

November 17, 2021

Illinois Power Agency
Adjustable Block Program
105 West Madison Street, Suite 1401
Chicago, Illinois 60602

RE: Response to CS Capacity Allocation Feedback Request

Thank you for accepting stakeholder feedback and allowing us to offer our comments. I write to you to encourage adequate capacity allocations for waitlisted projects. Thank you for considering our comments.

SGC Power is a Maryland-based community solar development company. Our team has decades of combined solar experience, developing hundreds of megawatts of electricity across the country.

SGC currently has projects on both waitlists, one 2MW project on Group A waitlist and one 2MW project on Group B waitlist, but we have concern that our projects will not be allocated viable capacities. We recognize that the regulation reads to allow any capacity allocation to be carried over into a later block, but this has the potential to greatly postpone many projects until an approved vendor is awarded an adequate allocation to move the project forward, only delaying the State in achieving renewable energy goals and likely causing later blocks to fill more quickly. Because of this concern, please find our responses below for Stakeholder Feedback Questions F and G.

Stakeholder Feedback Questions:

F. Should a 500kW 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 500kW allocation be made for each? If not, how should the Agency determine to which group the allocation is made?

SGC Response: As SGC has two 2MW projects awaiting allocation, one on each waitlist, we find that a 500kW allocation will leave our projects unviable due to interconnection fees and fixed project origination costs; not to forget that a smaller project size will ultimately mean that the payments to landowners will also be reduced as less land would be needed. We encourage the Agency to adopt a method of allocation based on the overall capacity of each Approved Vendor per waitlist. This can be done by weighting AVs with the fewest projects and allocating their project size first and working down to the AVs with the largest number of projects. An example of this, if AV A has 20 projects on a waitlist, but AV B has just 1 project, the Agency should allocate the full project size, as stated on the waitlist, for AV B's project before allocating a 500kW minimum to AV A's and other AVs with a much larger total of combined project sizes. This would allow many of the AVs on the waitlists to continue to work in Illinois instead of allowing only those AVs with many potential projects to prosper, at least through the first few blocks.

Waitlist A has 51 unique Approved Vendors when removing various project names under the same parent company. These 51 AVs have a project size total of 97,897kW when granting each AV their largest sized project. We recognize that awarding in this manner would require a 40% allocation of the 250MW of the first two blocks instead of the 30% stated in Public Act 102-0662; however, this can be

addressed by leveraging Waitlist B's 70% allocation and AVs who have multiple projects on both waitlists, as further explained below.

Waitlist B has 40 unique Approved Vendors when removing various project names under the same parent company. These 40 AVs have a project size total of 79,410kW when granting each AV their largest sized project. This leaves a leftover allocation of over 95,000kW in Waitlist B.

There are currently 48 AVs between both waitlists that are only on one of the waitlists. It may be possible to award those AVs on one single waitlist their total project size for their one project and once the demand is met of Waitlist A, any AV with multiple projects on both waitlists who was not allocated capacity in Waitlist A can instead be awarded allocation of two projects on Waitlist B to ensure each AV gets a viable allocation. This would alleviate the demand needed over the 30% allocation of Waitlist A, but still allow those AVs on a single waitlist their single project total project allocation. Following allocations in this manner, the Agency can then award the remaining capacity among the remaining AVs as the Agency sees fit, which could be based on the remaining number of non-awarded projects on the waitlists. As for projects that do not receive any capacity of Blocks 1 and 2, these projects can be shortlisted for allocation at the next block opening, which is little different than if an AV waits for their allocation award from the next block in order to make a project viable that is otherwise only awarded 500kW as currently proposed.

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?

SGC Response: Making allocations in the manner suggested above will not only allow each AV to surpass the minimum required allocation, but it will allow all AVs on the waitlists to continue to pursue business in Illinois and create a continued competitive market within the State, further expediting the construction of projects and ensuring that all 250MW of Block 1 and Block 2 are used immediately instead of being held by AVs who would be waiting for the next blocks to open. This method is especially fair to those AVs who were not as fortunate as others during the State's lottery-style selection process.

We appreciate this opportunity to submit our comments.

Regards,

Tyler D. Jones

SGC Power | Director, Legislative Affairs

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