



Stakeholder Feedback Request for the 2024 IPA Long-Term Plan Chapter 7: Illinois Shines (Adjustable Block Program)

June 8, 2023

The Illinois Power Agency is soliciting feedback on various topics as the Agency develops the 2024 Long-Term Renewable Resources Procurement Plan. Stakeholders are invited to comment on as many of the following items as they would like and may provide comments beyond the scope of these specific questions. Responses will be published on the IPA website under the “Plans Under Development” section of the Procurement Plans page. A draft of the plan will be released for public comment on August 15, 2023.

Please note that the Illinois Power Agency is exploring many ideas and points of view as it considers how to improve its programs, procurements, and operations. The inclusion of an idea or question does not necessarily imply that the IPA intends to take a specific approach in the upcoming Long-Term Plan or otherwise.

How to Reply

Please provide comments via email attachment to IPA.ContactUs@Illinois.gov with the subject “[Responder’s Name] – Chapter 7 LTP Feedback” by June 29, 2023.

Topics

1. [Expansion Pricing Resulting in Negative Incentives Levels](#)
2. [CS Small Subscriber Limit at 25kW Across All Projects in the Program](#)
3. [Developer Cap](#)
4. [Closing of Program Year Before May 31st Each Year](#)
5. [Further Differentiation Between EEC Projects](#)
6. [Public Schools Category Uptake](#)
7. [DC/AC Ratio & Other Requirements for Projects with Storage](#)
8. [IEEE Inverter Requirement](#)
9. [DC Metering Requirements](#)
10. [Proposal to Require the IPA’s Equity Portal to Certify Equity Eligible Persons \(EEPs\) for Compliance with the Minimum Equity Standard \(MES\)](#)
11. [Part I and Part II Application Requirements](#)
12. [Barriers to Participation in the EEC Category & Program-Wide for EECs](#)
13. [Traditional Community Solar Scoring Guidelines](#)

**Please note that the Agency has also released a whitepaper related to the REC Pricing Model performed by an independent consultant and additional stakeholder feedback requests related to the development of an updated REC Pricing Model. Likewise, additional questions related to the Equity Accountability System, the Minimum Equity Standard, and associated topics are found in the feedback request for Chapter 10: Diversity, Equity, and Inclusion.*

TOPIC 1: Expansion Pricing Resulting in Negative Incentives Levels



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Background

Currently, when expansions to already participating Illinois Shines projects are built, the REC price for the expansion will be adjusted to account for the current block price at the size of the combined system (original project size + expansion size) minus the price paid to the original system. Since some project expansions were early program participants (thus have higher REC prices) and the differential between the original project's REC price and the expansions REC price is so large, a negative REC price for the combined system occurs.

Said a different way, since some project expansions were early Program participants with high REC prices, seeking an expansion that would have a lower REC price has sometimes resulted in a lower REC value on the total expanded system compared to the originally-designed system (resulting in a negative incentive value for the total project including the expansion). The Agency seeks a solution for expansion pricing that is both fair and ensures gaming of REC pricing via expansions does not occur.

Questions

1. Is this REC price blending approach (blending of the old REC price with expansion REC price) an effective methodology for system expansions? What incentivizes expansions to already existing projects from a REC pricing perspective?
2. Are there models in other states that have been successful for the pricing of expansions that the Program can review?
3. Would the absence of incentives for expansions have a negative effect on the development of expansions?

TOPIC 2: CS Small Subscriber Limit at 25kW Across All Projects in the Program

Background

Section 1-75(c)(1)(G)(iv)(3)(E)(ii) of the IPA Act explains that under the terms of the REC Contract, all community solar projects are subject to "a requirement that a minimum 50% of subscribers to the project's nameplate capacity be residential or small commercial customers with subscriptions of below 25 kilowatts in size." Furthermore, the definition of "Subscriber" contained within Section 1-10 of the IPA consider the fact that a single customer may have more than one subscription and that multiple subscriptions are all part of the same "subscriber."

