

Illinois Power Agency
160 North LaSalle Street
Chicago, Illinois 60601

Comments on Draft LTRRPP

CSG thanks the IPA for the opportunity to comment on the Draft LTRRPP. Even though there are budget constraints for some segments of the ABP there are many lessons we and other market participants have learned over the first months of the program. We look forward to the results of these comments and the upcoming ICC proceedings. There are many important improvements that can be made through this process regardless of the status of any new legislation.

Our comments follow the order in which they appear in the Draft LTRRPP and are labeled according to the section to which they pertain.

3.22 Budget and Program Activities

While we understand that a number of the later scenarios outlined in this section are very unlikely to occur, CSG would still like to ask that attempting to hit the percentage based goals of the RPS be included in this list. If there is ever sufficient funding for the IPA to make more procurements available it is important that the percentage based goals make it into the list of priorities.

6.3.3.2 DG Waitlist

The waitlist for DG projects should be treated using rules separate from the ones governing Community Solar waitlist. The most important aspect of the DG waitlist is to have certainty on how systems on it will be treated. System owners and hosts for DG projects are not the sophisticated solar developers as is the case for many community solar systems. Any uncertainty may confuse and mislead this market segment.

We propose that a time of application based waitlist be used for DG projects. This is appropriate for DG projects because it is simple and gives a clear message to DG system owners. It is also much less likely to become as extensive as the community solar waitlist has become. If the market reaches the point where there is a similarly lengthy waitlist for DG as there currently is for Community Solar it may make sense to add in more criteria, but for the foreseeable future we feel a time of application based list is the best method for DG systems.

6.5.1 Co-Location of DG Projects

In general the rules for co-location of DG Projects are working reasonably well. We have one modification to suggest. The definition of “affiliate” used for co-location was written to determine developers for a developer cap in the lottery. This is a very different application than determining co-located projects.

CSG has come across many projects that in spirit seem to be separate systems on the same parcel, but due to the definition of “affiliate” currently being used are required to submit as one application. This occurs most often in rural areas. There are many large parcels of land that contain both a residence and farm or other business. These two separate entities are often owned or controlled by the same person or the same family, but operate as distinct entities and file taxes separately. We ask the IPA to develop a new method of determining co-location that allows for systems in this situation to participate as two separate applications.

6.7 Contracts

We thank the IPA suggesting a second contract workshop and look forward to participating in it. We believe that this will be a fruitful endeavor and many important improvements will be made during this workshop. Because of this it is important to give Approved Vendors as much flexibility as possible when assigning systems to a REC contract. If significant improvements are made to the REC contract, even systems currently being processed should have the option to enter into the new REC contract. We urge the IPA to allow for as much flexibility as possible, including allowing systems that are ICC approved but have not yet received REC payment to operate under new contract if the Approved Vendor chooses to do so.

6.9.1 AV Designees

CSG strongly supports the separate vetting of Approved Vendor Designees. This process is currently used for ILSFA and seems to be successful. We urge the IPA to adopt a similar system for the ABP.

In regards to the scope, the vetting for Designees should be based on what activities that Designee engages in. The simplest example would be a Designee that only does installations would just need and ICC DG Certification. Designees that engage in more activities would require more substantive vetting.

Again we suggest the IPA look to the SFA as an example where the vetting process is tied to the activities of the Designee or Approved Vendor.

If this approach is adopted it may take significant time to implement. We ask that this be taken into consideration as the new rules are developed.

6.12.1 Technical System Requirements

This section lists several new requirements that may be required for systems over 25kW (AHJ, SHPO, Phase I). While CSG is not opposed to some of these requirements, the size cutoff is not appropriate. These requirements should not apply to any system under 1MW or any rooftop system regardless of size.

6.12.2 Metering Requirements

The current metering standards are sufficient. There would be significant upfront and ongoing expense added by requiring revenue grade metering for all systems. The ongoing expense is significant as many of the cheaper RGM's are not web connected. This is not an issue for pay as you go REC programs, but this is a significant issue the upfront payment structure of the ABP.

6.13 Consumer Protections

Currently a 5% change in system size required a new Disclosure to be issued and signed. This causes confusion and many iterations of Disclosure Forms especially for smaller systems. A standard more similar to the one used for system size change would be more fair and consistent. We recommend that new a Disclosure is only required if a system size changes by the greater of 2kW or 10%.

6.14.6 Batch Contract Approval

The batching process has been the cause of many delays and issues. We propose that the time batching occurs is changed from after project submission to after Part 1 Approval. This would significantly streamline both ICC approval and system review.

Secondly 30 business days for Part 2 Approval is simply too short. Approved vendors cannot submit a Part 2 Application until after ICC approval. The current structure requires 4 weeks for the Admin to review which leaves the Approved Vendor with roughly a week to submit the Part 2 Application. Given the complexity of this submission a week is not sufficient time. We suggest that the timeline be extended to 60 business days after ICC Approval.

6.15.3 Project Completion and Energization

There are many instances where a system size increases slightly or a slightly higher capacity factor can be used due to an improvement in modules, system location or other factor. Not increasing the number of RECS only harms system owners in these instances. The current rules allow for the quantity of RECS to be reduced but not increased. We also recognize that there are many planning and budget considerations that prevent the IPA from allowing an unlimited REC quantity increases. To find a middle ground we propose that following modification be made: if the block a system is in still has capacity open, then that system may increase the REC quantity during the Pt 2 Application.

6.16.1 Credit Requirements

The 30 Business Day window to have 5% collateral withheld from the first payment of an energized system should be extended to 60 business days. See our comments above for more detail.

Secondly a recurring issue with the REC contract is that collateral can be collected from Approved Vendors without the ability to recover the collateral or mitigate the risk of climate change and reduced solar output. The ABP has also totally decoupled REC payments from any delivery or energy year. This in conjunction with the ICC's decision to not attempt to hit percentage based targets leads CSG to suggest the following changes are made to the REC collateral accounting. We propose that systems that have had REC shortfalls and collateral claw-backs over the course of the 15 year delivery period are allowed to continue delivering up to 2 additional years after the 15 years delivery period has ended. The benefits of this are twofold. One, the utilities will take delivery of the full contracted REC quantity more often. Two, system owners and Approved Vendors will be able to recover collateral clawbacks that have been made over the course of the contract.

This mechanism would not be used to make additional payments to systems, but simply to get back collateral clawbacks that they were made over the course of the contract.

8.12 SFA Application Process

A lesson we have learned from the opening of the ABP and the SFA is that short opening windows add stress, application inaccuracy, and undue complications. We urge the IPA and Program Administrator to avoid short opening windows whenever possible.



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Thank you for reviewing our comments. We look forward to continuing to participate in the development of the LTRRPP throughout the ICC proceeding.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dylan DeBiasi".

Dylan DeBiasi
Carbon Solutions Group