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# Partnering with ISTC to Grow Illinois' Clean Economy

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**Illinois**  
**Department of Commerce**  
& Economic Opportunity

# Agenda

- ▶ Illinois' Clean Economy
- ▶ Office of Energy & Recycling
- ▶ Vision for the Future



# Illinois' Clean Economy

- ▶ Energy & the environment are critical to the State's economy
  - ▶ Jobs
    - ▶ White collar - e.g., energy service performance contract managers, project engineers, plant operators
    - ▶ Blue collar - e.g., weatherization contractors, linesman, materials collection, plant assembly workers
  - ▶ Economic Development
    - ▶ KEY: Avoided energy and materials costs → e.g., low and stable energy prices attract and retain businesses, dollars not spent on new materials be reinvested in other things
    - ▶ Marketing, reputation, & property values
    - ▶ Indirect impacts of the energy & environmental choices we make

# Growing the State's Clean Energy Economy

How do you think your utility's fuel mix will change over the next 20 years?				
	Stay the same	Increase	Decrease	N/A
Natural Gas	14%	74%	7%	5%
Wind	17%	72%	4%	7%
Utility-scale solar	12%	79%	2%	8%
Hydro	62%	15%	8%	15%
Coal	9%	3%	77%	35%
Nuclear	35%	16%	21%	27%
Oil	17%	3%	45%	11%
Distributed energy resources	5%	84%	2%	9%

- ▶ State's energy mix will continue to rely on all energy sources - fossil, nuclear, and clean energy
- ▶ Opportunities for growth in clean energy
  - ▶ Utilities & investors are heading in this direction
  - ▶ This will only increase with new and emerging Federal standards
- ▶ Illinois has regional competitive advantages in this space and is already a leader in some areas

# Growing the State's Recycling Industry

Recycling material versus landfilling creates up to 6-10 times as many jobs, saves energy, reduces GHG, and generates materials that are cycled back into the economy as manufacturing feedstock



Total estimated economic impact of IL recycling: 111K jobs, \$3.6B in payroll, \$30.3B in gross receipts, and \$1B in local taxes

Diversion rate has nearly doubled to 37.3% in last 7 years

But despite this increase, over \$360M of recyclable commodities are still landfilled in Illinois annually

# Department of Commerce & Economic Opportunity

Business  
Development

Community  
Development

Employment &  
Training

Entrepreneurship,  
Innovation &  
Technology

Energy  
Assistance

***Energy &  
Recycling***

Film

Tourism

Trade &  
Investment

Urban Assistance

Alternative Fuels

Clean Tech

Composting

Electric Vehicles

Energy Efficiency

Energy Storage

Recycling

Renewable Energy

# Office of Energy & Recycling

- ▶ Bureau administers a range of clean energy and solid waste management programs and policy initiatives
- ▶ Goal: Stimulate economic development and create jobs, while producing a cleaner environment and more secure energy future
- ▶ All programs are self-supported, by non-General Revenue Fund sources
  - ▶ FY15 Revenue ~\$100M
  - ▶ ~1445 grants and rebates
- ▶ The Office is Illinois' designated "State Energy Office"
- ▶ Key Partner Agencies: IEPA, ICC and IPA

# Department's Role in the Clean Economy

- ▶ Incentives
  - ▶ Grants and rebates for energy efficiency, renewable energy, sustainable transportation, and recycling
  - ▶ Eligible entities vary but include Illinois residents, businesses, and public sector
- ▶ Technical Assistance & Marketing
  - ▶ Formal programs for energy efficiency
  - ▶ Some additional support for other areas
- ▶ Planning & Policy
  - ▶ Medium & long-term planning for energy & recycling
  - ▶ Legislative proposals, reviews, and directives

