

COMPETITIVE CLEAN ENERGY ACT

SB 135 & HB125

WHY DO WE NEED THE COMPETITIVE CLEAN ENERGY ACT?

The State of Illinois is extending its national leadership in electricity generation that is free of greenhouse gas emissions.

The Competitive Clean Energy Act eliminates all carbon emission from the Illinois power supply by 2050 and minimizes consumer impacts while encouraging innovation, job growth and private sector investment.

- Delivers clean energy goals at a lower cost
- Clear, verifiable, ramp to 100% carbon free energy by 2050
- All sources of zero-emission generation eligible to compete – lowest cost providers win
- Enhances ability for new clean energy generation to win contracts; existing generation gets guaranteed future revenues to pay for their carbon-free attributes
- Ensures greater reliability and lower costs by remaining in a proven and established wholesale energy market
- Allows businesses and municipalities to *voluntarily* buy clean energy above state-mandated levels

Achieving clean energy goals while protecting consumers and promoting jobs will require harnessing the power of the competitive marketplace to find the fastest, lowest cost and most effective decarbonization solutions. The Competitive Clean Energy Act does this by requiring all emission-free energy sources to compete against each other, driving down costs to consumers.

WHAT IS THE COMPETITIVE CLEAN ENERGY ACT?

The Competitive Clean Energy Act delivers to consumers the lowest cost solution from the full range of available carbon-free resources on a fair and competitive basis. Because every increment of clean electricity, regardless of technology, fights climate change, all sources of clean energy are paid the same price, determined each year in a competitive auction.

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All zero-carbon resources – nuclear, wind, solar, or any other – compete on a level playing field, regardless of when they were built or who owns them. Illinois procures enough clean energy to meet its carbon abatement goals from the lowest cost provider, with the freedom to go beyond its target when prices are falling. At the same time, municipalities and businesses can join in auctions to achieve their own clean energy objectives and new projects can lock in long-term contracts to help secure project financing. Consumers are protected by overall caps that keep costs from rising above what Illinois is already spending on less efficient clean energy programs.

WHY IS THE COMPETITIVE CLEAN ENERGY ACT BETTER?

Although technology-specific subsidies can drive clean energy investment, they come at a substantial cost to consumers and are an impediment to identifying and implementing the lowest-cost decarbonization solutions. Limiting competition between clean energy resources by carving out large swaths of the market to incumbent, zero carbon resources improperly shifts technology, market, and operational risk away from generators and onto taxpayers and consumers. Recreating this structure at the Illinois level would be a complex proposition that would increase cost and decrease reliability in Illinois.

The Competitive Clean Energy Act structure is reliable and affordable, allowing Illinois to stay in the established and proven PJM market that serves 65 million people in 13 states and the District of Columbia while still greening the state's electrical supply. The trained professionals running PJM save consumers billions annually while ensuring reliability, providing the needed generation capacity and reserves to meet customers' demand and protecting grid stability.



100% Clean Energy by 2050



Lower Cost to Consumer



Values existing clean generation while supporting development of new renewable and zero-emission generation, energy efficiency and demand response.

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