



February 28, 2022

Illinois Power Agency

Via Email: ipacontactus@illinois.gov

Ameren Illinois Supply Comments
Draft 2022 Long Term Renewable Resources Procurement Plan (Plan)

Ameren Illinois Company d/b/a Ameren Illinois (Ameren Illinois or the Company) respectfully submits preliminary comments regarding the Plan, which the Illinois Power Agency (IPA) released for public review and comment on January 13, 2022. Once a docketed proceeding has been initiated following the filing of the Plan with the Illinois Commerce Commission (Commission), Ameren Illinois may provide additional comments and recommendations.

Comments from Ameren Illinois Power Supply (Rich McCartney):

On page 64 of the Plan, Table 3-1 appears to have the quantities of RECs for ComEd and Ameren transposed.

Comments from Ameren Illinois Regulatory (Peter Millburg):

Interconnection Agreement Required to Apply for RECs

In Section 7.9.1, the IPA has again proposed, as it did in its previous Plan, that a signed interconnection agreement to be included with any application for RECs for >25KW systems funded through the Adjustable Block Program (ABP). If this requirement is adopted again, it would perpetuate a nonsensical practice which creates interconnection cost uncertainty, interconnection queue uncertainty, needless re-studies of prior interconnection applications due to the applications "aging out", and general frustrations so great that they led to the Commission initiating the interconnection rule review that's the subject of ICC Docket 20-0700.

The IPA's proposal is an example of the classic proverb about "putting the cart before the horse." RECs are the critical financial tool that drive the development of distributed generation (DG), as evidenced by the statements by stakeholders about the "solar cliff" faced by Illinois with the RECs funded through the Future Energy Jobs Act were depleted. In any other process involving financial

transactions, the purchaser of the product or service commits to the purchase only after they've secured sufficient funding. The IPA's proposal though, turns this process on its head, and requires DG developers to commit via a signed interconnection agreement with the utility to essentially "purchase" the distribution system enhancements required to support their project before they are permitted to even seek the single critical financing resource that will enable construction of their project.

Additionally, in ICC Docket 20-0700 and in other conversations with IPA staff subsequent to the initial community solar lottery process, the Company stressed to the IPA that it would not repeat its contortions of the interconnection process, as it did in 2017 to accommodate the extremely compressed timeframe facing the IPA to launch the initial community solar REC process. Despite those communications, and despite the significant lead time available to the IPA in developing the proposed LTRRP, the IPA again proposes a practice that has a demonstrated history of creating frustration and uncertainty for DG developers, and that conflicts with both existing and proposed interconnection rules which are well-known to the IPA since it intervened in ICC Docket 20-0700.

This is a problem solely of the IPA's making, and one that the IPA can easily remedy. The Company has previously offered suggestions to the IPA for alternative processes to help ensure that RECs are awarded to projects that are sufficiently mature in their development process, all of which have been rejected by the IPA. Regardless, Ameren Illinois offers the following recommendation to prevent the frustrations and uncertainty that the IPA's current proposal to require a signed interconnection agreement as a condition of DG projects >25KW applying for ABP RECs will create:

- The IPA can require the submission of a signed interconnection agreement within 30 days after they've awarded the RECs.
 - Since the RECs are project- and site-specific, awards can't be diverted by developers to other projects.
 - Since RECs are the critical piece of financing for DG projects, their award is the final piece of the financing puzzle, and developers should be able to sign the interconnection agreements promptly upon learning of the award.
 - The short timeframe for action by awardees will enable the IPA to redistribute any rescinded REC awards quickly, thus enabling it to ensure the flow of financing to other renewable projects that ultimately meet the IPA's criteria.

Metering Requirements

In Section 7.9.2, the IPA identifies requirements for inverter metering to ensure that the contracted-for volume of RECs is provided over the 15 or 20 year life of the REC contract. The Company notes that it and other electric service providers are required under Part 410.170 of the Illinois Administrative Code to sample test their installed meters at least every 8 years to ensure their accuracy over the life of the device. 83 Ill. Admin. Code § 410.179. Given the pivotal role that DG plays in supporting Illinois' carbon-free electric generation goals, the amounts of money involved in the REC award process, and the sheer volume of DG that are anticipated to be operational in the State, Ameren Illinois encourages the IPA to create a requirement that inverter meters used in the determination of the volume of RECs provided through the IPA's programs be tested for accuracy at least once or twice over

the life of the REC contract, and that any compensation or other contract term based on the volume of RECs be adjusted consistent with the findings of those tests.

Ameren Illinois appreciates this opportunity to provide these comments and recommendations. The Company's comments represent its preliminary position and thoughts on certain issues, and these may be subject to change as more information becomes available through the development of the Plan. By not responding to or addressing an issue or topic at this time, the Company does not waive its right to comment at a later date. The Company reserves its rights to object and comment as it deems necessary in the Plan's docketed proceeding.