Comments to Draft 2026 IPA Long-Term Renewable Resources Procurement Plan

September 29, 2025

Introduction

We, the below-listed Joint Commenters, value the opportunity to provide feedback on the Illinois Power Agency's (IPA or Agency) development of its draft 2026 Long-Term Renewable Resources Procurement Plan (LTP or Plan). These comments are intended to address issues of concern, especially issues involving Diversity, Equity, and Inclusion. We do not address every chapter contained in the LTP draft; rather, we respond to various components within the draft based on our expertise and knowledge.

The Joint Commenters include members of the Renewables Subcommittee in the <u>Illinois</u> <u>Clean Jobs Coalition</u> (ICJC), however the views in these comments are our own and do not necessarily represent the view of that entire coalition. We also want to note that comments regarding Chapter 8 will be filed separately; members of the ICJC's Solar For All Subcommittee overlap with the Renewables Subcommittee, and have worked diligently to provide responses.

Signatories:

A Just Harvest	Vote Solar
Citizens Utility Board	Union of Concerned Scientists
Third Act Illinois	Environmental Law and Policy Center
Illinois Environmental Council	

Chapter 3: RECs and RPS

Members of the ICJC Renewables Subcommittee understand that the IPA's projected RPS budget (Table 3-14) will be a critical component to follow in the next few years. While we do not have any proposed solutions for the RPS budget, we do offer to work with the IPA, wherever possible, to address the budget in future years. This would include potentially convening a listening session for interested stakeholders to provide input, or hosting a public hearing where the IPA provides updates and potential solutions to the RPS budget.

We also understand that there is a request for reopening the 2024 IPA Long Term Renewable Resources Procurement Plan (ICC Docket No. 23-0714). While we do not have any comments regarding this request for reopening, we do request that the IPA update Table 3-14 if the request is successful and additional REC procurements are approved in the current 2024 Plan.

Finally, we would like to call attention to proposed legislation in the state senate. The most current version of the proposed legislation is SB 25, HAM002, also called the Clean and Reliable Grid Affordability Act (CRGA Act). The CRGA Act contains language that affects the RPS budget, such as shifting Zero Emissions Credits (ZECs) and implementing an inflation adjustment. If the Act is signed into law, we would appreciate further updates to Table 3-14 as time allows.

Chapter 5: Competitive Procurements

Section 5.5.3 Non-Photovoltaic Community Renewable Generation (NPCRG)

In this section, the IPA requests feedback on "if it should consider procurements from non-photovoltaic community renewable projects through procurement events or other activities conducted pursuant to this Long-Term Plan."

We appreciate the IPA wanting to keep the NPCRG top of mind; the NPCRG is another opportunity for communities to propose and develop projects directly. Of course, we also agree that procurements must go first to pre-designated programs such as the Illinois Shines and Illinois Solar for All. From our knowledge, no projects have been proposed under the NPCRG so far. We believe that more communication and education sessions should be held to help potential stakeholders and contractors know that the NPCRG exists. With this in mind, we support the IPA, if possible, to weigh any future NPCRG projects on an individual basis.

Chapter 7: Illinois Shines

Section 7.2 Mentorship Program

In this section, the Agency asked for stakeholder feedback on exploring non-monetary mechanisms that incentivize mentors. We suggest a few options below as nonmonetary incentives for mentors.

- Pre-access to the program year window of the category that the mentor is offering services in, with a cap on the number of projects or number of kw.
- Exclusive access to any remaining EEC budget at the end of the PY.
- Additional points in a project selection process.

Section 7.4.4.2 Public Schools

We encourage the Agency to allow select public schools to qualify for the NP/PF subprogram, namely EBF Tier 1 and Tier 2 public schools¹ that are located within Environmental Justice Communities. As noted by the Agency, "Participation [in the nonprofit/public facility subprogram] has been consistently low or otherwise undersubscribed as compared to the target for this sub-program." Similarly, the Agency has noted that "[d]espite the Public Schools category having 147.07 MW of capacity in the 2024-25 Program Year, only 8.5 MW had been awarded program capacity as of June 30, 2025. Every year since its inception, the IL Shines

¹ Illinois public schools are funded through an Evidence-Based Funding (EBF) formula that categorizes districts into four tiers based on their "Percent of Adequacy," which reflects their funding gap between resources and their established needs. Tier 1 districts have the largest gaps and receive the highest priority for new state funding, with subsequent tiers receiving progressively smaller allocations from the available new funds to close the funding gap over time.https://www.isbe.net/Pages/EvidenceBasedFunding.aspx

² IL Power Agency, Draft 2026 Redline Long Term Renewable Resources Plan, p. 386.

