

ILLINOIS POWER AGENCY

Illinois Shines Program REC Contract and Illinois Solar for All Program REC Contract

Request for Stakeholder Comments

March 22, 2024

Background

In accordance with Section 16-111.5(b)(5)(ii)(B) of the Public Utilities Act, on October 20, 2023, the Illinois Power Agency ("Agency" or "IPA") filed the 2024 Long-Term Renewable Resources Procurement Plan ("2024 Long-Term Plan") for approval by the Illinois Commerce Commission ("ICC"). The ICC approved the 2024 Long-Term Plan with modifications in Docket No. 23-0714 on February 20, 2024.

The 2024 Long-Term Plan, as approved, calls for updates to the Illinois Shines Program (also known as the "Adjustable Block Program" or "ABP") and Illinois Solar for All Program ("ILSFA"), which supports new photovoltaic distributed generation and community solar projects through separate Renewable Energy Credit ("REC") delivery contracts.

On March 22, 2024, the Agency posted the draft of the 2024 REC Contracts for both Illinois Shines and ILSFA Program: **click** <u>here</u>. This Request for Stakeholder Comments is to seek feedback on the 2024 Draft REC Contracts posted, specifically:

- 2024 Draft ABP 15-year REC Contract;
- 2024 Draft ABP 20-year REC Contract; and
- 2024 Draft ILSFA (Utility-counterparty) REC Contract.¹

Responses are due by April 5, 2024 and should be sent to: IPA.Solar@illinois.gov

- Please provide telephone and email contact information in the event that the Agency or its Program Administrator(s) seek clarification regarding your comments.
- Each of your comments must be clearly indicated by tracked changes to the Microsoft Word version of the draft contract. We strongly encourage you to provide explanatory notes either in a separate document or highlighted in tracked changes.

The Agency plans to finalize and publish the contracts for use under the Illinois Shines Program and the Illinois Solar for All Program for the program year that starts June 3, 2024.

Comments received in accordance with the process outlined below will be reviewed by representatives from the IPA, the Illinois Shines Program Administrator (Energy Solutions), the ILSFA Program

Telephone: 312-793-0263. Fax: 312-814-0926. ipa.illinois.gov

¹ The ILSFA (IPA-counterparty) REC Contract is not provided for comments, but comments adopted through this process will be incorporated into the ILSFA (IPA-counterparty) REC Contract where applicable.

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Administrator (Elevate Energy), Ameren Illinois Company, Commonwealth Edison Company, MidAmerican Energy Company, Staff of the ICC, and the IPA's Procurement Administrator (NERA Economic Consulting).

In general, responses will be made public and published on the Illinois Shines website (https://illinoisshines.com/), the ILSFA website (https://illinoissfa.com/), or the Agency's website (https://ipa.illinois.gov/). However, should a commenter seek to designate any portion of its response as confidential, that commenter should provide both public and redacted versions. Independent of that designation, if the Agency or its Procurement Administrator or the Program Administrators determine that a response contains confidential information that should not be disclosed, it reserves the right to provide its own redactions.

For the convenience of stakeholders and interested parties, below are links that may be relevant:

- 2024 Long-Term Plan as filed on October 20, 2023: click here
- ICC Order in Docket No. 23-0714 dated February 20, 2024: click here
- Most recent prior versions of the REC Contracts:
 - Illinois Shines (ABP) REC Contracts 2022 version: click here
 - ILSFA REC Contracts 2022 version: click <u>here</u>

For the convenience of stakeholders and interested parties, Appendix A provides a summary of key changes proposed in the draft 2024 REC Contracts.

Should you have any questions or need additional information, please contact Sarah Duffy at 312-814-5105 or Sarah.Duffy@Illinois.gov.

Appendix A

Summary of Key Modifications to the REC Contracts

For the convenience of stakeholders and interested parties, redline documents showing the proposed changes against the applicable 2022 REC Contracts (i.e., the latest version of the applicable REC Contract currently in use) are available here: **click <u>here</u>**.

Additionally, Notes to Draft ("NTD") have been included to provide the context for the proposed change and to provide the references to the 2024 Long-Term Plan where applicable. These NTDs are provided for informational purposes only during the comment period and will be removed when the REC Contracts are finalized.

This list of changes is provided below for the convenience of interested parties. This list is not exhaustive and interested parties are encouraged to review the draft REC Contract documents in their entirety. Key changes include:

- 1. **Deadlines** for annual report and prevailing wage requirements are changed from July 15 to August 1 pursuant to the IPA's 2024 Long-Term Plan.
- Roof-mounted Community Solar Price Adder ("RCS Price Adder") of \$5/REC is introduced for Roof-mounted community solar projects in the Traditional Community Solar and Public School categories. This change was made pursuant to the IPA's 2024 Long-Term Plan. (Illinois Shines (ABP) 20-Year Contract only).
- 3. **Collateral Requirement is removed** for public school projects that are Tier 1 Schools, Tier 2 Schools or school projects located in environmental justice communities pursuant to the IPA's 2024 Long-Term Plan. (Illinois Shines (ABP) 20-Year Contract only).
- 4. **Definition of "School Project"** is clarified pursuant to the IPA's 2024 Long-Term Plan. (Illinois Shines (ABP) 20-Year Contract only).
- 5. Transfer of designated systems to new Batches. Currently, assignments under the REC Contracts (Article 13) are permitted only at a Product Order (i.e., batch) level. A clause is added to allow the IPA to remove and transfer existing designated systems to new Product Orders/Batches under certain circumstances so as to facilitate subsequent assignment of specific designated systems under such new Product Order to other approved vendors. This change is made pursuant to the IPA's 2024 Long-Term Plan.
- 6. **Removal of designated systems due to error.** A clause is added to allow the IPA to remove a designated system from the REC Contract if the inclusion of such designated system was due to an administrative error by the IPA or Buyer.
- 7. **Local Subscriber Commitments.** If a designed system is selected based on points received due to a local subscriber commitment, it is clarified that only local subscribers will count as a valid subscriber for purposes of contract administration. (Illinois Shines (ABP) 15-Year Contract only).

- 8. **Agrivoltaics or Dual-use Solar Commitments**. If a designed system is selected based on points received due to a commitment to utilize Agrivoltaics or Dual-use Solar, it is clarified that such commitment must be maintained after energization through the Delivery Term of such designated system. (Illinois Shines (ABP) 20-Year Contract only).
- 9. **Quarterly Community Solar Report**. The ILSFA program now requires the submission of quarterly community solar reports for the four quarterly periods after energization, replacing the requirement of the Community Solar First Year Report. (ILSFA REC Contract only).
- 10. **Prevailing Wage Act and Home Repairs Pilot**. Requirements related to the Prevailing Wage Act as well as the Home Repairs Pilot program have now been incorporated into the 2024 draft ILSFA REC Contract. These requirements were first introduced through an addendum to the 2022 REC Contract in Summer 2023 for newly approved batches. (ILSFA REC Contract only).