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Protecting the Midwest's Environment and Natural Heritage

Illinois Renewable Portfolio Standard

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Context: Pre-RPS

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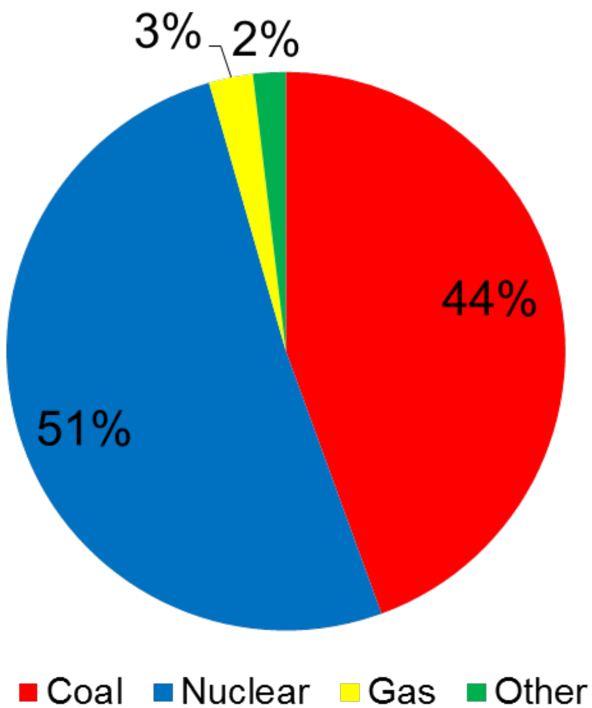
Illinois Generation Mix 2001



Illinois Renewable Gen (GWh)

	Wind	Solar	Total
2001	0	0	0
2004	78	0	78
2008	2,337	0	2,337
2012	7,727	31	7,758
2013	9,607	64	9,671

Price of Power

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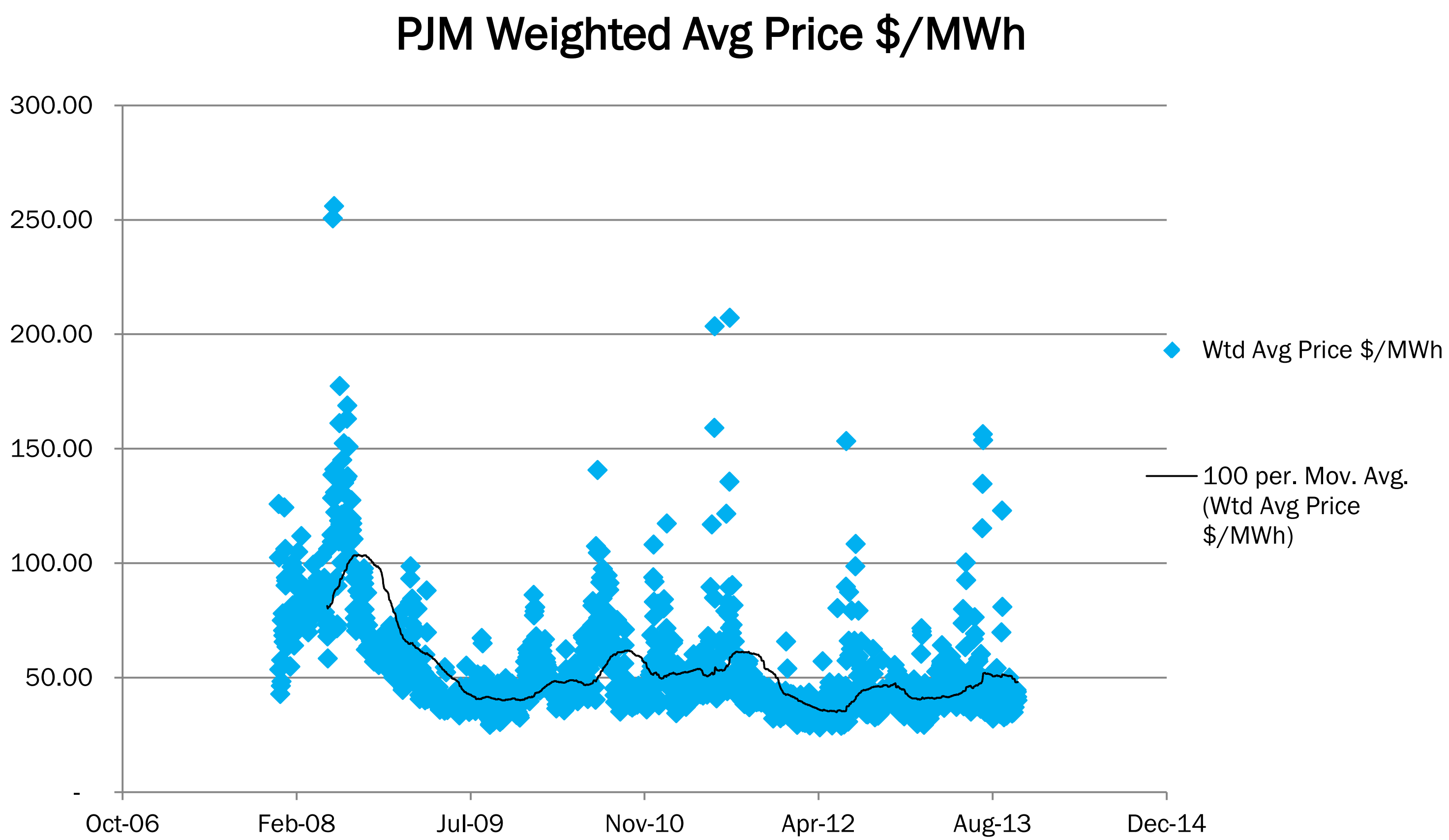

