconciliation only, the cost of equity, which shall be calculated as the sum of 590 basis points plus the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication. The first such reconciliation is not intended to provide for the recovery of costs previously excluded from rates based on a prior Commission order finding of imprudence or unreasonableness. Each reconciliation shall be certified by the participating utility in the same
manner that FERC Form 1 is certified. The filing shall
also include the charge or credit, if any, resulting from
the calculation required by paragraph (6) of subsection
(c) of this Section.

Notwithstanding anything that may be to the contrary,
the intent of the reconciliation is to ultimately
reconcile the revenue requirement reflected in rates for
each calendar year, beginning with the calendar year in
which the utility files its performance-based formula rate
tariff pursuant to subsection (c) of this Section, with
what the revenue requirement determined using a year-end
rate base for the applicable calendar year would have been
had the actual cost information for the applicable
calendar year been available at the filing date.

(2) The new charges shall take effect beginning on the
first billing day of the following January billing period
and remain in effect through the last billing day of the
next December billing period regardless of whether the
Commission enters upon a hearing pursuant to this
subsection (d).

(3) The filing shall include relevant and necessary
data and documentation for the applicable rate year that
is consistent with the Commission's rules applicable to a
filing for a general increase in rates or any rules
adopted by the Commission to implement this Section.
Normalization adjustments shall not be required.
Notwithstanding any other provision of this Section or Act or any rule or other requirement adopted by the Commission, a participating utility that is a combination utility with more than one rate zone shall not be required to file a separate set of such data and documentation for each rate zone and may combine such data and documentation into a single set of schedules.

Within 45 days after the utility files its annual update of cost inputs to the performance-based formula rate, the Commission shall have the authority, either upon complaint or its own initiative, but with reasonable notice, to enter upon a hearing concerning the prudence and reasonableness of the costs incurred by the utility to be recovered during the applicable rate year that are reflected in the inputs to the performance-based formula rate derived from the utility's FERC Form 1. During the course of the hearing, each objection shall be stated with particularity and evidence provided in support thereof, after which the utility shall have the opportunity to rebut the evidence. Discovery shall be allowed consistent with the Commission's Rules of Practice, which Rules shall be enforced by the Commission or the assigned administrative law judge. The Commission shall apply the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, in the hearing as it would apply in a hearing to review a filing for a general increase in rates under Article
IX of this Act. The Commission shall not, however, have the authority in a proceeding under this subsection (d) to consider or order any changes to the structure or protocols of the performance-based formula rate approved pursuant to subsection (c) of this Section. In a proceeding under this subsection (d), the Commission shall enter its order no later than the earlier of 240 days after the utility's filing of its annual update of cost inputs to the performance-based formula rate or December 31. The Commission's determinations of the prudence and reasonableness of the costs incurred for the applicable calendar year shall be final upon entry of the Commission's order and shall not be subject to reopening, reexamination, or collateral attack in any other Commission proceeding, case, docket, order, rule or regulation, provided, however, that nothing in this subsection (d) shall prohibit a party from petitioning the Commission to rehear or appeal to the courts the order pursuant to the provisions of this Act.

In the event the Commission does not, either upon complaint or its own initiative, enter upon a hearing within 45 days after the utility files the annual update of cost inputs to its performance-based formula rate, then the costs incurred for the applicable calendar year shall be deemed prudent and reasonable, and the filed charges shall not be subject to reopening, reexamination, or collateral attack in any other proceeding, case, docket, order, rule, or regulation.
A participating utility's first filing of the updated cost inputs, and any Commission investigation of such inputs pursuant to this subsection (d) shall proceed notwithstanding the fact that the Commission's investigation under subsection (c) of this Section is still pending and notwithstanding any other law, order, rule, or Commission practice to the contrary.

(e) Nothing in subsections (c) or (d) of this Section shall prohibit the Commission from investigating, or a participating utility from filing, revenue-neutral tariff changes related to rate design of a performance-based formula rate that has been placed into effect for the utility. Following approval of a participating utility's performance-based formula rate tariff pursuant to subsection (c) of this Section, the utility shall make a filing with the Commission within one year after the effective date of the performance-based formula rate tariff that proposes changes to the tariff to incorporate the findings of any final rate design orders of the Commission applicable to the participating utility and entered subsequent to the Commission's approval of the tariff. The Commission shall, after notice and hearing, enter its order approving, or approving with modification, the proposed changes to the performance-based formula rate tariff within 240 days after the utility's filing. Following such approval, the utility shall make a filing with the Commission during each subsequent
3-year period that either proposes revenue-neutral tariff changes or re-files the existing tariffs without change, which shall present the Commission with an opportunity to suspend the tariffs and consider revenue-neutral tariff changes related to rate design.

(f) Within 30 days after the filing of a tariff pursuant to subsection (c) of this Section, each participating utility shall develop and file with the Commission multi-year metrics designed to achieve, ratably (i.e., in equal segments) over a 10-year period, improvement over baseline performance values as follows:

(1) Twenty percent improvement in the System Average Interruption Frequency Index, using a baseline of the average of the data from 2001 through 2010.

(2) Fifteen percent improvement in the system Customer Average Interruption Duration Index, using a baseline of the average of the data from 2001 through 2010.

(3) For a participating utility other than a combination utility, 20% improvement in the System Average Interruption Frequency Index for its Southern Region, using a baseline of the average of the data from 2001 through 2010. For purposes of this paragraph (3), Southern Region shall have the meaning set forth in the participating utility's most recent report filed pursuant to Section 16-125 of this Act.

(3.5) For a participating utility other than a
combination utility, 20% improvement in the System Average Interruption Frequency Index for its Northeastern Region, using a baseline of the average of the data from 2001 through 2010. For purposes of this paragraph (3.5), Northeastern Region shall have the meaning set forth in the participating utility's most recent report filed pursuant to Section 16-125 of this Act.

(4) Seventy-five percent improvement in the total number of customers who exceed the service reliability targets as set forth in subparagraphs (A) through (C) of paragraph (4) of subsection (b) of 83 Ill. Admin. Code Part 411.140 as of May 1, 2011, using 2010 as the baseline year.

(5) Reduction in issuance of estimated electric bills: 90% improvement for a participating utility other than a combination utility, and 56% improvement for a participating utility that is a combination utility, using a baseline of the average number of estimated bills for the years 2008 through 2010.

(6) Consumption on inactive meters: 90% improvement for a participating utility other than a combination utility, and 56% improvement for a participating utility that is a combination utility, using a baseline of the average unbilled kilowatthours for the years 2009 and 2010.

(7) Unaccounted for energy: 50% improvement for a
participating utility other than a combination utility using a baseline of the non-technical line loss unaccounted for energy kilowatthours for the year 2009.

(8) Uncollectible expense: reduce uncollectible expense by at least $30,000,000 for a participating utility other than a combination utility and by at least $3,500,000 for a participating utility that is a combination utility, using a baseline of the average uncollectible expense for the years 2008 through 2010.

(9) Opportunities for black, indigenous, and people of color-owned and women-owned minority-owned and female-owned business enterprises: design a performance metric regarding the creation of opportunities for black, indigenous, and people of color-owned and women-owned minority-owned and female-owned business enterprises consistent with State and federal law using a base performance value of the percentage of the participating utility's capital expenditures that were paid to black, indigenous, and people of color-owned and women-owned minority-owned and female-owned business enterprises in 2010.

The definitions set forth in 83 Ill. Admin. Code Part 411.20 as of May 1, 2011 shall be used for purposes of calculating performance under paragraphs (1) through (3.5) of this subsection (f), provided, however, that the participating utility may exclude up to 9 extreme weather event days from
such calculation for each year, and provided further that the participating utility shall exclude 9 extreme weather event days when calculating each year of the baseline period to the extent that there are 9 such days in a given year of the baseline period. For purposes of this Section, an extreme weather event day is a 24-hour calendar day (beginning at 12:00 a.m. and ending at 11:59 p.m.) during which any weather event (e.g., storm, tornado) caused interruptions for 10,000 or more of the participating utility's customers for 3 hours or more. If there are more than 9 extreme weather event days in a year, then the utility may choose no more than 9 extreme weather event days to exclude, provided that the same extreme weather event days are excluded from each of the calculations performed under paragraphs (1) through (3.5) of this subsection (f).

The metrics shall include incremental performance goals for each year of the 10-year period, which shall be designed to demonstrate that the utility is on track to achieve the performance goal in each category at the end of the 10-year period. The utility shall elect when the 10-year period shall commence for the metrics set forth in subparagraphs (1) through (4) and (9) of this subsection (f), provided that it begins no later than 14 months following the date on which the utility begins investing pursuant to subsection (b) of this Section, and when the 10-year period shall commence for the metrics set forth in subparagraphs (5) through (8) of this
subsection (f), provided that it begins no later than 14
months following the date on which the Commission enters its
order approving the utility's Advanced Metering Infrastructure
Deployment Plan pursuant to subsection (c) of Section 16-108.6
of this Act.

The metrics and performance goals set forth in
subparagraphs (5) through (8) of this subsection (f) are based
on the assumptions that the participating utility may fully
implement the technology described in subsection (b) of this
Section, including utilizing the full functionality of such
technology and that there is no requirement for personal
on-site notification. If the utility is unable to meet the
metrics and performance goals set forth in subparagraphs (5)
through (8) of this subsection (f) for such reasons, and the
Commission so finds after notice and hearing, then the utility
shall be excused from compliance, but only to the limited
extent achievement of the affected metrics and performance
goals was hindered by the less than full implementation.

(f-5) The financial penalties applicable to the metrics
described in subparagraphs (1) through (8) of subsection (f)
of this Section, as applicable, shall be applied through an
adjustment to the participating utility's return on equity of
no more than a total of 30 basis points in each of the first 3
years, of no more than a total of 34 basis points in each of
the 3 years thereafter, and of no more than a total of 38 basis
points in each of the 4 years thereafter, as follows:
(1) With respect to each of the incremental annual performance goals established pursuant to paragraph (1) of subsection (f) of this Section,

   (A) for each year that a participating utility other than a combination utility does not achieve the annual goal, the participating utility's return on equity shall be reduced as follows: during years 1 through 3, by 5 basis points; during years 4 through 6, by 6 basis points; and during years 7 through 10, by 7 basis points; and

   (B) for each year that a participating utility that is a combination utility does not achieve the annual goal, the participating utility's return on equity shall be reduced as follows: during years 1 through 3, by 10 basis points; during years 4 through 6, by 12 basis points; and during years 7 through 10, by 14 basis points.

(2) With respect to each of the incremental annual performance goals established pursuant to paragraph (2) of subsection (f) of this Section, for each year that the participating utility does not achieve each such goal, the participating utility's return on equity shall be reduced as follows: during years 1 through 3, by 5 basis points; during years 4 through 6, by 6 basis points; and during years 7 through 10, by 7 basis points.

(3) With respect to each of the incremental annual
performance goals established pursuant to paragraphs (3) and (3.5) of subsection (f) of this Section, for each year that a participating utility other than a combination utility does not achieve both such goals, the participating utility's return on equity shall be reduced as follows: during years 1 through 3, by 5 basis points; during years 4 through 6, by 6 basis points; and during years 7 through 10, by 7 basis points.

(4) With respect to each of the incremental annual performance goals established pursuant to paragraph (4) of subsection (f) of this Section, for each year that the participating utility does not achieve each such goal, the participating utility's return on equity shall be reduced as follows: during years 1 through 3, by 5 basis points; during years 4 through 6, by 6 basis points; and during years 7 through 10, by 7 basis points.

(5) With respect to each of the incremental annual performance goals established pursuant to subparagraph (5) of subsection (f) of this Section, for each year that the participating utility does not achieve at least 95% of each such goal, the participating utility's return on equity shall be reduced by 5 basis points for each such unachieved goal.

(6) With respect to each of the incremental annual performance goals established pursuant to paragraphs (6), (7), and (8) of subsection (f) of this Section, as
applicable, which together measure non-operational customer savings and benefits relating to the implementation of the Advanced Metering Infrastructure Deployment Plan, as defined in Section 16-108.6 of this Act, the performance under each such goal shall be calculated in terms of the percentage of the goal achieved. The percentage of goal achieved for each of the goals shall be aggregated, and an average percentage value calculated, for each year of the 10-year period. If the utility does not achieve an average percentage value in a given year of at least 95%, the participating utility's return on equity shall be reduced by 5 basis points.

The financial penalties shall be applied as described in this subsection (f-5) for the 12-month period in which the deficiency occurred through a separate tariff mechanism, which shall be filed by the utility together with its metrics. In the event the formula rate tariff established pursuant to subsection (c) of this Section terminates, the utility's obligations under subsection (f) of this Section and this subsection (f-5) shall also terminate, provided, however, that the tariff mechanism established pursuant to subsection (f) of this Section and this subsection (f-5) shall remain in effect until any penalties due and owing at the time of such termination are applied.

The Commission shall, after notice and hearing, enter an order within 120 days after the metrics are filed approving,
or approving with modification, a participating utility's
tariff or mechanism to satisfy the metrics set forth in
subsection (f) of this Section. On June 1 of each subsequent
year, each participating utility shall file a report with the
Commission that includes, among other things, a description of
how the participating utility performed under each metric and
an identification of any extraordinary events that adversely
impacted the utility's performance. Whenever a participating
utility does not satisfy the metrics required pursuant to
subsection (f) of this Section, the Commission shall, after
notice and hearing, enter an order approving financial
penalties in accordance with this subsection (f-5). The
Commission-approved financial penalties shall be applied
beginning with the next rate year. Nothing in this Section
shall authorize the Commission to reduce or otherwise obviate
the imposition of financial penalties for failing to achieve
one or more of the metrics established pursuant to
subparagraph (1) through (4) of subsection (f) of this
Section.

(g) On or before July 31, 2014, each participating utility
shall file a report with the Commission that sets forth the
average annual increase in the average amount paid per
kilowatthour for residential eligible retail customers,
exclusive of the effects of energy efficiency programs,
comparing the 12-month period ending May 31, 2012; the
12-month period ending May 31, 2013; and the 12-month period
ending May 31, 2014. For a participating utility that is a combination utility with more than one rate zone, the weighted average aggregate increase shall be provided. The report shall be filed together with a statement from an independent auditor attesting to the accuracy of the report. The cost of the independent auditor shall be borne by the participating utility and shall not be a recoverable expense. "The average amount paid per kilowatthour" shall be based on the participating utility's tariffed rates actually in effect and shall not be calculated using any hypothetical rate or adjustments to actual charges (other than as specified for energy efficiency) as an input.

In the event that the average annual increase exceeds 2.5% as calculated pursuant to this subsection (g), then Sections 16-108.5, 16-108.6, 16-108.7, and 16-108.8 of this Act, other than this subsection, shall be inoperative as they relate to the utility and its service area as of the date of the report due to be submitted pursuant to this subsection and the utility shall no longer be eligible to annually update the performance-based formula rate tariff pursuant to subsection (d) of this Section. In such event, the then current rates shall remain in effect until such time as new rates are set pursuant to Article IX of this Act, subject to retroactive adjustment, with interest, to reconcile rates charged with actual costs, and the participating utility's voluntary commitments and obligations under subsection (b) of this
Section shall immediately terminate, except for the utility's obligation to pay an amount already owed to the fund for training grants pursuant to a Commission order issued under subsection (b) of this Section.

In the event that the average annual increase is 2.5% or less as calculated pursuant to this subsection (g), then the performance-based formula rate shall remain in effect as set forth in this Section.

