



Waitlisted Community Solar Capacity Allocation Request for Stakeholder Feedback

November 3, 2021

Background

On September 15, 2021, Governor Pritzker signed the Climate and Equitable Jobs Act ([Public Act 102-0662](#)) into law. This Act includes significant changes to the Adjustable Block Program, including a provision for allocating 250 MW of capacity to waitlisted community solar projects.

The Illinois Power Agency (“IPA” or “Agency”) is seeking feedback on certain provisions of the law in order to prepare for opening of additional blocks on December 14, 2021 in compliance with P.A. 102-0662. This feedback will be utilized by the Agency to develop interim requirements for the opening of blocks in December. Such requirements may ultimately be revised and/or modified in accordance with the approval of the Agency’s next Long-Term Renewable Resources Procurement Plan by the Illinois Commerce Commission, which is expected to occur in the summer of 2022.

Through this request for stakeholder feedback, the Agency is seeking feedback on the process by which Approved Vendors may manage the capacity allocated to them for waitlisted community solar projects upon block reopening; future project selection will be governed by the next Long-Term Plan.

Section 1-75(c)(1)(G)(iv)(3) of the IPA Act provides that 250 MW of capacity be provided for waitlisted community solar projects, with that capacity required to be allocated as follows:

(A) The geographic balance of selected projects shall follow the Group classification found in the Agency’s Revised Long-Term Renewable Resources Procurement Plan, with 70% of capacity allocated to projects on the Group B waitlist and 30% of capacity allocated to projects on the Group A waitlist.

(B) Contract awards for waitlisted projects shall be allocated proportionate to the total nameplate capacity amount across both ordinal waitlists associated with that applicant firm or its affiliates, subject to the following conditions.

(i) Each applicant firm having a waitlisted project eligible for selection shall receive no less than 500 kilowatts in awarded capacity across all groups, and no approved vendor may receive more than 20% of each Group’s waitlist allocation.

(ii) Each applicant firm, upon receiving an award of program capacity proportionate to its waitlisted capacity, may then determine which waitlisted projects it chooses to be selected for a contract award up to that capacity amount.

Illinois Adjustable Block Program

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(iii) Assuming all other program requirements are met, applicant firms may adjust the nameplate capacity of applicant projects without losing waitlist eligibility, so long as no project is greater than 2,000 kilowatts in size.

(iv) Assuming all other program requirements are met, applicant firms may adjust the expected production associated with applicant projects, subject to verification by the Program Administrator.

(C) After a review of affiliate information and the current ordinal waitlists, the Agency shall announce the nameplate capacity award amounts associated with applicant firms no later than 90 days after the effective date of this amendatory Act of the 102nd General Assembly.

(D) Applicant firms shall submit their portfolio of projects used to satisfy those contract awards no less than 90 days after the Agency's announcement. The total nameplate capacity of all projects used to satisfy that portfolio shall be no greater than the Agency's nameplate capacity award amount associated with that applicant firm. An applicant firm may decline, in whole or in part, its nameplate capacity award without penalty, with such unmet capacity rolled over to the next block opening for project selection under item (iii) of subparagraph (K) of this subsection (c). Any projects not included in an applicant firm's portfolio may reapply without prejudice upon the next block reopening for project selection under item (iii) of subparagraph (K) of this subsection (c). ...

The Agency shall publish a finalized updated renewable energy credit delivery contract developed consistent with these terms and conditions no less than 30 days before applicant firms must submit their portfolio of projects pursuant to item (D).

Responses to this Request for Stakeholder Feedback should be submitted to the IPA by November 17, 2021. Written responses should be emailed to IPA.Solar@illinois.gov with the subject "Responder's Name - Response to CS Capacity Allocation Feedback Request."

In general, responses will be made public and published on the websites of both the [Adjustable Block Program](#) and the [Illinois Power Agency](#). Should a commenter seek to designate any portion of its response as confidential and proprietary, that commenter should provide both public and redacted versions of its comments. Independent of that designation, if the Agency or the Program Administrator determines that a response contains confidential information that should not be disclosed, the IPA reserves the right to provide its own redactions.

