

**STATE OF ILLINOIS  
ILLINOIS POWER AGENCY**

**COMMENTS OF THE ENVIRONMENTAL LAW & POLICY  
CENTER AND VOTE SOLAR ON THE  
TRADITIONAL COMMUNITY SOLAR PROJECT  
SELECTION STRAWMAN PROPOSAL AND  
REQUEST FOR STAKEHOLDER FEEDBACK**

**September 16, 2022**

The Environmental Law and Policy Center (“ELPC”) and Vote Solar, commenting jointly as the Joint Non-Governmental Organizations or Joint NGOs, appreciate the opportunity to provide comments to the Illinois Power Agency (“IPA” or “Agency”) in response to the September 1, 2022 Request for Stakeholder Feedback on Traditional Community Solar Project Selection Strawman Proposal (“Strawman Proposal”).

The Joint NGOs applaud the Agency for proposing a project selection process that implements the Illinois Commerce Commission’s (ICC) directions to propose a project selection process to rank-order traditional community solar projects for the waitlist that are received “at the same time” upon the opening of new Traditional Community Solar blocks.

As a general matter, the Joint NGOs continue to support the Agency’s policy-driven approach to waitlist prioritization consistent with the intent and language of the Climate & Equitable Jobs Act. The Strawman Proposal establishes a clear and consistent framework for what projects in any given year will be added to the Waitlist for prioritization in subsequent years.

While the Joint NGOs generally agree with the approach proposed in the Strawman, we have suggestions related to three sections of the proposal.

**Waitlist Threshold**

The IPA proposes that projects seeking to be added to the Waitlist for subsequent years' capacity allocations should meet a threshold of 5 points to receive a spot on the Waitlist:

Projects must receive a minimum score of 5 points to receive a spot on the waitlist. Should first day project applications not exceed category capacity, then all applicant projects otherwise qualifying shall be deemed acceptable and may qualify for a REC Delivery Contract. Should category capacity fill later in the program year, then from that point forward, only projects meeting this scoring threshold may be considered for a waitlist spot for the traditional community solar category. (Strawman Proposal, pg. 3)

The IPAs Strawman Proposal accurately reflects the intention of the ICC to ensure that projects can not be eligible for the Waitlist only by virtue of interconnection criteria. Put another way; projects must receive at least one point from a category other than interconnection in order to join the waitlist. As noted in our Brief on Exceptions at the ICC, a valid, executed ICA is an essential step in the development process, and the scoring criteria should encourage it, but as explained below, we also agree with the IPA and the Proposed Order that the scoring criteria should value other project attributes reflective of the policy priorities in P.A. 102-0662. (JNGOs Brief on Exceptions, pg. 5)

Given that the current maximum number of points that can be awarded for interconnection is 4 points, the proposed threshold of 5 points would achieve the Agency’s purpose. However, should the Agency determine that the interconnection point total should be something less than 4, then the point

threshold could be lowered to 4 points and still achieve the Agency's and the ICC's goal. The Joint NGOs would be supportive of either approach, so long as the threshold point level is greater than the total points allocated for interconnection criteria.

It is important to stress that the 5-point threshold will only apply if program applications exceed capacity available, such that project applicants must be ranked and some added to a waitlist for subsequent capacity allocations. Projects receiving fewer than 5 points would still be able to receive capacity allocations if/when supply and available capacity are more in balance.

### **Built Environment - Weighting of Brownfield/Disturbed/Rooftop**

The first category of scoring criteria is for the Built Environment. Subcategory 1.a. provides 2 points for projects "sited on "disturbed land" as defined by United States Geological Survey, "contaminated lands" as defined by the United States Environmental Protection Agency, or rooftops or other structures as outlined in the Commission's Final Order." (Strawman, pp. 3-4) Similarly, subcategory 1.b. provides 2 additional points for projects sited on a "brownfield as defined in Section 1.10 of the IPA Act and further clarified in Section 5.4.2 of the Plan." (Strawman, pg. 4).