For purposes of this Section, the amount per kilowatthour means the total amount paid for electric service expressed on a per kilowatthour basis, and the total amount paid for electric service includes without limitation amounts paid for supply, transmission, distribution, surcharges, and add-on taxes exclusive of any increases in taxes or new taxes imposed after October 26, 2011 (the effective date of Public Act 97-616). For purposes of this Section, "eligible retail customers" shall have the meaning set forth in Section 16-111.5 of this Act.

The fact that this Section becomes inoperative as set forth in this subsection shall not be construed to mean that the Commission may reexamine or otherwise reopen prudence or reasonableness determinations already made.

(h) By December 31, 2017, the Commission shall prepare and file with the General Assembly a report on the infrastructure program and the performance-based formula rate. The report shall include the change in the average amount per
kilowatthour paid by residential customers between June 1, 2011 and May 31, 2017. If the change in the total average rate paid exceeds 2.5% compounded annually, the Commission shall include in the report an analysis that shows the portion of the change due to the delivery services component and the portion of the change due to the supply component of the rate. The report shall include separate sections for each participating utility.

Sections 16-108.5, 16-108.6, 16-108.7, and 16-108.8 of this Act, other than this subsection (h), are inoperative after December 31, 2021. For every participating utility (except for subsection (g) of Section 16-108.6, which is inoperative after December 31, 2022), after which time a participating utility shall no longer be eligible to annually update the performance-based formula rate tariff pursuant to subsection (d) of this Section. At such time, the then current rates shall remain in effect until such time as new rates are set pursuant to Article IX of this Act, subject to retroactive adjustment, with interest, to reconcile rates charged with actual costs.

The fact that this Section becomes inoperative as set forth in this subsection shall not be construed to mean that the Commission may reexamine or otherwise reopen prudence or reasonableness determinations already made.

(i) While a participating utility may use, develop, and maintain broadband systems and the delivery of broadband
services, voice-over-internet-protocol services, telecommunications services, and cable and video programming services for use in providing delivery services and Smart Grid functionality or application to its retail customers, including, but not limited to, the installation, implementation and maintenance of Smart Grid electric system upgrades as defined in Section 16-108.6 of this Act, a participating utility is prohibited from offering to its retail customers broadband services or the delivery of broadband services, voice-over-internet-protocol services, telecommunications services, or cable or video programming services, unless they are part of a service directly related to delivery services or Smart Grid functionality or applications as defined in Section 16-108.6 of this Act, and from recovering the costs of such offerings from retail customers.

(j) Nothing in this Section is intended to legislatively overturn the opinion issued in Commonwealth Edison Co. v. Ill. Commerce Comm'n, Nos. 2-08-0959, 2-08-1037, 2-08-1137, 1-08-3008, 1-08-3030, 1-08-3054, 1-08-3313 cons. (Ill. App. Ct. 2d Dist. Sept. 30, 2010). Public Act 97-616 shall not be construed as creating a contract between the General Assembly and the participating utility, and shall not establish a property right in the participating utility.

(k) The changes made in subsections (c) and (d) of this Section by Public Act 98-15 are intended to be a restatement
and clarification of existing law, and intended to give
binding effect to the provisions of House Resolution 1157
adopted by the House of Representatives of the 97th General
Assembly and Senate Resolution 821 adopted by the Senate of
the 97th General Assembly that are reflected in paragraph (3)
of this subsection. In addition, Public Act 98-15 preempts and
supersedes any final Commission orders entered in Docket Nos.
11-0721, 12-0001, 12-0293, and 12-0321 to the extent
inconsistent with the amendatory language added to subsections
(c) and (d).

(1) No earlier than 5 business days after May 22, 2013
(the effective date of Public Act 98-15), each
participating utility shall file any tariff changes
necessary to implement the amendatory language set forth
in subsections (c) and (d) of this Section by Public Act
98-15 and a revised revenue requirement under the
participating utility's performance-based formula rate.
The Commission shall enter a final order approving such
tariff changes and revised revenue requirement within 21
days after the participating utility's filing.

(2) Notwithstanding anything that may be to the
contrary, a participating utility may file a tariff to
retroactively recover its previously unrecovered actual
costs of delivery service that are no longer subject to
recovery through a reconciliation adjustment under
subsection (d) of this Section. This retroactive recovery
shall include any derivative adjustments resulting from the changes to subsections (c) and (d) of this Section by Public Act 98-15. Such tariff shall allow the utility to assess, on current customer bills over a period of 12 monthly billing periods, a charge or credit related to those unrecovered costs with interest at the utility's weighted average cost of capital during the period in which those costs were unrecovered. A participating utility may file a tariff that implements a retroactive charge or credit as described in this paragraph for amounts not otherwise included in the tariff filing provided for in paragraph (1) of this subsection (k). The Commission shall enter a final order approving such tariff within 21 days after the participating utility's filing.

(3) The tariff changes described in paragraphs (1) and (2) of this subsection (k) shall relate only to, and be consistent with, the following provisions of Public Act 98-15: paragraph (2) of subsection (c) regarding year-end capital structure, subparagraph (D) of paragraph (4) of subsection (c) regarding pension assets, and subsection (d) regarding the reconciliation components related to year-end rate base and interest calculated at a rate equal to the utility's weighted average cost of capital.

(4) Nothing in this subsection is intended to effect a dismissal of or otherwise affect an appeal from any final Commission orders entered in Docket Nos. 11-0721, 12-0001,
12-0293, and 12-0321 other than to the extent of the
amendatory language contained in subsections (c) and (d)
of this Section of Public Act 98-15.

(l) Each participating utility shall be deemed to have
been in full compliance with all requirements of subsection
(b) of this Section, subsection (c) of this Section, Section
16-108.6 of this Act, and all Commission orders entered
pursuant to Sections 16-108.5 and 16-108.6 of this Act, up to
and including May 22, 2013 (the effective date of Public Act
98-15). The Commission shall not undertake any investigation
of such compliance and no penalty shall be assessed or adverse
action taken against a participating utility for noncompliance
with Commission orders associated with subsection (b) of this
Section, subsection (c) of this Section, and Section 16-108.6
of this Act prior to such date. Each participating utility
other than a combination utility shall be permitted, without
penalty, a period of 12 months after such effective date to
take actions required to ensure its infrastructure investment
program is in compliance with subsection (b) of this Section
and with Section 16-108.6 of this Act. Provided further, the
following subparagraphs shall apply to a participating utility
other than a combination utility:

(A) if the Commission has initiated a proceeding
pursuant to subsection (e) of Section 16-108.6 of this Act
that is pending as of May 22, 2013 (the effective date of
Public Act 98-15), then the order entered in such
proceeding shall, after notice and hearing, accelerate the
commencement of the meter deployment schedule approved in
the final Commission order on rehearing entered in Docket
No. 12-0298;

(B) if the Commission has entered an order pursuant to
subsection (e) of Section 16-108.6 of this Act prior to
May 22, 2013 (the effective date of Public Act 98-15) that
does not accelerate the commencement of the meter
deployment schedule approved in the final Commission order
on rehearing entered in Docket No. 12-0298, then the
utility shall file with the Commission, within 45 days
after such effective date, a plan for accelerating the
commencement of the utility's meter deployment schedule
approved in the final Commission order on rehearing
entered in Docket No. 12-0298; the Commission shall reopen
the proceeding in which it entered its order pursuant to
subsection (e) of Section 16-108.6 of this Act and shall,
after notice and hearing, enter an amendatory order that
approves or approves as modified such accelerated plan
within 90 days after the utility's filing; or

(C) if the Commission has not initiated a proceeding
pursuant to subsection (e) of Section 16-108.6 of this Act
prior to May 22, 2013 (the effective date of Public Act
98-15), then the utility shall file with the Commission,
within 45 days after such effective date, a plan for
accelerating the commencement of the utility's meter
deployment schedule approved in the final Commission order on rehearing entered in Docket No. 12-0298 and the Commission shall, after notice and hearing, approve or approve as modified such plan within 90 days after the utility's filing.

Any schedule for meter deployment approved by the Commission pursuant to this subsection (l) shall take into consideration procurement times for meters and other equipment and operational issues. Nothing in Public Act 98-15 shall shorten or extend the end dates for the 5-year or 10-year periods set forth in subsection (b) of this Section or Section 16-108.6 of this Act. Nothing in this subsection is intended to address whether a participating utility has, or has not, satisfied any or all of the metrics and performance goals established pursuant to subsection (f) of this Section.

(m) The provisions of Public Act 98-15 are severable under Section 1.31 of the Statute on Statutes.

(Source: P.A. 99-143, eff. 7-27-15; 99-642, eff. 7-28-16; 99-906, eff. 6-1-17; 100-840, eff. 8-13-18.)

(220 ILCS 5/16-108.9 new)

Sec. 16-108.9. Clean Energy Empowerment Zone pilot projects.

(a) The General Assembly finds that it is important to support the rapid transition in the energy sector to put Illinois on a path to 100% renewable energy. This will require
leveraging new technologies and solutions to support grid
reliability to address issues such as the shift from large,
centralized, fossil generation to wind, solar, and distributed
energy resources. To that end, the General Assembly sees the
need for developing pilot projects in Clean Energy Empowerment
Zones that enhance reliability while facilitating the
transition toward clean energy.

(b) An electric utility serving more than 100,000 retail
customers may propose one or more Clean Energy Empowerment
Zone pilot projects to the Illinois Commerce Commission to
conduct a competitive procurement for independently owned
energy storage systems to be located in Clean Energy
Empowerment Zones. The Commission shall evaluate the projects
based on their ability to address present and future
reliability needs identified by the Midcontinent Independent
System Operator, PJM Interconnection, electric utilities, or
independent analysts. In addition to supporting reliability, a
qualifying project must support the transition toward or
development of clean energy.

(c) The Clean Energy Empowerment Zones described in this
Section shall be the same as defined by the Department of
Commerce and Economic Opportunity in the Energy Community
Reinvestment Act.

(d) The Clean Energy Empowerment Zone pilot projects shall
closely coordinate with actual and expected development of new
wind projects and new solar projects as described in Section
1-75 of the Illinois Power Agency Act, electric vehicle adoption, and Community Energy, Climate, and Jobs Plans as defined in the Community Energy, Climate, and Jobs Planning Act.

(e) Upon approval of a Clean Energy Empowerment Zone pilot project by the Illinois Commerce Commission, an electric utility is authorized to enter into a distribution services contract with new energy storage system projects in accordance with the approved project. Nothing in this Section or in the distribution services contract shall preclude the energy storage project from providing additional wholesale market services.

(f) An electric utility that elects to undertake the investment described in subsection (b) of this Section may, at its election, recover the costs of such investment through an automatic adjustment clause tariff or through a delivery services charge regardless of how the costs are classified on the utility's books and records of account.

(g) To the extent feasible and consistent with State and federal law, the investments made pursuant to this Section shall provide employment opportunities for former workers in fossil fuel industries and participants in the Clean Jobs Workforce Hubs as defined in the Clean Jobs, Workforce and Contractor Equity Act.

(h) Nothing in this Section is intended to limit the ability of any other entity to develop, construct, or install
an energy storage system. In addition, nothing in this Section is intended to limit or alter otherwise applicable interconnection requirements.

(220 ILCS 5/16-108.18 new)

Sec. 16-108.18. Performance-based ratemaking.

(a) Findings and Purpose. The General Assembly finds that improving the alignment of utility customer and company interests is critical to ensuring that Illinois residents and businesses have the opportunity to optimize existing utility infrastructure and do not suffer economic and environmental harm from the State's energy systems. This realignment is critical to ensure the ongoing viability of Illinois electric utilities, as they face an increasing need to rapidly adopt business models and strategies that enable new innovations and customer choices. Furthermore, the General Assembly finds that this realignment has entered a period of extraordinary urgency, given the expected rapid growth of distributed energy resources, electric vehicles, and other new technologies that substantially change the makeup of the grid. Moreover, urgency of action to address increasing threats from climate change and to assist communities that have borne a disproportionate impact from air pollution, greenhouse gas emissions, and energy burdens requires immediate and significant change to the business model under which utilities in Illinois have functioned. Providing incentive for necessary changes through
a new holistic, performance-based structure for ratemaking will enable alignment of utility, customer, community and environmental goals. In particular, the General Assembly finds that:

(1) The traditional regulatory model rewards utilities for increasing capital expenditures by basing allowed revenues on the value of the rate base, irrespective of utility performance. This compact does not align the interests of customers and utilities because it may result in a bias toward expending utility capital in ways that may displace more efficient or cost-effective options, such as distributed energy resources owned by customers or projects implemented by independent third parties that can meet grid needs.

(2) Traditional regulation also rewards utilities for selling higher volumes of electricity through the throughput incentive. This model unnecessarily increases customer costs and pollution and is therefore in neither ratepayers' nor the State's interest.

(3) Though Illinois has taken some measures to move utilities to performance-based ratemaking through the establishment of performance incentives and a performance-based formula rate under the Energy Infrastructure Modernization Act, these measures have not been transformative in urgently moving electric utilities toward the State's ambitious energy policy goals:
protecting a healthy environment and climate, improving public health, and creating quality jobs and economic opportunities including wealth building, especially in economically disadvantaged communities and BIPOC communities. Rather, they have resulted in excess utility profits without meaningful improvements in customer experience, rates, or equity.

(4) The General Assembly therefore directs the Illinois Commerce Commission to complete a transition to a comprehensive performance-based regulation framework for electric utilities with more than 500,000 customers. The breadth of this framework should remake existing utility regulations to position Illinois electric utilities to effectively and efficiently achieve current and anticipated future energy needs of this State.

(5) It is the intent of the General Assembly that over time the comprehensive performance-based regulation framework will progressively reduce the direct link between utility revenues and traditional investment levels and increasingly tie revenues to performance.

(b) Definitions.
As used in this Section:
"Commission" means the Illinois Commerce Commission.
"Demand response" means measures that decrease peak electricity demand or shift demand from peak to off-peak periods.
"Distributed energy resources" or "DER" means a wide range of technologies that are located on the customer side of the customer's electric meter and can provide value to the distribution system, including, but not limited to, distributed generation, energy storage, electric vehicles, and demand response technologies.

"Economically disadvantaged communities" means areas of one or more census tracts where average household income does not exceed 80% of area median income.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its Program Administrator in the Illinois Solar for All Program.

"Performance-based regulation or ratemaking" or "PBR" means a regulatory approach that aligns utility interests with customer and societal interests through regulatory mechanisms that motivate utilities to improve operations, increase program effectiveness, better manage business expenses, and align system performance with identified societal or policy goals.

(c) Objectives. The comprehensive PBR framework should be designed to accomplish the following objectives:

(1) incentivize utilities to pursue cost-effective solutions to meet customer needs;

(2) decarbonize utility systems at a pace that meets or exceeds state climate goals;
remove utility incentives to grow energy sales, except where sales growth is determined to be aligned with state policy goals;

(4) reduce the link between utility expenditures and collected revenue and eliminate embedded utility preferences for one type of expenditure over another for the same service;

(5) incentivize utilities to undertake the most effective expenditures for assets or services, whether self-supplied by the utility or through third-party contracting, to deliver high-quality service to customers at least cost;

(6) maintain the affordability, safety, and reliability of electric power supply; and

(7) incentivize utilities to pursue equitable access to high-quality customer service, affordable rates, DER interconnection, and the benefits of grid modernization and clean energy for ratepayers in environmental justice and economically disadvantaged communities. Additionally, motivate utilities to sustain a diverse workforce, supplier procurement base and, for relevant programs, approved vendor pools.

