

# **Gov. Pritzker Signs Transformative Legislation Establishing Illinois As A National Leader On Climate Action**

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CHICAGO – Delivering on principles previously laid out, Governor JB Pritzker signed landmark legislation into law that puts the state on a path toward 100% clean energy, invests in training a diverse workforce for the jobs of the future, institutes key ratepayer

and residential customer protections, and prioritizes meaningful ethics and transparency reforms. Illinois is the first state in the Midwest to enact legislation to combat the climate crisis and build an economy for the future.

“We can’t outrun or hide from climate change – not to the north, where the Boundary Waters burn; not to the south, where Ida swallows lives and livelihoods in the blink of an eye,” said Governor JB Pritzker. “There is no time to lose. Thanks to the Climate and Equitable Jobs Act, Illinois is taking action in the fight to stop and even reverse the damage that’s been done to our climate. As of today, Illinois is a force for good, for an environmental future we can be proud of. With economic growth and jobs woven into its fabric, this new law is the most significant step Illinois has taken in a generation toward a reliable, renewable, affordable, and clean energy future in a generation.”

“Preserving our existing fleet of nuclear reactors, adopting more clean and renewable energy, and incentivizing sales of electric vehicles are all key components of President Biden’s Build Back Better agenda and essential to reaching our nation’s bold climate goals,” said United States Secretary of Energy Jennifer M. Granholm. “Thanks to the leadership of Governor Pritzker and legislators, Illinois will keep a number of nuclear power plants online – preserving thousands of good-paying jobs – all while showing just what bold state-level action can do to usher in the clean energy future.”

"The magnitude of this legislation cannot be overstated," said House Speaker Emanuel "Chris" Welch. "We have a clear path to a carbon-free future with a more diversified energy sector that includes some of the strictest utility ethics reforms in the country. We did all of this in a bipartisan way with the support of labor and environmental advocacy groups, as well as thousands of others. I want to thank everyone who had a hand in these negotiations that resulted in a final product all of Illinois can be proud of."

“Our goal all along was to enact reliable, renewable and affordable energy policies that create thousands of jobs in a burgeoning green energy economy and put Illinois at the forefront of addressing the undeniable threats of climate change,” said Senate President Don Harmon (D-Oak Park). “With the governor’s signature today, that shared goal becomes our new reality. I want to thank my Senate colleagues, the House and Governor Pritzker for all their hard work in bringing this to fruition.”

“This landmark legislation prioritizes the hardworking people of Illinois’ energy industry and addresses the economic impacts the coal plant closures have on both workers and the economy,” said State Senator Christopher Belt (D-Swansea). “I’m proud to have negotiated a deal that makes Illinois a national leader in the ongoing energy crisis while prioritizing jobs.”

“Historically, Black and Brown communities have been disproportionately impacted by climate change,” said State Senator Cristina Castro (D-Elgin). “After years of fighting the battle for clean energy, I am proud we came together to pass a comprehensive energy package that puts environmental justice and equity at the center of the work to move Illinois to 100% clean energy.”

“This ambitious plan would make Illinois a national leader in fighting climate change and creating jobs in the clean energy economy,” said State Senator Bill Cunningham (D-Chicago). “This law has been years in the making, and I want to thank both the labor and environmental communities for their passion and dedication in getting it across the finish line.”

"Our historic agreement is the culmination of a difficult, but worthwhile negotiation process where we refused to accept anything less than the best for Illinois' clean energy future," State Senator Michael E. Hastings (D-Frankfort) said. "Our work product is one that is renewable, reliable, and affordable for all Illinoisans."

“Historically, Black and Brown people have fought tremendous battles against climate change while hazardous wastes are disproportionately poured into their communities,” said State Senator Celina Villanueva (D-Chicago). This comprehensive energy package addresses environmental justice and equity in our current climate crisis. This plan makes Illinois a national leader in fighting climate change and creates thousands of good-paying jobs in the clean energy economy. I am proud to have worked as a leader in the Senate to get this legislation approved and I look forward to continuing the fight in improving global health.”

“For over two years, stakeholders and legislators on both sides of aisle have tirelessly worked on crafting legislation that would both preserve our state’s critically needed nuclear fleet and put Illinois on a path to a better and cleaner energy future,” said State Senator Sue Rezin (R-Morris). “With today’s signing of Senate Bill 2408, we not only preserve our state’s entire nuclear fleet and their thousands of good-paying jobs, but take an important step to achieve our 2050 carbon-free goals and creating even more jobs throughout the state of Illinois.”

