



Clean Grid Alliance's Response to Illinois Power Agency's Request for Stakeholder Feedback on the REC Pricing Model

December 3, 2021

On November 12, 2021 the Illinois Power Agency posted eight documents seeking stakeholder feedback on certain topics in preparation for publishing its updated Long-Term Renewable Resources Procurement Plan on January 13, 2022, in compliance with P.A. 102-0662. Enclosed are Clean Grid Alliance's response to certain questions presented by the IPA regarding the REC Pricing Model.

CGA's comments respond to the following questions: 9 and 10.

GENERAL RESPONSE:

CGA reserves the right to change its position in response to comments made by others, and its lack of a response to a question should not be interpreted as not having a position on that topic, or waiving its right to comment in future workshops or litigation on the matter.



RESPONSE

9. The Agency previously issued a request for stakeholder feedback on the cost of compliance with prevailing wage requirements as part of the Adjustable Block opening process.¹ Are there other significant cost adjustments that should be considered that were not reflected?

ANSWER:

If there are insufficient Eligible Equity Contractors to keep prices competitive, there is the potential that a renewable energy developer (i.e., competitive procurement bidder or ABP vendor) would not qualify for a waiver and have to use a high-priced contractor. Therefore, the available pool of Eligible Equity Contractors and Eligible Equity persons relative to the projects that are driven by IPA procurement need to be accounted for in ABP pricing, as well as the formation of competitive procurement benchmarks.

10. What additional cost considerations should be included for public schools, community-driven community solar, and EEC projects? Should any of these be adders rather than adjustments to the base REC price (e.g., an adder for rooftop community driven community solar projects)?

ANSWER:

Adders are easier than adjustments for public schools, public buildings and not-for profits because these entities are on a special rate making a PPA difficult to compete.

Respectfully submitted for your consideration

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¹ See: <https://illinoisabp.com/wp-content/uploads/2021/10/Large-DG-REC-Price-Feedback-14-Oct-2021-Final.pdf>.