(d) The comprehensive PBR framework should comprise a set of PBR mechanisms that collectively accomplish the objectives set forth in subsection (c). Those mechanisms may include, but are not limited to:
(1) multiyear rate plans and associated features, as set forth in subsection (e) of this Section;

(2) revenue decoupling, as set forth in paragraph (11) of subsection (e) of this Section;

(3) shared savings mechanisms;

(4) performance incentive mechanisms, as set forth in subsection (f) of this Section;

(5) changes to the accounting treatment of capital and operating expenditures; and

(6) changes to rate design, as set forth in Section paragraph 10 of subsection (e) of this Section.

(e) Multi-year Rate Plan.

(1) If an electric utility has a performance-based formula rate in effect under Section 16-108.5 as of December 31, 2020, then the utility shall file a petition proposing tariffs implementing a four-year Multi-year Rate Plan as provided in this Section no later than July 1, 2022 for delivery service rates to be effective from June 1, 2023 through May 31, 2027. The Commission shall issue an order approving, approving as modified, or rejecting the utility's plan no later than June 1, 2023. If the Commission rejects the utility's plan, the deadline to approve the plan or approve it as modified shall be extended to 4 months from the date of the rejection. The term "Multi-year Rate Plan" refers to a plan establishing the rates the utility may charge for each delivery year of
the four-year period to be covered by the plan. The net revenue requirement reflected in rates in effect on December 31, 2021 for the electric utility shall remain in effect until new rates are approved under the Multi-year Rate Plan, and no additional annual reconciliation under Section 16-108.5 shall be made.

(2) A utility proposing a Multi-year Rate Plan shall provide a description of the utility's major planned investments, which shall include at a minimum all investments of $1 million or greater over the plan period. Planned investments must conform to the goals established in the Multi-year Integrated Grid Plan described in section 16-105.17 of this Act.

(3) The Multi-year Rate Plan shall be implemented through a tariff filed with the Commission consistent with the provisions of this paragraph (3) that shall apply to all delivery service customers. The Commission shall initiate and conduct an investigation of the tariff in a manner consistent with the provisions of this paragraph (3) and the provisions of Article IX of this Act to the extent they do not conflict with this paragraph (3). The Multi-year Rate Plan approved by the Commission shall do the following:

(A) Provide for the recovery of the utility's forecasted rate base, based on a budget forecast or a fixed escalation rate, individually or in combination.
The forecasted rate base must include the utility's planned capital investments and investment-related costs, including income tax impacts, depreciation, and property taxes prudently incurred and reasonable in amount consistent with Commission practice and law. The budgeting process must be iterative, be rigorous, and lead to forecasts that reasonably represent the utility's investments during the forecasted period.

(B) For the first Multi-year Rate Plan, reflect year-end capital structure that includes a common equity ratio, excluding goodwill, of no more than 50% of the total capital structure shall be deemed reasonable and prudent and used to set rates.

(C) For the first Multi-year Rate Plan, include a cost of equity, which shall be calculated as the sum of the following:

   (i) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication; and

   (ii) 530 basis points.

At such time as the Board of Governors of the Federal Reserve System ceases to include the monthly average yields of 30-year U.S. Treasury bonds in its weekly H.15 Statistical Release or successor
publication, the monthly average yields of the U.S. Treasury bonds then having the longest duration published by the Board of Governors in its weekly H.15 Statistical Release or successor publication shall instead be used for purposes of this subparagraph (C).

(D) For subsequent Multi-year Rate Plans, the cost of equity and capital structure shall be established by the Commission and shall be set to reflect a risk-adjusted return compared to the prevailing cost of capital and comparable investments in the economy, including U.S. Treasury rates, upon which additional earning opportunities and penalties can be provided to reflect utility performance against identified outcomes.

(E) Recovery of operations and maintenance expenses, based on projected costs, an electricity-related price index or other formula.

(F) Amortize the amount of unprotected property-related excess accumulated deferred income taxes in rates as of December 31, 2022 over a period of 5 years.

(G) Disallow recovery of charitable contributions.

(H) Allow recovery of pension and other post-employment benefits expense only if such costs are demonstrated to be funded by ratepayers.

(I) Allow recovery of incentive compensation
expense that is based on the achievement of operational metrics, including metrics related to budget controls, outage duration and frequency, safety, customer service, efficiency and productivity, environmental compliance and attainment of environmental goals, and other goals and metrics approved by the Commission. Incentive compensation expense that is based on net income or an affiliate's earnings per share shall not be recoverable;

(4) Rates charged under the Multi-Year Rate Plan must be based only upon the utility's reasonable and prudent costs of service over the term of the plan, as determined by the Commission, provided that the costs are not being recovered elsewhere in rates. Rate adjustments authorized by the Commission may continue outside of a plan authorized under this Section to the extent such costs are not recovered elsewhere in rates. The burden of proof shall be on the electric utility to establish the prudence of investments and expenditures and to establish that such investments are reasonably necessary to meet the requirements of the most recently approved Multi-Year Integrated Grid Plan described in Section 16-105.17 of this Act. The sole fact that a cost differs from that incurred in a prior period or that an investment is different from that described the Multi-year Integrated Grid Plan shall not imply the imprudence or
unreasonableness of that cost or investment. The sole fact
that an investment is the same or similar to that
described in the Multi-Year Integrated Grid Plan shall not
imply prudence and reasonableness.

(5) To facilitate public transparency, all materials,
data, testimony, schedules, etc. shall be provided to the
Commission in an editable, machine-readable electronic
format including .doc, .docx, .xls, .xlsx, and similar,
but not including .pdf or .exif. Should utilities
designate any materials "confidential," they shall have an
affirmative duty to explain why the particular information
is marked confidential. In determining prudence and
reasonableness of rates, the Commission shall also
consider each public comment filed in the docket.

(6) The Commission may, by order, establish terms,
conditions, and procedures for a Multi-year Rate Plan
necessary to implement this Section and ensure that rates
remain just and reasonable during the course of the plan,
including terms and procedures for rate adjustment. At any
time prior to conclusion of a Multi-year Rate Plan, the
Commission, upon its own motion or upon petition of any
party, may initiate a proceeding to examine the
reasonableness of the utility's rates under the plan, and
adjust rates as necessary.

(7) Capital True-up. The utility shall propose an
annual capital true-up mechanism that provides a refund to
customers if the utility's actual capital-related revenue requirement is less in total in any of the Multi-Year Rate Plan delivery years than the Commission authorizes for that year. Conversely, if the Company's actual capital-related revenue requirement is more in total in the Multi-year Rate Plan delivery year than the Commission authorizes for that year, the Company cannot surcharge customers to collect any under recovery.

(8) A participating utility that files a tariff pursuant to paragraph (3) of this subsection (e) must submit a one-time $200,000 filing fee at the time the Chief Clerk of the Commission accepts the filing, which shall be a recoverable expense.

(9) Subsequent Multi-Year Rate Plans. An electric utility operating under the Multi-Year Rate Plan shall file a new Multi-Year Rate Plan at least 210 days prior to the end of the initial Multi-Year Rate Plan, and every 4 years thereafter, with a rate-effective date of the proposed tariffs such that, after the Commission suspension period, the rates would take effect immediately at the close of the final year of the initial Multi-Year Rate Plan. In subsequent Multi-Year Rate Plans, as in the initial plans, utilities and stakeholders may propose additional metrics that achieve the outcomes described in paragraph (2) of subsection (f) of this Section.

(10) Rate Design. The Commission shall approve tariffs
as part of each Multi-Year Rate Plan establishing rate
design for all delivery service customers. These shall
expand the rate options available to customers, including,
but not limited to, an affordability rate for low-income
residential customers, a time-of-use rate, an electric
vehicle rate, and a peak time savings rate.

(11) Decoupling. The Commission may, by order, approve
a tariff filed by an electric utility that provides for
decoupling of sales and revenues to mitigate the impact on
public utilities of the energy-savings goals and to reduce
a utility's disincentive to promote energy efficiency
under Section 16-111.5B of this Act without adversely
affecting utility ratepayers. In its consideration of a
proposed decoupling tariff, the Commission shall consider
a mechanism that triggers the periodic adjustment to rates
when the changes in revenue would result in a change
within a certain percentage, an earnings band to share
revenues that exceed the authorized return, or other
mechanisms that reduce the size and frequency of rate
adjustments.

(f) Performance Incentive Mechanisms.

(1) The Commission shall establish performance
incentive mechanisms in order to better tie utility
revenues to performance and customer benefits, accelerate
progress on Illinois energy and other goals, and hold
utilities publicly accountable. The Commission shall
develop metrics, which are observable and measurable indicators of system or utility performance, in order to create performance incentive mechanisms. Specifically, the Commission shall establish:

(A) Tracking metrics, which will be used for measuring and reporting utility performance.

(B) Performance metrics, which will be used for financially incentivizing improved utility performance.

(2) Outcomes of Metrics. The Commission shall approve tracking and performance metrics that encourage cost-effective, equitable utility achievement of the following outcomes:

(A) Affordability. Achieve affordable customer energy costs and utility bills, with particular emphasis on keeping lower-income households' bills within a manageable portion of their income.

(B) Pollution Reduction. Minimize emissions of greenhouse gases and pollutants that harm human health, particularly in environmental justice and economically disadvantaged communities, through both (A) minimizing emissions per kilowatt-hour of electricity consumed; and (B) minimizing total emissions, including by accelerating electrification of transportation, buildings and industries where such electrification results in net reductions, across all
fuels and over the life of electrification measures, of greenhouse gases and other pollutants.

(C) Flexibility. Enhance the grid's flexibility to adapt to increased deployment of nondispatchable resources; improve the ability and performance of the grid on load balancing; and address uncertainty around future customer needs, future environmental concerns, emerging technology, changes in costs of technology and service, and other factors.

(D) Reliability. Meet high standards of overall and locational reliability.

(E) Customer Experience. Deliver customer service quality, customer engagement, and customer access to utility system information.

(F) Equity. Maximize and prioritize the allocation of grid planning benefits to environmental justice and economically disadvantaged customers and communities. Sustain a diverse workforce, supplier procurement base and, for relevant programs, approved vendor pools.

(G) Cost-effectiveness. Ensure rates reflect cost savings attributable to grid modernization and integration of distributed energy resources that allow the utility to defer or forgo traditional grid investments that would otherwise be required.

It is the intent of the General Assembly that these outcomes shall guide the development of metrics even as
the grid, along with its associated technologies and policies, evolves. It is also the intent of the General Assembly that the limitation of total costs to customers and the promotion of ethical and transparent practices by utilities, as well as the role that flexible load and distributed energy resources can play in advancing the outcomes, be considered in the establishment of metrics.

(3) Metrics Requirements.

(A) Tracking Metrics. Tracking metrics shall entail a description of the metric, a calculation method, and a data collection method. The Commission shall approve tracking metrics that measure achievement of at least one of the outcomes set forth in paragraph (2) and are supported by sufficient stakeholder input. Tracking metrics should measure outcomes and actual results and projections where possible.

(B) Performance Metrics. Performance metrics shall entail a description of the metric, a calculation method, a data collection method, annual binding performance targets, and monetary incentives (rewards or penalties or both, depending on the metric) for utilities' achievement of or failure to achieve their performance targets. The Commission shall approve performance metrics that (i) measure achievement of the outcomes set forth in paragraph (2); (ii) are
supported by sufficient stakeholder input; (iii) have one year of tracking data collected in a consistent manner and verifiable by an independent evaluator in order to establish a baseline; and (iv) require an incentive (reward or penalty or both) to create improved utility performance. While a single performance metric may measure achievement of more than one of the outcomes set forth in paragraph (2), and such metrics should be valued, the Commission shall not approve multiple performance metrics that measure achievement identical or near-identical results. Performance metrics should measure outcomes and actual, rather than projected, results where possible.

(C) Performance targets. For metrics where progressive improvement is desirable, performance targets shall increase annually and shall require utilities to perform beyond "business as usual," as determined by baseline tracking data and high-confidence projections. Increases to a target shall be considered in light of other metrics, cost-effectiveness, and other factors the Commission deems appropriate.

(D) Performance incentives. The Commission shall determine whether and to what extent each performance metric shall offer a reward, penalty, or both to a
utility. For metrics where a reward is offered, and that reward is a cash payment, the reward shall be calculated as a percentage of net benefits from the outcome, net of costs to customers. The Commission shall develop a methodology to calculate net benefits that includes societal costs and benefits.

In determining the appropriate level of a reward or penalty, the Commission shall consider: the extent to which the amount is likely to encourage the utility to achieve the performance target in the least cost manner; the value of benefits to customers, the grid, and the environment from achievement of the performance target, including in particular benefits to environmental justice and economically disadvantaged communities; customer bill affordability; the utility's revenue requirement; and other such factors that the Commission deems appropriate. The consideration of these factors shall result in an incentive level that ensures benefits exceed costs for customers.

The rewards or penalties shall be calculated based on the electric utility achieving performance targets. In determining the specific rewards or penalties, the Commission shall give proportionate weight to the following set of metrics: affordability, cost-effectiveness, pollution reduction, flexibility,
customer experience, reliability, and equity.

It is the intent of the General Assembly that over time the utility's cost of equity shall be progressively reduced while the opportunity to grow earnings as a result of achieving performance targets shall be progressively increased as the Commission establishes new performance metrics.

(g) Initial Metrics. The Commission shall initiate a 4-month workshop process no later than March 1, 2022 for the purpose of informing the enactment of metrics. The workshop shall be facilitated by Staff of the Illinois Commerce Commission, and shall be organized and facilitated in a manner that encourages representation from diverse stakeholders, ensuring equitable opportunities for participation, without requiring formal intervention or representation by an attorney. Following the workshop, the Commission shall establish initial tracking and performance metrics in a docketed proceeding that shall be filed by the electric utility by July 2, 2022. The initial tracking and performance metrics shall be in place for the period of the first Multi-Year Rate Plan. The proceeding shall conclude, and the commission shall issue an order in the matter, no later than April 1, 2023.

Unless the tracking metrics in subparagraph (3) of paragraph (A) and performance metrics in subparagraph (3) of paragraph (B) of subsection (f) of this Section are found by
the Commission during initial metric-setting proceeding to not meet the requirements set forth in this Section, the Commission shall approve these metrics, and it shall establish calculations and goals for the tracking metrics set forth in subparagraph (3) of paragraph (A) of subsection (f) of this Section and calculations, targets, and incentives for the tracking metrics set forth in subparagraph (3) of paragraph (B) of subsection (f) of this Section. If the Commission finds that the metrics set forth in subparagraph (3) of paragraph (A) and subparagraph (3) of paragraph (B) of subsection (f) of this Section do not meet the requirements set forth in this Section, then the Commission shall approve substitute metrics. The Commission may also approve additional tracking and performance metrics as appropriate if they meet the requirements set forth in this Section.

   Initial Performance Metrics shall include at a minimum, but not limited to, the following:

   (1) system Average Interruption Frequency Index;

   (2) customer Average Interruption Duration Index; and

   (3) peak load reductions enabled by demand response programs.

   (h) Future Metrics. The Commission shall establish new tracking and performance metrics in future Annual Performance Evaluation proceedings to further measure achievement of the outcomes set forth in paragraph (2) of subsection (f) of this Section and the other goals and requirements of this Section.
The Commission shall also evaluate metrics that were established in prior Annual Performance Evaluation proceedings under the procedures set forth in subsection (i) to determine if adjustments are required to improve the likelihood of the outcomes described in paragraph (2) of subsection (f). For metrics that were established in prior Annual Performance Evaluation proceedings and that the Commission elects to continue, the design of these metrics, including the goals of tracking metrics and the targets and incentive levels and structures of performance metrics, may be adjusted pursuant to the requirements in this Section. The Commission may also phase out tracking and performance metrics that were established in prior Annual Performance Evaluation proceedings if these metrics no longer meet the requirements of this Section or if they are rendered obsolete by the changing needs and technology of an evolving grid. Additionally, performance metrics that no longer require an incentive to create improved utility performance may become tracking metrics.