“Climate change is one of the biggest threats to humanity and we cannot afford to ignore the effects it has on our lives and communities. The Climate and Equitable Jobs Act will address climate change and make Illinois a leader in the development of clean and renewable energy,” said State Representative Kam Buckner (D-Chicago), Chair of the Illinois House Black Caucus. “By putting the needs of consumers and the climate first,

Illinois will have a clean and secure energy future that boosts small businesses, creates thousands of new jobs for families across the state, and makes sure no community is left behind as we transition to a clean energy future.”

“Bringing together environmental advocates, labor unions, and business groups we were able to create legislation that will protect consumers and workers. We also have a set road map for moving Illinois toward 100% clean energy,” said State Representative and House Leader Marcus Evans (D-Chicago). “This legislation will make Illinois a nationwide model for transitioning from fossil fuels to renewable energy in a way that promotes equity for people of color.”

"Today's bill signing places Illinois as a national leader for comprehensive, sustainable, clean energy," said State Representative and House Leader Robyn Gabel (D-Evanston). "As a State, we were able to prioritize protecting our environment while also keeping thousands of high-quality jobs in Illinois and providing equity standards for Black and Brown communities. This monumental legislation comes from the years of work put forth by environmental advocates, community groups, and labor unions without whom this bill would not be here today"

“By ensuring labor unions had a strong voice in this legislation we were able to reach an agreement that protects Illinois jobs and provides career training to ensure no one loses their livelihood as the industry transitions to renewable energy,” said State Representative and House Leader Jay Hoffman (D-Bellefonte). “The energy industry has been the heart of the Metro East and Southern Illinois economy, so as the industry changes, this legislation creates a plan to ensure good-paying jobs stay in the region.”

“Addressing the climate crisis – which remains an escalating threat to the life and health of every one of us – requires aggressive and sustained action at all levels of government,” said State Representative Ann Williams (D-Chicago), Chair of the House Energy & Environment committee. “Our work to create a solid decarbonization plan, make big investments in communities traditionally left behind, and implement strong utility accountability is a gamechanger.”

“Without this new law, nuclear plants would close and consumers would face higher electricity rates in order to buy carbon-based power from out of state,” said State Representative David Welter (R-Morris). “Instead, we’re keeping Illinois’ nuclear plants open and keeping good jobs here in our own state. I would like to give credit to our nuclear plant workers and local leaders for their unrelenting effort toward our shared goal of protecting a reliable energy grid and a vibrant local economy. Their commitment made today possible.”

“For more than three years, members of the Illinois Clean Jobs Coalition have been organizing across the state around a simple but urgent rallying cry: CEJA can’t wait,” said the Illinois Clean Jobs Coalition. “Our climate crisis is certainly not waiting, and environmental justice communities, as well as Black and Brown workers who have been shut out of the clean energy economy, have waited far too long. The Climate and Equitable Jobs Act is a bold, nation-leading law that will put Illinois on a path to a 100% clean energy future, protect public health from pollution, provide a just transition for communities historically dependent on dirty fossil fuels, enact tough utility accountability measures, and create jobs and wealth in Illinois’ Black and Brown communities. The wait is over, but our work is not. We would like to thank Governor Pritzker, legislative champions, and thousands of advocates for their tireless commitment and look forward to collaborating on the implementation of this comprehensive plan to ensure that no one is left behind on Illinois’ path to a 100% clean energy future.”

“The Path to 100 Coalition thanks Governor Pritzker and the General Assembly for creating the largest expansion of renewable energy in our history,” said Nakhia Crossley, Spokesperson Path to 100, Renewable Industry. “The women and men of the renewable energy industry understand that Illinois’ clean energy future depends on us,” said Nakhia Crossley, Central Region Director for SEIA. “Every project we install lowers customers’ bills, creates new career opportunities, and helps power a livable future for our state and our planet. We are ready to take on this challenge while expanding diversity and equity and creating tens of thousands of new jobs. Let’s get to work.”

“This bill not only takes major action on climate change, it supports disadvantaged communities and those transitioning away from fossil fuels,” said J.C. Kibbey, Illinois Clean Energy Advocate, Natural Resources Defense Council. “Today Illinois has become a leader in making policy that addresses the deep ties between climate change, pollution, and social equity. We hope our work here can inform states across the Midwest and the country.”

