

Large Customer Self-Direct RPS Compliance Program: The Nature Conservancy (TNC) in Illinois Request for Stakeholder Feedback

PROGRAM SIZE

5) If the IPA receives applications for the program which exceed the amount of RECs it will include each year, how should the Agency choose between competing applicants?

- a. While the law indicates that the Agency “shall ensure participation is evenly split between commercial and industrial users,” how should the Agency choose between individual commercial or industrial users within that category should applications exceed program capacity?**

If applications exceed program capacity, preference should be given to applications for development on brownfields and other previously degraded lands, such as mine lands and landfills, as well as projects with minimal impacts to wildlife and habitat, climate resilience, carbon storage, and prime farmland. For instance, this could be accomplished by following a tiered approach to assign points based on siting criteria, as shown here:

Full Points - Renewable generation proposed or located in previously disturbed areas (e.g., brownfields; landfills; active, inactive, and abandoned mine lands; state and federally listed Superfund sites) or lands identified to have low probability of significant adverse impacts¹ to species of greatest conservation need or their habitats². Renewable generation located in the built environment (e.g., rooftops, parking lots) should also receive full points.

Partial Points - We also encourage the state to consider a subset of agricultural lands that are sensitive or have low productivity, such as highly erodible, drought- or flood-prone lands. If these lands are also low value for wildlife, habitat, and have low habitat restoration potential, their use for renewable energy deployment can provide farmers with a new revenue stream and yield “edge of field” water management benefits for communities. Identification of such lands should be undertaken in collaboration with relevant stakeholders, including federal and state agriculture agencies.

No Points - Renewable generation facility proposed or located in a conservation area, and/or there is a high incidence of state or federal threatened or endangered species (e.g., area that indicates protected land use designation, nature conservation areas, important habitat or areas with a protective designation indicating high ecological values, and connected lands) where development will contribute to the loss of natural habitat, and/or there is a moderate or high probability of significant adverse impacts³ to species of concern or their habitats. This includes Illinois’ Conservation Opportunity Areas⁴ (COAs), which are the priority areas the state has identified for

¹ As defined in U.S. Fish and Wildlife Service. Land-Based Wind Energy Guidelines. 2012. www.fws.gov/windenergy/docs/weg_final.pdf

² The Illinois Department of Natural Resources, along with its other state counterparts, has developed a State Wildlife Action Plan that identifies Species in Greatest Conservation Need (SGCN) and their habitat.

³ As defined in U.S. Fish and Wildlife Service. Land-Based Wind Energy Guidelines. 2012. www.fws.gov/windenergy/docs/weg_final.pdf

⁴ Illinois’ Conservation Opportunity Areas Map: <https://www2.illinois.gov/dnr/conservation/IWAP/pages/conservationopportunityareas.aspx>

conserving Illinois' species in greatest need of conservation. Prime farmland could also fall in this category.

Other states have adopted approaches to procurement that either prioritize specific lands or include a tiered approach or point system that incentivizes development on previously disturbed lands, areas that are low conflict for wildlife, habitat, and natural carbon stores, and avoid impacts to important farmland. Models enacted in other states can provide approaches for Illinois to consider.

For example, in 2016, the Massachusetts legislature directed the state energy department to develop a tariff-based solar incentive program designed to yield 1,600 megawatts of new generation.⁵ The Solar Massachusetts Renewable Target (SMART) Program incentivized solar development in previously developed areas, such as brownfields.⁶ New regulations adopted in July 2020 doubled the size of the program to 3,200 MW and strengthened the consideration of habitat by including additional land use and siting criteria. The program gives higher preference for projects that are building mounted solar and located on brownfields or landfills. Projects that are ineligible for participation include those located in “Priority Habitat, Core Habitat, and/or Critical Natural Landscape” and open space as defined by the state. Projects located in prime farmlands, unique farmlands, and additional land of statewide importance as defined by the state are eligible but must allow for the continued use of the land for agriculture or meet other criteria.⁷ Because the Massachusetts program gets far more applications than it has funds, its tiered system has been effective.

⁵ Commonwealth of Massachusetts. “Solar Massachusetts Renewable Target (SMART) Program.” <https://www.mass.gov/info-details/solar-massachusetts-renewable-target-smart-program#general-information->. Last visited January 4, 2019.

⁶ Chapter 75 of the Acts of 2016

⁷ 20.05(5)(e)(7)(d). <https://www.mass.gov/doc/225-cmr-2000-final-071020-clean/download>