³ *Ibid.* p. 243.

Public School category has been grossly underutilized. The Agency has the opportunity to 1) put some of these funds to use sooner rather than later, 2) help further reinvigorate the once-competitive Nonprofit/Public Facility subprogram, and 3) help reduce the energy burdens of an important subset of public schools already struggling with inadequate funding in communities suffering from disproportionate exposure to environmental hazards.

The final challenge highlighted across many stakeholder comments was the difficulty schools face was long project lead times as a result of interconnection queues and long decision-making timelines. Given these significant challenges, the Agency proposes to allow Tier 1 and Tier 2 public schools that are located in Environmental Justice Communities to once again qualify for the Illinois Solar for All Nonprofit/Public Facility Subprogram. In addition, The the Agency remains committed to supporting projects in this category where it can and has been closely monitoring these issues. The Agency will seek to adopt a multi-faceted approach to help improve uptake of this category, including exploring options for wrap-around services and increased outreach and education on the Program. The Agency is continuing to shape this approach and continues to welcome stakeholder feedback as it does so. The Agency will publish a public-facing outreach plan specific to the Public Schools category in Fall 2025, so that efforts planned to increase activity in this category are transparent to both Program participants and the market as a whole. Redline 243-44.

Section 7.4.6.3 Modifications to the EEC Category Made Upon Reopening in 2022-23 Program Year

Additionally, the Agency's Modified 2022 Long-Term Plan added distributed generation and community solar subcategories were developed to the EEC category. As the Agency continues to see an outsized number of community solar projects be submitted to the EEC category, the subcategories will continue in the Program Years covered by this 2026 Long-Term Plan, with new proposed percentage changes noted in Section 7.4.6.4. below. no proposed percentage changes. Redline 257.

Section 7.4.6.4 EEC Subcategories

We believe the Agency should adjust the allocation of the EEC category's capacity to 70% for community solar and 30% for distributed generation. As well noted by the Agency, "The oversubscription in the category increases the likelihood that EECs embodying the spirit of the law will be crowded out by EECs controlled by existing, well-resourced, experienced solar development firms, and thus makes protecting the category of paramount importance." Redline p. 495. We also support the continued application of a 20% developer cap.

Again, in the Agency's words: "The EEC category was established for a distinct purpose – to provide access to the clean energy economy for businesses and workers from communities that have been excluded from economic opportunities in the energy sector, have been subject to disproportionate levels of pollution, and have disproportionately experienced negative public health outcomes." Redline, p. 259. Few EECs that have truly been excluded from economic opportunities in the clean energy sector have the capacity to develop community solar projects. Many start with smaller DG projects and move on to larger DG projects and then small community

solar projects. It seems that some more experienced developers have seen the EEC category as a way to expand their access to incentives in a competitive community solar market, which is a betrayal of the distinct purpose the EEC category was established for. The overallocation of ILSFA small residential funds may drive additional "authentic" EECs into the IL Shines EEC residential program and thereby increase demand for EEC DG funds.

Section 1-75(c)(1)(K)(vi) of the IPA Act authorizes the IPA to "create subcategories within this category to account for the differences between project size and type." Thus, the IPA created two subcategories within each Group of the EEC category: one for distributed generation and one for community solar through the modifications to the 2022 Long-Term Plan approved by the Commission in May 2023. In approving the creation of subcategories, the Commission found that it is sufficient to allocate of 25% of the EEC category's capacity to distributed generation projects. The Agency no longer believes that a 25% allocation of the EEC category's capacity to distributed generation projects is sufficient and proposes to adjust the capacity of each Group to be split 70% community solar and 30% distributed generation. will maintain the capacity of each Group to be split 75% for community solar and 25% for distributed generation. This split ensures that some capacity remains available for EECs seeking to develop distributed generation projects, especially as new EECs enter the market. Redline p. 258.

Section 7.10.1.1 Reduced Initial Batch Requirement for Small and Emerging Business AVs

We support the minimum batch size proposed by the Agency but suggest an alternative definition of "small and emerging business" to be consistent with our suggestions in our ILSFA comments (to be filed separately). Being authorized to do business in any U.S. state for less than

3 years is an extremely short amount of time to expect a small business to master and become competitive in the IL Shines Program.