In service of the outcomes set forth in paragraph (2) of subsection (f), it is the intent of the General Assembly that the Commission in future Annual Performance Evaluation proceedings establish the tracking metrics and performance metrics set forth in subparagraph (A) and subparagraph (B) of paragraph (3) of subsection (f) of this Section when these metrics would be compliant with the requirements set forth in this Section.
(i) Annual Performance Evaluation. On June 1 of each year, following the approval of the first Multi-Year Rate Plan and its initial delivery year, the Commission shall open an Annual Performance Evaluation proceeding to evaluate the utilities' performance on their metric targets during the delivery year just completed and accordingly determine rewards or penalties or both to be reflected in rates in the following calendar year.

(1) Utility Reporting. On April 1 of each year, prior to the Annual Performance Evaluation proceeding, each participating utility shall file a Performance Evaluation Report with the Commission that includes a description of and all data supporting how the participating utility performed under each tracking and performance metric and an identification of any extraordinary events that adversely impacted the utility's performance. The Performance Evaluation Report shall be verified by an independent evaluator as set out in paragraph (3) of this subsection (i) and shall include both a report made to the Commission and a short, public-facing scorecard that makes this information publicly accessible and easily understandable. The Commission shall post each scorecard upon receipt on the Commission's web page in an easily-accessible location. The format of the report and the scorecard shall be consistent across utilities and shall include:
(A) a list of metrics to which the utility is subject;

(B) the previous delivery year's calculation methods and performance on metrics if applicable;

(C) the current delivery year's calculation methods and a detailed description of the effect of any differences;

(D) the current-year goals for tracking metrics and current-year targets for performance metrics;

(E) the current year's performance on metrics targets;

(F) a summary of the investments and programs undertaken in order to achieve those metrics targets; and

(G) the annual goals and targets for the remaining years of the current Multi-year Rate Plan period.

Within 30 days after the Commission's Order in the utility's Annual Performance Evaluation and Adjustment filing, the utility shall update the public scorecard with any changes required by the Commission and the revised scorecard shall be posted on the Commission's website.

(2) Public Workshops. Preceding each Annual Performance Evaluation, no later than April 1 each year, the Commission shall initiate a two-month workshop process. The workshops shall be facilitated by Staff of the Illinois Commerce Commission, and shall be organized and facilitated in a manner that encourages representation
from diverse stakeholders, ensuring equitable opportunities for participation, without requiring formal intervention or representation by an attorney. During these workshops, each electric utility shall publicly present its performance on tracking and performance metrics following the requirements set forth in paragraph (1) of this subsection (i). The electric utility shall also explain how it has holistically considered the plans, programs, tariffs and policies and its Multi-Year Integrated Grid Plan in order to achieve its metric targets. Members of the public shall have opportunity for comment and feedback. A summary of that feedback shall be provided in an exhibit submitted by Staff of the Illinois Commerce Commission in the Annual Performance Evaluation.

(3) Independent Evaluation. The electric utility shall provide for an annual independent evaluation of its performance on metrics. The independent evaluator shall review the utility's assumptions, baselines, targets, calculation methodologies, and other relevant information, especially ensuring that the utility's data for establishing baselines matches actual performance, and shall provide a Report to the Commission in each Annual Performance Evaluation describing the results. The independent evaluator shall present this Report as evidence as a nonparty participant. The independent evaluator shall be hired through a competitive bidding
The Commission shall consider the Report of the independent evaluator in determining the utility's achievement of performance targets. Discrepancies between the utility's assumptions, baselines, targets, or calculations and those of the independent evaluator shall be closely scrutinized by the Commission. If the Commission finds that the utility's reported data for any metric or metrics significantly deviates from the data reported by the independent evaluator, then the Commission shall order the utility to revise its data collection and calculation process within 60 days, with specifications where appropriate.

(4) Performance Adjustment. The Commission shall, after notice and hearing in the Annual Performance Evaluation proceeding, enter an order approving the utility's performance adjustment based on its achievement of or failure to achieve its performance targets no later than December 31 each year. The Commission-approved penalties or rewards shall be applied beginning with the next calendar year. Nothing in this Section shall authorize the Commission to reduce or otherwise obviate the imposition of financial rewards or penalties for achieving or failing to achieve one or more of the utility's performance targets.

(5) Revisions to Metrics. While tracking and
performance metrics, along with their associated goals, targets, and incentives, shall not be changed outside of the Annual Performance Evaluation, the Commission may open an investigation into the methodology, including assumptions and calculations, used to measure or quantify progress toward goals and targets in the Annual Performance Evaluation at the request of an intervening party.

(220 ILCS 5/16-111.5)

Sec. 16-111.5. Provisions relating to procurement.

(a) An electric utility that on December 31, 2005 served at least 100,000 customers in Illinois shall procure power and energy for its eligible retail customers in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act and this Section. Beginning with the delivery year commencing on June 1, 2017, such electric utility shall also procure zero emission credits from zero emission facilities in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act, and, for years beginning on or after June 1, 2017, the utility shall procure renewable energy resources in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act and this Section. Beginning with the delivery year commencing June 1, 2023, an electric utility that, on December 31, 2005, served at least
3,000,000 customers in Illinois shall procure capacity for its retail customers in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act and this Section. A small multi-jurisdictional electric utility that on December 31, 2005 served less than 100,000 customers in Illinois may elect to procure power and energy for all or a portion of its eligible Illinois retail customers in accordance with the applicable provisions set forth in this Section and Section 1-75 of the Illinois Power Agency Act. This Section shall not apply to a small multi-jurisdictional utility until such time as a small multi-jurisdictional utility requests the Illinois Power Agency to prepare a procurement plan for its eligible retail customers. "Eligible retail customers" for the purposes of this Section means those retail customers that purchase power and energy from the electric utility under fixed-price bundled service tariffs, other than those retail customers whose service is declared or deemed competitive under Section 16-113 and those other customer groups specified in this Section, including self-generating customers, customers electing hourly pricing, or those customers who are otherwise ineligible for fixed-price bundled tariff service. For those customers that are excluded from the procurement plan's electric supply service requirements, and the utility shall procure any supply requirements, including capacity, ancillary services, and hourly priced energy, in the applicable markets as needed to
serve those customers, provided that the utility may include
in its procurement plan load requirements for the load that is
associated with those retail customers whose service has been
declared or deemed competitive pursuant to Section 16-113 of
this Act to the extent that those customers are purchasing
power and energy during one of the transition periods
identified in subsection (b) of Section 16-113 of this Act.

(b) A procurement plan shall be prepared for each electric
utility consistent with the applicable requirements of the
Illinois Power Agency Act and this Section. For purposes of
this Section, Illinois electric utilities that are affiliated
by virtue of a common parent company are considered to be a
single electric utility. Small multi-jurisdictional utilities
may request a procurement plan for a portion of or all of its
Illinois load. Each procurement plan shall analyze the
projected balance of supply and demand for those retail
customers to be included in the plan's electric supply service
requirements over a 5-year period, with the first planning
year beginning on June 1 of the year following the year in
which the plan is filed. The plan shall specifically identify
the carbon-free capacity to be procured, as described in
Section 1-75 of the Illinois Power Agency Act, and the
wholesale products to be procured following plan approval and
shall follow all the requirements set forth in the Public
Utilities Act and all applicable State and federal laws,
statutes, rules, or regulations, as well as Commission orders.
Nothing in this Section precludes consideration of contracts longer than 5 years and related forecast data. Unless specified otherwise in this Section, in the procurement plan or in the implementing tariff, any procurement occurring in accordance with this plan shall be competitively bid through a request for proposals process. Approval and implementation of the procurement plan shall be subject to review and approval by the Commission according to the provisions set forth in this Section. A procurement plan shall include each of the following components:

1. Hourly load analysis. This analysis shall include:
   i. multi-year historical analysis of hourly loads;
   ii. switching trends and competitive retail market analysis;
   iii. known or projected changes to future loads; and
   iv. growth forecasts by customer class.

2. Analysis of the impact of any demand side and renewable energy initiatives. This analysis shall include:
   i. the impact of demand response programs and energy efficiency programs, both current and projected; for small multi-jurisdictional utilities, the impact of demand response and energy efficiency programs approved pursuant to Section 8-408 of this Act, both current and projected; and
(ii) supply side needs that are projected to be offset by purchases of renewable energy resources, if any.

(3) A plan for meeting the expected load requirements that will not be met through preexisting contracts. This plan shall include:

(i) definitions of the different Illinois retail customer classes for which supply is being purchased;

(ii) the proposed mix of demand-response products for which contracts will be executed during the next year. For small multi-jurisdictional electric utilities that on December 31, 2005 served fewer than 100,000 customers in Illinois, these shall be defined as demand-response products offered in an energy efficiency plan approved pursuant to Section 8-408 of this Act. The cost-effective demand-response measures shall be procured whenever the cost is lower than procuring comparable capacity products, provided that such products shall:

(A) be procured by a demand-response provider from those retail customers included in the plan's electric supply service requirements;

(B) at least satisfy the demand-response requirements of the regional transmission organization market in which the utility's service territory is located, including, but not limited
to, any applicable capacity or dispatch requirements;

(C) provide for customers' participation in the stream of benefits produced by the demand-response products;

(D) provide for reimbursement by the demand-response provider of the utility for any costs incurred as a result of the failure of the supplier of such products to perform its obligations thereunder; and

(E) meet the same credit requirements as apply to suppliers of capacity, in the applicable regional transmission organization market;

(iii) monthly forecasted system supply requirements, including expected minimum, maximum, and average values for the planning period;

(iv) the proposed mix and selection of standard wholesale products for which contracts will be executed during the next year, separately or in combination, to meet that portion of its load requirements not met through pre-existing contracts, including but not limited to monthly 5 x 16 peak period block energy, monthly off-peak wrap energy, monthly 7 x 24 energy, annual 5 x 16 energy, annual off-peak wrap energy, annual 7 x 24 energy, monthly capacity, annual capacity, peak load capacity
obligations, capacity purchase plan, and ancillary services;

(v) proposed term structures for each wholesale product type included in the proposed procurement plan portfolio of products; and

(vi) an assessment of the price risk, load uncertainty, and other factors that are associated with the proposed procurement plan; this assessment, to the extent possible, shall include an analysis of the following factors: contract terms, time frames for securing products or services, fuel costs, weather patterns, transmission costs, market conditions, and the governmental regulatory environment; the proposed procurement plan shall also identify alternatives for those portfolio measures that are identified as having significant price risk; and

(vii) the amount of capacity procured for each year through the procurements in subsection (k) of Section 1-75 of the Illinois Power Agency Act and this Section, and the amount of capacity to be procured from each procurement during the next year.

(4) Proposed procedures for balancing loads. The procurement plan shall include, for load requirements included in the procurement plan, the process for (i) hourly balancing of supply and demand and (ii) the criteria for portfolio re-balancing in the event of
significant shifts in load.

(5) Long-Term Renewable Resources Procurement Plan. The Agency shall prepare a long-term renewable resources procurement plan for the procurement of renewable energy credits under Sections 1-56 and 1-75 of the Illinois Power Agency Act for delivery beginning in the 2017 delivery year.

(i) The initial long-term renewable resources procurement plan and all subsequent revisions shall be subject to review and approval by the Commission. For the purposes of this Section, "delivery year" has the same meaning as in Section 1-10 of the Illinois Power Agency Act. For purposes of this Section, "Agency" shall mean the Illinois Power Agency.

(ii) The long-term renewable resources planning process shall be conducted as follows:

(A) Electric utilities shall provide a range of load forecasts to the Illinois Power Agency within 45 days of the Agency's request for forecasts, which request shall specify the length and conditions for the forecasts including, but not limited to, the quantity of distributed generation expected to be interconnected for each year.

(B) The Agency shall publish for comment the initial long-term renewable resources procurement
plan no later than 120 days after the effective date of this amendatory Act of the 99th General Assembly and shall review, and may revise, the plan at least every 2 years thereafter. To the extent practicable, the Agency shall review and propose any revisions to the long-term renewable energy resources procurement plan in conjunction with the Agency's other planning and approval processes conducted under this Section. The initial long-term renewable resources procurement plan shall:

   (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.

Copies of the initial long-term renewable resources procurement plan and all subsequent revisions shall be posted and made publicly available on the Agency's and Commission's websites, and copies shall also be provided to each affected electric utility. An affected utility and other interested parties shall have 45 days following the date of posting to provide comment to the Agency on the initial long-term renewable resources procurement plan and all subsequent revisions. All comments submitted to the Agency shall be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the procurement plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Agency's and Commission's websites. During this 45-day comment period, the Agency shall hold at least one public hearing within each utility's service area that is subject to the requirements of this paragraph (5) for the purpose of receiving public comment.

Within 21 days following the end of the 45-day review period, the Agency may revise the long-term
renewable resources procurement plan based on the comments received and shall file the plan with the Commission for review and approval.

(C) Within 14 days after the filing of the initial long-term renewable resources procurement plan or any subsequent revisions, any person objecting to the plan may file an objection with the Commission. Within 21 days after the filing of the plan, the Commission shall determine whether a hearing is necessary. The Commission shall enter its order confirming or modifying the initial long-term renewable resources procurement plan or any subsequent revisions within 120 days after the filing of the plan by the Illinois Power Agency.

(D) The Commission shall approve the initial long-term renewable resources procurement plan and any subsequent revisions, including expressly the forecast used in the plan and taking into account that funding will be limited to the amount of revenues actually collected by the utilities, 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.

(iii) The Agency or third parties contracted by the Agency shall implement all programs authorized by the Commission in an approved long-term renewable resources procurement plan without further review and approval by the Commission. Third parties shall not begin implementing any programs or receive any payment under this Section until the Commission has approved the contract or contracts under the process authorized by the Commission in item (D) of subparagraph (ii) of paragraph (5) of this subsection (b) and the third party and the Agency or utility, as applicable, have executed the contract. For those renewable energy credits subject to procurement through a competitive bid process under the plan or under the initial forward procurements for wind and solar resources described in subparagraph (G) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act, the Agency shall follow the procurement process specified in the provisions relating to electricity procurement in subsections (e) through (i) of this Section.
(iv) An electric utility shall recover its costs associated with the procurement of renewable energy credits under this Section through an automatic adjustment clause tariff under subsection (k) of Section 16-108 of this Act. A utility shall not be required to advance any payment or pay any amounts under this Section that exceed the actual amount of revenues collected by the utility under paragraph (6) of subsection (c) of Section 1-75 of the Illinois Power Agency Act and subsection (k) of Section 16-108 of this Act, and contracts executed under this Section shall expressly incorporate this limitation.

(v) For the public interest, safety, and welfare, the Agency and the Commission may adopt rules to carry out the provisions of this Section on an emergency basis immediately following the effective date of this amendatory Act of the 99th General Assembly.

(vi) On or before July 1 of each year, the Commission shall hold an informal hearing for the purpose of receiving comments on the prior year's procurement process and any recommendations for change.

(6) Capacity Procurement Plan.