“The passage of this transformative legislation was only possible because of the bold, principled stand of Gov. Pritzker, the creative collaboration of House and Senate leaders, and the visionary and relentless organizing of our broad, diverse coalition of environmental activists and advocates,” said Jen Walling, Executive Director, Illinois Environmental Council. Together, we crafted and passed a bill that is a model for the entire country, and that lights the way forward to ending our reliance on fossil fuels. We are grateful to the Governor's team, Speaker Welch, President Harmon, other legislative

champions, and our partners in the labor movement for navigating this complex terrain with us in service of creating a world that is safe for future generations."

"EVgo applauds the Pritzker administration and legislature for bringing some of the nation's most ambitious climate legislation to the finish line. This law, which includes complementary policies to scale both electric vehicle sales and charging infrastructure, puts Illinois on a path to become a national leader in transportation electrification, with important attention to environmental justice and transportation equity," said EVgo Vice President of Market Development and Public Policy, Sara Rafalson.

"By working to get one million EVs on Illinois roads by 2030 through smart incentives, the state is supporting a transportation revolution while creating a cleaner, greener state for generations to come," said Pasquale Romano, President and CEO of ChargePoint, the nation's leading electric vehicle charging network. "We thank Governor Pritzker and his colleagues in the legislature for their commitment to making Illinois one of the best states in the nation to drive an EV, and we look forward to working with them to implement these new programs, electrify communities across the state, and ensure Illinoisans can charge electric vehicles wherever they live, shop and work."

After more than a year of energy working group meetings, Senate Bill 2408, brings together the best ideas from a diverse range of stakeholders.

SB 2408 accomplishes the following.

### **Combats Climate Change and Invests in Renewable Energy**

- Provides that it is the policy of the State of Illinois to move toward 100% clean energy by 2050.
- Makes changes to the Illinois Power Agency (IPA) Act to double the state's investment in renewable energy.
- Puts the state on a path to 40% renewable energy by 2030 and 50% by 2040.
- Ensuring that all utility-scale wind and solar projects are built with project labor agreements and that prevailing wages are paid on all non-residential wind and solar projects.
- Requires renewable industry reporting on diversity and inclusion efforts.
- Requires all private coal-fired and oil-fired electric generating units to reach zero emissions by January 1, 2030.
- Requires municipal coal, including Prairie State and CWLP Dallman, to be 100% carbon-free by December 31, 2045, with an interim emissions reductions goal of 45% from existing emissions by no later than January 1, 2035. If that emissions

reduction requirement is not achieved by December 31, 2035, they must retire one or more units or reduce emissions by 45% from existing emissions by June 30, 2038.

- Requires all private natural gas-fired units to reach zero emissions by 2045, prioritizing reductions by those with higher rates of emissions and those in and near environmental justice communities.
- Requires municipal natural gas-fired units to reach zero emissions by 2045, unless companies convert units to green hydrogen or similar technology that can achieve zero carbon emissions.
- Requires all units that utilize combined heat and power or cogeneration technology to reach zero emissions by 2045, unless companies convert units to green hydrogen or similar technology that can achieve zero carbon emissions.
- Creates a coal-to-solar program to support the transition of coal plants to renewable energy facilities.
- Authorizes the Governor to create a commission on market-based carbon pricing solutions.
- Creates a Nonprofit Electric Generation Task Force to investigate carbon capture and sequestration and debt financing options for Prairie State.
- Requires the Illinois Environmental Protection Agency, IPA, and Illinois Commerce Commission (ICC) to jointly conduct a study, every 5 years starting in 2025, on the State's progress toward its renewable energy resources development goals and the current and projected status of electric resource adequacy and reliability throughout the state.
- Requires the ICC to open an investigation to develop and adopt a renewable energy access plan to improve transmission capacity to support renewable energy expansion.
- Permits Ameren to establish up to 2 utility-scale solar pilot projects.
- Permits schools to lease property in excess of 25 years to support renewable energy projects.

## **Invests in Workforce Development**

- Creates the Energy Transition Assistance Fund to allocate funding from ratepayers to support \$180 million in state clean energy programs.
- Allows local governments to engage in community energy and climate planning.
- Creates a displaced energy workers bill of rights to provide state support to transitioning energy sector workers, administered by the Department of Commerce and Economic Opportunity (DCEO) and the Illinois Department of Employment Security (IDES).