The Renewable Energy Standard

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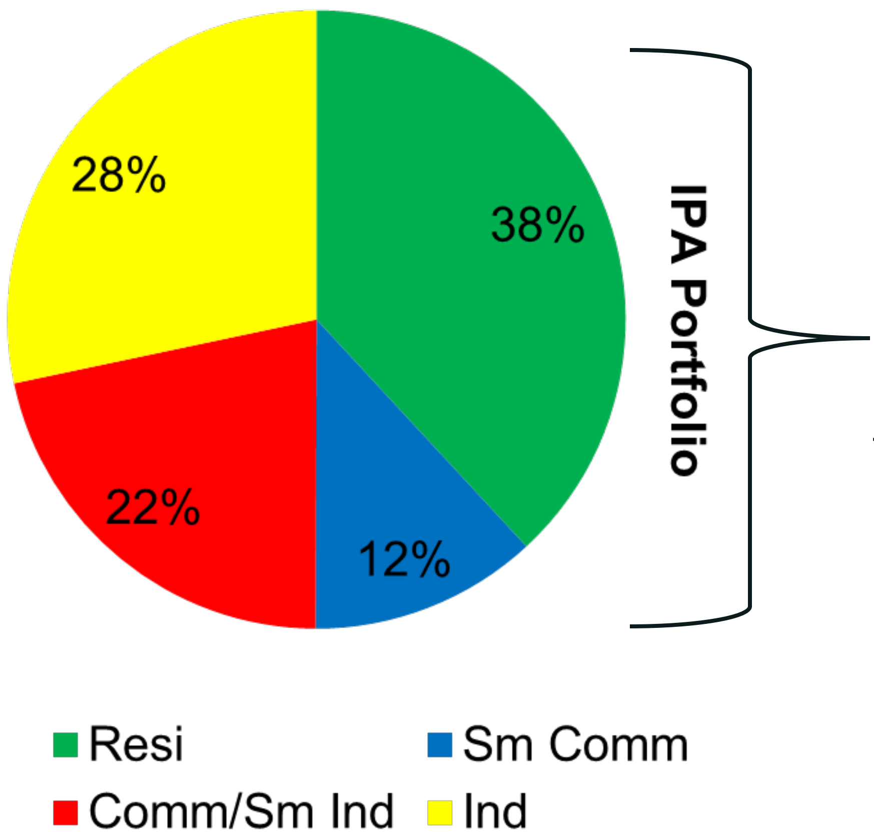