To qualify as a small subscriber, the Agency has consistently required that combined subscriptions for that subscriber must total less than 25 kW, in accordance with the IPA Act. The Agency sees this requirement as necessary in order to effectuate the statutory requirements contained within the Act.

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To clarify this requirement, the Agency proposed adding the following language to the Program Guidebook in a draft released on March 14, 2023:

To be considered a small subscriber in the Program, the utility account number associated with the subscription may not sum to larger than 25 kW AC across a single or multiple Community Solar projects, if multiple subscriptions exist for the associated utility account.

Multiple stakeholders objected to this clarification, and commented that it may be difficult to ascertain whether a customer has subscriptions to other community solar projects. In light of these concerns, the Agency removed the above clarification proposed within the 2023-2024 Guidebook and noted that the issue would be addressed in this next iteration of the Long-Term Plan.

Questions

1. What are other ways that the IPA can ensure compliance with the statute?
2. What challenges do AVs and Designees face in determining whether a single utility account sums to over 25kW across the Program, to ensure the customer would be considered a small subscriber? Please explain in detail so the Agency might understand how to address these challenges.
3. What information can the customer's distribution utility provide back to Avs and Designees through their community solar portal or other means to identify whether the customer already has one or more community solar subscriptions?

TOPIC 3: Developer Cap

Background

There is currently a developer cap of 20% (applied to an affiliated family of project developers) for two categories in the Program - the Traditional Community Solar and Equity Eligible Contractor categories. For the 2023-2024 program year, a developer cap would have been implemented in the EEC category if the category reached capacity on June 1, 2023, which did not occur. Other Program categories are not subject to a developer cap.

To improve understanding of Program requirements for AVs and Designees and streamline administration of the Program, the Agency prefers a consistent approach to the application of the developer cap across all categories that utilize a cap.

Questions

1. Would the Program benefit from a developer cap in other categories? If so, what is an appropriate level? 20% has been used throughout the Program's history, but the Agency is open to feedback on a different percentage is supported by appropriate justification.
2. How might a developer cap work in a category with rolling application submissions (i.e., no distinct window for submissions)?



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3. Are different percentage levels appropriate for different Program categories? If so, please explain why.
4. How should the developer cap be administered Program-wide? Should developer caps be applied across both Groups A and B for a single category or should the developer caps be limited within a Group/category combination?

TOPIC 4: Closing of Program year Before May 31st Each Year

Background

The Program will be operating on an annual cadence that, as it stands now, means closing the Program on May 31st each year and opening a new Program year immediately after on June 1st. This leaves a very short turnaround time for many programmatic activities required to both close out one program year and open another, including but not limited to portal software updates and uncontracted capacity calculations.

Please note, when mentioning “closing of the Program” here, the Agency merely means the closing of the Program for new project applications. Other activities such as AV application renewals, invoicing, REC contract quarterly reporting, Disclosure Form creation, etc. will continue during any downtime contemplated here.

Questions

1. What is the impact to AVs and Designees if the program year closes before May 31st?
2. What do other annual incentive solar programs do in terms of program opening and closing timelines?
3. What amount of time between the close of one Program year to the opening of the next Program year would ensure the best administration possible while causing minimal disruption to Program participants?
4. Alternatively, would it be best to close the Program on May 31st and then reopen the Program sometime after June 1st? If so, what period of time would ensure the best administration possible while causing minimal disruption to Program participants?

TOPIC 5: Further Differentiation Between EEC projects

Background

As stated in the 2022 Modified Long-Term Plan, “Even with defined subcategories and a developer cap applicable on the first day, the Agency may encounter a scenario in which it must somehow differentiate between projects of the same type, in the same group, submitted on the same day in the EEC category in 2023-2024. For example, if the Program receives multiple, large, community solar project applications from different EECs on the first day of the program year that exceed that

Group's allocation for community solar, some methodology must be used to distinguish between competing applications. The Agency does not at this time propose to create a project scoring system for the EEC category. Given the myriad policy considerations at play with the EEC category, the Agency would prefer to develop any project selection scoring system with input from stakeholders through a formal comment process. The Agency plans to examine this possibility in developing the next Long-Term Renewable Resources Procurement Plan."