- Creates a Clean Jobs Workforce Network Hubs Program, establishing 13 program delivery hub sites that leverage community-based organizations to ensure members of equity-focused populations have dedicated and sustained support to enter and complete the career pipeline for clean energy and related sector jobs.
- Establishes Energy Transition Navigators to provide education, outreach, and recruitment to equity-focused populations to ensure they are aware of workforce development programs.
- Establishes three Climate Works Hubs throughout the state which will be administered by DCEO and will recruit, prescreen, and provide pre-apprenticeship training to equity-focused populations.
- Creates a clean energy contractor incubator program to provide access to low-cost capital and financial support for small clean energy businesses and contractors.
- Creates a returning residents' clean jobs training program to provide training for careers in the clean energy sector to individuals who are currently incarcerated.
- Creates a clean energy primes contractor accelerator program to mentor and support businesses and contractors through business coaching and operational support.
- Creates a jobs and environmental justice grant program to provide upfront and seed capital to support community ownership and development of renewable energy projects.
- Establishes the Energy Workforce Advisory Council within DCEO to make recommendations to the state on clean energy workforce programs.

## **Establishes Transition Programs and Assistance**

- Creates an Energy Transition Workforce Commission to report on anticipated impacts of transitioning to a clean energy economy and recommend changes to the workforce through 2050.
- Requires DCEO to establish an energy transition barrier reduction program.
- Requires DCEO to establish a grant program to award grants to promote economic development in eligible, transitioning communities.
- Requires DCEO, in collaboration with IDHS, to implement a displaced worker bill of rights that provides benefits to displaced energy workers.
- Requires DCEO to administer a transition scholarship program to support youth who are deterred from attending or completing an educational program at an Illinois institution of higher education because of his or her parent's layoff from a retiring power plant.
- Requires DCEO to create or commission a report on the energy worker and transition programs.



- Allows units of local government to establish Community Energy and Climate Plans, which are intended to aid local governments in developing a comprehensive approach to combining different energy and climate programs and funding resources.
- Requires plant owners to notify employees and public officials of a plant closure two years in advance.

## **Ensures Consumer Protections Are at the Forefront**

- Eliminates the customer deposit requirement and late fees for low-income utility residential customers.
- Eliminates the online payment fee for all customers' utility bills.
- Requires utility companies to accurately report to the ICC on the number of shutoffs and reconnections on a monthly basis.
- Provides utility-funded compensation to non-profit representatives of consumer interests that intervene in ICC proceedings in order to increase public engagement and transparency, expand the information available to the ICC, and improve decision-making.
- Requires the ICC to conduct a comprehensive study to assess whether low-income discount rates for residential customers are appropriate and consider the design and implementation of such rates.
- Requires the ICC to initiate a docket to provide for the refunding of excess deferred income taxes by the end of 2025.
- Prevents municipal and cooperative electric providers from imposing discriminatory financial repercussions on customers who self-generate electricity.

## **Establishes Illinois as a Clean Transportation Leader**

- Establishes a goal of adopting 1,000,000 electric vehicles in Illinois by 2030.
- Requires electric utilities to file beneficial electrification plans with the ICC to support the rapid deployment of electric vehicles and make-ready infrastructure statewide.
- Requires IEPA to award rebates to help fund up to 80% of the cost of the installation of charging stations and requires recipients to pay prevailing wage on installation projects.
- Creates an Electric Vehicle Coordinator within IEPA.

- Requires the Department of Transportation to conduct a study to consider how the adoption of EVs will adversely affect resources needed for transportation infrastructure.
- Creates an up to \$4,000 rebate for consumers who purchase an electric vehicle, regardless of where they reside in Illinois.

## **Expands Ethics Reforms**

- Expands statement of economic interest requirements to include any spouse or immediate family member employed by a public utility in Illinois.
- Subjects the Illinois Power Agency to ex-parte communication requirements.
- Creates a Public Utility Ethics and Compliance Monitor to ensure utility companies are meeting the highest level of ethical standards.
- Requires the ICC to initiate an investigation into how ratepayer funds were used in connection with the conduct outlined in ComEd's Deferred Prosecution Agreement, potentially putting refunds back into residential ratepayers' pockets.
- Requires each utility to establish the position of a Chief Ethics and Compliance Officer who must submit annual reports to the ICC.

## **Ends Formula Rates**

- Ends formula rates and transitions to performance-based ratemaking.
- Requires an independent audit of the current state of the grid and expenditures made since 2012.
- Requires utilities to file a Multi-Year Rate Plan where they will be rewarded and penalized based on achievement of ICC-approved performance metrics, which will be based on reliability and resiliency, peak load reductions attributable to demand response programs, supplier diversity expansion, affordability, interconnection response time, and customer service performance.
- Requires annual performance evaluations to evaluate utilities' performance on their metric targets during the previous year.
- Requires utilities to file a Multi-Year Integrated Grid Plan to support the state's clean energy goals and comprehensive grid planning.
- Creates a new Division of Integrated Distribution Planning at the ICC.