

ILLINOIS COMMERCE COMMISSION
Public Notice of Successful Bidders and Average Prices

Illinois Power Agency
March 2021 Forward Procurement of Renewable Energy Credits from New Utility-Scale Wind Projects

March 18, 2021

On March 12, 2021, the Illinois Power Agency's procurement administrator, NERA Economic Consulting, conducted a procurement event for the sale of renewable energy credits ("RECs") to Ameren Illinois Company ("Ameren") and Commonwealth Edison Company ("ComEd") derived from new utility-scale wind projects. The bidding process was monitored for the Commission by Bates White. On March 18, 2021, voting in open session, the Commission approved the procurement administrator's recommendation regarding the procurement results.

The 2021 wind procurement is a result of Public Act 99-0906, also known as the Future Energy Jobs Act, which was signed into law in December 2016 and became effective June 1, 2017. The new law requires at least two million RECs delivered annually from new wind projects by the end of the June 1, 2020 – May 31, 2021 delivery year, at least three million RECs delivered annually from new wind projects by the end of the June 1, 2025 – May 31, 2026 delivery year, and at least four million RECs delivered annually from new wind projects by the end of the June 1, 2030 – May 31, 2031 delivery year. A REC represents all the environmental attributes corresponding to one MWh of energy generated from renewable energy resources. Previously, on September 7, 2017, the Commission approved the procurement administrator's selection of winning bids through the Initial Forward Procurement, which will result in close to one million RECs from new utility-scale wind projects to be delivered annually (starting between June 2019 and June 2021).¹ Also, on October 10, 2018, the Commission approved the procurement administrator's selection of winning bids through a Subsequent Forward Procurement, which will result in an additional two million RECs from new utility-scale wind projects to be delivered annually (starting no later than January 2022)², bringing the total to close to three million annual RECs from new wind projects. A third utility-scale wind RFP, held in October 2019, failed to procure any RECs. Subsequent to the unsuccessful Fall 2019 utility-scale wind RFP, the Commission issued an order that (a) required an additional forward procurement for utility-scale wind resources as a replacement for the RECs that would have been procured in 2019 and (b) required that the RFP take place by May 31, 2021. The utility-scale wind RFP was issued on November 19, 2020 and updated on January 19, 2021. The projects selected in this RFP must begin operations no later than March 18, 2024, deliver at least one REC to each utility no later than June 15, 2024, and continue for a fifteen-year period.

The statute defines a utility-scale wind project as "an electric generating facility that: (1) generates electricity using wind; and (2) has a nameplate capacity that is greater than 2,000

¹ One of the winning bidders was awarded only a portion of its total RECs bid and the bidder rejected the partial award.

² One of the winning bidders was awarded only a portion of its total RECs bid and the bidder rejected the partial award.

kilowatts.” Projects must be located in Illinois or in a state adjacent to Illinois. If in a state adjacent to Illinois, the project must satisfy the public interest criteria specified in Section 1-75(c)(1)(I) of the IPA Act. Projects must be “new” and thus, projects that commenced operations on or before June 1, 2017 are not new.

On March 16, 2021, the procurement administrator submitted its report to the Commission. The report informed the Commission that there were no winning projects in the March 2021 utility-scale wind RFP. On March 18, 2021, voting in open session, the Commission approved the procurement administrator’s recommendation to reject the results of the procurement event.

For more information on the 2021 Utility-Scale Wind Procurement or its implementation, see the following web sites:

Illinois Power Agency: <http://www.illinois.gov/ipa/Pages/default.aspx>
Illinois Power Agency RFPs: <http://ipa-energyrfp.com/>