SOLSTICE
Solar for every American

June 29, 2023
Re: Stakeholder Feedback Request for the 2024 IPA Long-Term Plan

Solstice Power Technologies
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Solstice Power Technologies appreciates the opportunity to provide comments to the Illinois Power Agency regarding the Long-Term Plan for 2024.

TOPIC 4: ILSFA Community Solar Subscription Sizing

1. Should CS subscribers be allowed to subscribe to a greater number of kWh than anticipated usage?

   SOLSTICE RESPONSE: Yes, the changes to net-metering in Public Act 102-0662 were intentionally designed to increase the impact of community solar subscriptions by allowing a subscriber to apply bill credits to the charges on their electric bills beyond supply charges. This benefit should not be restricted for low-income community solar subscribers participating in Illinois Solar for All.

   For low-income community solar customers, limiting their subscriptions to the previous year's usage ultimately results in the total savings on their utility bills being roughly 20%. By allowing them a larger subscription size, the overall savings can increase to 40% or higher. Participating in Solar for All requires more time and effort than most (if not all) community solar programs, and that enrollment process is often not worth it for low-income families if they only see 20% or less off their utility bills.

   It is a valid point to look at the tradeoff between serving more low-income subscribers vs. less with a higher savings rate. Given the very limited nature of the funding for these projects, and the fact that far under 1% of low-income residents in Illinois are ever going to be a part of this program, focusing on more deeply impacting a slightly smaller number of customers is the logical choice.

   Lastly, imposing such a limit would create a lot of customer confusion and additional work to implement historical usage caps with the existing percentage-based disclosure form buffer restrictions. The combination of the two rules would mean that if a customer's usage drops by 5 to 10% during the course of their community solar subscription, they have to sign a new disclosure form to remain a participant in the program. Getting in touch months or years after enrollment to ask for a new signature is a confusing touch point for customers, and prevents customers who either don't have an email or are less likely to check it (which are the very customers this program is designed to serve) from continuing to benefit from the program.

2. If tariffs now allow credits to be applied to charges beyond the electricity supply charges, should the Agency consider a different subscription limit based on the kWh used? If so, what would that recommended limit look like?

   SOLSTICE RESPONSE: No. Please refer to the answer provided for question one; the Public Act does not dictate different rules for households with different income levels, so there is no reason that Illinois Solar for All should, especially as it would disadvantage the low-income households that are choosing to participate in this optional program.There should be no subscription limit based on the kWh used.

TOPIC 8: Community Solar Subscription Reporting

1. Should the verification of community solar subscription levels shift to quarterly reporting instead of Daily Average reporting after the first year of the project? [Note: This change would only be effective for future contracts and not retroactive for currently approved projects.]

   SOLSTICE RESPONSE: Yes. Solstice believes that the Daily Average reporting rules, as written, make it impossible to maintain a 100% subscription and maximize REC revenue according to the REC contract. If the baseline subscription level is set at 100%, which is our intent as a subscriber manager, the only possibility is for the Daily Average to be less than 100% due to natural churn that happens on every community solar project, thus jeopardizing REC revenue. Furthermore, requiring Daily Average reporting in the first year of the project is particularly challenging, because the most churn on community solar projects always happens in the first few months after the project has energized. Removing the Daily Average reporting for all project years would be the best course of action.

   Solstice recognizes there are existing buffers, e.g. maintaining 90% in overall subscriptions and the ability for income-eligible subscriptions to drop 4% in every other year, but it would be far more appropriate to create an attainable standard, rather than forcing vendors to rely on the buffers.

   Utilities require at least two days to verify and approve new customers, and that is under the Adjustable Block Program where there is no income verification. In Illinois Solar for All, this lag time would likely be longer as income needs to be verified before customer approval. Solstice has seen, via experience managing projects in the Adjustable Block Program for the past two years, that even with waitlists of customers fully enrolled, there is always a delay between learning a customer has been removed from a project (unless we were to sign into the utility portal every single day) and identifying which customer on the waitlist could be best for the replacement. That's assuming the customer gets approved, even though there are variables outside Solstice's control that could lead to a customer unexpectedly being rejected.

In addition, Solstice recognizes the legal challenges with adjusting REC contracts for currently approved projects, but feels strongly that any actions allowable by law should be taken to remove this unreasonable burden for existing projects.

2. In lieu of Daily Average calculations from data provided by Approved Vendors in their REC Annual Reporting, should Approved Vendors provide quarterly customer lists to the Program Administrator after the issuance of the Community Solar First Year Report?

   SOLSTICE RESPONSE: Solstice recommends that the process for REC reporting under Illinois Solar for All mirror the current process under the Adjustable Block Program. Under the Adjustable Block program, Solstice provides quarterly customer lists to verify certain subscription thresholds are met (e.g. 75% small subscribers as per FEJA REC contracts). The check is done quarterly, on a specific date each quarter. This predictability ensures Solstice can manage the projects to those deadlines and ensure the correct subscription levels, even when those levels fluctuate in between those deadlines. Solstice recommends a similar approach for the Illinois Solar for All program, where subscription levels are monitored at specific points in the year, to ease the administrative burden on both the Program Administrator and Solstice.

Thank you for the opportunity to provide comments on these matters. Please contact Alex Pasanen (Policy Coordinator) at alexp@solstice.us if you would like to further discuss these matters.

Sincerely,
Sandhya Murali
Solstice Power Technologies