"[TdM Emerald Corp] – Chapter 5 LTP Feedback"

Stakeholder Feedback Request for the 2026 IPA Long-Term Plan
Chapter 5: Competitive Procurements

TOPIC 1: Enactment of Public Act 103-1066

Questions

1. **Are there further adjustments the Agency should consider to ensure sellers receive payment under existing REC contracts in the development of the 2026 Long-Term Plan in light of P.A. 103-1066?**
    i. ***ANSWER: This is a good opportunity to set precedent for how these REC contract changes may impact new or emerging vendors if they face suspensions or reductions in their REC contracts. Ensure there is transparency, so established and emerging vendors can forecast if there are procurement timeline adjustments. This way if there are suspensions, reductions, and/or delays, vendors can still move forward and adjust. Ensure there is proactive communication to vendors around REC budgets and utility load forecasts, perhaps 2-3x a year so vendors can remain proactive ahead of payment interruptions. Secure feedback and set standards for contingency triggers if we are approaching the statutory cap as far in advance as possible. This way developers can respond accordingly, and not continue putting forth projects in the queue to limited avail. These triggers could also lead to reallocation mechanisms of unspent funds with stakeholder feedback integrated. Be vigilant that if there are payment or procurement suspensions, that the IPA et al are proactively sensitive to how that will impact vendors with limited financial runway. Funds for hardships or rapid payment (even adjusted) could be beneficial to prevent EEC and MWDBE attrition during boom and bust cycles.***
2. **In the past, participants have sought to include a provision in utility-scale and brownfield photovoltaic REC Contracts to require Buyer-side collateral due to non-payment risks. Does the enactment of P.A. 103-1066 obviate the desire for Buyer-side collateral?**
    i. ***ANSWER: Buyer-side collateral can be a strong mechanism, as requiring developers to demonstrate commitment and capacity to deliver projects aligned with the letter and spirit of CEJA. Payment security through P.A. 103-1066 is a helpful step forward, but insufficient. New procurements may have a heightened sensitivity to rate cap periods, and the IPA et al should elicit further stakeholder participation to set a sliding scale of collateral requirements based***

upon vendor maturity, project complexity, and involvement of emerging players related to CEJA equity goals, e.g. local ownership. When utility timelines introduce delays for cost recovery, there need to be an available ecosystem to newer players to remain in the game in these scenarios; especially if projects are deemed to have multiple levels of positive impacts: grid benefits, state clean energy goals, positive externalities, equity mandates, etc.

3. **P.A. 103-1066 authorizes the Agency to administratively reset the percentage-based goals of RECs to be procured from utility-scale wind and hydropower projects, utility-scale solar, and brownfield photovoltaic projects. What methodologies or data should be considered by the Agency when evaluating the allocation between various technologies?**
    a. What is the appropriate percentage-based goal for these various technologies, and why?
        i. ***ANSWER: Given the rapid development of data centers and other large energy users, preserving grid reliability and proactively addressing congestion is increasingly important. Further, to continue to demonstrate how beneficial clean energy can be for the grid, prioritize a robust and diverse mix that can operate under extreme weather and other challenges. Take lessons from CEJA's equity goals around new and local vendor participation and retention from smaller DER programs (e.g. IL Shines EEC and ILSFA) to provide more on-ramps for representative participation, and match allocations to market response. As we have seen in smaller programs, sometimes initial forecasts do not match reality with some programs over-subscribed with years of waitlists, while others are under-applied for due to program complexities. Positive impacts for ratepayers should be prioritized, e.g. bills, intermittency, and direct and indirect benefits going to R3, environmental justice, equity investment eligible, etc communities. Utilize data and stakeholder feedback on what the actual percentages should be, if changes are deemed necessary to meet present or future realities, and focus on grid, equity and social benefits. Balance these goals WITH not AGAINST what can be delivered in the market. These considerations are not opposed or an either/or, and should be considered accordingly. As these projects are larger by nature, any positive outcome and practice put into play reinforces CEJA, any negative pattern put into play proportionally undermines CEJA. Both have downstream impacts, so getting these right is crucial.***

TOPIC 2:Inflation Adjustment Mechanism

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Questions

4. **Are there further adjustments the Agency should consider to ensure sellers receive payment under existing REC contracts in the development of the 2026 Long-Term Plan in light of P.A. 103-1066?**
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