2007

- 25% by 2025 for utility supply customers
- Required purchases by the Illinois Power Agency on behalf of utility supply customers
- 2% rate cap (~$1.86/month) total up to ~$120 M per year.
- In-state preference until 2011. Otherwise DG is only in-state
- 75% wind, 6% solar (2009), 1% DG (2011) by 2015

The Renewable Energy Standard

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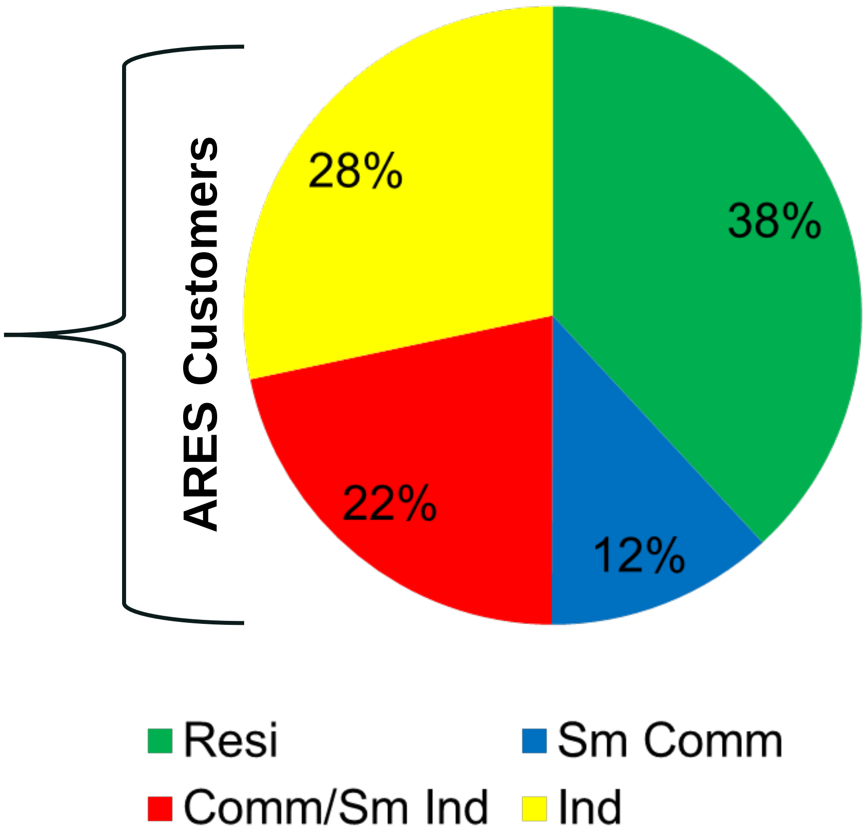

2009

- 25% by 2025 for ARES supply customers
- Can self-supply ½ of requirement: 60% wind, 6% solar (by 2015), all PJM MISO
- Other ½ is paid thru ACP. ACP based on cost to utility customers. Paid to IPA into RERF.

