



**OFFICE OF THE GOVERNOR  
SPRINGFIELD 62706**

**ROD BLAGOJEVICH  
GOVERNOR**

**FEBRUARY 11, 2005**

Ed Hurley, Chairman  
Illinois Commerce Commission  
160 North LaSalle  
Chicago, IL 60601

Chairman Hurley,

The time has come for Illinois to take a bold step toward energy independence. As you well know, demand for electricity in Illinois continues to grow while we remain largely dependent on imported energy sources of coal, natural gas and nuclear fuel. Boosting our reliance on homegrown sources of renewable energy and increasing our investment in energy efficiency measures will not only help Illinois become more energy self-sufficient but provide great benefits to the people of our state, including cleaner air, new jobs, investment in rural communities, as well as the financial and other benefits derived from greater diversity in energy generation.

Because of these benefits I submit for your consideration a proposal for a Sustainable Energy Plan for Illinois. This proposal, if adopted, will create a framework that will allow Illinois citizens to reap the benefits of our renewable resources, including significant new investment in wind power and other sources of renewable energy generation in Illinois without raising rates for consumers.

The proposal outlined below reflects the general consensus among key stakeholders, including Illinois' largest electric utility companies, environmental, and consumer groups. The plan also incorporates several of the key recommendations of the Illinois Energy Task Force I appointed following the August, 2003 blackout and chaired by Lt. Governor Pat Quinn.

I was pleased to receive your recent December 2, 2004 letter addressed to the Illinois General Assembly and to me in which you emphasized the importance of creating a "level playing field" for alternative energy resources. I share the Commission's view that renewable energy sources can help meet the needs of Illinois electricity customers and that such resources are particularly desirable because, as the Commission noted, "renewable resources are considered to have lower environmental impacts than traditional supply sources and are therefore advocated on this basis." Similarly, energy efficiency measures offer substantial environmental and economic benefits.

To further these objectives and the renewable energy goals established in the Illinois Resource Development and Energy Security Act (20 ILCS 688), I have developed a proposal for a Sustainable Energy Plan for the Commission's consideration that includes both a Renewable Energy Portfolio Standard and an Energy Efficiency Portfolio Standard. The Renewable Energy Portfolio Standard proposal includes: renewable energy procurement requirements for electric utilities and alternative retail energy suppliers, eligibility criteria for resources that can be used to meet the those requirements, a competitive approach to renewable energy procurement, cost recovery provisions, consideration of renewable energy trading, a mechanism to ensure compliance with the Renewable Portfolio Standard, and a process to assess the effectiveness of the Renewable Portfolio Standard. Similar provisions are presented for the Energy Efficiency Portfolio Standard.

Thank you in advance for your prompt consideration of this proposal.

Sincerely,

A handwritten signature in black ink that reads "Rod Blagojevich". The signature is written in a cursive, flowing style.

Rod Blagojevich  
Governor