AMPION

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June 29, 2023

Illinois Power Agency
105 West Madison Street, Suite 1401
Chicago, IL 60602

Re: 2024 IPA Long-Term Plan Feedback - Chapter 7: Illinois Shines (Public)

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

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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.

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

Ampion continues to be opposed to the IPA's interpretation of what it means to be a small subscriber. We also disagree with the IPA's understanding of the industry's pushback in late April regarding changes to the Program Guidebook. We do not believe that the IPA addressed our Program Guidebook comments submitted on April 3, 2023, and we will summarize them below. We have also attached our previously filed comments to this email for your benefit.

1. There is no statutory requirement which limits a small subscriber to one 25 kW subscription across the entire program. Rather, the clear statutory language supports the opposite conclusion, that the 25 kW limit is at the site level rather than the customer leve: "**[P]rojects** shall have subscriptions of 25 kW or less for at least 50% of the facility's nameplate capacity and the Agency shall price the renewable energy credits with that as a factor," (20 ILCS 3855/1-75(c)(1)(K)(iii)(2)(emphasis added).
2. There is no discernable policy objective achieved by restricting the definition further.
3. One 25 kW subscription does not cover the total electricity use of many small commercial class customers, and sometimes it does not even cover all of a residential utility account's needs.
4. This fundamental change would increase costs of acquisition and potentially re-acquisition which would necessitate a re-evaluation of the existing REC incentive calculation of $14.82/REC necessitating an increase in REC price.
5. If the IPA decides to move forward with this non-statutory definition change, Ampion recommended that the change is not made retroactive to existing contracts with consumers.

Additional points not included in our April 3, 2023 comments:

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6. Confirming that no small subscriber utility account repeated across two or more sites will be an operational disaster for Energy Solutions.
7. CEJA explicitly charges the IPA to create a program which provides robust opportunities for *both* residential *and* small commercial customers. The definition of small commercial customers is clearly defined in Ameren and ComEd's tariffs. Given the usage profile of these small commercial customers, subscription of only 25 kW unequivocally and unreasonably limits the benefits these customers receive from the program rather than providing robust opportunities to participate.

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