The Good

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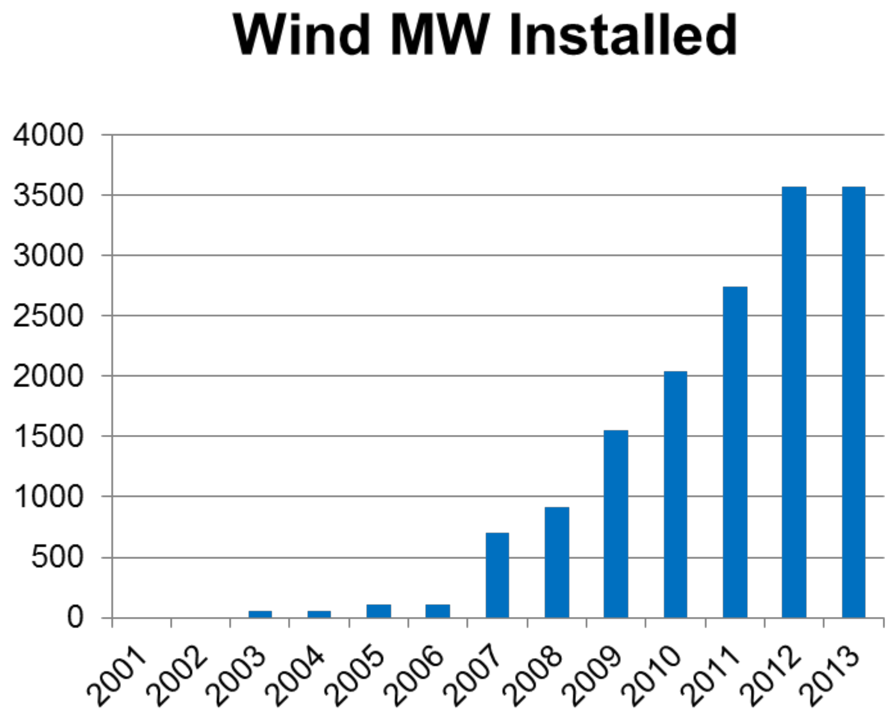
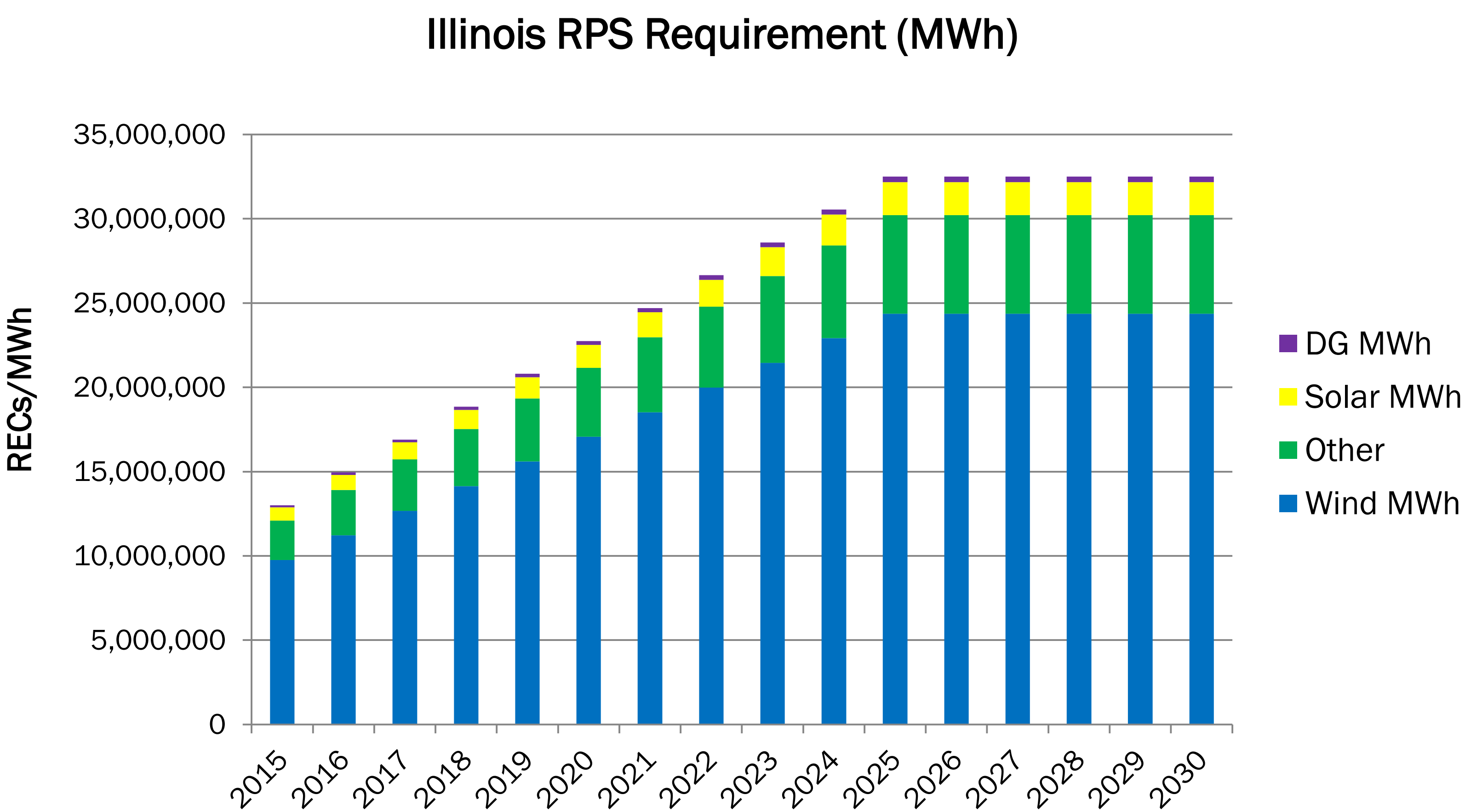
- Job creation– 13,000 construction jobs
- New Property Tax revenue - $22 million
- Annual Lease Payments to landowners - $10 million
- Energy Cost suppression - $176 million in 2011 alone
- # of MW installed - 4th in US



