

Appendix H: Legislative Compliance Index

<u>Section of the Law</u>	<u>LEGAL REQUIREMENT</u>	<u>Section of the Plan</u>
Legislative Findings, Section 1.5(1)	Reducing emissions of carbon dioxide and other air pollutants, such as sulfur oxides, nitrogen oxides, and particulate matter, is critical to improving air quality in Illinois for Illinois residents	Chapter 5
Legislative Findings, Section 1.5(2)	Sulfur oxides, nitrogen oxides, and particulate emissions have significant adverse health effects on persons exposed to them, and carbon dioxide emissions result in climate change trends that could significantly adversely impact Illinois.	Chapter 5
Legislative Findings, Section 1.5(3)	The existing renewable portfolio standard has been successful in promoting the growth of renewable energy generation to reduce air pollution in Illinois. However, to achieve its environmental goals, Illinois must expand its commitment to zero emission energy generation and value the environmental attributes of zero emission generation that currently falls outside the scope of the existing renewable portfolio standard, including, but not limited to, nuclear power	Chapter 2 generally, Section 2.2
Legislative Findings, Section 1.5(4)	Preserving existing zero emission energy generation and promoting new zero emission energy generation is vital to placing the State on a glide path to achieving its environmental goals and ensuring that air quality in Illinois continues to improve.	Section 5.3
Legislative Findings, Section 1.5 (general)	The General Assembly further finds that the Social Cost of Carbon is an appropriate valuation of the environmental benefits provided by zero emission facilities, provided that the valuation is subject to a price adjustment that can reduce the price for zero emission credits below the Social Cost of Carbon. This will ensure that the procurement of zero emission credits remains affordable for retail customers even if energy and capacity prices are projected to rise above 2016 levels reflected in the baseline market price index.	Chapter 4
Legislative Findings, Section 1.5 (general)	The General Assembly therefore finds that it is necessary to establish and implement a zero emission standard, which will increase the State's reliance on zero emission energy through the procurement of zero emission credits from zero emission facilities, in order to achieve the State's environmental objectives and reduce the adverse impact of emitted air pollutants on the health and welfare of the State's citizens	Chapter 5
20 ILCS 3855/1-5(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.	See Plan generally
20 ILCS 3855/1-5(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.	See Plan generally

20 ILCS 3855/1-5(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.	See Plan generally
20 ILCS 3855/1-5(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.	See Plan generally, Section 2.4
20 ILCS 3855/1-5(B)	Conduct the competitive procurement processes identified in this Act.	Chapter 6
20 ILCS 3855/1-10	"Zero emission credit" means a tradable credit that represents the environmental attributes of one megawatt hour of energy produced from a zero emission facility.	Section 3.1
20 ILCS 3855/1-10	"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.	Section 3.1
20 ILCS 3855/1-20(a)(1)	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.	Se Plan generally, Section 2.4
20 ILCS 3855/1-20(a)(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.	Se Plan generally, Chapter 6
20 ILCS 3855/1-75(a)	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.	See Plan generally, Chapter 3
20 ILCS 3855/1-75(d-5)(a)(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.	Section 4.5
20 ILCS 3855/1-75(d-5)(a)(1)	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.	Section 4.5

20 ILCS 3855/1-75(d- 5)(a)(1)	The duration of the contracts procured under this subsection (d-5) shall be for a term of 10 years ending May 31, 2027.	Section 3.3, Section 6.4
20 ILCS 3855/1-75(d- 5)(a)(1)	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.	Section 3.5, Section 4.5
20 ILCS 3855/1-75(d- 5)(a)(1)(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	Section 6.1, Appendix F
20 ILCS 3855/1-75(d- 5)(a)(1)(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.	Section 3.4, Chapter 4
20 ILCS 3855/1-75(d- 5)(a)(1)(C)	No later than 45 days after the effective date of this amendatory Act of the 99th General Assembly, the Agency shall publish its proposed zero emission standard procurement plan.	Section 2.4
20 ILCS 3855/1-75(d- 5)(a)(1)(C)	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 citizens of this State.	Chapter 5
20 ILCS 3855/1-75(d- 5)(a)(1)(C)	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 this amendatory Act of the 99th General Assembly and would cease to exist if the procurements were not held, including the preservation of zero emission facilities.	Section 5.3
20 ILCS 3855/1-75(d- 5)(a)(1)(C)	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.	Chapter 5
20 ILCS 3855/1-75(d- 5)(a)(1)(C)	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 Section 1-75 of this Act, as well as publicly available analyses and studies performed by or for regional transmission organizations that serve the State and their independent market monitors.	Chapter 5
20 ILCS 3855/1-75(d- 5)(a)(1)(C)	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.	Section 2.4
20 ILCS 3855/1-75(d- 5)(a)(1)(C)	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.	Section 2.4

20 ILCS 3855/1-75(d-5)(a)(1)(C)	Following the end of the comment period, but no more than 60 days later than the effective date of this amendatory Act of the 99th General Assembly, the Agency shall revise the plan as necessary based on the comments received and file its zero emission standard procurement plan with the Commission.	Section 2.4
20 ILCS 3855/1-75(d-5)(a)(1)(C-5)	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 this amendatory Act of the 99th General Assembly, 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).	Section 2.4
20 ILCS 3855/1-75(d-5)(a)(1)(C-5)	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.	Section 3.6, Chapter 6, Appendix G
20 ILCS 3855/1-75(d-5)(a)(1)(C-5)	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 the effective date of this amendatory Act of the 99th General Assembly.	Section 2.4
20 ILCS 3855/1-75(d-5)(a)(1)(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.	Section 6.3
20 ILCS 3855/1-75(d-5)(a)(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.	Section 4.6
20 ILCS 3855/1-75(d-5)(a)(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.	Section 4.6
20 ILCS 3855/1-75(d-5)(a)(2)	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.	Section 4.6
20 ILCS 3855/1-75(d-5)(a)(2)	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.	Section 4.6
20 ILCS 3855/1-75(d-5)(a)(2)	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).	Section 3.6, Section 4.7
20 ILCS 3855/1-75(d-5)(a)(2)	The calculations required by this paragraph (2) shall be made only once for each procurement plan year.	Section 4.6

20 ILCS 3855/1-75(d- 5)(a)(2)	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.	Section 4.6
20 ILCS 3855/1-75(d- 5)(a)(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.	Section 3.1
220 ILCS 5/16- 111.5(a)	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.	See Plan generally