As such the Agency proposes to define a "small and emerging business" business as any for profit entity, independently owned and operated, with annual revenues less than \$4 million per year.

Redline p. 334.

Or-

The Agency proposes to define "small and emerging business" as any for profit entity, independently owned and operated with annual revenues less than \$4 million that has completed the following maximum number of projects for each subprogram: 75 small residential, two community solar, or 15 nonprofit/public facilities. .continue utilizing the same define of "emerging" business that was present in Section 8.2.3. of the 2024 Long-Term Plan: a business that has been authorized to do business in any U.S. State for less than three years. The Agency will allow any entity that meets either (or both) of those criteria to qualify as a "small and emerging business" (SEB) for purposes of administration of Illinois Shines and Illinois Solar for All. The Agency welcomes additional stakeholder feedback in response to this draft 2026 Long-Term Plan as it seeks to select the proper thresholds for this definition, such that newer and smaller companies receive the support intended through these proposals. In particular, the Agency appreciate stakeholder feedback on the definition of a "small business," and whether the Agency should incorporate an employee headcount into the definition. One of the measures the Agency is proposing to provide support to SEB Approved Vendors is a reduced first batch size requirement. Redline p. 334.

Chapter 9: Consumer Protections

Section 9.4.2.1.1.2 Reassignment of Stranded Projects when the Original Approved Vendor Is Unable to Execute Reassignment

Consumer advocates often get questions from people interested in solar about what happens if their solar installer goes out of business. These are hard questions to answer, but show the importance of creating safeguards for when Approved Vendors and/or Designees do go out of business. We support the Agency's proposal to allow for reassignment of projects in the place of termination. We understand the Agency's concern surrounding customer incentive, and suggest the Agency develop educational materials to explain why a customer may want to enter into a new contract. We believe an increased REC adder, which could be partially passed through to the customer, would be a good incentive, especially when considering the stranded customer may have taken some type of financial loss when their Approved Vendor or Designee went out of business.

Section 9.4.2.1.1.4 Stranded Customer Projects when the REC Contract Is Terminated by the Approved Vendor or Through Bankruptcy

We agree that a primary goal of the program is to incentivize the development of new solar projects, and that tracking and retiring RECs is how progress towards that goal is measured. That being said, we do have concerns around creating a system that could potentially double count RECs or "double charge" utilities. We believe the first has the least risks, of which can seemingly be mitigated. This option also avoids poor use of RPS funds. We would like to encourage the agency to center consumer protection when envisioning solutions to this problem, as we would not want to prioritize a clawing back of original payments, if those payments have already been

distributed to solar customers, who are not at fault for their project's REC contract being terminated.

Section 9.4.2.1.4 Other Illinois Shines DG Consumer Protection Issues

We also have concerns about the two topics that the Agency has presented in this issue, and we are glad the Agency is pursuing solutions.

- 1) Potential risks related to the solar loan financing industry
 - a) We still believe that certain financing entities should be required to register with the Program, but understand that the Agency needs more information. We support the Agency's proposal to require that Approved Vendors and Designees registered with the Illinois Shines program submit information about their partnerships with financing entities. We agree with the questions asked, and suggest also asking Approved Vendors and Designees who answer NO to the first question, more about how their customers typically pay for or finance their projects, just to get a better understanding of the industry as a whole. We recommend that the Agency run some sort of analysis on the financing companies that Approved Vendors and Designees are working with. Consumer advocates have received complaints from customers who state that they later found out their financing company has complaints filed against them, or are going through lawsuits in another state. The analysis could focus on which, if any, financing companies have complaints filed against them (through Better Business Bureau, Attorney General's Office, etc.). We believe this would help paint a clearer picture as to how these companies operate, and if they pose consumer protection risks. We also propose additional contract requirements that require Approved Vendors and Designees to specifically list any "broker fees" that are part of the total project cost.

- 2) Inherent risks in the model where Approved Vendors promise to pass through part of the Illinois Shines REC incentive payments to customers following receipt of such payments
 - a) We agree that the pass-through model poses threats to consumer protection, but also allows smaller vendors to more easily operate within the program. We support the Agency's proposal to create restrictions and/or additional requirements surrounding use of the pass-through model. We also support the future implementation of a security bond requirement if the Agency deems it necessary, as long as the size of the security bond is dependent on the size of the vendor.