The Good: If Nothing Changed



The Risky

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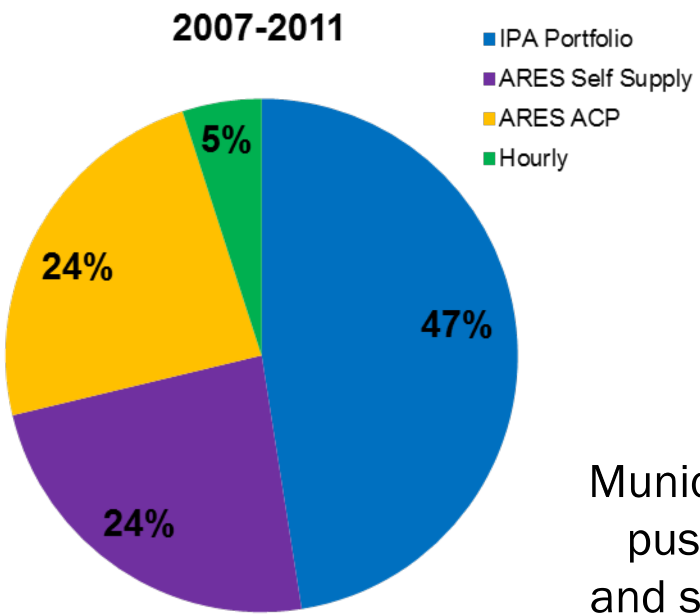
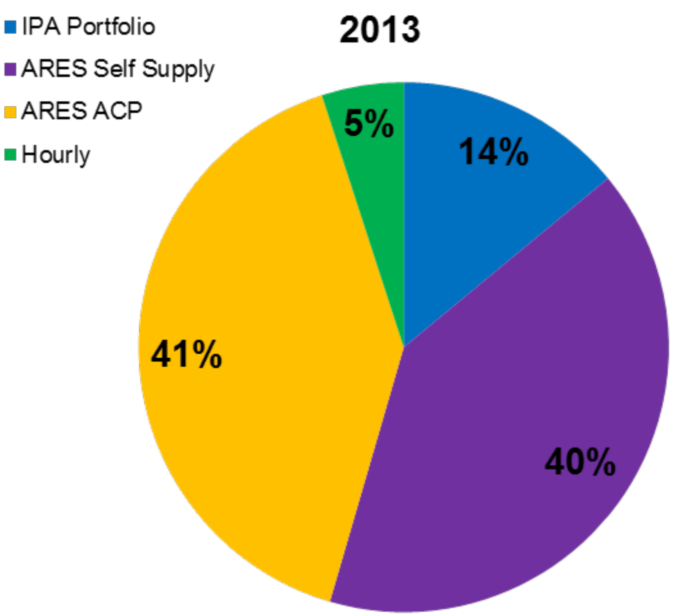