# Where Does Our Office Go From Here?

- ▶ *Vision: Grow the State's economy by leading the Midwest and the nation as a clean energy and environmental leader*
  - Make our existing programs better by **managing for results**
  - Get a bigger bang for the State's buck by **designing programs that leverage public dollars with private investment** through clean energy finance
    - ✓ Gap analysis & pilots
  - Supporting and attracting Illinois businesses by **better marketing our energy resources & planning for Illinois' long-term energy future**
    - ✓ Business outreach strategy for non-energy & energy companies - coordinated with the new IL Economic Development Corporation
    - ✓ Illinois Energy Roadmap

# Roadmap Project Profile

- ▶ **Sponsor:** U.S. Department of Energy
- ▶ **Source:** State Energy Program
- ▶ **Timing:** January 2015 - December 2016
- ▶ **Goal:** Develop an *Illinois Energy Roadmap* that identifies the optimized role of energy efficiency and renewable energy to meet current and future policy requirements
- ▶ **Proposers:** Illinois Department of Commerce and Economic Opportunity  
Galvin Center (Illinois Institute of Technology)  
Energy Resources Center (University of Illinois at Chicago)  
National Association of State Energy Officials

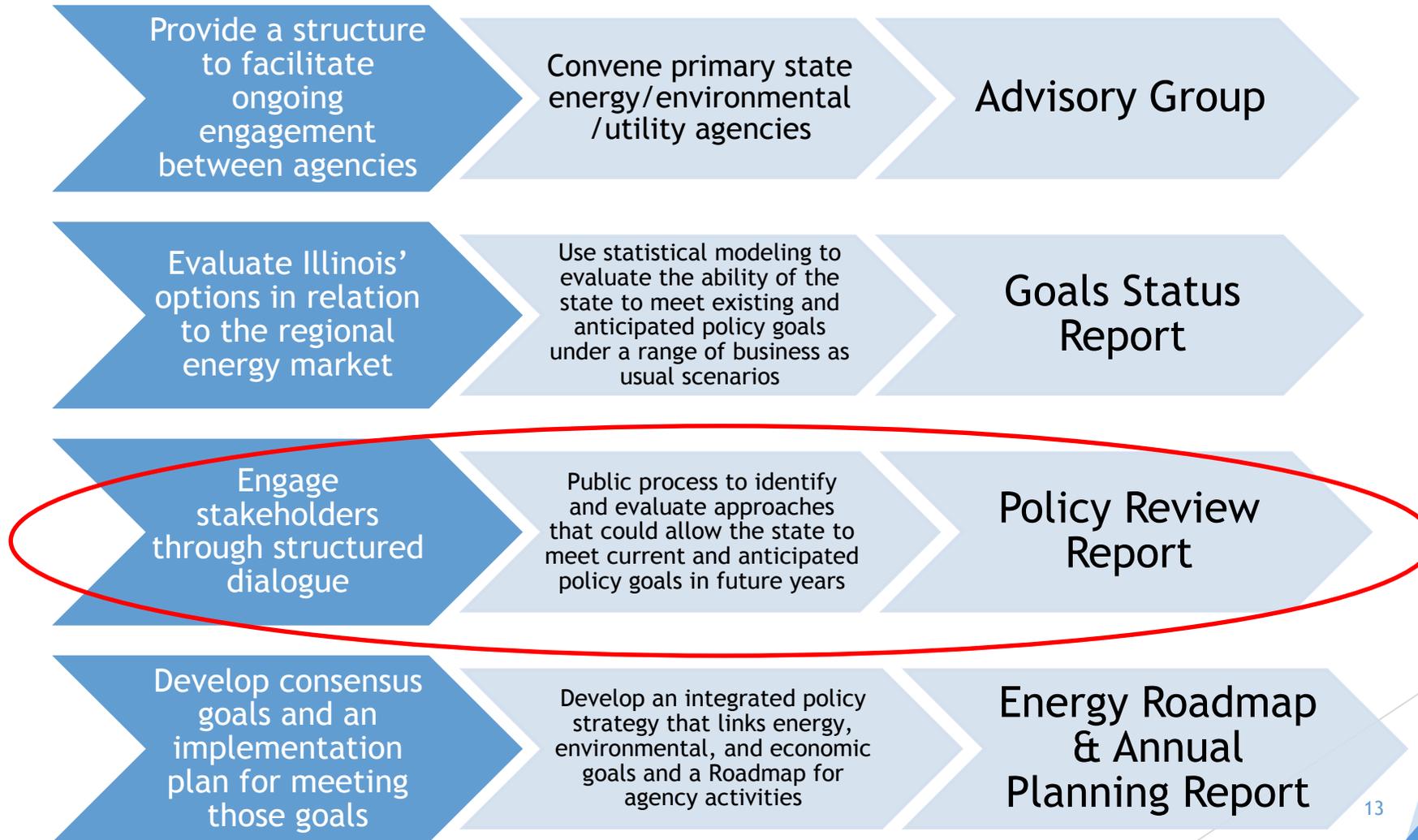
# Project Context

- Illinois has not undertaken an integrated energy planning process in two decades
- The State has established a series of separate policies regarding electricity market design, renewable energy, energy efficiency, and emissions standards
- Additionally, energy policy and regulatory authority is divided among multiple state agencies and regional transmission organizations
- As a result, the State lacks a cohesive approach to meeting state, regional, and pending federal goals

