

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Illinois Power Agency)	
)	
Petition for Approval of the)	Docket No. 11-0660
220 ILCS 5/16-111.5(d) Procurement Plan)	
)	

**THE ILLINOIS COMPETITIVE ENERGY ASSOCIATION’S REPLY
TO BRIEFS ON EXCEPTION TO PROPOSED ORDER**

The Illinois Competitive Energy Association (“ICEA”)¹, pursuant to Section 16-111.5(d) (3) of the Illinois Public Utilities Act (“PUA”),² submits this Reply to the Briefs on Exception (“BOE”) to the Proposed Order issued November 21, 2011 (“Proposed Order”).

Specifically, ICEA: (1) supports the BOE of Staff regarding the ACP rates; (2) supports the Retail Energy Supply Association’s (“RESA”) BOE related to the timing of the procurements and publishing of rates; and (3) takes limited exception to certain aspects of Comverge’s BOE.

With respect to Staff’s BOE, ICEA fully supports the clarification sought by Staff related to the methodology to calculate the actual ACP rates for the planning years between 2012 – 2014. As currently drafted, the Proposed Order is inaccurate and confusing as it refers to *maximum* ACP rates when it is addressing *actual* ACP rates. Additionally, ICEA believes Staff has provided compelling arguments for its proposed methodology to be approved in the final

¹ ICEA is an Illinois-based trade association of some of the largest and most active alternative retail electric suppliers (“ARES”) seeking to preserve and enhance opportunities for customer choice and competition in the Illinois electric market.

² 220 ILCS 5/116-111.5(d)(3).

order in this proceeding, notwithstanding the fact it is not required by law. The need to have an established methodology to remove solar resource costs from the ACP is only enhanced by the passage of SB 1652 which, among other things, requires a separate procurement to be conducted by February 23, 2012 to fulfill the statutory renewable resources requirement through December 2017. The Illinois Power Agency (“IPA”) has limited resources and will be conducting two comprehensive competitive procurements within months of each other. There is no prudent reason not to approve Staff’s proposed ACP calculation methodology to remove that burden from the IPA at a time when it will be conducting the required procurements, particularly when the methodology has not been opposed by any party to this proceeding.

ICEA also supports RESA’s BOE with respect to the timing of the annual procurement and publishing of rates. RESA’s BOE strikes a compromise between its original request and the concerns expressed in the Proposed Order about “micromanaging” the IPA. For all the reasons expressed by RESA it is not only reasonable, but necessary, to require the IPA to complete the procurements on a schedule that allows the rates to be published two weeks in advance of their effective date. RESA’s proposed language allows the IPA to manage that requirement on its own terms, thus satisfying the ALJ’s apprehension of micromanaging the procurement time schedule while also protecting the retail competitive markets.

With respect to Comverge’s BOE, ICEA rejects the claim that residential and small businesses are prevented from effectively benefitting from demand response because it is not included in the IPA plan. In addition to the residential and small businesses demand response programs currently offered by ComEd, these customers also have the opportunity to choose demand response products offered by ARES in the competitive market. In fact, ICEA believes

the retail competitive electricity market is the most effective means for consumers, of all sizes, to obtain demand resource products. Further, ICEA believes that mandated utility programs discourage consumers from realizing benefits they would otherwise through the retail market.

In conclusion, ICEA asks the Illinois Commerce Commission to enter an Order in this proceeding that is consistent with the above arguments.

Respectfully submitted,

ILLINOIS COMPETITIVE ENERGY ASSOCIATION

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NOTICE OF FILING

Please take note that on December 6, 2011, I caused to be filed with the Chief Clerk of the Illinois Commerce Commission, via e-docket or by US Mail, the Reply Brief on Exceptions of the Illinois Competitive Energy Association in Docket 11-0660.

Dated: December 6, 2011

/s/ Eve Moran
Eve Moran

CERTIFICATE OF SERVICE

I, Eve Moran, certify that I caused to be served copies of the foregoing Reply Brief on Exceptions of the Illinois Competitive Energy Associations upon the parties on the service list maintained on the Illinois Commerce Commission's eDocket system for the instant docket via electronic delivery on December 6, 2011.

/s/ Eve Moran
Eve Moran