Agency Proposed Approach

After the Agency has completed its review of Approved Vendor affiliations, it will provide to each Approved Vendor a list of its assessment of those affiliations. Under the IPA's approach, affiliations are being determined based on entity's status as of September 15, 2021, the effective date of Public Act

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102-0662. Approved Vendors will have two weeks to confirm or correct the list of affiliations and the Agency will then use that final list of affiliations to allocate capacity on December 14, 2021. Each Approved Vendor (inclusive of affiliates) will be notified of the total MW of projects in any Group for which it has projects, the MW of projects for the Approved Vendor and its affiliates, and then its percentage allocation. As provided for in item (B)(i), the minimum allocation size will be 500 kW which may require the adjustment of other allocations. Approved Vendors will then have until March 14, 2022 to select which waitlisted projects they will use to fill their capacity allocations, inclusive of any nameplate capacity adjustments.

The Agency further proposes that any project that adjusts its nameplate capacity must maintain the same interconnection point, and that at least 50% of the resized project footprint must be within the footprint of the original project. Co-location provisions applicable under the IPA's most recent Long-Term Renewable Resources Procurement Plan (approved in Docket No. 19-0995) will continue to apply, including adjustments to REC prices for two projects located on the same or adjacent parcels. For the adjustment of expected production, the Approved Vendor may submit a new capacity factor and supporting documentation following the current requirements for Part I applications prior to the contract associated with the project being sent to the ICC for approval.

Stakeholder Feedback Questions

- A. After allocations, but prior to Approved Vendors providing project portfolios back to the IPA, should Approved Vendors be permitted to transfer allocated capacity to other Approved Vendors?
 - a. If transfers of allocated capacity are permitted, what documentation should the transferor and transferee be required to provide to the Program Administrator to substantiate the transfer? Would an acknowledgement form executed by both transferor and transferee that outlines the amount of capacity transferred and includes the Approved Vendors' information be sufficient?
 - b. Should the IPA impose limitations on the amount of capacity that can be transferred? Should the Agency instead ensure that only marginal shares of allocations that would otherwise not be filled may be transferred (and if so, at what threshold would a share be considered "marginal")?
- B. If an Approved Vendor (and its affiliates) presently has more than 20% share of a waitlist's capacity, should that excess allocation automatically be reapportioned to other Approved Vendors? Or should that allocation above 20% instead be available to the original Approved Vendor for transfer, with a requirement instead that the original Approved Vendor's final portfolio of projects does not exceed 20% of waitlist capacity?

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- C. Should the confirmation of affiliations of Approved Vendors include adjustments made between September 15, 2021 and the due date for confirmation of responses, whether due to the sale of either specific projects, or changes in the ownership of Approved Vendors?
- D. Are the Agency's proposed guidelines for project nameplate capacity and expected production adjustments appropriate?
- E. Should Approved Vendors be allowed to propose projects based on an overall award of capacity (with that capacity allocated taken from a proportionate amount of each waitlist), regardless of the Group (i.e., geographic location) of those projects? If so, how can the Agency maintain the integrity of the 30% Group A/70% Group B split outlined in Section 1-75(c)(1)(G)(iv)(3)(A)?
- F. Should a 500 kW minimum award apply across both waitlists for Approved Vendors eligible for a minimum award from each? Stated differently, if an Approved Vendor has only one project on each waitlist, should a 500 kW allocation be made for each? If not, how should the Agency determine to which group the allocation is made?
- G. Are there additional aspects of capacity allocation that the Agency should consider to ensure that all capacity can be used by waitlisted projects to fill the 250 MW total block capacity?

Next Steps

Stakeholder feedback received on the proposals discussed herein will be considered for use in the opening of new blocks of Program capacity. The IPA will review responses received and provide guidance on these and other issues raised through this comment process in most cases prior to allocating community solar waitlist capacity, and in all cases prior to the deadline for Approved Vendors to send portfolios of selected projects back to the Agency.

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