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Illinois Power Agency

105 West Madison Street, Suite 1401
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Re: 2024 IPA Long-Term Plan Feedback - Chapter 10: Illinois Shines

Ampion, PBC is pleased to submit the following responses to the request for feedback on the Long-Term Renewable Resources Procurement Plan issued by the Agency on June 8, 2023.

Preamble:

Ampion has been pleased to participate in the Illinois community solar market and the Illinois Shines program for the past three years. We have worked hard to learn and comply with the program rules and have established what we hope is an excellent working relationship with both the current and previous Program Administrators. Ampion believes deeply in the power that community solar has to 1.) bring reliable, clean power to electric grids across the country, 2.) bring the benefits of distributed solar to a wide range of customers, including those who have been historically under-served by rooftop solar options, and 3.) provide rewarding work in the many aspects of the expanding field of renewable energy. Ampion also believes that the community solar industry benefits from a strong set of rules and regulations that set clear standards and expectations for all participants in the community solar value chain. We do see it as imperative, however, for those regulating the industry to take care lest their efforts go beyond a point of diminishing regulatory returns and begin to run counter to the broader policy goals and statutory directives that underpin the distributed solar industry in Illinois.

Ampion is very concerned that the Illinois community solar program is reaching the point where the pace and complexity of regulation is hindering the overall goal of facilitating renewable development by making it more difficult for all market participants, including subscribers, to play their part in making the program a success. Our comments below are made in the spirit of wanting to see the Illinois Shines program continue to succeed and are based on our practical experience in the market. That experience has shown us that frequent changes to the regulatory structure of a program, especially where those changes almost always involve an increasing level and complexity of regulation, impose real costs on market participants. Eventually, the accumulation of those costs results in everyone involved in the program simply getting less of what the program was intended to deliver. Developers faced with higher costs of building, filling, and maintaining sites will take a pass on Illinois Shines in favor of programs in other states with less complexity and fewer costs. Subscription revenue management providers like Ampion that see their costs increase because of incremental regulation will have to pass those costs on to developers, exacerbating the previously mentioned dynamic. If fewer sites participate in the program, Illinois consumers will get fewer bill credits than they would

otherwise. And some customers would get fewer credits than the statute intends for them to get directly as a result of the continued misreading of CEJA.

Ampion encourages the IPA to think carefully about whether the incremental measures proposed in the LTRRPP, which comes only a few months after some of the same concepts were proposed in the last version of the Guidebook, really make the Program discernibly better or just harder and more expensive to participate in, a result that helps no one. The IPA should monitor the changes enacted in the past year to ensure that they are fulfilling the statutory requirements and spirit of CEJA rather than constantly evolving the participation requirements without knowing which changes are possible let alone working. Ampion commends the time and resources that the IPA has poured into the Illinois Shines Program, and we believe it is time to let the program operate for a period before suggesting further modifications. This perspective recurs throughout our written feedback topics for both Chapter 7: Illinois Shines and Chapter 10: Diversity, Equity, and Inclusion, and we have included this preamble in both of our feedback documents.

Our preamble is particularly relevant to this section. Ampion believes that the IPA should allow the industry time to properly implement the MES Compliance Plan requirements before modifying the definition of project workforce. The IPA released guidance six business days before the first ever MES Plans were due leaving participants very little time to understand the updated project workforce definition, estimate their project workforce, collect sensitive information from relevant employees, contractors and subcontractors, and then submit a plan on how they would fulfill the 10% MES requirement 12 months from now. This process is unlike any other community solar program in the country, and caused participants to redirect scarce resources to this administrative exercise. We urge the IPA to allow time for participants to get this first version of the plan right before modifying it. In fact, it is difficult to provide more detailed comments on this topic when participants have not received their final scores for resubmission plans. Additionally, we question the ability to properly monitor progress if the definition of the criteria being monitored changes every year. We do not recommend that the IPA change the definition of project workforce at all, but if they do, we recommend that they wait at least one year to better understand how well the processes worked in accordance with the spirit and letter of CEJA.

