

**Adjustable Block Program REC Contract  
Request for Stakeholder Comments**

August 3, 2022

**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 supports new photovoltaic distributed generation and community solar projects through Renewable Energy Credit (“REC”) delivery contracts.

On December 13, 2021, the Illinois Power Agency (“Agency” or “IPA”) posted the Final ABP REC Contracts revised in light of Public Act 102-0662. The contracts were updated with minor adjustments on March 16, 2022.

The IPA also developed a revision to its Long-Term Renewable Resources Procurement Plan (“2022 Long-Term Plan” or “2022 LTP”) and filed this plan with the Illinois Commerce Commission (“ICC” or “Commission”) on March 21, 2022. The Commission released its Final Order approving the 2022 Long-Term Plan on July 14, 2022. To conform with the 2022 Long-Term Plan and the ICC’s Final Order, updates to the ABP REC contracts are now needed. (Appendix A contains a summary of the key proposed changes.)

**Draft of Updated REC Contracts and Process for Submitting Comments**

On August 3, 2022, the Agency posted drafts of the REC Contracts revised in light of the ICC approval of the 2022 Long-Term Plan (August 2022 Draft REC Contracts), which are available at <https://illinoisabp.com/rec-contract/>.

This Request for Stakeholder Comments is to seek feedback on the August 2022 Draft REC Contracts. The deadline to submit written comments is on August 15, 2022.

The Agency plans to finalize and publish the contracts prior to the opening of additional capacity under the Adjustable Block Program on September 1, 2022.

All comments/proposed edits received in accordance with the process outlined below will be reviewed by representatives from the IPA, the Program Administrator (Energy Solutions), 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 August 15, 2022 and should be sent to: [IPA.Solar@illinois.gov](mailto: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, Appendix A provides an overview of the contract structure of the August 2022 Draft REC Contracts as well as a summary of key changes made to the ABP Contracts.

In addition, the Agency will be releasing updated drafts of the Illinois Solar for All REC Contract for stakeholder comments at a later time.

Should you have any questions or need additional information, please contact Brian Granahan at 312-814-4635 or [Brian.Granahan@illinois.gov](mailto:Brian.Granahan@illinois.gov).

## Appendix A

### Current Structure of the August 2022 Draft REC Contracts

To facilitate the review of the August 2022 Draft REC Contracts by interested parties, we provide the following notes:

- (a) Each of the two August 2022 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
- (b) 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.
- (c) 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.

### Summary of Key Changes

The August 2022 Draft REC Contracts have been updated to include:

- i. Advance of Capital payment and invoicing requirements related to projects in the Equity Eligible Contractors Category (2022 LTP Section 7.4.6.1)
- ii. Limitation on contract assignments specifically for Sellers with projects in the Equity Eligible Contractor Category (2022 LTP Section 7.4.6.2)
- iii. Clarification regarding removal of Price Adder language with respect to Community Solar projects (2022 LTP Section 7.5.1)
- iv. Extended deadlines for energization (2022 LTP Section 7.11.1)
- v. a 10% minimum subscription by a public school for community solar projects in the Public School Category (2022 LTP Section 7.4.4)
- vi. Removal of “Waitlisted Projects” and “Reserved Pool” terms and related provisions (IPA Act Section 1-75(c)(1)(G)(iv)(3))
- vii. Selection criteria commitments to be upheld (2022 LTP Section 7.4.3)
- viii. Prevailing Wage Act Requirements (2022 LTP Section 7.4)