



where **energy** comes from

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May 9, 2023

Illinois Power Agency

105 W. Madison Street, Suite 1401
Chicago, IL 60602

RE: Request for Stakeholder Feedback on Municipal Load Aggregation and Renewable Resource Development Report due Wednesday, May 10, 2023

Dear Illinois Power Agency,

MC Squared Energy Services, LLC (“MC2”) appreciates the opportunity to provide stakeholder feedback to the Illinois Power Agency (“IPA” or the “Agency”) for the Agency’s Report on Municipal Load Aggregation and Renewable Resource Development. To that end, MC2 respectfully submits the following comments and recommendations with the mutual goal of advancing the renewable energy development objectives within the State of Illinois’ Future Energy Jobs Act (FEJA) and the more recent Clean Equitable Jobs Act (CEJA).

MC2 is a certificated ARES with the Illinois Commerce Commission (ICC) in good standing since 2009 having supplied hundreds of thousands of customers with electricity supply across all utility customer classes behind the Ameren and ComEd service areas. Additionally, MC2 has served more than one-hundred municipal aggregation power programs since adoption of the municipal aggregation opportunity within the Illinois Power Agency Act over ten-years ago. MC2 also participates in the IPA’s Illinois Shines Adjustable Block Program (ABP) as a Designee for several Approved Vendors representing multiple traditional community solar projects with professional services including subscription acquisition, subscriber billing, customer care, and compliance reporting on behalf of the Approved Vendors. Further, MC2 is a Green-e® certified provider of green energy programs since 2015 having secured and retired millions of Renewable Energy Certificates (RECs) within the MRETS and PJM-GATS market areas on behalf of our customers and communities.

MC2 strongly supports competitive energy markets and customer choice within Illinois which provides consumers, institutions, businesses, and municipalities with the opportunity to procure innovative and customized energy supply products and services unique to their needs and wants. To that end, municipalities are actively engaged in the process of listening to their residents to secure electricity supply products that meet their unique needs and support sustainability goals as a community. For example, MC2 developed an aggregation program that provides the community with a civic grant that can be leveraged by the community to meet and fund sustainability focused programs such as becoming a recognized EPA Green Power Program Partner Community. The civic grant from MC2 has also been utilized by several aggregation communities to support local sustainability projects and educational efforts within these communities. Ultimately, each community decides what is the best use of the civic grant from MC2.



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With respect to a simple and easy way for the IPA to promote the development of new renewable energy generation resources in the state as well as further the advancement and value of the municipal electric aggregation program; MC2 recommends the adoption of including the placement of subscriptions for the community solar programs including community-driven community solar, Solar-for-All community solar, and the traditional community solar projects under the opt-out aggregation program via a guaranteed savings model. In other words, municipalities would have the option to work with Approved Vendors (and their Designees) to develop and provide community solar subscriptions to eligible residents and small businesses on an opt-out basis within the community's aggregation program under a guaranteed savings product approach.

The core aspects of this opt-out community solar option via municipal aggregation should include the following program requirements in our opinion:

- All potential opt-out community solar subscribers would be provided with the same IPA Consumer Protection and Disclosure Forms that are required under the IPA ABP Guidebook prior to the enrollment into the opt-out community solar guaranteed savings program. This approach would be consistent with current notice requirements for the opt-out municipal electricity supply programs.
- The same opt-out notification rules for the municipal electricity supply program should apply for the community solar opt-out aggregation program for consistency and simplicity of such notices.
- Residents would be included in the guaranteed savings program unless they request to be removed.
- No upfront or hidden monthly program costs to the subscribers to participate under the opt-out guaranteed savings community solar program.
- Guaranteed Savings product approach applies to the opt-out community solar program whereby the monthly subscription fee is a function of the monetary credits received by the subscriber from the utility. For example, a 10% guaranteed savings product for opt-out community solar means that for every \$1.00 (one-dollar) of monetary value received by the subscriber from the utility on the monthly utility statement, the Approved Vendor would assess a monthly subscription fee of \$0.90 (ninety-cents) resulting in a net \$0.10 (ten-cents) or 10% guaranteed net savings to the opt-out subscriber. The subscriber retains 10% net savings under this approach.
- Approved Vendors would be required to participate in the Ameren and ComEd utility consolidated billing program for community solar subscriptions such that the guaranteed net savings to the subscriber is provided on the monthly utility invoice and there is no additional payment or separate invoice required to be paid by the subscriber to the Approved Vendor.
- No termination fees if an opt-out subscriber desires to leave (opt-out) of the community solar municipal aggregation program at any time during the subscription period.
- Municipalities have the option of providing the opt-out community solar program independent of the opt-out municipal electricity supply program. In other words, opt-out community solar guaranteed savings programs can be separate and distinct from the opt-out aggregation supply program, or can be combined but either way, the two programs operate independently.



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MC2 believes that the ability to offer community solar subscriptions on a guaranteed savings approach through the opt-out municipal aggregation program framework will significantly benefit all stakeholders and materially advance the goals and objectives within the FEJA and CEJA legislation with respect to supporting the development and interconnection of new community solar projects through an accelerated subscription enrollment approach for the residential and small commercial subscribers under a municipal vetted community solar guaranteed savings program on behalf of their residents. In other words, the Approved Vendors would have the ability to negotiate longer-term arrangements with the municipalities to aggregate subscribers for their community solar projects which allows for a quicker enrollment process and therefore lower operating costs for obtaining subscribers to their projects which enables the Approved Vendors to secure financing and develop their projects sooner with the opt-out community solar aggregation program approach. For municipalities, the ability to vet and offer guaranteed savings to their residents under potentially longer-term arrangements via the opt-out community solar subscription program brings value to their residents with realized net savings and helps deliver the value of the community solar program to their residents who otherwise do not have the time or inclination to research the available community solar options.

Also, introducing the benefits of the community solar program to the opt-out subscribers of the municipalities will assist with the education and advancement of the state's new renewable energy programs. To wit, over the past several years of providing community solar subscriptions under a guaranteed savings approach, we have discovered numerous examples of community solar subscribers who started with a community solar subscription and obtained a distributed onsite solar array for their residence as a second step to take advantage of the benefits of the state's FEJA and CEJA additional renewable energy programs.

Lastly, MC2 believes that the existing Illinois Power Agency Act provides for the ability to include the opt-out community solar option for the municipalities under the wording of "additional services" which means this option could be in addition to the negotiation of electricity and natural gas supply arrangements on behalf of the eligible residents and small commercial customers within the municipality.

MC2 respectfully recommends that the IPA allow for the development of an opt-out community solar subscription program as an option for municipalities to pursue on behalf of their constituents that provides for guaranteed savings to the subscribers under rules and requirements that are consistent with existing IPA ABP Guidelines that protect the subscribers from nefarious activity. MC2 would be willing to assist the Agency in developing the opt-out community solar program option. Thank you for this opportunity.

Sincerely

Charles C. Sutton
Co-Founder and President
MC Squared Energy Services, LLC