



## SUPPORT SB3637: CLEAN & RELIABLE GRID ACT

**Our country's power sector has undergone significant transformation for over a decade, yet federal and regional entities have been slow to ensure our aging power grid adapts to these changes and remains resilient amidst extreme weather events and climate change.**

Fortunately, the 2021 Climate & Equitable Jobs Act (CEJA) has put Illinois on track to adapt to the energy transition and grow our clean energy economy. But there is still more Illinois can do to ensure we have a clean, reliable, and affordable power grid.

SB3637 proposes solutions that focus on 1.) updating and maximizing Illinois' energy efficiency policies, 2.) offering customers more options to reduce their electricity demand during expensive peak hours, 3.) requiring transparent energy planning by municipal utilities and cooperatives, and 4.) reducing barriers to build interstate transmission lines.

### Strengthen energy efficiency

- **Increase utilities' minimum spending on low-income efficiency programs.** This ensures that the customers who could benefit the most from efficiency upgrades are equitably served.
- **Modify minimum low-income electrification requirements to ensure that electrification is pursued for low-income housing only when it will lower annual energy bills.** Any funds not spent on low income electrification will be spent on other low-income measures such as insulation and air sealing. This change will also ensure that electrification of non-low-income homes and businesses can be better supported.
- **Update the way that Illinois utilities' energy efficiency goals are structured to provide flexibility to address both longer-lived and shorter-lived savings opportunities.** Current law makes it difficult for utilities to meet future savings goals if they invest in efficiency measures that last only three, five or even ten years - even if such investments are very cost-effective. New annual savings goals will encourage utilities to pursue all cost-effective savings.
- **Increase Ameren's savings goals to levels consistent with ComEd's.** The cheapest electricity is the electricity that is never used. Expanding energy efficiency programs in Ameren service territory will give all Illinoisans access to the same level of energy efficiency opportunities to reduce utility bills and help improve grid reliability in central and southern Illinois by reducing energy demand.
- **Bring large energy users into electric energy efficiency programs.** Current law allows the state's largest industrial and commercial energy users to opt out of participation in energy efficiency programs, and most are doing so. This means that some important opportunities to affordably meet our grid reliability needs are missed, unfairly burdening families and small businesses.
- **The true societal cost of carbon emissions is not reflected in current IL law.** SB3637 would correct a long ignored definition of the cost of carbon in Illinois law, updating it to reflect science-based assessments of the damage caused by emissions and the most up-to-date federal estimates of the monetary cost of those damages. This will ensure that assessments of cost-effectiveness of utility efficiency programs properly value climate benefits.



## Give customers more electric rates options

- **Create smart, “time of use” electric rates.** Electricity is clean, plentiful, and affordable at some times – like at night – but expensive, dirty, and scarce at times of high (or “peak”) demand. SB3637 allows customers to take full advantage when electricity costs are low. Predictable “time of use” rate options where electricity is cheaper at certain hours of the day can save customers money, reduce

## Transparency, planning, and oversight of municipal utilities & cooperatives

- **Good governance and transparent energy planning for municipal utilities & electric cooperatives.** Over 1 million Illinoisans get their electricity from a provider other than major utilities such as ComEd and Ameren. These providers – munis & coops – are not regulated by the ICC; and nothing in this bill changes that. However, the munis & coops are not currently required to utilize industry best practices to forecast and plan for future electricity needs. SB3637 requires the munis & coops to do such planning and to engage their ratepayers, developing non-binding plans to meet the same clean energy goals as ComEd and Ameren.
- **Improve transparency, democratic participation, and local oversight.** The munis & coops leave their ratepayers in the dark about where their electricity comes from, its costs, and the policies their trade association and lobbyists are pushing. SB3637 removes an exception to the Open Meetings Act that applies to these providers and increases the ability of municipal & cooperative ratepayers to have input into the management and selection of leadership.

## Prioritizing clean energy resources

- **Allows the IPA to consider if energy is clean.** SB3637 would reduce Illinois’s carbon emissions by directing the Illinois Power Agency to consider whether the power it procures for default supply is clean, establishing a preference for the Agency to procure clean energy when the cost is near or below the cost of fossil fuel energy.
- **All suppliers should do their part to procure clean energy.** SB3637 would require ARES to meet the same clean energy procurement goals of the ComEd and Ameren portfolios to ensure all energy providers are sharing responsibility for the energy transition.

## Transmission improvement to strengthen power grid

- **Transmission is critical to a reliable and clean grid.** SB3637 would clarify the definition of public utility to ensure merchant transmission project developers can apply for certificates of public convenience and necessity.

## Increase access to Solar for All for low-income households

- **Solar for All eligibility needs to be updated more regularly.** SB3637 changes the rate that low-income households are assessed from every five years to every year, to better keep pace with changes in inflation and wage growth.