2012

Municipal aggregation pushes residential and small commercial customers to ARES. IPA portfolio shrinks.



Complexity and Risk

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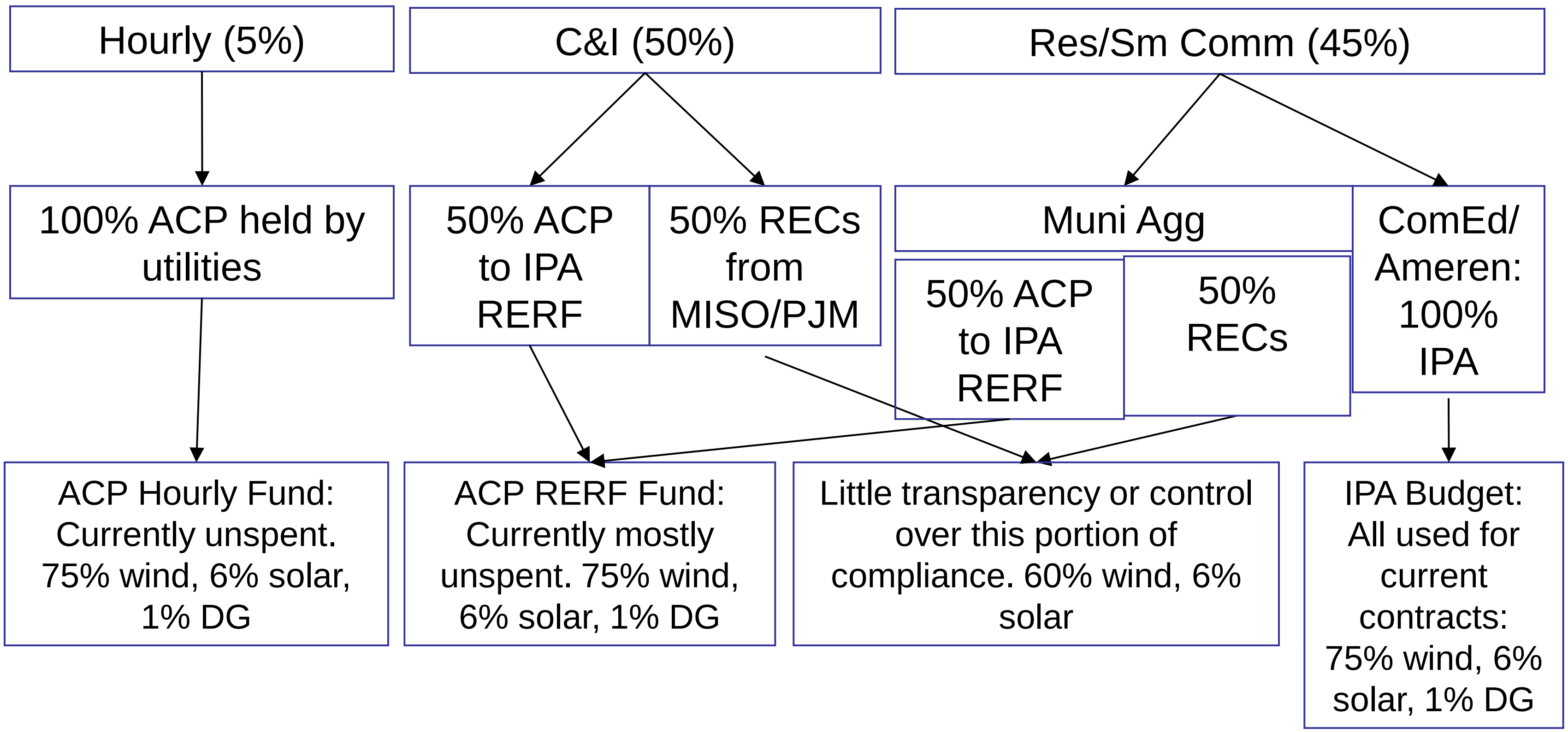