Questions

1. Do stakeholders see a need for a process that further differentiates between projects within the EEC category? If so, please provide details as to why such differentiation is needed.
2. If there is a need, what process might accomplish the goal of differentiation best? Please include details on the process, how it would work, and the intended end result that the process would produce.
3. What are ways that Program design can incentivize further differentiation between EEC projects?
4. What are other mechanisms that have proven to be effective for project differentiation in other markets/programs/etc.?

TOPIC 6: Public Schools Category Uptake

Background

Since the inception in December 2021 of the three additional Program categories established by the Climate and Equitable Jobs Act (EEC, CDCS, and Public Schools), there has been slow uptake in the Public Schools category.

Questions

1. Are there modifications to the requirements for this category that can be considered that would incentivize additional development in the Public Schools category?
2. Are additional provisions needed to preserve (i.e., rollover) capacity in this category in future years? If yes, please explain why and the provisions that the Agency should utilize to increase participation in this category.
3. What unique barriers to development of distributed generation projects on Public Schools are being encountered by AVs and Designees? How can the Agency address those barriers in order to increase participation in this category? Are there structural barriers to participation in the category that the Agency can address through the Long-Term Plan?

TOPIC 7: DC/AC Ratio & Other Requirements for Projects with Storage



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Background

Systems are currently limited to a DC capacity of 155% of the AC capacity. Recently, the Program has received several appeals requesting exceptions to this threshold from AVs developing projects with storage components.

Questions

1. Is a different DC/AC ratio more appropriate for distributed generation systems paired with storage and, if so, why? Please provide technical analysis supporting your position or studies/research that can be referenced.
2. What other Program requirements should be amended to support systems with storage components? Please provide details on the requirement that should change, how it should change, and why it should be different for systems with storage components.

TOPIC 8: IEEE Inverter Requirement

Background

Per Section 4.N of the current Program Guidebook, UL certification is the only standard requirement for inverters. UL standards generally focus on electric shock and fire hazards for safety and reliability. In July 2022, the ICC issued Final Orders approving ComEd's and Ameren's DG rebates, which both require smart inverters, but may not be UL-certified. As such, the Agency is considering revisions to the inverter requirements for the next Long-Term Plan.

Questions

1. As the Agency plans to modify its requirements to align with the ICC's Order, do stakeholders foresee any unintended consequences of such updates? Please provide any feedback on positive or negative consequences that may result.
2. Should requirements related to inverters be broadened or narrowed? Explain how so.

TOPIC 9: DC Metering Requirements

Background

After approval of the Initial Long Term Renewable Resources Procurement Plan in August 2018, the Agency communicated regularly and deliberately with industry stakeholders who were seeking to coordinate and obtain ANSI approval of a new DC metering standard. However, the Agency did not receive any subsequent input from stakeholders, and understands that this standard was finalized in March 2021. The Agency has not reviewed the applicability or relevance of this standard to its programs, nor has it received any stakeholder feedback regarding systems metered in this manner.

Therefore, the Agency seeks to gauge interest in DC-based metering projects in order to potentially establish appropriate DC metering standards.

Questions

1. What considerations should be made around DC metering for the Program?
2. How should DC metering requirements differ from AC metering requirements?
3. Are there any examples of DC metering requirements that the Program can adopt, possibly from other programs or markets?

TOPIC 10: Proposal to Require the IPA's Equity Portal to Certify Equity Eligible Persons (EEPs) for Compliance with the Minimum Equity Standard (MES)

Background

To verify the EEP status of the minimum number of individuals in their project workforce to satisfy the MES, Approved Vendors and Designees will submit a Year-End Report that includes a list of individual EEP utilized for compliance.

As it currently stands, EEPs can be certified either through registration in the Agency's Energy Equity Portal or by filling out the EEP certification form and submitting it to the Program Administrator. The registration of EEPs via the Energy Equity Portal was a functionality that was created in part because it was requested by stakeholders. The Agency proposes a requirement that all EEPs be certified via the Equity Portal, which would ensure a process that is less administratively burdensome for all parties involved. In addition, certification via the Equity Portal will allow employers to avoid asking sensitive questions of their employees and safeguard employee information from employers.

