

The Future of Illinois Energy Policy: Renewable Energy Set to Expand

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On September 15, 2021, Illinois Governor J.B. Pritzker signed into law the sweeping Climate and Equitable Jobs Act ([SB2408](#)), establishing the next steps for Illinois energy policy after years of negotiation. This legislation builds on the expansive 2016 Future Energy Jobs Act, which amplified energy efficiency programs, customer education, and renewable energy infrastructure and access. In a statement, Governor Pritzker heralded this legislation as “the most significant step Illinois has taken in a generation toward a reliable, renewable, affordable and clean energy future.”

Of particular note, this legislation establishes a statewide clean energy goal of 100% by 2050, with “clean energy” defined as “energy generation that is 90% or greater free of carbon dioxide emissions.” This goal is accompanied by an intermediate goal of 50% renewable energy by 2040, drawing on a narrower definition that includes “energy and its associated renewable energy credit or renewable energy credits from wind energy, solar thermal energy, geothermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, and hydropower that does not involve new construction or significant expansion of hydropower dams.”

This legislation includes an associated phase out of coal-fired power plants and natural gas plants by 2045, subject to adjustments by the Illinois Commerce Commission, Illinois Power Agency, and Illinois Environmental Protection Agency to ensure energy grid reliability. Subsidies to convert coal-fired power plants into solar or energy storage facilities become available starting in 2024. A \$180 million annual investment in clean energy workforce diversification and training aimed at providing the fossil fuel workforce with transition opportunities is also established. An Energy Transition Workforce Commission will be created, which will be responsible for planning the eventual shut down dates for all fossil fuel power plants.

To help reach its clean energy goals, this legislation requires the Illinois Power Agency to spend an estimated \$580 million a year on renewable energy credits (RECs) for new solar and wind projects, with an emphasis on RECs from distributed and community solar projects. This legislation also indicates that nuclear energy is expected to contribute to Illinois’s clean energy goals, recognizing

that “nuclear power generation is necessary for the State’s transition to 100% clean energy, and ensuring continued operation of nuclear plants advances environmental and public health interests.” Support for the continued operation of nuclear power plants includes the opportunity for nuclear plants to earn carbon mitigation credits for their power generation.

In addition to electric vehicle rule development and program administration requirements, a new Electric Vehicle Coordinator appointed by the Governor will also act as the point person for electric vehicle and electric vehicle charging-related policies. The electric vehicle component of the legislation targets putting 1 million electric vehicles on Illinois roads by 2030.

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