Three separate funds that are constantly changing and don’t work together.

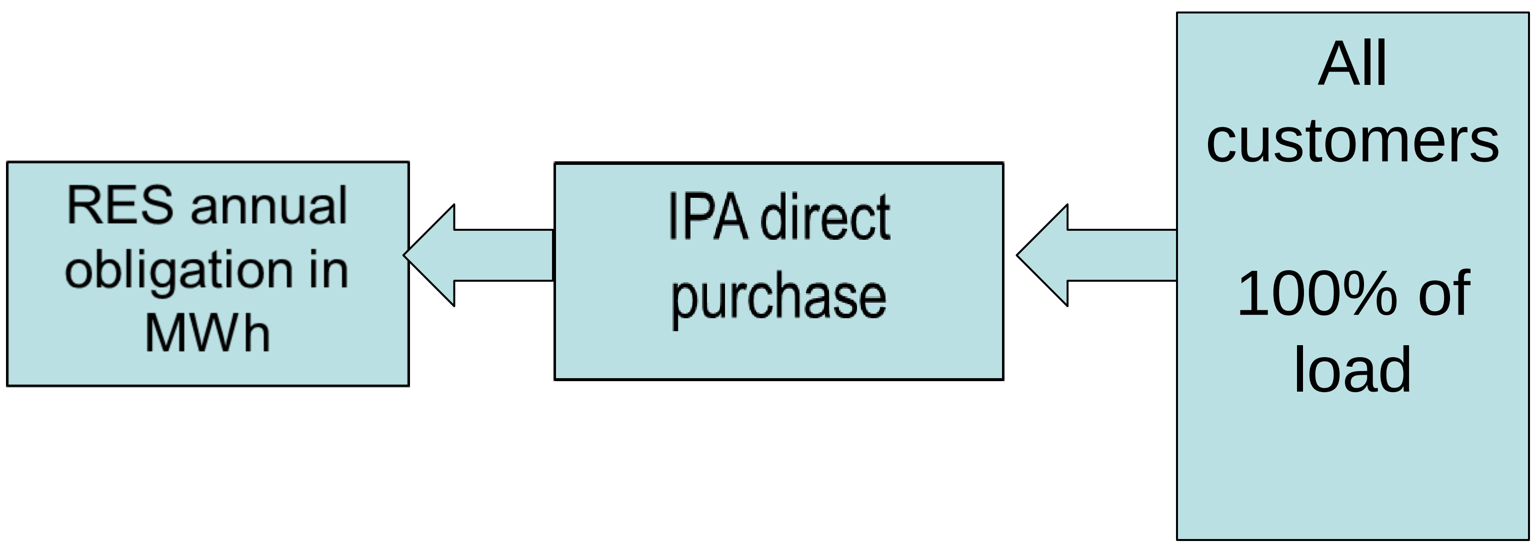
The Ugly

Between historically low natural gas and electric prices and the impact of municipal aggregation, the existing Illinois RES is no longer effective as a policy to stimulate development in the state .

The Future of the RPS

We must find a way to transform the RPS back to a policy mechanism that results in the development of in-state renewable energy projects.

Simple, fair, transparent, consistent, stable.



Questions

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