   (i) No later than 90 days after notice by a public utility of election of the Fixed Resource Requirement Alternative and Illinois Commerce Commission approval
of same, the Illinois Power Agency shall publish for
public comment a draft Capacity Procurement Plan
pursuant to subsection (k) of Section 1-75 of the
Illinois Power Agency Act. The Agency shall conduct at
least one public workshop to elicit input regarding
development of the Plan. The Agency shall provide 60
days for public comment on the draft Plan, and within
30 days after the deadline for comment shall submit
the Plan to the Illinois Commerce Commission.

(ii) After providing appropriate opportunities for
objection and hearing, the Commission shall enter its
order approving or modifying the Plan within 60 days
after the filing of the plan by the Illinois Power
Agency. The Commission shall approve the Plan if it
meets the objectives set forth in subsection (k) of
Section 1-75 of the Illinois Power Agency Act. If the
Plan does not meet those objectives, the Commission
shall modify the Plan or shall provide specific
direction to the Agency to modify and resubmit the
Plan within 30 days.

(c) The procurement process set forth in Section 1-75 of
the Illinois Power Agency Act and subsection (e) of this
Section shall be administered by a procurement administrator
and monitored by a procurement monitor.

(1) The procurement administrator shall:

(i) design the final procurement process in
accordance with Section 1-75 of the Illinois Power Agency Act and subsection (e) of this Section following Commission approval of the procurement plan;

(ii) develop benchmarks in accordance with subsection (e)(3) to be used to evaluate bids; these benchmarks shall be submitted to the Commission for review and approval on a confidential basis prior to the procurement event;

(iii) serve as the interface between the electric utility and suppliers;

(iv) manage the bidder pre-qualification and registration process;

(v) obtain the electric utilities' agreement to the final form of all supply contracts and credit collateral agreements;

(vi) administer the request for proposals process;

(vii) have the discretion to negotiate to determine whether bidders are willing to lower the price of bids that meet the benchmarks approved by the Commission; any post-bid negotiations with bidders shall be limited to price only and shall be completed within 24 hours after opening the sealed bids and shall be conducted in a fair and unbiased manner; in conducting the negotiations, there shall be no disclosure of any information derived from proposals submitted by competing bidders; if information is
disclosed to any bidder, it shall be provided to all
competing bidders;

(viii) maintain confidentiality of supplier and
bidding information in a manner consistent with all
applicable laws, rules, regulations, and tariffs;

(ix) submit a confidential report to the
Commission recommending acceptance or rejection of
bids;

(x) notify the utility of contract counterparties
and contract specifics; and

(xi) administer related contingency procurement
events.

(2) The procurement monitor, who shall be retained by
the Commission, shall:

(i) monitor interactions among the procurement
administrator, suppliers, and utility;

(ii) monitor and report to the Commission on the
progress of the procurement process;

(iii) provide an independent confidential report
to the Commission regarding the results of the
procurement event;

(iv) assess compliance with the procurement plans
approved by the Commission for each utility that on
December 31, 2005 provided electric service to at
least 100,000 customers in Illinois and for each small
multi-jurisdictional utility that on December 31, 2005
served less than 100,000 customers in Illinois;

(v) preserve the confidentiality of supplier and
bidding information in a manner consistent with all
applicable laws, rules, regulations, and tariffs;

(vi) provide expert advice to the Commission and
consult with the procurement administrator regarding
issues related to procurement process design, rules,
protocols, and policy-related matters; and

(vii) consult with the procurement administrator
regarding the development and use of benchmark
criteria, standard form contracts, credit policies,
and bid documents.

(d) Except as provided in subsection (j), the planning
process shall be conducted as follows:

(1) Beginning in 2008, each Illinois utility procuring
power pursuant to this Section shall annually provide a
range of load forecasts to the Illinois Power Agency by
July 15 of each year, or such other date as may be required
by the Commission or Agency. The load forecasts shall
cover the 5-year procurement planning period for the next
procurement plan and shall include hourly data
representing a high-load, low-load, and expected-load
scenario for the load of those retail customers included
in the plan's electric supply service requirements. The
utility shall provide supporting data and assumptions for
each of the scenarios.
(2) Beginning in 2008, the Illinois Power Agency shall prepare a procurement plan by August 15th of each year, or such other date as may be required by the Commission. The procurement plan shall identify the portfolio of demand-response and power and energy products to be procured. Cost-effective demand-response measures shall be procured as set forth in item (iii) of subsection (b) of this Section. Copies of the procurement plan shall be posted and made publicly available on the Agency's and Commission's websites, and copies shall also be provided to each affected electric utility. An affected utility shall have 30 days following the date of posting to provide comment to the Agency on the procurement plan. Other interested entities also may comment on the procurement plan. All comments submitted to the Agency shall be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the procurement plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Agency's and Commission's websites. During this 30-day comment period, the Agency shall hold at least one public hearing within each utility's service area for the purpose of receiving public comment on the procurement plan. Within 14 days following the end of the 30-day review period, the Agency shall revise the procurement plan as necessary based on the comments received and file the
procurement plan with the Commission and post the
procurement plan on the websites.

(3) Within 5 days after the filing of the procurement
plan, any person objecting to the procurement plan shall
file an objection with the Commission. Within 10 days
after the filing, the Commission shall determine whether a
hearing is necessary. The Commission shall enter its order
confirming or modifying the procurement plan within 90
days after the filing of the procurement plan by the
Illinois Power Agency.

(4) The Commission shall approve the procurement plan,
including expressly the forecast used in the procurement
plan, if the Commission determines that it will 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.

(e) The procurement process shall include each of the
following components:

(1) Solicitation, pre-qualification, and registration
of bidders. The procurement administrator shall
disseminate information to potential bidders to promote a
procurement event, notify potential bidders that the
procurement administrator may enter into a post-bid price
negotiation with bidders that meet the applicable
benchmarks, provide supply requirements, and otherwise
explain the competitive procurement process. In addition
to such other publication as the procurement administrator
determines is appropriate, this information shall be
posted on the Illinois Power Agency's and the Commission's
websites. The procurement administrator shall also
administer the prequalification process, including
evaluation of credit worthiness, compliance with
procurement rules, and agreement to the standard form
contract developed pursuant to paragraph (2) of this
subsection (e). The procurement administrator shall then
identify and register bidders to participate in the
procurement event.

(2) Standard contract forms and credit terms and
instruments. The procurement administrator, in
consultation with the utilities, the Commission, and other
interested parties and subject to Commission oversight,
shall develop and provide standard contract forms for the
supplier contracts that meet generally accepted industry
practices. Standard credit terms and instruments that meet
generally accepted industry practices shall be similarly
developed. The procurement administrator shall make
available to the Commission all written comments it
receives on the contract forms, credit terms, or
instruments. If the procurement administrator cannot reach
agreement with the applicable electric utility as to the
contract terms and conditions, the procurement
administrator must notify the Commission of any disputed terms and the Commission shall resolve the dispute. The terms of the contracts shall not be subject to negotiation by winning bidders, and the bidders must agree to the terms of the contract in advance so that winning bids are selected solely on the basis of price.

(3) Establishment of a market-based price benchmark. As part of the development of the procurement process, the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor, shall establish benchmarks for evaluating the final prices in the contracts for each of the products that will be procured through the procurement process. The benchmarks shall be based on price data for similar products for the same delivery period and same delivery hub, or other delivery hubs after adjusting for that difference. The price benchmarks may also be adjusted to take into account differences between the information reflected in the underlying data sources and the specific products and procurement process being used to procure power for the Illinois utilities. The benchmarks shall be confidential but shall be provided to, and will be subject to Commission review and approval, prior to a procurement event.

(4) Request for proposals competitive procurement process. The procurement administrator shall design and
issue a request for proposals to supply electricity in accordance with each utility's procurement plan, as approved by the Commission. The request for proposals shall set forth a procedure for sealed, binding commitment bidding with pay-as-bid settlement, and provision for selection of bids on the basis of price.

(5) A plan for implementing contingencies in the event of supplier default or failure of the procurement process to fully meet the expected load requirement due to insufficient supplier participation, Commission rejection of results, or any other cause.

   (i) Event of supplier default: In the event of supplier default, the utility shall review the contract of the defaulting supplier to determine if the amount of supply is 200 megawatts or greater, and if there are more than 60 days remaining of the contract term. If both of these conditions are met, and the default results in termination of the contract, the utility shall immediately notify the Illinois Power Agency that a request for proposals must be issued to procure replacement power, and the procurement administrator shall run an additional procurement event. If the contracted supply of the defaulting supplier is less than 200 megawatts or there are less than 60 days remaining of the contract term, the utility shall procure power and energy from
the applicable regional transmission organization market, including ancillary services, capacity, and
day-ahead or real time energy, or both, for the
duration of the contract term to replace the
contracted supply; provided, however, that if a needed
product is not available through the regional
transmission organization market it shall be purchased
from the wholesale market.

(ii) Failure of the procurement process to fully
meet the expected load requirement: If the procurement
process fails to fully meet the expected load
requirement due to insufficient supplier participation
or due to a Commission rejection of the procurement
results, the procurement administrator, the
procurement monitor, and the Commission staff shall
meet within 10 days to analyze potential causes of low
supplier interest or causes for the Commission
decision. If changes are identified that would likely
result in increased supplier participation, or that
would address concerns causing the Commission to
reject the results of the prior procurement event, the
procurement administrator may implement those changes
and rerun the request for proposals process according
to a schedule determined by those parties and
consistent with Section 1-75 of the Illinois Power
Agency Act and this subsection. In any event, a new
request for proposals process shall be implemented by the procurement administrator within 90 days after the determination that the procurement process has failed to fully meet the expected load requirement.

(iii) In all cases where there is insufficient supply provided under contracts awarded through the procurement process to fully meet the electric utility's load requirement, the utility shall meet the load requirement by procuring power and energy from the applicable regional transmission organization market, including ancillary services, capacity, and day-ahead or real time energy, or both; provided, however, that if a needed product is not available through the regional transmission organization market it shall be purchased from the wholesale market.

(6) The procurement process described in this subsection is exempt from the requirements of the Illinois Procurement Code, pursuant to Section 20-10 of that Code.

(f) Within 2 business days after opening the sealed bids, the procurement administrator shall submit a confidential report to the Commission. The report shall contain the results of the bidding for each of the products along with the procurement administrator's recommendation for the acceptance and rejection of bids based on the price benchmark criteria and other factors observed in the process. The procurement monitor also shall submit a confidential report to the
Commission within 2 business days after opening the sealed bids. The report shall contain the procurement monitor's assessment of bidder behavior in the process as well as an assessment of the procurement administrator's compliance with the procurement process and rules. The Commission shall review the confidential reports submitted by the procurement administrator and procurement monitor, and shall accept or reject the recommendations of the procurement administrator within 2 business days after receipt of the reports.

(g) Within 3 business days after the Commission decision approving the results of a procurement event, the utility shall enter into binding contractual arrangements with the winning suppliers using the standard form contracts; except that the utility shall not be required either directly or indirectly to execute the contracts if a tariff that is consistent with subsection (l) of this Section has not been approved and placed into effect for that utility.

(h) The names of the successful bidders and the load weighted average of the winning bid prices for each contract type and for each contract term shall be made available to the public at the time of Commission approval of a procurement event. The Commission, the procurement monitor, the procurement administrator, the Illinois Power Agency, and all participants in the procurement process shall maintain the confidentiality of all other supplier and bidding information in a manner consistent with all applicable laws, rules,
regulations, and tariffs. Confidential information, including the confidential reports submitted by the procurement administrator and procurement monitor pursuant to subsection (f) of this Section, shall not be made publicly available and shall not be discoverable by any party in any proceeding, absent a compelling demonstration of need, nor shall those reports be admissible in any proceeding other than one for law enforcement purposes.

(i) Within 2 business days after a Commission decision approving the results of a procurement event or such other date as may be required by the Commission from time to time, the utility shall file for informational purposes with the Commission its actual or estimated retail supply charges, as applicable, by customer supply group reflecting the costs associated with the procurement and computed in accordance with the tariffs filed pursuant to subsection (l) of this Section and approved by the Commission.

(j) Within 60 days following August 28, 2007 (the effective date of Public Act 95-481), each electric utility that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois shall prepare and file with the Commission an initial procurement plan, which shall conform in all material respects to the requirements of the procurement plan set forth in subsection (b); provided, however, that the Illinois Power Agency Act shall not apply to the initial procurement plan prepared pursuant to this
subsection. The initial procurement plan shall identify the portfolio of power and energy products to be procured and delivered for the period June 2008 through May 2009, and shall identify the proposed procurement administrator, who shall have the same experience and expertise as is required of a procurement administrator hired pursuant to Section 1-75 of the Illinois Power Agency Act. Copies of the procurement plan shall be posted and made publicly available on the Commission's website. The initial procurement plan may include contracts for renewable resources that extend beyond May 2009.

(i) Within 14 days following filing of the initial procurement plan, any person may file a detailed objection with the Commission contesting the procurement plan submitted by the electric utility. All objections to the electric utility's plan shall be specific, supported by data or other detailed analyses. The electric utility may file a response to any objections to its procurement plan within 7 days after the date objections are due to be filed. Within 7 days after the date the utility's response is due, the Commission shall determine whether a hearing is necessary. If it determines that a hearing is necessary, it shall require the hearing to be completed and issue an order on the procurement plan within 60 days after the filing of the procurement plan by the electric utility.

(ii) The order shall approve or modify the procurement
plan, approve an independent procurement administrator, and approve or modify the electric utility's tariffs that are proposed with the initial procurement plan. The Commission shall approve the procurement plan if the Commission determines that it will 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. (k) (Blank). (k-5) (Blank).

(l) An electric utility shall recover its costs incurred under this Section, including, but not limited to, the costs of procuring power and energy demand-response resources under this Section. The utility shall file with the initial procurement plan its proposed tariffs through which its costs of procuring power that are incurred pursuant to a Commission-approved procurement plan and those other costs identified in this subsection (l), will be recovered. The tariffs shall include a formula rate or charge designed to pass through both the costs incurred by the utility in procuring a supply of electric power and energy for the applicable customer classes with no mark-up or return on the price paid by the utility for that supply, plus any just and reasonable costs that the utility incurs in arranging and providing for the supply of electric power and energy. The formula rate or charge shall also contain provisions that
ensure that its application does not result in over or under
recovery due to changes in customer usage and demand patterns,
and that provide for the correction, on at least an annual
basis, of any accounting errors that may occur. A utility
shall recover through the tariff all reasonable costs incurred
to implement or comply with any procurement plan that is
developed and put into effect pursuant to Section 1-75 of the
Illinois Power Agency Act and this Section, including any fees
assessed by the Illinois Power Agency, costs associated with
load balancing, and contingency plan costs. The electric
utility shall also recover its full costs of procuring
electric supply for which it contracted before the effective
date of this Section in conjunction with the provision of full
requirements service under fixed-price bundled service tariffs
subsequent to December 31, 2006. All such costs shall be
deemed to have been prudently incurred. The pass-through
tariffs that are filed and approved pursuant to this Section
shall not be subject to review under, or in any way limited by,
Section 16-111(i) of this Act. All of the costs incurred by the
electric utility associated with the purchase of zero emission
credits in accordance with subsection (d-5) of Section 1-75 of
the Illinois Power Agency Act and, beginning June 1, 2017, all
of the costs incurred by the electric utility associated with
the purchase of renewable energy resources in accordance with
Sections 1-56 and 1-75 of the Illinois Power Agency Act, shall
be recovered through the electric utility's tariffed charges
applicable to all of its retail customers, as specified in subsection (k) of Section 16-108 of this Act, and shall not be recovered through the electric utility's tariffed charges for electric power and energy supply to its eligible retail customers.

