

RPS Collaborative Webinar

Implementing Expanded RPSs in Illinois and Michigan

Hosted by
Warren Leon, Executive Director, CESA

March 10, 2017

Housekeeping



All participants are in “Listen-Only” mode. Select “Use Mic & Speakers” to avoid toll charges and use your computer’s VOIP capabilities. Or select “Use Telephone” and enter your PIN onto your phone key pad.

Submit your questions at any time by typing in the Question Box and hitting Send.

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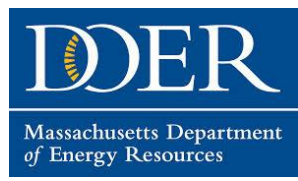
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RPS Collaborative

- With funding from the Energy Foundation and the US Department of Energy, CESA facilitates the **Collaborative**.
- Includes **state RPS administrators, federal agency representatives**, and other stakeholders.
- Advances dialogue and learning about RPS programs by **examining the challenges and potential solutions** for successful implementation of state RPS programs, including **identification of best practices**.
- To sign up for the Collaborative listserv to get the **monthly newsletter** and announcements of **upcoming events**, see: www.cesa.org/projects/state-federal-rps-collaborative



U.S. DEPARTMENT OF
ENERGY



Today's Guest Speakers

- **Brian Granahan**, Illinois Power Agency
- **Katie Trachsel**, Michigan Public Service Commission





Illinois Public Act 99-0906
(The Future Energy Jobs Bill)

**Implementing an Expanded
Renewable Portfolio Standard (RPS)
in Illinois**

Clean Energy States Alliance Webinar
March 10, 2017



Overview of the IPA

Develop procurement plans

Conduct procurement events

RPS compliance, other special projects

Non-regulatory; overseen by state's Executive Ethics Commission



Public Act 99-0906: Overview

- Negotiations began in 2014-2015 timeframe
- Combines previously separate legislative proposals from Exelon, Commonwealth Edison, and IL Clean Jobs Coalition
- Passed by the Illinois General Assembly on December 1, 2016
- Signed into law by Governor Bruce Rauner on December 7, 2016
- Effective date of June 1, 2017



Public Act 99-0906:

Besides the RPS, what else changed?

- Zero emission credit (nuclear) procurement plan and procurement events
- Expansion of and significant revisions to the state's energy efficiency portfolio standard
- Per-kw credit offered for new distributed generation photovoltaic systems and related net metering changes

ALL INTERESTING – but not changes to the RPS, so alas, not discussed further in today's webinar.



IL Renewable Portfolio Standard Overview

- Enacted in 2007, 2009
- Mechanisms of Compliance Vary by Customer Supply Source (utility, ARES, hourly)
- Met through “renewable energy resources” and alternative compliance payments
- Compliance Responsibility Falls to IPA, ICC, Utilities, and ARES



Original Illinois RPS

Eligible Retail Customers

- 25% by 2025, incremental increase annually
- Carveouts for wind, PV, DG
- IPA Annual Planning & Procurement Process
- Targets/budget driven by ERC load

Alternative Retail Electric Suppliers

- Up to 50% via self-procurement
- Alternative Compliance Payments for Remainder (paid into RERF administered by IPA)
- Regulated/Monitored/Enforced by ICC

Hourly Pricing Customers

- ACPs made at same level of ERC
- Held by utility, not by state
- Subject to IPA Annual Planning & Procurement Process .



Challenges with Original RPS

Impact of 2010 LTPPAs

Effects of Municipal Aggregation

Challenges in Using RERF

What Generating Facilities Benefit?



Approach in P.A. 99-0906

Long-Term Renewable
Resources Plan

Initial Forward Procurements
& Quantitative Targets for
PV/Wind

25% by
2025

Adjustable Block Program:
Community Solar &
Distributed Generation

Illinois Solar for All Program
for Low-Income



Takeaway: What Changed?

Streamline of Compliance Mechanisms

- From three compliance mechanisms to one, significantly expanding load subject to 25% by 2025 targets and centralizing compliance

Long-term View of RPS Compliance

- Separate Long-Term Renewable Resource Plan Updated Every 2 Years

Increased Focus on Capturing Benefits

- Greater Focus on New Generation and Localized Benefits

Changes to Procurement Process Itself

- Adjustable Block, Low-Income Incentive Program All Different

More Granularity Re: Project Type



Implementing an Expanded Renewable Energy Portfolio Standard in Illinois

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Brian P. Granahan
Chief Legal Counsel
Illinois Power Agency
Brian.Granahan@Illinois.gov
(312) 814-4635

Implementing an Expanded RPS in Michigan

Katie Trachsel, CPA

MPSC Staff

MIRECS Program Manager



MICHIGAN PUBLIC SERVICE COMMISSION

Energy Package - 2016

- PA 341 and PA 342
 - Passed on December 15, 2016
 - Approved by Governor on December 21, 2016
 - Effective date is April 20, 2017 (120 days)
- Both PA are updates to current laws

Renewable Energy Portfolio Standard

- Standard – for all electric providers
 - 2015: 10%
 - 2019/2020: 12.5%
 - 2021: 15%
 - 2022: Standard Ends
- Cost Recovery – no longer itemize surcharge
- Increased technology allowed

Implementation of PA 342

- Effective date : April 20, 2017 (120 days)
- Staff Led Workplans/Workgroups
 - Framework
 - Regular Updates
 - SharePoint
- Emphasis on Stakeholder Involvement
- Website (Michigan.gov/MPSC)
 - Release on March 15

Goal for Renewable Energy and Energy Waste Reduction

- Goal
 - 35% combined renewable energy and energy waste reduction
 - Reasonable and prudent limitation

Thank you for attending our webinar

Warren Leon

RPS Project Director, CESA Executive Director

wleon@cleanegroup.org

Visit our website to learn more about the RPS Collaborative
and to sign up for our e-newsletter:

www.cesa.org/projects/state-federal-rps-collaborative

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Upcoming Webinars



Comparing the Abilities of Energy Storage, PV, and Other Distributed Energy Resources to Provide Grid Services

Monday, March 13, 3-4:30pm ET

Solar+Storage for Low- and Moderate-Income Communities

Thursday, March 16, 1-2pm ET

Solar+Storage Industry Perspectives: JLM Energy

Wednesday, March 22, 2-3pm ET

Low-Income Solar, Part 1: Lessons Learned from Low-Income Energy Efficiency Programs

Thursday, March 23, 1-2pm ET

Interactions between Wind Turbines and Wildlife, Part 2

Wednesday, March 29, 1-2pm ET

Low-Income Solar, Part 2: Using the Tools of Low-Income Energy Efficiency Financing

Thursday, March 30, 1-2pm ET

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