

**Illinois Solar Energy Association Comments on the
Illinois Power Agency's 2016 Draft Procurement Plan**

The Illinois Solar Energy Association respectfully submits the following comments regarding the Illinois Power Agency's 2016 Draft Procurement Plan (Draft Plan) as they pertain to the renewable energy section of the plan. Having read comments submitted by the Environmental Law and Policy Center regarding the Renewable Energy Section of the plan, we encourage the IPA to accept those recommendations in an effort to maximize solar construction in 2016 and lay a strong framework and infrastructure to assure the state procure cost effective RECs both in the short term and long term. As we look toward 2016 and beyond, the Illinois Solar Energy Association and our members are concerned about the likely loss of the federal investment tax credit (ITC) which expires at the end of 2016 and the implication this will have on solar development in a young and developing market. Therefore, we urge the IPA to make every effort to prioritize the Illinois procurement for renewable energy to early in 2016 in order to allow as many projects as possible to take advantage of the ITC before it expires.

The IPA points out clearly that Ameren, ComEd and Mid-America are all projected to fall far short of their annual goals for Renewable Energy procurement with the shortfall compounding annually through the 2020-2021 procurement year. Yet, the IPA proposes a conservative strategy that does not address this problem and instead focuses on concerns regarding "continued volatility" based on customer switching and recommends. In reality, customer switching may continue in years to come but an aggressive approach can be justified in 2016-2017 with the potential sunset of the IRS federal investment credit (ITC) at the end of calendar year 2016 impacting both residential and commercial customers. If necessary, future adjustments can be made in 2017-2020 to correct for potential over delivery due to customer

switching but all possible should be done now to ensure solar is installed in Illinois while the ITC is in place. Without these market indicators in place, developers are likely to spend time and resources during 2016 in markets that have the most favorable opportunities. A conservative approach in Illinois will likely jeopardize opportunities at hand. More appropriately, the IPA should develop strong investment plan across all budgetary avenues within the RRB, Hourly ACP and RERF funds for 2016-2017 to further develop and mature the renewable energy market. This will result in long term cost effective RECs, higher volume of completed installations and a strong mixture of residential, commercial and large scale solar. It is imperative that the IPA lay the ground work in 2016-2017 for continued success through the 2020-2021 procurement by encouraging early investment in the state, developing skilled labor now and attracting the kind of volume that will improve economies of scale and bring down the cost of investment.