



Transforming Policy. Expanding Markets.

To: Honorable Gov. J.B. Pritzker
From: Daniel Bloom, Advanced Energy Economy
Date: January 24, 2020
RE: Harnessing a Bright Energy Future for Illinois

On behalf of Advanced Energy Economy (AEE) – a national association of businesses dedicated to making our energy system more secure, clean, and affordable – we are writing to share a set of principles that should guide the development of comprehensive energy policy by Governor Pritzker and his administration. As you consider these and other measures, we emphasize crafting a comprehensive package based on these principles to support long-term growth in the state's renewable energy, energy efficiency, demand-side management, and advanced transportation sectors, create good paying jobs, and reduce carbon emissions.

Specifically, Governor Pritzker can accomplish this vision for Illinois by guiding the state in a direction that achieves the following goals:

- Resolving the immediate threat to continued growth and job creation in the renewable energy industry and setting the foundation for an economy that runs on 100% clean energy. Increasing the state's renewable portfolio standard (RPS) budget and putting in place a financeable contract structure is necessary to achieve this goal and will provide stable near- and long-term funding for renewable energy projects, both large-scale and distributed projects participating in the Illinois Adjustable Block Program;
- Increasing the utilization of energy efficiency to lower electric and gas costs for all Illinoisans, starting with creating a self-direct program for large commercial and industrial end-users to allow those customers to direct their own investments toward energy efficiency upgrades at their facilities;
- Maintaining and expanding demand response (DR) participation from thousands of end-use customers in Illinois. Homes and businesses need continued access to the stable, competitive price signal that has supported their DR participation in Illinois to date. To this end, legislation needs to protect customer access to DR payments in order to avoid adding significant costs to all end-users.
- Electrifying the state's transportation sector by redesigning vehicle incentive programs, upgrading public transit fleets, releasing Volkswagen Mitigation Settlement funds in a timely manner, ensuring choice in time-varying electric supply products, and establishing a state electrification target for Illinois;
- Expanding customer access to renewable and advanced energy resources and ensuring that commercial and industrial customers that have made, or will make, voluntary commitments to power their operations with renewable energy can continue to do so cost-effectively;

These principles are derived from AEE's "Advanced Energy Transition Guide" for Illinois, which was originally submitted to Gov.-elect Pritzker in November 2018 and lays out a set of key policies to support a clean energy economy in the Land of Lincoln. This document outlines a suite of policy recommendations that can drive investment in clean energy and job creation in the state, which will help achieve the state's economic

and energy policy priorities. We hope this document will serve as a guide to the Pritzker administration as it considers its policy priorities for the next few years.

Advanced Energy Economy appreciates the opportunity to provide recommendations to the Governor's Staff and looks forward to working with you to help grow Illinois' advanced energy economy. If you have any questions, do not hesitate to contact us.

Daniel Bloom
Principal
Advanced Energy Economy
Email: dbloom@aee.net
Phone: (847) 370-8776