

Adjustable Block Program REC Contract Request for Stakeholder Comments

November 18, 2021

Background

Public Act 102-0662 (the “Climate and Equitable Jobs Act”) was signed into law and became effective September 15, 2021. This legislation calls for substantial updates to the Adjustable Block Program (“ABP”), which currently supports new photovoltaic distributed generation and community solar projects through Renewable Energy Credit (“REC”) delivery contracts.

On October 19, 2021, the Illinois Power Agency (“Agency” or “IPA”) posted the first draft of the REC Contracts revised in light of Public Act 102-0662 to be used for the ABP reopening (October 2021 Draft REC Contracts). On the same date, the Agency issued a Request for Stakeholder Comments to seek feedback on the October 2021 Draft REC Contracts, for which written comments were received on November 4, 2021. The Request for Comments and stakeholder comments are available [here](#).

One (1) workshop was held on October 21, 2021 to facilitate stakeholder engagement on the REC Contract development process prior to the written comments submission deadline. Another workshop, which was held on the same day, discussed non-contract items related to the ABP reopening. The stakeholder webinars and copies of the presentations from the workshops are available [here](#).

Second Draft of Updated REC Contracts and Process for Submitting Comments

On November 18, 2021, the Agency posted the second draft of the REC Contracts (November 2021 Draft REC Contracts), which are available at <https://illinoisabp.com/rec-contract/>. The November 2021 Draft REC Contracts took into consideration comments received from stakeholders on the October 2021 Draft REC Contracts.

This Request for Stakeholder Comments is to seek feedback on the November 2021 Draft REC Contracts. The deadline to submit written comments is on December 2, 2021.

The Agency plans to finalize and publish the contracts prior to the opening of additional capacity under the Adjustable Block Program on December 14, 2021.

All comments/proposed edits received in accordance with the process outlined below will be reviewed by representatives from the IPA, the Program Administrator (InClime), Ameren Illinois Company, Commonwealth Edison Company, MidAmerican Energy Company, Staff of the Illinois Commerce Commission, and NERA Economic Consulting. The timeline and process for interested parties to provide comments are as follows:

Written Comments are due by 5:00 PM Central Prevailing Time (“CPT”) on December 2, 2021 and should be sent to: IPA.Solar@illinois.gov

- Please provide telephone and email contact information in the event that the Agency or its Program Administrator seeks clarification regarding your comments.
- Each of your comments must be clearly indicated by tracked changes to the Microsoft Word version of the draft contract. We strongly encourage you to provide explanatory notes either in a separate document or highlighted in tracked changes.

In general, responses will be made public and published on the ABP's website (<http://illinoisabp.com/>) or the Agency's website (<https://www2.illinois.gov/sites/ipa/Pages/default.aspx>). However, should a commenter seek to designate any portion of its response as confidential, that commenter should provide both public and redacted versions. Independent of that designation, if the Agency or its Procurement Administrator or the ABP Program Administrator determines that a response contains confidential information that should not be disclosed, it reserves the right to provide its own redactions.

Additional Information

For the convenience of stakeholders and interested parties, we have appended Appendix A to provide an overview of the contract structure of the November 2021 Draft REC Contracts.

Should you have any questions or need additional information, please contact Brian Granahan at 312-814-4635 or Brian.Granahan@Illinois.gov.

Appendix A

Current Structure of the November 2021 Draft REC Contracts

To facilitate the review of the November 2021 Draft REC Contracts by interested parties, we provide the following notes:

- (a) Given the updates to system requirements, project categorization, and changes to the payment structure and delivery term introduced in Public Act 102-0662, the ABP REC Contract has been split into two separate contracts.
 - Contract 1 shall be the governing document for the following categories which feature 15-year REC delivery obligations, as described in more detail in Public Act 102-0662:
 - Small Distributed Generation Projects
 - Large Distributed Generation Projects
 - Community-Driven Community Solar Projects
 - Contract 2 shall be the governing document for the following categories which feature 20-year REC delivery obligations, as described in more detail in Public Act 102-0662:
 - Community Solar Projects
 - Distributed Generation/Community Solar Projects at Public Schools
- (b) Each of the two November 2021 Draft REC Contracts contains a main body and six (6) exhibits as follows:
 - Exhibit A – Form of Product Order
 - Exhibit B – Contact Information for Notices
 - Exhibit C – Form of Reports and Notices
 - Exhibit D – Form of Invoice
 - Exhibit E – Form of Security Instruments
 - Exhibit F – Examples
- (c) Exhibits are provided as samples and the actual forms and reports used may reflect non-material differences to facilitate the administration of the REC Contract, and some forms and reports are to be completed or updated online using the ABP platform.
- (d) Each of the REC Contracts may include multiple Transactions. One batch of projects submitted by the Approved Vendor and approved by the ICC corresponds to one Transaction; as such, one Transaction may include multiple projects. The key terms of each Transaction are specified in the Product Order applicable to such Transaction; project specific information such as pricing for RECs and nameplate capacity of the projects within a batch are provided in the schedules (such as Schedules A and B) to the Product Order.
- (e) Three redline comparisons have been provided along with the November 2021 Draft REC Contracts for your convenience: one redline comparison between the November 2021 Draft REC Contract 1 and the October 2021 Draft REC Contract 1, a second redline comparison between the November 2021 Draft REC Contract 2 and the October 2021 Draft

REC Contract 2, and a third redline comparison between the November 2021 Draft REC Contract 1 and the November 2021 Draft REC Contract 2.