

News Release

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HB 3328/SB1879 Offers a Comprehensive Plan for Illinois' Energy Future

Proposal Expands Access to Clean Energy Options, Creates Jobs and Provides More Customer Choice

CHICAGO (March 19, 2015) – Legislation being introduced today in the Illinois General Assembly will expand support for renewable energy in Illinois and ensure that energy consumers and the state economy will continue to benefit from affordable power, a more secure and resilient grid and innovation that is establishing Illinois as a leader for a greener, cleaner future.

“The Smart Grid is the platform for our energy future,” said ComEd President and CEO Anne Pramaggiore. “It provides the flexibility needed to further integrate clean, renewable energy onto our power system, while enhancing the resiliency of the grid and meeting the growing demand among customers for more energy choices. HB3328/SB1879 offers a balanced and sustainable plan for Illinois to build upon this platform and enable energy customers to realize the full potential of a 21st Century grid.”

Sponsored by State Senator Kimberly A. Lightford (D-Maywood), State Representative Bob Rita (D-Blue Island) and State Rep. Ed Sullivan (R-Mundelein), the legislation will create at least 400 full-time equivalent jobs in Illinois. These initiatives will initially result in a modest decrease on the average monthly customer bill and a modest increase in later years, but when averaged over the entire 10 years of the program the impact on customer bills is essentially zero.

“This legislation will not only drive growth in renewable energy, it also makes it possible for people at all income levels to benefit from it by participating in community solar projects, without having to shoulder the cost of a rooftop system,” said Sen. Lightford.

Pramaggiore outlined the new initiatives, emphasizing the importance of building upon the smart grid program that was established with the 2011 enactment of the Energy Infrastructure Modernization Act (EIMA).

“Our legislation maximizes the critical investments that are being made in Illinois’ energy and economic future, such as the Smart Grid program,” said Pramaggiore. “We need to take full advantage of the infrastructure enhancements we have recently made and recognize that the next evolution of the grid is necessary to meet the demands of a fast-moving digital economy that places a high priority on reliable power.”

The legislative proposal includes measures to strengthen the security and resiliency of the grid, the construction of microgrids, community solar projects and the expansion of energy efficiency programs.

More Power Resiliency and Security for Critical Infrastructure

The legislative package features a proposal to construct microgrids, which are small power grids that can connect to the main grid or operate independently, reinforcing reliability and resiliency during extreme weather or other events. HB3328/SB1879 would enable ComEd to invest \$300 million in six microgrids that will service public facilities and infrastructure that are integral to healthcare, homeland security, transportation and water services. The microgrid program would also create at least 300 full-time equivalent jobs.

"We need a comprehensive energy policy in Illinois and one important part of that policy should be preparing for the unexpected," said Rep. Rita. "The microgrids proposed in this pilot project will protect and strengthen our critical electric infrastructure, while we are also working to find new ways to produce the energy we need to power our homes and economy. We will work together this spring to find the right mix for our energy future."

Accessible, Affordable Solar Power for the Community

While current Illinois law allows homeowners to generate their own solar power and sell excess power back to the grid, apartment dwellers and others without suitable space or those who can't afford the investment cannot enjoy the benefits of owning renewable generation. ComEd's legislative proposal would expand access to solar power to all types of homeowners from all income levels by encouraging development of community solar projects. It would require utilities to offer Meter Aggregation, which makes use of digital smart meter technology to create a "pool" of community-based solar power that can be shared by multiple customers. To ensure the equitable sharing of grid costs, utilities would recover residential delivery costs through a combination of charges, including a demand charge, that better reflect how the grid is used and makes sure low-income customers aren't subsidizing those who can more easily afford solar energy and other new grid uses.

Jumpstarting the Electric Vehicle Market for a Greener Illinois

An Electric Vehicle (EV) Charging Station Pilot program is designed to jumpstart the electric vehicle market in Illinois by authorizing utilities to invest up to \$100 million to construct 5,000 publicly accessible EV charging stations over a five-year period.

The stations would be located in five target areas: (1) publicly accessible parking facilities to support residents of multi-unit dwellings; (2) workplace locations accessible to employees and visitors; (3) municipal parking lots; (4) long-term or overnight public parking; and (5) economically disadvantaged areas.

Each station will be powered by solar generation and the energy needs will be included in the Illinois Power Agency's annual procurement. The program will create at least 50 full-time equivalent jobs, including construction, engineering and project management positions.

Expansion of Energy Efficiency Programs for Greater Energy and Cost Savings

HB3328/SB1879 would build upon the success of ComEd's Smart Ideas energy efficiency programs, which have saved customers more than \$1 billion on their electric bills and eliminated 16.5 billion pounds of CO2 emissions from the atmosphere since 2008. The legislation would allow utilities to expand energy efficiency offerings, including investments in voltage optimization, which allows for precise monitoring and control of the energy delivered to homes and businesses, decreasing energy losses while maintaining high quality power. Voltage optimization can reduce energy consumption by up to 1.9 billion kWh, reducing CO2 emissions by up to 2.8 billion pounds or the equivalent of removing 276,074 cars from the road. This program will also allow utilities to earn a return on energy efficiency investments and thereby incent more efficiency, and will allow costs to be amortized over five years, mitigating rate impacts. The program will create at least 50 full-time equivalent jobs, including construction, engineering and project management positions.

“The energy efficiency programs that have been in place for the past eight years have produced excellent results but it will be hard to achieve higher goals without the additional investment and innovation that this legislation supports,” said Rep. Sullivan.

Additional Assistance for Customers in Need

Under the legislation, utilities will be able to help even more Illinoisans facing financial hardship, including families and seniors, veterans and nonprofits. Through the Smart Grid program (EIMA), ComEd is currently committing \$50 million through 2016 in critical financial assistance to help customers in need pay their electric bills. The legislation extends these programs for another five years through 2021, enabling ComEd and utilities serving more than 3 million customers to contribute \$10 million per year to existing EIMA financial assistance programs or similar programs.

Refining the Renewable Portfolio Standard for a Greener Energy Future

The legislation refines the State of Illinois' existing renewable portfolio standard to better serve as a viable solution for ensuring a green energy future in our state. Specifically, the amendment refines the Illinois Renewable Portfolio standard established in 2007 to better incorporate what has been learned over the last eight years, including the impacts of municipal aggregation. The legislation will release funds available today for investment in wind and solar energy. It also will ensure that the Illinois Power Agency (IPA) will procure renewable energy credits for customers who receive energy supply from a utility and for the majority of residential customers who receive energy supply from an Alternative Retail Electric Supplier (ARES).

New Rate Structure for Equitable Sharing of Grid Costs

The legislation proposes a rate structure that allows for innovative new uses of the grid while ensuring that related costs are borne by those who directly benefit. Residential customers would pay for power delivery based on their peak demand, instead of overall consumption. In use for years for commercial and industrial and other non-residential customers, demand-based rates accomplish three key goals: (1) incent peak reduction; (2) allocate costs of the electric grid more fairly to ensure that residential customers only pay their fair share of costs; and (3) better align utility revenue with the fixed costs needed to ensure a reliable grid.

“Illinois residents and businesses will all benefit from the lean and green energy options designed to deliver energy more efficiently, reduce carbon emissions, take energy security to the next level and drive Illinois’ digital economy,” said Pramaggiore. “The programs we’re proposing are investments in our state’s long-term energy and economic future. We look forward to a dialogue with policy makers and stakeholders about the many customer benefits of this legislation, from cost savings to a cleaner environment and greater protection from severe weather and potential major emergencies.”

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