

Letter to the Editor: Muni & Coop Power Customers - Getting Left Behind Again?

by Jean Korte

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Letter to the Editor:

Most Illinois consumers pay Ameren or ComEd for their electricity. Yet one million other Illinoisans pay their municipality or a local cooperative (Muni/Coop) to flip on the light switch. Muni/Coops, exempt from the Illinois 1997 Rate Relief Act, are left with aging technology and little oversight. As the communities grew, they needed more

power. Instead of transitioning to the broader Illinois grid system, many communities signed long-term contracts, extending beyond 2030, with unregulated utilities. These communities now face varying, unclear rate structures and barriers to cheaper, cleaner power. As Illinois plans for energy reform, we need to ensure Muni/Coop customers are not left behind again.

Unregulated utilities severely limit how much solar a community can install. For example, school districts are perfect solar customers. They use the majority of their electricity during the day. School districts located in Muni/Coop areas are being denied full-scale solar projects. Conversely, other school districts, like Triad Community School District, are going solar, which will free up utility money for educational programs. Another example of the barriers faced: 'Community Solar' and 'Solar for All' are Illinois programs that guarantee an electricity discount for income-qualified consumers. Most unregulated utilities do not allow participation in such programs. All Illinois electricity customers, including Muni/Coop customers, must have equal access to renewable energy.

Solar does not provide energy at night, and the wind does not blow all the time. So how much renewable energy should be in our energy mix? In Southern Illinois, our grid operator is MISO. MISO testified that they could safely manage 30% renewable energy penetration. At 40%, they would need considerable transmission upgrades. Rightly so, Illinois is on the path of increasing renewable energy. Unfortunately, unregulated utilities have no incentive to do what's best for the people they serve. They force Muni/Coop participation in the fossil fuel industry. They use rate-payer and subsidy dollars to lobby on behalf of fossil fuel businesses, like Prairie State Energy Campus (PSEC). PSEC is where many Muni/Coops get most of their power.

Years ago, Peabody Energy was the owner of the project we now know as Prairie State Energy Campus. Peabody Energy realized coal did not have a viable economic future, so they sold PSEC, and the associated risk, to nine entities, with hundreds of members across seven states. Those nine owners receive millions in Federal tax dollar subsidies to remain solvent.

No one likes to see a business close, but they understand why it happens. Would you stop streaming videos in order to keep DVD stores open? How long should tax payers and rate payers fund a dirty, expensive coal business? No one is saying PSEC should close tomorrow. The Clean Energy Jobs Act provides a ten year "just transition" to help communities move toward the renewable energy economy. In order to do this, PSEC must be subject to the same transparency the Governor is requesting from Exelon's nuclear power generators.

PSECs ownership structure (nine entities) and huge debt obligations, requires transparency to guide future decision-making that is in the best interest of all stakeholders. PSEC emits more greenhouse gases than any power plant in Illinois. They are on the verge of huge capital expenditures of taxpayer and ratepayer dollars for a carbon sequestration project, when similar technology is shutting down in Texas due to cost overruns and failure to perform:

<https://ieefa.org/ieefa-u-s-mothballing-of-petra-nova-carbon-capture-project-shows-likely-fate-of-other-coal-fired-ccs-initiatives/>

Coal plants are closing all across the country. It's clear that "All of the above" is not the power strategy that is best for our future, so let's face the future with a plan: The Clean Energy Jobs Act (CEJA) lays the foundation to transition to renewable energy.

Step one is that all Illinois utilities must be held to the same ethics and transparency standards currently under review. Let's fund energy that is best for our quality of life. As energy reform is in the planning stages across Illinois, let's insist that Munis/Coops have equal access to renewable energy and that PSEC open their books to be part of the transition. Let's not leave Muni/Coop customers behind!

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