TOPIC 5: Other Minimum Equity Standard Issues

As mentioned in our preamble, Ampion cautions the IPA from over-regulating Illinois Shines and over-complicating a process that is already administratively burdensome and unsettled for both program participants and Energy Solutions. A regionalization of the MES would further complicate the process by adding another layer of differentiation making it almost impossible for participants to comply with. Ampion does not believe that the IPA should create different MES requirements for projects in different areas across the state. It is not clear to us how this would be accomplished or what policy goal it would further if it could be done.

The IPA should use a basic rounding method for determining exactly how many EEPs are required to meet a participant’s Minimum Equity Standard requirement. If a company’s project workforce decimal is less than 0.5, it should be required to try and hire the number of EEPs that is equal to the integer rounded down. If a company’s project workforce decimal is 0.5 or above, it should be required to try and hire the number of EEPs equal to the integer rounded up. Below is a table with a few examples in order to make our method more clear. This method does result in some companies having an EEPs hiring obligation that is one fewer than it would be with a different rounding exercise, but we believe this is the right result based on how the market tends to operate, especially for AVs and designees with relatively small workforces. It may be that more aggressive standards assume that AVs and designees are constantly hiring and, thus, able to add EEPs-qualified employees to their worker rolls relatively easily. This is not always the case, however. Where a project workforce is stable or temporary, it may be challenging to make any new hires. As noted previously, because this is a new requirement, we urge an implementation plan that errs on the side of caution and allows some time for an assessment of the program’s implementation before adopting measures that would make compliance more challenging. The same critique could be made of the suggestion that the MES standard be increased beyond 10 percent on a set schedule, as discussed further below.

We would like to add a note regarding participants with less than ten employees. A company with nine or fewer employees likely does not have the budget or the bandwidth to create a new job position to satisfy this requirement. However, these participants should not be exempt from complying with the MES requirement. Small companies should be required to market open positions to EEP audiences should an existing one open up or a new one be created. Ampion does not want this requirement to result in an employee of a small business being let go in order to hire an EEP to meet their MES requirement. We recommend that participants with nine or fewer employees should be granted greater leniency to receive a waiver due to the difficulty they may face trying to comply. We believe in encouraging small business participation in the program, and we believe that the IPA does as well. If that is the case, the IPA should not make barriers of entry too high for them to do so.

Project Workforce (denominator)	Annual Percent to Comply with MES	Fraction Value of EEPs Required to Meet MES	Actual Number of EEPs Required to Meet MES
8	10%	0.8	1 *with increased ease of waiver
17	10%	1.7	2
22	10%	2.2	2
60	10%	6	6

85	10%	8.5	9
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Ampion would like to reiterate our sentiment and philosophy explained in the preamble of this feedback and our response to Topic 1: Definition of “project workforce.” We ask the IPA not to change the newly created MES processes before it has even finished grading participants’ resubmitted first Program Year 2023-2024 MES Compliance Plans. The industry needs to learn how to comply with the MES and how to carry out each process before it can give feedback about who should have to comply with it, let alone before the IPA should make judgments about how to improve it. It is imperative that the IPA let participants adjust to these new, time and resource intensive requirements before modifying them or increasing them.

TOPIC 8: Demographic and Geographic Data Collection

Ampion has two points of feedback on this topic. First, the IPA should clarify whether they want to collect the demographic data of a participant’s entire company workforce or just the demographic data of the project workforce. Second, Ampion questions the need for this kind of data to be collected at all. The MES requirement is imposed by CEJA and the IPA is charged with implementing it in the context of the Illinois Shines program. To successfully implement the MES, a certain amount of data collection and reporting is required. But given the sensitivity and confidential nature of much demographic data, which would have to be collected by AVs and designees from their employees, participants should have to collect and report on such data as is required for MES compliance, and no more. In any event, the collection of any demographic data beyond that required for MES compliance should remain on a totally voluntary basis.