(m) The Commission has the authority to adopt rules to carry out the provisions of this Section. For the public interest, safety, and welfare, the Commission also has authority to adopt rules to carry out the provisions of this Section on an emergency basis immediately following August 28, 2007 (the effective date of Public Act 95-481).

(n) Notwithstanding any other provision of this Act, any affiliated electric utilities that submit a single procurement plan covering their combined needs may procure for those combined needs in conjunction with that plan, and may enter jointly into power supply contracts, purchases, and other procurement arrangements, and allocate capacity and energy and cost responsibility therefor among themselves in proportion to their requirements.

(o) On or before June 1 of each year, the Commission shall hold an informal hearing for the purpose of receiving comments on the prior year's procurement process and any recommendations for change.

(p) An electric utility subject to this Section may propose to invest, lease, own, or operate an electric generation facility as part of its procurement plan, provided
the utility demonstrates that such facility is the least-cost option to provide electric service to those retail customers included in the plan's electric supply service requirements. If the facility is shown to be the least-cost option and is included in a procurement plan prepared in accordance with Section 1-75 of the Illinois Power Agency Act and this Section, then the electric utility shall make a filing pursuant to Section 8-406 of this Act, and may request of the Commission any statutory relief required thereunder. If the Commission grants all of the necessary approvals for the proposed facility, such supply shall thereafter be considered as a pre-existing contract under subsection (b) of this Section. The Commission shall in any order approving a proposal under this subsection specify how the utility will recover the prudently incurred costs of investing in, leasing, owning, or operating such generation facility through just and reasonable rates charged to those retail customers included in the plan's electric supply service requirements. Cost recovery for facilities included in the utility's procurement plan pursuant to this subsection shall not be subject to review under or in any way limited by the provisions of Section 16-111(i) of this Act. Nothing in this Section is intended to prohibit a utility from filing for a fuel adjustment clause as is otherwise permitted under Section 9-220 of this Act.

(q) If the Illinois Power Agency filed with the Commission, under Section 16-111.5 of this Act, its proposed
procurement plan for the period commencing June 1, 2017, and the Commission has not yet entered its final order approving the plan on or before the effective date of this amendatory Act of the 99th General Assembly, then the Illinois Power Agency shall file a notice of withdrawal with the Commission, after the effective date of this amendatory Act of the 99th General Assembly, to withdraw the proposed procurement of renewable energy resources to be approved under the plan, other than the procurement of renewable energy credits from distributed renewable energy generation devices using funds previously collected from electric utilities' retail customers that take service pursuant to electric utilities' hourly pricing tariff or tariffs and, for an electric utility that serves less than 100,000 retail customers in the State, other than the procurement of renewable energy credits from distributed renewable energy generation devices. Upon receipt of the notice, the Commission shall enter an order that approves the withdrawal of the proposed procurement of renewable energy resources from the plan. The initially proposed procurement of renewable energy resources shall not be approved or be the subject of any further hearing, investigation, proceeding, or order of any kind.

This amendatory Act of the 99th General Assembly preempts and supersedes any order entered by the Commission that approved the Illinois Power Agency's procurement plan for the period commencing June 1, 2017, to the extent it is
inconsistent with the provisions of this amendatory Act of the 99th General Assembly. To the extent any previously entered order approved the procurement of renewable energy resources, the portion of that order approving the procurement shall be void, other than the procurement of renewable energy credits from distributed renewable energy generation devices using funds previously collected from electric utilities' retail customers that take service under electric utilities' hourly pricing tariff or tariffs and, for an electric utility that serves less than 100,000 retail customers in the State, other than the procurement of renewable energy credits for distributed renewable energy generation devices.
(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-111.10 new)
Sec. 16-111.10. Equitable Energy Upgrade Program.
(a) The General Assembly finds and declares that Illinois homes and businesses can contribute to the creation of a clean energy economy, conservation of natural resources, and reliability of the electricity grid through the installation of cost-effective renewable energy generation, energy efficiency, and energy storage systems. Further, a large portion of Illinois residents and businesses that would benefit from the installation of energy efficiency, storage, and renewable energy generation systems are unable to purchase systems due to capital or credit barriers. This State should
pursue options to enable many more Illinoisans to access the
health, environmental, and financial benefits of new clean
energy technology.

(b) As used in this Section:

"Commission" means the Illinois Commerce Commission.

"Energy project" means renewable energy generation
systems, including solar projects, energy efficiency upgrades,
energy storage systems, or any combination thereof.

"The Fund" means the Clean Energy Jobs and Justice Fund
established in the Illinois Clean Energy Jobs and Justice Fund
Act.

"Program" means the Equitable Energy Upgrade Program
established under subsection (c).

"Utility" means electric utilities providing services
under this Act.

(c) The Illinois Commerce Commission shall open an
investigation into and direct all electric utilities in this
State to adopt an Equitable Energy Upgrade Program that
permits customers to finance the construction of energy
projects through an optional tariff payable directly through
their utility bill, modeled after the Pay As You Save system,
developed by the Energy Efficiency Institute. The Program
model shall enable utilities to offer to make investments in
energy projects to customer properties with low-cost capital
and use an opt-in tariff to recover the costs. The Program
shall be designed to provide customers with immediate
financial savings if they choose to participate. The Program shall allow residential electric utility customers that own the property, or renters that have permission of the property owner, for which they subscribe to utility service to agree to the installation of an energy project. The Program shall ensure:

(1) eligible projects do not require upfront payments; however, customers may pay down the costs for projects with a payment to the installing contractor in order to qualify projects that would otherwise require upfront payments;

(2) eligible projects have sufficient estimated savings and estimated lifespan to produce significant, immediate net savings;

(3) participants shall agree the utility can recover its costs for the projects at their location by paying for the project through an optional tariff directly through the participant's electricity bill, allowing participants to benefit from installation of energy projects without traditional loans; and

(4) accessibility by lower-income residents and environmental justice community residents.

(d) Program rollout. The Commission shall establish Program guidelines with the anticipated schedule of Program availability as follows:

(1) Year 1. Beginning in the first year of operation,
(e) In the design of the Equitable Energy Upgrade Program, the Commission shall:

(1) Within 270 days after the effective date of this amendatory Act of the 102nd General Assembly, convene a workshop during which interested participants may discuss issues and submit comments related to the Program.

(2) Establish Program guidelines for implementation of the Program in accordance with Pay As You Save Essential Elements and Minimum Program Requirements that electric utilities must abide by when implementing the Program. Program guidelines established by the Commission shall include the following elements:

(A) Capital funds. The Commission shall establish conditions under which utilities secure capital to

(2) Year 2. Beginning in the second year of operation, each utility is required to obtain low-cost capital for investments in energy projects of at least $40,000,000 annually.

(3) Year 3. Beginning in the third year of operation, each utility is required to obtain low-cost capital for investments in as many systems as customers demand, subject to available capital provided by the utility, State, or other lenders.

Each utility is required to obtain low-cost capital of at least $20,000,000 annually for investments in energy projects.
fund the energy projects. The Commission may allow utilities to raise capital independently, work with third-party lenders to secure the capital for participants, or a combination thereof. Any process the Commission approves must use a market mechanism to identify the least costly sources of capital funds so as to pass on maximum savings to participants. The State of Illinois or the Clean Energy Jobs and Justice Fund may also choose to provide capital for this Program.

(B) Customer protections. Customer protection guidelines should be designed consistent with PAYS Essential Elements and Minimum Program Requirements.

(C) Energy project vendors. The Commission shall establish conditions by which utilities may connect Program participants to energy project vendors. In setting conditions for connection, the Commission may prioritize vendors that have a history of good relations with the State including vendors that have hired participants from State-created job training programs.

(D) Guarantee that conservative estimates of financial savings will immediately and significantly exceed Program costs for Program participants.

(f) Within 120 days after the Commission releases the Program conditions established under this Section, each
utility subject to the requirements of this Section shall submit an informational filing to the Commission that describes its plan for implementing the provisions of this Section. If the Commission finds that the submission does not properly comply with the statutory or regulatory requirements of the Program, the Commission may require that the utility make modifications to its filing.

(g) An independent process evaluation shall be conducted after one year of the Program's operation. An independent impact evaluation shall be conducted after 3 years of operation, excluding one-time startup costs and results from the first 12 months of the Program. The Commission shall convene an advisory council of stakeholders, including representation of low-income and environmental justice community members to make recommendations in response to the findings of the independent evaluation.

(h) The Equitable Energy Upgrade Program shall be designed using PAYS system guidelines to be cost-effective for customers. Only projects that are deemed to be cost-effective and can be reasonably expected to ensure customer savings are eligible for funding through the Program, unless, as specified in paragraph (1) of subsection (c), customers able to make upfront copayments to installers buy down the cost of projects so they can be deemed cost-effective.

(i) Eligible customers must be:

(1) property renters with permission of the property
(2) property owners.

(j) Calculation of project cost-effectiveness shall be based upon PAYS system requirements.

(1) The calculation of cost-effectiveness must be conducted by an objective process approved by the Commission and based on rates in effect at the time of installation.

(2) A project shall be considered cost-effective only if it is estimated to produce significant immediate net savings, not counting copayments voluntarily made by customers. The Commission may establish guidelines by which this required savings is estimated.

(k) The Equitable Energy Upgrade Program should be modeled after the Pay As You Save system, by which Program participants finance energy projects using the savings that the energy project creates with a tariffed on-bill program. Eligible projects shall not create personal debt for the customer, result in a lien in the event of nonpayment, or require customers to pay monthly charges for any upgrade that fails and is not repaired within 21 days. The utility may restart charges once the upgrade is repaired and functioning and extend the term of payments to recover its costs for missed payments and deferred cost recovery, providing the upgrade continues to function.

(l) Any energy project that is defective or damaged due to
no fault of the participant must be either replaced or repaired with parts that meet industry standards at the cost of the utility or vendor, as specified by the Commission, and charges shall be suspended until repairs or replacement is completed. The Commission may establish, increase, or replace the requirements imposed in this subsection. The Commission may determine that this responsibility is best handled by participating project vendors in the form of insurance, contractual guarantees, or other mechanisms, and issue rules detailing this requirement. In no case will customers be charged monthly payments for upgrades that are no longer functioning.

(m) In the event of nonpayment, the remaining balance due to pay off the system shall remain with the utility meter at an upgraded location. The Commission shall establish conditions subject to this constraint in the event of nonpayment that are in accordance with the PAYS system.

(n) If the demand by utility customers exceeds the Program capital supply in a given year, utilities shall ensure that 50% of participants are: (1) customers in neighborhoods where a majority of households make 150% or less of area median income; or (2) residents of environmental justice communities.

(o) Utilities shall endeavor to inform customers about the availability of the Program, their potential eligibility for participation in the Program, and whether they are likely to save money on the basis of an estimate conducted using
variables consistent with the Program that the utility has at its disposal. The Commission may establish guidelines by which utilities must abide by this directive and alternatives if the Commission deems utilities' efforts as inadequate.

(p) Subject to Commission specifications established in subsection (c), each utility shall work with certified project vendors selected using a request for proposals process to establish the terms and processes under which a utility can install eligible renewable energy generation and energy storage systems using the capital to fit the Equitable Energy Upgrade model. The certified project vendor shall explain and offer the approved upgrades to customers and shall assist customers in applying for financing through the Equitable Energy Upgrade Program. As part of the process, vendors shall also provide participants with information about any other relevant incentives that may be available.

(q) An electric utility shall recover all of the prudently incurred costs of offering a program approved by the Commission under this Section. For investor-owned utilities, shareholder incentives will be proportional to meeting Commission approved thresholds for the number of customers served and the amount of its investments in those locations.

(r) The Illinois Commerce Commission shall adopt all rules necessary for the administration of this Section.

(220 ILCS 5/16-128B)
Sec. 16-128B. Qualified energy efficiency installers.

(a) Within 18 months after the effective date of this amendatory Act of the 99th General Assembly, the Commission shall adopt rules, including emergency rules, establishing a process for entities installing energy efficiency measures to certify compliance with the requirements of this Section.

The process shall include an option to complete the certification electronically by completing forms on-line. An entity installing energy efficiency measures shall be permitted to complete the certification after the subject work has been completed.

The Commission shall maintain on its website a list of entities installing energy efficiency measures that have successfully completed the certification process.

(b) In addition to any authority granted to the Commission under this Act, the Commission may:

(1) determine which entities are subject to certification under this Section;

(2) impose reasonable certification fees and penalties;

(3) adopt disciplinary procedures;

(4) investigate any and all activities subject to this Section, including violations thereof;

(5) adopt procedures to issue or renew, or to refuse to issue or renew, a certification or to revoke, suspend, place on probation, reprimand, or otherwise discipline a
certified entity under this Act or take other enforcement
action against an entity subject to this Section; and
(6) prescribe forms to be issued for the
administration and enforcement of this Section.
(c) An electric utility may not provide a retail customer
with a rebate or other energy efficiency incentive for a
measure that exceeds a minimal amount determined by the
Commission unless the customer provides the electric utility
with (1) a certification that the person installing the energy
efficiency measure was a self-installer; or (2) evidence that
the energy efficiency measure was installed by an entity
certified under this Section that is also in good standing
with the Commission.
(d) The Commission shall:
(1) require entities installing energy efficiency
measures to be certified to do business and to be bonded in
this State;
(2) ensure that entities installing energy efficiency
measures have the requisite knowledge, skill, training,
experience, and competence to perform functions in a safe
and reliable manner as required under subsection (a) of
Section 16-128 of this Act;
(3) ensure that entities installing energy efficiency
measures conform to applicable building and electrical
codes;
(4) ensure that all entities installing energy
efficiency measures meet recognized industry standards as the Commission deems appropriate;

(5) include any additional requirements that the Commission deems reasonable to ensure that entities installing energy efficiency measures meet adequate training, financial, and competency requirements;

(6) ensure that all entities installing energy efficiency measures obtain certificates of insurance in sufficient amounts and coverages that the Commission so determines; and

(7) identify and determine the training or other programs by which persons or entities may obtain the requisite training, skill, or experience necessary to achieve and maintain compliance with the requirements of this Section.

(e) Fees and penalties collected under this Section shall be deposited into the Public Utility Fund and used to fund the Commission's compliance with the obligations imposed by this Section.

(f) The rules adopted under this Section shall specify the initial dates for compliance with the rules.

(g) For purposes of this Section, entities installing energy efficiency measures shall endeavor to support the diversity goals of this State by attracting, developing, retaining, and providing opportunities to employees of all backgrounds and by supporting women-owned female-owned, black,
indigenous, and people of color-owned minority-owned, and
veteran-owned, and small businesses, and nonprofit
organizations, worker-owned cooperatives, and other entities.
(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-131 new)

Sec. 16-131. Right to self-generate electricity.

(a) As used in this Section:

"Electric cooperative" has the meaning set forth in
Section 3.4 of the Electric Supplier Act.

"Municipal utility" means a public utility that is owned
and operated by any political subdivision or municipal
corporation of this State or owned by such an entity and
operated by any lessee or any operating agent thereof.

"Public utility" has the definition set forth in Section
3-105 of this Act.

