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Comments on Behalf of the Coalition for Community Solar Access

I. Introduction

The Coalition for Community Solar Access (CCSA) appreciates the ongoing efforts of the Illinois Power Agency (IPA) to carry out the requirements of the Future Energy Jobs Act and its proposal for a lottery mechanism.

CCSA is a business-led trade organization, comprised of over 50 member companies, that works to expand access to clean, local, affordable energy nationwide through community solar. Our mission is to empower energy consumers, including renters, homeowners, businesses and households of all socio-economic levels, by increasing their access to reliable clean energy. CCSA, in partnership with a network of non-profits, affiliate trade associations, and allied stakeholders, serves as the central voice for the community solar industry in developing vibrant and sustainable markets for community solar. CCSA members are active nationwide and we have been actively engaged in the formal and informal Illinois stakeholder process to date. We appreciate the opportunity to comment on the IPA's proposed process for carrying out the lottery.

As CCSA, the Joint Solar Parties and various stakeholders have suggested in the past, lotteries do not promote the development of healthy, efficient markets. In these comments, CCSA suggests several ways to reduce uncertainty and create a higher bar to entry. By doing so, we aim to improve the quality and readiness of projects in the Adjustable Block Program (ABP) queue. In addition to these comments, we support the ideas put forth in the SEIA and ISEA (the Joint Solar Parties). In particular, we reinforce the Joint Solar Parties' opposition to withholding the discretionary program capacity. It is also a high priority of CCSA's to ensure that the program not be further delayed from the proposed opening date. Any delay will exacerbate the challenges and risks that developers face in the Illinois market.

II. Bidding Collateral

Given the large number of projects in the interconnection queues for both ComEd and Ameren, CCSA believes the IPA should require bidding collateral for community solar projects. CCSA first proposed its structure of a three-tiered application requirement (Interconnection, non-ministerial permits and proof of site control) in 2017 to ensure that only the more advanced projects applied to the queue. However, as we understand, ComEd and Ameren stopped taking interconnection deposits and ComEd

has requested a waiver from Part 466 that would allow the utility to tender interconnection agreements to all developers participating in the lottery at one time. Because this action reduced the barrier to entry, CCSA believes the IPA should introduce bidding collateral that will mitigate some gaming aspects inherent in the current process and require developers to be more deliberative about which projects to put into the ABP lottery. CCSA believes this will lead to fewer, higher quality projects being entered into the lottery.

CCSA recommends the following structure for bidding collateral:

1. In order to bid a project into the ABP queue, developers must pay a significant fee, per project to enter.
 - a. This fee could be commensurate with what was used in previous IPA bidding processes but should be significant enough to be meaningful.
2. When a project is awarded capacity, the collateral would roll into the contract security.
 - a. After a project is built, the collateral would be completely refunded when the project begins producing RECs for the program.
 - b. In the event that a project is chosen but not ultimately built, the collateral would be non-refundable, unless that project is switched with another project that is built.
 - c. The security would stay in place as long as the project chooses to stay in the incentive queue, to wait for the next block of capacity.
3. Projects may be switched within a certain number of days without penalty but if a project is switched in and then drops out, the collateral would be non-refundable.

It is important to also note that CCSA is working with ComEd and the other trade associations to improve the transparency of interconnection information. CCSA encourages the IPA to consider the lottery process in tandem with the interconnection queue, as the two processes are linked.

III. Project application cut-off date

CCSA also recommends creating a cut-off date for the ABP lottery regarding the interconnection application date of community solar projects. Anecdotal evidence suggests that many projects were submitted to the utilities after the IPA issued its lottery proposal to allow switching, particularly in Ameren territory, where most counties do not have formal or stringent zoning processes. Therefore, CCSA suggests that the IPA require interconnection applications to have been submitted by the date that the IPA released its switching proposal (September 10th). Because many of these projects may ultimately be viable projects, these projects should be eligible for any future round of application into the ABP.

IV. Conclusion

CCSA member companies work together to promote policies that build efficient markets and protect customers so that community solar markets can have a positive impact across the country and help build momentum for other markets. CCSA appreciates the IPA's consideration of these recommendations so that the Illinois market can be established on the best footing possible. If you have any questions about our positions, please do not hesitate to reach out.

Respectfully submitted on September 28, 2018,

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