

**VISTRA COMMENTS  
ON REC PRICING MODEL QUESTIONS  
POSED BY ILLINOIS POWER AGENCY**

Vistra Corp. (Vistra) is submitting the following comments in response to certain of the “REC Pricing Model Questions” posted by the Illinois Power Agency (IPA) on November 12, 2021. Vistra appreciates the opportunity to comment on these important implementation questions.

**IPA Questions and Vistra Comments**

10. What additional cost considerations should be included for public schools, community-driven community solar, and EEC projects? Should any of these be adders rather than adjustments to the base REC price (e.g., an adder for rooftop community driven community solar projects)?
11. Community Solar REC prices currently include an adder for small subscriber commitments with the highest adder for projects with over 50% small subscribers. With a 50% minimum commitment for small subscribers not a statutory provision, should the small subscriber adder be removed and instead subscriber management costs be factored into baseline community solar prices?
12. What price adjustments should be offered for community-driven community solar projects to cover potentially less economically efficient approaches to subscriber acquisition, subscriber management, project location, and other criteria for project selection?

**Vistra Comments:** These comments are in response to the above three questions. First, any project type that requires a higher cost of development in order to provide a particular impact or achieve a particular objective should receive a REC price adder. For example, developing community solar facilities in densely-populated urban areas brings benefits to those areas and their residents, including low-income individuals, and is a desirable achievement, but is more expensive than a “greenfield” development of comparable solar facilities. Similarly, it is more difficult and costly to develop renewable facilities in environmental justice areas, both due to the environmental remediation costs and due to physical layouts and availability of space in the area (again, e.g. compared to a “greenfield” site). Project types of this nature should receive (and likely need to receive) a REC price adder to incentivize development of such projects.

Second, projects with up to 50% small subscribers (including those installed in historically underserved or disadvantaged areas) will likely have higher subscriber acquisition and management costs. In order to compensate developers to develop these types of projects (in these types of targeted areas), the higher subscriber acquisition and management costs must be recognized in either the base REC price or adders. Further, since these categories of projects are often developed with an

anchor-tenant, reflecting the higher subscriber acquisition and management costs in the base REC price or an adder prevents the anchor tenant from being penalized financially for participating in a project that is intended to serve a large number of small subscribers and/or be located in a historically under-served or disadvantaged area.

Vistra stands ready to discuss its comments with the IPA, to provide additional information in support of its comments, or to respond to additional questions from the IPA. Please contact the undersigned representative.

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