Section 9.9 Solar Restitution Program

We support the Agency's proposal to raise the vendor cap to \$2,000,000 per Approved Vendor. We also support the Agency's proposal to set a minimum payout of individual claims in the range of 50-75%, but do not think the rate should depend on how tied the issue is to the Agency's incentive programs. The Agency should instead determine the minimum payment percentage based on the ability of the harmed customer to be made whole through another avenue. If the SRP is truly the last resort for a harmed customer to be made whole, said customer should have access to a higher minimum payment percentage. If the Agency is looking to center equity, minimum payment percentage could also be determined based on household income (lower-income households would receive a higher percentage).

We support the Agency's proposal to raise the cap for large distributed generation projects from \$30,000 to \$50,000.

We ask that the Agency release a report detailing how phase 1 of the SRP goes. This information will allow the group to write more robust comments relating to the program in the future.

Additional topics - Solar lease deals in the Small DG subcategory

Consumer advocates have received an increasing number of complaints from solar customers surrounding expensive or confusing lease deals. We are concerned that without the right consumer education and program requirements, solar customers will continue signing lease agreements that they do not fully understand. We propose that the Agency consider adding a lease calculator to the Illinois Shines website (so that interested solar customers can compare the cost of leasing versus owning a project), that any annual cost escalators are required to be listed on lease and PPA Standard Disclosure Forms, and that Approved Vendors and Designees who sell lease deals are required to disclose true project cost compared to total customer payment for said project. We also propose that the Agency prohibit Approved Vendors and Designees from collecting any signatures door-to-door on a tablet or phone. We believe this marketing method does not allow the customer time to do any independent research on the vendor or on solar, and should be considered a high-pressure sales tactic. We believe these changes will protect consumers from making rushed and uninformed decisions. Finally, we ask that the Agency analyze if there is a correlation between lease deals, high-pressure sales tactics, and customer harm (specifically in the Small DG category).

Chapter 10: Diversity, Equity, and Inclusion

Section 10.2.1 Advance of Capital

Given the "steep decline in requests" by EECs for an advance of capital noted by the Agency, and in order to further support those EECs that have truly been excluded from economic opportunities in the clean energy sector, we believe the Agency should provide EECs seeking an advance of capital the same opportunity that is being proposed for small and emerging businesses. Namely, EECs should be given the opportunity to receive a return of collateral where interconnection costs are demonstrated as being too high (including the costs of a long wait for interconnection approval) to continue with the project. We have heard from some EECs that they would like to increase their use of advanced capital, but have been hesitant due to the fear that interconnection costs may come back too high. For example, one EEC applied and received an advance, but has yet to be approved for interconnection, which according to the AV, now seems bleak, creating a scary situation regarding completion of the project. Without interconnection approval, this AV will be in trouble financially, and does not want to apply for another advance of capital unless they have a "shovel-ready" project. Granting an option to request a return of collateral in situations where interconnection has become just too costly seems appropriate and necessary for helping EECs advance in the industry. The Agency could continue using the rigorous review process it currently uses for requests for advances, while providing another helping hand. We see no reason to provide this support to small and emerging business, but not EECs.

An additional thing we learned is that two EECs we spoke with (both of whom are relatively new to IL Shines but have developed several projects) had no idea an advance of capital

is an option. We have not received any feedback that the initial batch size requirement is a problem.

It is important to note that the existing evaluation of advance of capital requests does take into account both the size of a company and how long it has been active in the industry. In this 2026 Plan, both Illinois Shines and Illinois Solar for All have developed a new definition of "small and emerging business" to be used regarding issues like initial batch size and potential return of collateral. Should this definition prove useful in these initiatives, tThe Agency may will allow EECs that apply for an advance of capital to also request a return of collateral when interconnection costs will be too high to proceed. incorporate this definition of small and emerging businesses into the advance of capital review in the future. Redline 516.

The Agency proposes to allow a refund of collateral for projects for which an EEC or an SEB AV submits to the ICC and enters into a contract, in the event that the AV learns that interconnection costs will be too high to proceed with the project. The Agency believes that this collateral flexibility may help reduce barriers that EECs and SEBs experience in the Program and that EEC and SEB Approved Vendors may not be expecting to pay as they develop experience in the sector. Redline 317.

Section 10.1.2.1 Ownership by EEPS

We support and appreciate the changes made in this section.

Section 10.1.2.2 Management & Control of EEC AV

We support and appreciate the changes made in this section.