

# Possible Summertime Rolling Blackouts A Concern For Illinois Manufacturers

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**THE CENTER SQUARE** – A leading advocate for Illinois manufacturers is worried about price hikes and energy shortages this summer and into the future.

“There is going to be a capacity shortage and we've seen warnings from utilities and regional grid operators talking about potentially rolling brownouts as soon as this summer,” said Mark Denzler, president, and CEO of the Illinois Manufacturers’ Association.

He said prices have been soaring at recent capacity auctions, which reserve energy capacity in the event that it is needed. Agencies are warning that families could be paying an extra \$50 every month and that means businesses will be hit even harder.

“When you consider what a manufacturer, a retailer, a restaurant will pay, it will be significantly higher,” Denzler said. “In a case of some manufacturers, they will pay millions and millions of dollars in higher energy costs.”

Denzler said the energy available, especially in downstate areas, is shrinking due to last year’s Climate and Equitable Jobs Act, which pledged to eliminate Illinois fossil fuel power plants by 2045.

“The state of Illinois is telling these traditional power generators, ‘You’re no longer welcome in Illinois and we’re going to close you down by a certain date,’” Denzler said. “So what’s happened is those companies said, ‘If we’re going to have to close down, why would we invest hundreds of millions of dollars in these facilities? We’re simply going to close them early.’”

The focus on renewable sources of energy and the turn away from coal and natural gas-fired plants remains a worry for the sector.

“You have something to backfill the loss of baseload generation, which is coal-fired energy and natural gas-fired energy,” Denzler said. “Those are power sources that operate 24 hours a day, 365 days a year. As you know, with renewable the wind doesn’t blow every day and the sun doesn’t shine every day.”

“We don’t have the opportunity to just shut down a facility for four hours or six hours or eight hours a lot of time,” Denzler said. “If you’re making certain products, take a food product for example, you can’t just shut down and have that food remain on the line.”

At an unrelated news conference last week, Gov. J.B. Pritzker said he doesn’t expect rolling blackouts, adding power can be bought from other states.

“Nobody should think that what we passed in is reducing the amount of energy that we are able to provide across the state of Illinois,” he said. “What we are doing is incentivizing the creation of more energy production in our state. That’s what’s going on.”

Denzler is calling on lawmakers to get serious about addressing the threat of energy shortages in the state, and he thinks public pressure to do so will quickly build.

“When it becomes one hundred degrees and someone goes to turn on their air conditioner and they're told, ‘I'm sorry, you're in a rolling brownout, you're not allowed to have air conditioning on,’ that's going to generate a lot of phone calls to legislators and the governor,” Denzler said.

Burning coal and gas also creates things like steam, which often is used in industrial processes, and some manufacturers are trying to figure out how they'll get it in the future. Denzler said you can't generate steam from hydro, solar, or wind power.

He said predicted rolling blackouts this summer will hamstring manufacturers at a time when the supply chain still is ramping back up.