(b) Customers shall have the right to, and the Commission
shall protect the rights of customers to, produce, consume,
and store their own energy without discriminatory
repercussions from a public utility, electric cooperative, or
municipal utility, regardless of whether that energy is
produced via a system that is owned outright, leased, or
financed through a behind-the-meter solar power-purchase
agreement or other means. This includes customers' rights to:

(1) generate, consume, and export renewable energy and
reduce his or her use of electricity obtained from the
grid;

(2) use technology to store energy at his or her residence;

(3) connect his or her electrical system that generates renewable energy, stores energy, or any combination thereof, with the electricity meter on the customer's premises that is provided by a public utility, electric cooperative, or municipal utility:

(A) in a timely manner;

(B) in accordance with requirements established by the electric utility to ensure the safety of utility workers; and

(C) after providing written notice to the electric utility providing service in the service territory, installing a nomenclature plate on the electrical meter panel and meeting all applicable state and local safety and electrical code requirements associated with installing a parallel distributed generation system; and

(4) receive fair credit for energy exported to the grid.

(c) A public utility, electric cooperative, or municipal utility customer who produces, consumes, and stores his or her own energy shall not face discriminatory rate design, fees, treatment, or excessive compliance requirements as provided by paragraph (3) of subsection (n) of Section 16-107.5.
(d) A public utility, electric cooperative, or municipal utility customer shall have a right to appeal any decision related to self-generation and storage that violates these rights to self-generation and non-discrimination pursuant to the provisions of this Section through a complaint process.

(e) The Illinois Commerce Commission shall adopt all rules necessary for the administration of this Section.

Section 90-45. The Environmental Protection Act is amended by changing Section 9.10 and by adding Section 9.18 as follows:

(415 ILCS 5/9.10)

Sec. 9.10. Fossil fuel-powered electric generating units
Fossil fuel-fired electric generating plants.

(a) As used in this Section:
"Board" means the Illinois Pollution Control Board.
"BIPOC" and "black, indigenous, and people of color" are identical in meaning and have the same definition as used in the Clean Jobs, Workforce and Contractor Equity Act.
"Emissions" means greenhouse gases, particulate matter, mercury, nitrogen oxides, sulfur dioxide, and any other pollutant that the Agency deems appropriate for regulation to protect health or land in the State.
"Frontline community" means any community or municipality within a 3-mile radius of a fossil fuel-powered electric
"Meaningful involvement" means: (1) potentially affected populations have an appropriate opportunity to participate in decisions about a proposed regulatory action that may affect their environment or health; (2) the populations' contributions can influence the EPA's rulemaking decisions; (3) the concerns of all participants involved shall be considered in the decision-making process; and (4) the IEPA shall seek out and facilitate the involvement of populations potentially affected by the IEPA's proposed regulatory action.

(a-1) (a) The General Assembly finds and declares that:

(1) fossil fuel-powered electric generating units fossil fuel-fired electric generating plants are a significant source of air emissions in this State and have become the subject of a number of important new studies of their effects on the public health;

(2) existing state and federal policies, that allow older plants that meet federal standards to operate without meeting the more stringent requirements applicable to new plants, are being questioned on the basis of their environmental impacts and the economic distortions such policies cause in a deregulated energy market;

(3) fossil fuel-powered electric generating units fossil fuel-fired electric generating plants are, or may be, affected by a number of regulatory programs, some of which are under review or development on the state and
national levels, and to a certain extent the international level, including the federal acid rain program, tropospheric ozone, mercury and other hazardous pollutant control requirements, regional haze, and global warming;

(4) scientific uncertainty regarding the formation of certain components of regional haze and the air quality modeling that predict impacts of control measures requires careful consideration of the timing of the control of some of the pollutants from these facilities, particularly sulfur dioxides and nitrogen oxides that each interact with ammonia and other substances in the atmosphere;

(5) the development of energy policies to promote a safe, sufficient, reliable, and affordable energy supply on the state and national levels is being affected by the on-going deregulation of the power generation industry and the evolving energy markets;

(6) the Governor's formation of an Energy Cabinet and the development of a State energy policy calls for actions by the Agency and the Board that are in harmony with the energy needs and policy of the State, while protecting the public health and the environment;

(7) reducing greenhouse gas emissions and other air pollutants such as particulate matter, sulfur dioxide, and nitrogen oxide is critical to improving the health and welfare of Illinois residents by decreasing respiratory diseases, cardiovascular diseases, and related
mortalities; lowering customers' energy costs; and responding to the growing impacts of climate change from fossil fuel generation;

(8) through reductions in harmful emissions and strategic planning for Illinois residents currently employed by and communities reliant on fossil fuel-powered electric generating units, eliminating greenhouse gas emissions from the electricity generation sector is a priority for the State;

(9) The House of Representatives of the 100th General Assembly recognized this problem and, in adopting House Resolution 490 on June 26, 2017, it supported the Paris Climate Agreement and urged the State of Illinois to join the United States Climate Alliance and develop a plan to achieve 100% clean energy by 2045;

(7) Illinois coal is an abundant resource and an important component of Illinois' economy whose use should be encouraged to the greatest extent possible consistent with protecting the public health and the environment;

(8) renewable forms of energy should be promoted as an important element of the energy and environmental policies of the State and that it is a goal of the State that at least 5% of the State's energy production and use be derived from renewable forms of energy by 2010 and at least 15% from renewable forms of energy by 2020;

(10) efforts on the state and federal levels are
underway to consider the multiple environmental regulations affecting electric generating plants in order to improve the ability of government and the affected industry to engage in effective planning through the use of multi-pollutant strategies; and

(11) these issues, taken together, call for a comprehensive review of the impact of these facilities on the public health, considering also the energy supply, reliability, and costs, the role of renewable forms of energy, and the developments in federal law and regulations that may affect any state actions, prior to making final decisions in Illinois.

(b) Taking into account the findings and declarations of the General Assembly contained in subsection (a) of this Section, the Agency shall, within 180 days after the effective date of this amendatory Act of the 102nd General Assembly, initiate a rulemaking to amend Title 35 of the Illinois Administrative Code to establish annual declining greenhouse gas pollution caps and caps on co-pollutants, including, but not limited to, particulate matter (including both PM$_{10}$ and PM$_{2.5}$), mercury, nitrogen oxides, and sulfur dioxide, beginning in 2023 from all fossil fuel-powered electric generating units (including, but not limited to, coal-fired, coal-derived, oil-fired, combustion turbine, integrated gasification combined cycle, and cogeneration facilities with a nameplate capacity that exceeds 25 MW) so as to progressively eliminate
all emissions of those pollutants from Illinois' electric sector by the year 2030. No later than one year after receipt of the Agency's proposal under this Section, the Board shall adopt rules setting out declining annual emissions caps for greenhouse gases (CO$_2$ equivalent) and co-pollutants, including, but not limited to, particulate matter (including both PM$_{10}$ and PM$_{2.5}$), mercury, nitrogen oxides, and sulfur dioxide, for each individual fossil fuel-powered electric generating unit in Illinois as well as aggregate annual statewide emissions caps. The Board may set different declining caps for each plant, but caps must decline to zero emissions for all plants by 2030. As part of its rulemaking proposal, the Agency shall:

(1) ensure that power plants located near densely populated and environmental justice communities and those with sulfur dioxide emission rates above 0.0007 pounds per million Btu are prioritized for more rapid, mandatory, plant-specific emissions reductions for both greenhouse gases and co-pollutants;

(2) develop an environmental justice analysis, in partnership with the Illinois Commission on Environmental Justice and with frontline community feedback, to inform a draft rule proposal and identification of power plants of particular concern requiring priority emissions reductions. This analysis shall include a cumulative impacts assessment and use existing methodologies and
findings, used and as may be updated by the Illinois Power Agency and its Administrator in its Illinois Solar for All Program, taking into account the following factors:

(A) Population density;

(B) National-Scale Air Toxics Assessment (NATA) air toxics cancer risk;

(C) NATA respiratory hazard index;

(D) NATA diesel PM;

(E) particulate matter;

(F) ozone;

(G) traffic proximity and volume;

(H) lead paint indicator;

(I) proximity to Risk Management Plan sites;

(J) proximity to Hazardous Waste Treatment, Storage, and Disposal Facilities;

(K) proximity to National Priorities List sites;

(L) Wastewater Dischargers Indicator;

(M) percent low-income;

(N) percent black, indigenous, and people of color;

(O) percent less than a high school education;

(P) linguistic isolation;

(Q) age (individuals under age 5 or over 64);

(R) number of asthma-related emergency department visits; and

(S) frequency of low birth weight infants;
(3) conduct a robust and inclusive stakeholder process prior to initiating a rulemaking proceeding before the Illinois Pollution Control Board that ensures the meaningful participation of Illinois residents, especially those most impacted by fossil fuel-powered electric generating units. To ensure meaningful involvement in its stakeholder process, the agency shall:

(A) include a formal public comment period with at least 4 public hearings located in communities geographically dispersed, where fossil fuel-powered electric generating units are located;

(B) ensure full and fair access for working residents by providing opportunity for public comment outside the workday; and

(C) issue a responsiveness summary with a draft rulemaking briefly describing and responding to, at a minimum, all frontline community comments raised during the stakeholder process and public comment period;

(4) participate in strategic planning efforts with the Department of Commerce and Economic Opportunity to identify needs and initiatives for communities and workers economically impacted by the decline in fossil fuel generation;

(5) evaluate individual units using the criteria above and set appropriate annually declining caps for emission
reductions, which ultimately result in caps of zero emissions from all fossil fuel-powered electric generating units by January 1, 2030;

(6) include provisions to allow owners or operators of fossil fuel-powered electric generating units to continue operating while using their best efforts to resolve any reliability requirements with regional grid operators and cease operations as soon as practicable in situations where achieving the emission reductions required by the Agency's rulemaking proposal necessitates that a particular unit cease operations and a regional grid operator determines that operation of that unit is required to continue to maintain transmission reliability. The Agency's rulemaking proposal shall include mechanisms designed to limit, to the extent possible, any such disruption to the State's emission reduction program, including an evaluation of when and how advanced notice of intended unit closures should be given to regional grid operators; and

(7) establish emissions caps for (i) individual fossil fuel-powered electric generating units and (ii) the entire electric sector. The emissions caps shall include all emissions, including greenhouse gases and co-pollutants.

(A) Annual aggregate electric sector emissions caps. The aggregate emissions cap shall apply to the entire Illinois electric sector and include the sum of
emissions from all fossil fuel-powered electric generating units. The Agency shall establish a schedule through which the aggregate cap shall decline annually. A baseline amount shall be calculated by averaging the emissions from 2017, 2018, and 2019 of plants operating as of the effective date of this amendatory Act of the 102nd General Assembly. To ensure consistent progress toward the goal of eliminating all emissions from Illinois' electric sector by 2030, the annual aggregate emissions cap shall decrease each year by no less than 7% of the baseline amount.

(B) Annual unit-specific emissions caps. Annual emissions caps shall apply to each fossil fuel-powered electric generating unit in the State and be consistent with achieving the aggregate emissions cap. Starting in 2023, the annual emissions cap for each plant shall be no greater than the highest emissions amount from any of the 3 previous years of operation. If a plant first became operational less than 3 years before being subject to a unit-specific emissions cap, then the annual emissions cap for such a plant shall be no greater than its previous year of operation; or if a fossil fuel-powered electric generating unit has been operational less than one year, then the Agency shall set a cap that is consistent with achieving the
aggregate emissions cap and the goal of eliminating all emissions from Illinois' electric sector by 2030.

(C) Annual report. Each year, the Agency shall prepare and publish a report on the implementation, review, and updating of the schedules regulating annual emissions caps as described in this subsection. This report shall include:

(i) an accounting of all greenhouse gas and co-pollutant caps on, and actual emissions from, individual plants demonstrating the Agency's implementation of the requirements in this subsection; and

(ii) an accounting of the aggregate declining cap schedules demonstrating the adequacy of the schedules to achieve net-zero emissions in the electric sector by 2030, and any changes to the schedules.

In addition to the information required under items (i) and (ii), the 2025 report shall include a review of the Agency's rules regulating annual greenhouse gas pollution and co-pollutant caps in light of projected emissions for the remaining years until 2030 and demonstrate the adequacy of its rules and policies to achieve net-zero emissions in the electric sector by 2030. Should the Agency conclude its current rules and policies are insufficient to
eliminate emissions from all fossil fuel-powered electric generating units by January 1, 2030 and comply with all other requirements in this Section, it shall initiate a rulemaking no later than 180 days from reaching this conclusion amending its rules to do so.

before September 30, 2004, but not before September 30, 2003, issue to the House and Senate Committees on Environment and Energy findings that address the potential need for the control or reduction of emissions from fossil fuel-fired electric generating plants, including the following provisions:

(1) reduction of nitrogen oxide emissions, as appropriate, with consideration of maximum annual emissions rate limits or establishment of an emissions trading program and with consideration of the developments in federal law and regulations that may affect any State action, prior to making final decisions in Illinois;

(2) reduction of sulfur dioxide emissions, as appropriate, with consideration of maximum annual emissions rate limits or establishment of an emissions trading program and with consideration of the developments in federal law and regulations that may affect any State action, prior to making final decisions in Illinois;

(3) incentives to promote renewable sources of energy consistent with item (8) of subsection (a) of this
Section; 

(4) reduction of mercury as appropriate, consideration of the availability of control technology, industry practice requirements, or incentive programs, or some combination of these approaches that are sufficient to prevent unacceptable local impacts from individual facilities and with consideration of the developments in federal law and regulations that may affect any state action, prior to making final decisions in Illinois; and 

(5) establishment of a banking system, consistent with the United States Department of Energy's voluntary reporting system, for certifying credits for voluntary offsets of emissions of greenhouse gases, as identified by the United States Environmental Protection Agency, or other voluntary reductions of greenhouse gases. Such reduction efforts may include, but are not limited to, carbon sequestration, technology-based control measures, energy efficiency measures, and the use of renewable energy sources.

The Agency shall consider the impact on the public health, considering also energy supply, reliability and costs, the role of renewable forms of energy, and developments in federal law and regulations that may affect any state actions, prior to making final decisions in Illinois.

(c) Nothing in this Section is intended to or should be interpreted in a manner to limit or restrict the authority of
the Illinois Environmental Protection Agency to propose, or
the Illinois Pollution Control Board to adopt, any regulations
applicable or that may become applicable to the facilities
covered by this Section that are required by federal law and
other Illinois laws.

(d) The Agency may file proposed rules with the Board to
effectuate the goals set forth in subsection (b) its findings
provided to the Senate Committee on Environment and Energy and
the House Committee on Environment and Energy in accordance
with subsection (b) of this Section. Any such proposal shall
not be submitted sooner than 90 days after the issuance of the
findings provided for in subsection (b) of this Section. The
Board shall take action on any such proposal within one year of
the Agency's filing of the proposed rules.

(e) Enforcement.

(1) Any person may file with the Board a complaint,
following the procedures contained in subsection (d) of
Section 31 of this Act, against any person, the State of
Illinois, or any government official for failure to
perform any act or nondiscretionary duty under this
Section or for allegedly violating this Section, any rule
or regulation adopted under this Section, any permit or
term or condition of a permit related to this Section, or
any Board order issued pursuant to this Section. Any
person shall have standing in an action under this Section
before the Board. Any person may intervene as a party as a
matter of right in any legal action concerning this
Section, whichever the forum, if he or she is or may be
adversely affected by any failure to perform any act or
nondiscretionary duty under this Section or any alleged
violation of this Section, any rule or regulation adopted
under this Section, any permit or term or condition of a
permit, or any Board order, by any person, the State of
Illinois, or any government official.

(2) In an action brought pursuant to this Section, any
person may request, and the Board or court may grant,
injunctive relief, damages (including reasonable attorney
and expert witness fees), and any other remedy available
pursuant to Sections 33 or 42 of this Act. The Board or
court may, if a temporary restraining order or preliminary
injunction is sought, require the filing of a bond or
equivalent security in accordance with the Illinois Code
of Civil Procedure.