In this proposed requirement/scenario, employers would direct their qualifying employees to seek certification on the Equity Portal, then the Year-End Report to comply with the MES need only provide a list of the qualifying individuals. In this way, the Program Administrator would be able to verify EEP status for all submitted employees using the data from the Equity Portal.

Questions

1. Are there any unintended consequences that may result from requiring EEPs to use the Equity Portal for certification of their EEP status?
2. Do stakeholders see any issue with shifting the reporting work onto the EEPs themselves as opposed to the participating AV or Designee?
3. What is the preferred method for the certification of EEPs for compliance with the Minimum Equity Standard?
4. Are there potential barriers to access the Equity Portal for qualifying individuals that the Agency should consider?



TOPIC 11: Application Requirements

Background

As the Illinois Shines program embarks on its fifth year since inception, the Agency is looking for feedback related to application requirements for both the Part I and Part II applications. Current requirements can be found in Appendix I and Appendix J of the Program Guidebook.

Questions

1. Are there any application requirements that require updating? If so, please explain which requirements and how they should be updated.
2. Are there any application requirements that should be tightened?
3. Are there any items that are not currently application requirements but should be considered for addition to the requirements list?
4. Are there any application requirements that no longer apply or make sense that should be reconsidered?

TOPIC 12: Barriers to Participation in the EEC Category & Program-wide for EECs

Background

The Agency has committed to regularly soliciting feedback from stakeholders and EEC program participants about eliminating or reducing barriers to participation in IPA programs for EECs, and generally how to increase participation by EECs in the Illinois Shines program

The Agency has already solicited feedback on common company ownership structures for EECs and methods for ensuring that entities seeking EEC certification are truly and permanently controlled by and benefit Equity Eligible Persons, but parties are invited to provide responses or additional comments related to this subject matter to this feedback request

Questions

1. What are current barriers that Program participants face in their participation in either the EEC category or the Program in general that should be understood by the Agency? Please provide a detailed explanation of the barrier and suggestions on how the Agency might work to overcome the barrier.
2. Are there future barriers that entities expect to face in this category as it ages that are not currently present of which the Agency should be aware?

TOPIC 13: Traditional Community Solar Scoring Guidelines



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Background

On May 11, 2023, Senate Bill 2226 passed both houses of the Illinois General Assembly. This bill, which has yet to be sent to the Governor for signature, specifies that Conservation Opportunity Areas, as designated by the Illinois Department of Natural Resources, will no longer be included in future iterations of the Traditional Community Solar (TCS) Scoring Guidelines beginning in the 2024-25 Program year. The Agency seeks feedback on how to modify the TCS Scoring Guidelines in the event that SB 2226 is ultimately enacted, as well as other considerations related to the scoring process.

Current TCS Scoring Guidelines can be found here: <https://illinoisabp.com/wp-content/uploads/2022/10/Final-TCS-Scoring-Guidelines-7-Oct-2022.pdf>

Questions

1. Should the Agency consider another approach to discourage the development of TCS projects on greenfields or land that is available for conservation? Please provide details on what approach the Agency might use to ensure development does not coincide with this type of land.
2. Are there any changes that stakeholders can suggest that may reduce the administrative lift of scoring TCS projects, while still accomplishing the goal of differentiation between projects?
3. Does the interconnection fractional point process provide enough differentiation between projects? Should this process be revamped at all? If so, please explain why.
4. Do stakeholders find that commitments to scoring points both under Agrivoltaics (scoring criterion 1.c) and the Pollinator Friendly Habitat (scoring criterion 1.d) are at odds? If so, please explain why and how the Agency can amend these scoring criteria to solve for this issue.
5. Please provide any other feedback on changes to the TCS scoring guidelines that might be relevant to ensuring that the multiple goals of TCS project development – encouraging solar development state-wide, best utilizing land in the state that cannot be otherwise utilized for conversation/farming/etc., and diversifying project attributes amongst TCS projects.