The Joint NGOs continue to suggest that the Agency increase the weighting of these types of projects to make it possible for them to exceed the threshold (i.e., under the current threshold, at least 5 points) without receiving any points for interconnection. As noted in our Reply Brief on Exceptions, there are policy and practical reasons to allow these types of projects to achieve waitlist status:

[T]he Joint NGOs seek to allow a pathway for these non-greenfield projects to enter the program even if they have not yet obtained interconnection agreements (though they may have a predictable interconnection path based on hosting capacity or pre-application reports), which would help to promote land conservation and efficient land use, consistent with state policies. Moreover, it is the Joint NGOs' understanding that these non-greenfield projects typically have longer development timelines and tend not to raise the same interconnection-queue-related concerns historically associated with greenfield development. (Joint NGOs Reply Brief on Exceptions, pp. 7-8)

Allowing brownfield/disturbed land/rooftop projects to join the waitlist without an interconnection agreement recognizes the longer development cycles for these projects and the fact that they will not generally face the same interconnection challenges as projects on more congested parts of the utility distribution systems. As such, because the threshold is set at 5 points in this proposal, we suggest assigning 5 points to projects that meet criteria 1.a. and/or 1.b. This point allocation could be adjusted downward if the IPA decides to lower the threshold point level, for example to 4 points. However, even if the IPA lowers the threshold point level to 4, it may make sense to retain 5 points for these projects, such that they are prioritized, given the policy rationales for promoting them. The Joint NGOs would be supportive of either approach (either a.) equating these projects' points with the threshold point level, or b.) an allocation that prioritizes such projects) so long as they can meet the threshold point level without any points for interconnection.

### **EEC Contract Share Requirements**

One of the most important aspects of CEJA from the Joint NGOs' perspective is ensuring that the benefits of the clean energy transition are equitably distributed to all stakeholders. Consistent with that priority, the IPA proposes four different ways that a project could achieve up to a maximum of four points in the EEC criteria category:

- a. Project is developed by an EEC certified Approved Vendor and can demonstrate contractual commitments for all project development work to be performed by EEC certified Designees. (Add 4 points)

b. Project is developed by a non-EEC certified Approved Vendor and can demonstrate contractual commitments for all project development work to be performed by EEC certified Designees. (Add 3 points)

c. Project is developed by an EEC certified Approved Vendor and the contractual commitments for EEC certified Designee(s) that work on the project represent 50% or more of the project's REC Contract value (Add 2 points)

d. Project is developed by a non-EEC certified Approved Vendor and the contractual commitments for EEC certified Designee(s) that work on the project represent 50% or more of the project's REC Contract value (Add 1 point)

Subcategories c. and d. which allocate 2 and 1 point respectively require that "the contractual commitments for EEC certified Designee(s) that work on the project represent 50% or more of the project's REC Contract value"

The IPA further clarifies this 50% criteria in footnote 8, which specifies:

For purposes of this category, the IPA proposes for an assessment of the percentage of the REC contract value spent utilizing EEC-certified Designees to be taken through a comparison of a) the value of the REC Delivery Contract (expected deliveries x REC price across the contract term) and b) the demonstrated value of agreements for the construction and electrical work to be performed by EEC-certified Designees in developing the project, with those agreement submitted to the Program Administrator at the Part II stage. If the latter value meets or exceeds 50% of the former value, then that project will be deemed to have met this criterion. (Strawman, pg 6)

The problem with this is that using the REC Delivery Contract value as the denominator in the 50% calculation does not accurately reflect the opportunity for the Approved Vendor to work with EECs. The total REC Delivery Contract value includes many variables, some of which are completely unrelated to the Approved Vendor's costs to complete the project. For example, the total REC Delivery Contract value is a function not only of the installation cost of the project (which the Approved Vendor has control over) but also things like underlying energy prices, the "net metering credit" and the cost of capital.

The Joint NGOs understand that the Joint Solar Parties will propose allowing any contracted work (engineering, procurement, construction, civil survey, legal, etc) that is performed by an EEC to qualify under the definition of "development work" that is defined in sub-criteria a. and b. - defined in Footnote 7 as:

For purposes of this category, "project development work" refers to all construction and electrical work performed on the project, and not to site assessment, permitting, legal, and other functions which a) may have already been undertaken and b) are not construction-related. (Strawman, pg. 6)

Thus, the JNGO's recommend that the denominator of the 50% requirement for sub-criteria c. and d. should be "project development work."

Respectfully submitted,

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