# Project Vision

- Identify the market developments that will most likely impact Illinois' position as a pivotal energy actor within the region
- Clarify how existing and proposed energy policies improve or inhibit Illinois' ability to benefit from market developments
- Evaluate the potential economic and environmental impact of various energy policy options by applying a rigorous statistical analysis across a range of potential market scenarios
- Develop an *Illinois Energy Roadmap* that addresses the future direction of the energy sector in the state and region, particularly the role of energy efficiency and renewable energy

# Project Objectives, Approach, & Outcomes



# Stakeholder Engagement

## ▶ Stakeholders

- Energy market participants (generators, utilities)
- Policy organizations (consumer, industry, trade)

## ▶ Process

- Goals Status Report was open for written comments on primary policy questions February 26<sup>th</sup> - March 31<sup>st</sup>
- Hosted 2 public forums
  - ▶ Forum 1: Springfield, March 15<sup>th</sup> (UIS Campus)
  - ▶ Forum 2: Chicago, March 18<sup>th</sup> (IIT Campus)

<https://sites.google.com/site/illinoisenergyroadmap/>

# Next Steps

- ▶ Reviewing and synthesizing comments
- ▶ Economic Impact Modeling
- ▶ Reconvening Advisory Group
- ▶ Policy Review Report
- ▶ Policy scenario modeling
- ▶ Roadmap

# Growing Illinois' Clean Economy Together

## Department Goal

Make our existing programs better

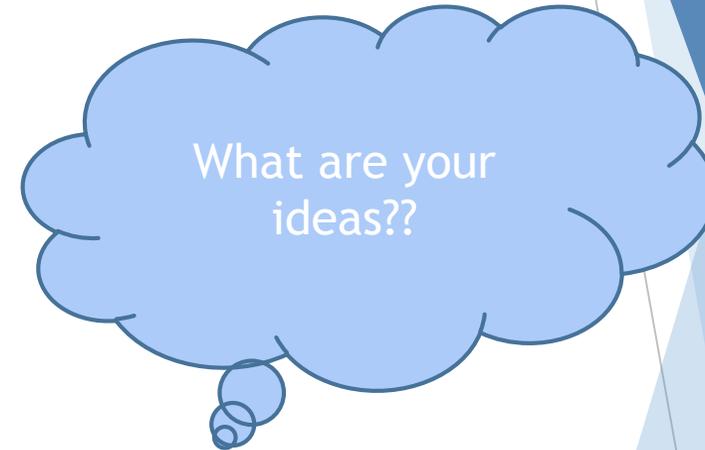
Get a bigger bang for the State's \$

Supporting and attracting Illinois businesses

## ISTC Initiative

Biofuels, Water, SEI, TAP

TAP, E3, Illinois Energy Office Challenge, PNEAC, Sustainability Seminars, Gov's Awards



# Thank You! Questions?

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