(3) No existing civil or criminal remedy shall be
excluded or impaired by this Section. This Section shall
apply only to those electrical generating units that are
subject to the provisions of Subpart W of Part 217 of Title
35 of the Illinois Administrative Code, as promulgated by
the Illinois Pollution Control Board on December 21, 2000.
(Source: P.A. 92-12, eff. 7-1-01; 92-279, eff. 8-7-01.)

(415 ILCS 5/9.18 new)
Sec. 9.18. Energy community reinvestment fee.

(a) As used in this Section:

"Carbon dioxide equivalent" means a unit of measure denoting the amount of emissions from a greenhouse gas, expressed as the amount of carbon dioxide by weight that produces the same global warming impact.

"Fossil fuel generating plant" means an electric generating unit or a co-generating unit that produces electricity using fossil fuels.

"Payment period" means the three-month period of time during which emissions are measured for the purpose of quarterly fee calculation.

(b) The General Assembly finds and declares that:

(1) the negative effects of fossil fuel-powered electric generating units on human health, environmental quality, and the climate of our planet require Illinois to swiftly retire all such plants and shift to 100% renewable energy;

(2) communities located near fossil fuel-powered electric generating units have experienced these health and environmental impacts most acutely;

(3) communities located near fossil fuel-powered electric generating units will also experience economic challenges as these plants retire;

(4) the assessment of a fee on the emissions of fossil fuel generating plants will lower the exposure of
surrounding communities to harmful air pollutants by providing incentive for fossil fuel generating plants to reduce emissions;

(5) it is in the public interest that communities located near fossil fuel-fired electric generating plants should receive support in the form of economic reinvestment, as recompense for the negative impacts of the operation of fossil fuel-fired electric generating plants, to invest in clean energy developments that reduce the cumulative impacts of air pollution thus protecting the public health, and as a means for creating new economic growth and opportunity which is needed when the plants retire; and

(6) this support should be paid for by the owners and operators of fossil fuel-fired electric generating plants, the operation of which caused harm to the surrounding communities.

(c) Calculation of the Energy Community Reinvestment Fee. The Agency shall establish procedures for the collection of energy community reinvestment fees. Energy community reinvestment fees shall be paid at least quarterly (once every 3 months) by owners of all fossil fuel generating plants in Illinois, based on the share of each plant's contribution to the total amount of air pollution emitted by all fossil fuel generating plants in that payment period, as determined by the Agency and described in this subsection (c).
(1) Pollution Calculation. The energy community reinvestment fee shall be calculated to reflect the pollution burden from fossil fuel generating plants, based on the total emissions of greenhouse gases. The fee shall be calculated based solely on emissions of carbon dioxide, methane, and nitrous oxide measured in carbon dioxide equivalent tons. The exclusive use of carbon dioxide, methane, and nitrous oxide in the calculation of the fee is designed to reflect the overall pollution impact from each fossil fuel generating plant by using these pollutants as a proximate measurement of overall emissions.

(2) Fee Calculation. The Agency shall calculate the fee owed by each fossil fuel generating plant owner for each payment period by dividing (A) the total emissions of carbon dioxide equivalents in tons by each plant as described under paragraph (1) of this subsection (c) by (B) the total emissions of carbon dioxide equivalents in tons of all fossil fuel generating plants subject to the energy community reinvestment fee, and multiplying that figure by (C) the portion of the annual revenue requirements, established in subsection (d) of Section 20-70 of the Energy Community Reinvestment Act, for that payment period.

(3) Right to Fee Reduction. The owner of each plant liable to pay the energy community reinvestment fee shall
have the right to reduce its liability based on
electricity production as described in this paragraph (3).
If requested, the total amount owed each payment period
for any plant shall be no greater than the total amount of
kilowatt hours of electricity produced by the plant during
the payment period multiplied by one cent per kilowatt
hour, adjusted for inflation from the year this Act takes
effect. Upon request by a plant owner the Agency shall
adjust the total amount owed for each payment period by
the amount necessary to reflect a maximum cost calculated
based on electricity production.

(4) Notification by the Agency. The first payment
period shall begin June 1, 2021. No later than September
1, 2021, and every 3 months thereafter on the first of the
month, the Agency shall notify each fossil fuel generating
plant owner of the fee calculated pursuant to paragraph
(2) of this subsection (c) for the quarterly period just
concluded.

(5) Fee Collection. Plant owners shall remit payment
of their fee to the Agency within 30 days after the close
of each payment period, as established by the Agency.
Funds collected from the energy community reinvestment fee
shall be deposited into the Energy Community Reinvestment
Fund.

(d) Clean Energy Empowerment Zone Task Force involvement.
If the Agency receives notification from the Department of
Commerce and Economic Opportunity that a plant owner has failed to engage productively in stakeholder meetings and with Clean Energy Empowerment Zone Task Forces, as described in the Energy Community Reinvestment Act, an enforcement action may be brought under Section 31 of this Act. In addition to any other relief that may be obtained as part of the enforcement action, the Agency may seek to recover the avoided engagement fees. The avoided engagement fees shall be calculated as double the amount that is owed by the plant owner under subsection (c) for the current payment period, and subsequent payment periods, until the Department of Commerce and Economic Opportunity sends notification to the Agency that the plant owner is in compliance with the stakeholder engagement requirements of the Energy Community Reinvestment Act. Avoided engagement fees (which, for clarity, are in addition to fees collected under subsection (c)) shall be deposited into the Energy Community Reinvestment Fund to be directed solely to support the local community's own planning efforts and investments, and the Agency shall transmit a notification to the Department of Commerce and Economic Opportunity of the amount collected, and the plant owner responsible.

(e) If a plant owner subject to a fee under this Section fails to pay the fee within 90 days after its due date, or makes the fee payment from an account with insufficient funds to cover the amount of the fee payment, the Agency shall notify the plant owner of the failure to pay the fee. If the plant
owner fails to pay the fee within 60 days after such
notification, the Agency may, by written notice, immediately
revoke the air pollution operating permit. Failure of the
Agency to notify the plant owner of failure to pay a fee due
under this Section, or the payment of the fee from an account
with insufficient funds to cover the amount of the fee
payment, does not excuse or alter the duty of the plant owner
to comply with the provisions of this Section.

(f) No later than November 30 of each year, the Agency
shall submit a report to the Department of Commerce and
Economic Opportunity describing the amount of fees collected
from each fossil fuel-powered electric generating unit, the
status of any delinquencies, and the total amount expected to
be collected.

(g) Nothing in this Section shall be interpreted to mean
that the sum owed by each fossil fuel generating plant due to
the energy community reinvestment fee is equal to or greater
than the financial valuation of the total harm created by air
pollution from each plant.

(h) Enforcement.

(1) Any person may file with the Board a complaint,
following the procedures contained in subsection (d) of
Section 31 of this Act, against any person, the State of
Illinois, or any government official for failure to
perform any act or nondiscretionary duty under this
Section or for allegedly violating this Section, any rule
or regulation adopted under this Section, any permit or term or condition of a permit related to this Section, or any Board order issued pursuant to this Section. Any person shall have standing in an action under this Section before the Board. Any person may intervene as a party as a matter of right in any legal action concerning this Section, whichever the forum, if he or she is or may be adversely affected by any failure to perform any act or nondiscretionary duty under this Section or any alleged violation of this Section, any rule or regulation adopted under this Section, any permit or term or condition of a permit, or any Board order, by any person, the State of Illinois, or any government official. Any person with standing to commence an action pursuant to subsection (e) of Section 9.10 shall have standing to pursue enforcement under this Section.

(2) In an action brought pursuant to this Section, any person may request, and the Board or court may grant, injunctive relief, damages (including reasonable attorney and expert witness fees), and any other remedy available pursuant to Sections 33 or 42 of this Act. The Board or court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Illinois Code of Civil Procedure.

(3) No existing civil or criminal remedy shall be
excluded or impaired by this Section.

(415 ILCS 5/9.15 rep.)
Section 90-50. The Environmental Protection Act is amended by repealing Section 9.15.

Section 90-55. The Illinois Nuclear Facility Safety Act is amended by adding Section 10 as follows:

(420 ILCS 10/10 new)
Sec. 10. Local government nuclear impact fees.
(a) As used in this Section:
"Local taxing body" means any unit of government that assesses and collects property taxes.
"Qualifying Nuclear Facility" means a facility playing or having played a direct role in the operation of commercial nuclear power reactors for the generation of electricity; including facilities used to process radioactive materials for nuclear fuel fabrication, nuclear power reactors, high-level and low-level radioactive waste treatment sites, and storage and disposal locations.
"Qualifying Nuclear Operator" means any entity that operates or has in the past 50 years operated a Qualifying Nuclear Facility.
(b) Notwithstanding any other provision of law to the contrary, any local taxing body may establish and collect an
annual Nuclear Impact Fee from Qualifying Nuclear Facility
within the boundaries of that local taxing body.

(c) The Nuclear Impact Fee shall be charged to the
Qualifying Nuclear Operator.

(d) The Nuclear Impact Fee may only be applied
prospectively on or after the effective date of this
amendatory Act of the 102nd General Assembly, and may not be
applied retroactively to a date before which this amendatory
Act is passed.

(e) The Nuclear Impact Fee permission granted to local
taxing bodies under these rules shall expire separately for
each individual local taxing body. That date of expiration of
the Nuclear Impact Fee permission for each local taxing body
shall be either exactly 30 years after the effective date of
this amendatory Act of the 102nd General Assembly, or 10 years
following the permanent shutdown of the Qualifying Nuclear
Facility from which the local taxing body collected property
taxes, whichever date is later.

(f) In any calendar year, a local taxing body may not
impose a Nuclear Impact Fee that exceeds 25% of the average
annual amount of property taxes, or payments in lieu of taxes,
paid to that local taxing body by the Qualifying Nuclear
Facility over the most recent 5-year period that the
Qualifying Nuclear Facility has been operational.

(g) Any failure by the Qualifying Nuclear Operator to pay
a Nuclear Impact Fee within 180 days after the fee payment
deadline shall be deemed a failure to comply, and shall automatically require the Qualifying Nuclear Operator to pay the Local Entity double the otherwise-allowable property taxes, up to 50% of the average annual amount of property taxes paid over the most recent 5-year period that the Qualifying Nuclear Facility was operational.

(h) To establish a Nuclear Impact Fee, the local taxing body shall adopt a resolution or ordinance describing the public need for economic transition, the annual amount of the fee, the Qualifying Nuclear Facility, the Qualifying Nuclear Operator to be assessed, and a description of projected expenses for the fee for the period the fee is in effect. The local taxing body shall conduct a public hearing before adopting a resolution or ordinance imposing a Nuclear Impact Fee permitted under this Section. The hearing shall be held within the boundaries of the local taxing body. Public notice of the time, place, and purpose of the hearing shall be given at least 10 business days before the date of the hearing.

(i) A local taxing body shall include in its resolution or ordinance the method for collection of payment of a Nuclear Impact Fee. A county which has adopted a resolution or ordinance imposing a Nuclear Impact Fee may collect such Fees in the regular property tax bills of the county. The county collector of the county in which a local taxing body has adopted a resolution or ordinance imposing a Nuclear Impact Fee may bill and collect such Fees with the regular property
tax bills of the county if requested by a local taxing body
within its jurisdiction.

(j) The revenue collected through the Nuclear Impact Fee
by a local taxing body shall only be used for the purposes of
supporting the "economic transition" of local communities that
have experienced the closure of a Qualifying Nuclear Facility
or will experience a Qualifying Nuclear Facility in the
future. "Economic transition" uses may include tax base
replacement, workforce development, public school funding,
essential public service, or sustainable infrastructure
projects.

(k) The revenue collected under this Section shall not be
used either directly or indirectly to aid, subsidize, enact,
support, or otherwise enable investment in any electricity
generation infrastructure that processes or can process fossil
or nuclear fuels.

(l) No later than November 30 of each calendar year, each
local taxing body collecting a Nuclear Impact Fee pursuant to
this Section shall remit to the Department of Revenue for
deposit in the Energy Community Reinvestment Fund 20% of the
annual revenue collection from any Nuclear Impact Fees in
order to help fund state programs that support economic
transition and workforce development, showing such information
as the Department of Revenue may reasonably require.

(m) No later than November 30 of each calendar year, each
local taxing body collecting a Nuclear Impact Fee pursuant to
this Section shall submit to the Department of Commerce and Economic Opportunity and the Agency a report detailing the total amount of funds collected from any Nuclear Impact Fees, the planned expenditure of the funds, the coordination of expenditure with any Department economic transition activities and investments, copies of any adoption of or amendments to resolutions or ordinances impacting the assessment of Nuclear Impact Fees, and a certification of the remittance of the State portion of the funds collected to the Department of Revenue.

(n) The Department of Commerce and Economic Opportunity may establish such rules as it deems necessary to implement this Section.

Section 90-60. The Prevailing Wage Act is amended by adding Section 3.3 as follows:

(820 ILCS 130/3.3 new)

Sec. 3.3. Job classifications. The Department of Labor must, within 60 days after the effective date of this amendatory Act of the 102nd General Assembly, identify job categories for laborers, mechanics, and other workers employed in the provision of programs created or altered by this Act, for which the Department has not already set a prevailing rate of wages.

The Department of Labor must, within 240 days after the
effective date of this amendatory Act of the 102nd General Assembly, set a prevailing rate of wages for each identified job category.

Article 99. Nonacceleration; Effective Date

Section 99-95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 99-99. Effective date. This Act takes effect upon becoming law.
INDEX

Statutes amended in order of appearance

New Act
5 ILCS 100/5-45.8 new
5 ILCS 100/5-45.9 new
5 ILCS 100/5-49.10 new
20 ILCS 627/30 new
20 ILCS 627/35 new
20 ILCS 627/40 new
20 ILCS 3125/10
20 ILCS 3125/15
20 ILCS 3125/20
20 ILCS 3125/30
20 ILCS 3125/45
20 ILCS 3125/55 new
20 ILCS 3855/1-5
20 ILCS 3855/1-10
20 ILCS 3855/1-20
20 ILCS 3855/1-56
20 ILCS 3855/1-75
30 ILCS 105/5.935 new
30 ILCS 105/5.936 new
30 ILCS 105/5.937 new
35 ILCS 5/201
35 ILCS 120/5k-5 new
105 ILCS 5/2-3.182 new
220 ILCS 5/2-107 from Ch. 111 2/3, par. 2-107
220 ILCS 5/4-604 new
220 ILCS 5/4-605 new
220 ILCS 5/8-103B
220 ILCS 5/8-104.1 new
220 ILCS 5/8-512 new
220 ILCS 5/9-220.3
220 ILCS 5/9-222.1B new
220 ILCS 5/9-227 from Ch. 111 2/3, par. 9-227
220 ILCS 5/10-104 from Ch. 111 2/3, par. 10-104
220 ILCS 5/16-105.17 new
220 ILCS 5/16-107
220 ILCS 5/16-107.5
220 ILCS 5/16-107.6
220 ILCS 5/16-107.7 new
220 ILCS 5/16-107.8 new
220 ILCS 5/16-108
220 ILCS 5/16-108.5
220 ILCS 5/16-108.9 new
220 ILCS 5/16-108.18 new
220 ILCS 5/16-111.5
220 ILCS 5/16-111.10 new
220 ILCS 5/16-128B
220 ILCS 5/16-131 new
415 ILCS 5/9.10
1  415 ILCS 5/9.18 new
2  415 ILCS 5/9.15 rep.
3  420 ILCS 10/10 new
4  820 ILCS 130/3.3 new