

To: The Illinois Power Agency, IPA.contactus@illinois.gov
From: Jay Corgiat and Members of the Illinois Solar for All Working Group
Date: March 24, 2023
Re: Stakeholder feedback on the proposed REC Prices for 2023-2024

The following members of the Illinois Solar for All (ILSfA) Working Group are pleased to deliver the following comments in response to the March 1, 2023 request for stakeholder feedback on the updates to the REC Pricing Model and the proposed REC Prices for 2023-2024.

Background: Illinois Solar for All Working Group

The ILSfA Working Group (the Working Group) formed from a subset of members of the Illinois Clean Jobs Coalition, who had comprised an Environmental Justice-Solar-Labor Caucus (the Caucus) during the negotiation of policies that would become the Future Energy Jobs Act (FEJA). The group formed in order to bring the best practices and policies to the Illinois energy landscape that would serve to maximize benefits to the economically disadvantaged households and communities that targeted programs are intended to serve. The group was co-facilitated by a representative of a solar company, Amy Heart of Sunrun, and a representative of an environmental justice group, Juliana Pino of the Little Village Environmental Justice Organization.

Following passage of FEJA in December 2016, the Caucus expanded into the Working Group, an open membership group including experts on environmental justice, environmental advocacy, consumer protection, solar business, low-income solar policy, energy efficiency, job training, program design, and other areas, who have substantive research and experience to bring to bear on implementation of Illinois Solar for All. Currently, the Working Group meets on a monthly basis and is co-facilitated by Juliana Pino of Little Village Environmental Justice Organization and John Delurey of Vote Solar.

We make these recommendations and comments to ensure high-quality implementation for Illinois communities. Communities throughout Illinois need the opportunities and services the ILSfA Program will provide and the support of groups with substantive experience in the solar industry and low-income solar in particular. Please do not hesitate to contact us with questions or comments.

For these comments, specific signatories include:

A Just Harvest
Central Road Energy
Citizens Utility Board of Illinois
IL People's Action
Central IL Healthy Community Alliance
Renewable Energy Evolution
SustainRockford
Seven Generations Ahead

The Working Group does not currently have comments specific to the model input updates implemented by the Agency. For program year 2022-2023, we were pleased to see positive

momentum build in the ILSFA Residential (Small) Sub-program and felt the level of participation was satisfactory in the Non-Profit and Public Facilities and Community Solar Subprograms. We believe that the expected positive impacts of the low income provisions of the Inflation Reduction Act will continue to improve participation. Based on the results of this program year, the IRA impacts, and feedback from our members that develop projects, we support the minimal changes to the ILSfA REC prices proposed for program year 2023-2024, and urge the Agency to refrain from lowering them any further.

Going forward, the working group continues to advocate for a market-based approach in determining REC pricing for the ILSfA Program. While we understood the need for REC price modeling at the beginning of the program, we believe the program has matured to a point where REC pricing changes should be determined through an evaluation of the program results, rather than modeling. With the next Long Term Renewable Resources Procurement Plan, the Agency should address the following questions when determining what, if any, changes in REC prices are needed:

- Is the subprogram getting applications for and awarding REC contracts to a variety of project sizes?
- Is the subprogram getting applications for and awarding REC contracts to projects throughout the state?
- Are the recipients of the solar arrays' benefits in the nonprofit and public facility program achieving ownership ?
- Are savings being passed to the recipients of the solar arrays' benefits above the minimum requirements?
- Is there a healthy level of competition that results in the ability to prioritize and fund projects that best meet the goals of the program?
- Are MWBEs and EECs successfully participating in the subprogram year after year?
- Are the law's equity goals regarding workforce hiring being met?
- Are new Equity Eligible Contractors and small and emerging businesses entering the program?
- Are the law's equity goals regarding workforce hiring being met?
- Is sufficient work being generated to provide opportunities for individuals completing CEJA workforce hub and Illinois Department of Corrections Solar training programs?

While public schools will no longer be able to participate in the ILSfA program in the upcoming program year, we are concerned about lack of uptake in the Adjustable Block Program's Public Schools category (0 MW allocated, with 40.28 MW available out of a total block capacity of 46.45 MW). If the current REC prices cannot support development at Public Schools in affluent communities, there is no hope for solar development in this category for those public schools in income eligible or environmental justice areas. A decrease in REC prices is not warranted: we urge the Agency to re-examine and increase the Public Schools category REC prices.