

Policy Name: Clean Local Generation

Description

Illinois currently has a significant number of manufacturing and industrial facilities in Illinois that have the potential to generate their own electricity providing both environmental and economic benefits to the state. Such facilities range from ethanol plants to cement manufacturing. Illinois would benefit from a program that encourages the construction of distributed generation facilities on these sites that would power the industrial facilities and sell the excess power to the local utilities. These industrial facilities currently emit large amounts of waste heat that could be used to generate electricity, and by utilizing the waste heat, they would be virtual zero emissions facilities.

In addition to the environmental benefits this would provide, the companies that would have these facilities on site would save a considerable amount of money on their electricity. These savings would protect Illinois jobs and help hold down consumer prices.

Timetables

In order to make this work, the companies building the facilities need guaranteed long-term contracts of approximately 25 years. Additionally, the cost of the interconnection of the plants would be put into rate base. The utilities would commit to purchasing incrementally greater amounts of power each year through a competitive bidding process, starting with 2% in the initial year and increasing 1% annually until reaching 14% of the utility's coincident peak load in 2020.