

22c

To: IPA.Solar@illinois.gov

Subject: 22c - Response to TCS Scoring Strawman Proposal Feedback Request.

Date: September 13th, 2022

22c Development, LLC ("22c") has reviewed the strawman and has provided comments for the IPA to consider as it finalizes the format for the 11-1-22 opening. Overall, 22c finds the IPA's strawman proposal to be nuanced and compliments the IPA on their ingenuity in proposing a system that would function well now and into future years while keeping priorities intact.

In the 2022 program year carve out 22c expects project applications to be 3 to 4x the quantity of block capacity. Therefore 22c suggests 4 macro principles to keep in mind during the finalization of the tiebreaker rules:

1. A level playing field should be set due to the *different types of IAs* that exist currently in the market (ones that require 100% paid in order to be signed and ones that do not),
2. Projects being either prioritized *or deprioritized* based on their substation queue position ("Top-Two" prioritization juxtaposed with "After-Two" deprioritization),
3. Continued prioritization for EJC land and the Built Environment, and
4. EECs that are purely developers receiving a point quantity.

The following are 22c's full comments on the proposed strawman and some market concepts within that should be taken into account:

1. "Free IAs"- Many older projects (e.g., ones from 2021, and first half of 2022) have had the ability to execute interconnect agreements ("IAs") without paying 100% of the upgrade costs by pushing the Project Authorization date in the IA construction schedule out one year from the IA effective date ("Free IAs") i.e., a free option to sit in the queue for a year. Today and for much of 2022 the rules have changed for the utilities: newly supplied IAs must pay 100% ("100% IAs"); e.g., Ameren requires 100% in order for an IA to be countersigned and *will not* start studying the 2nd in queue project until the 1st in queue "pays or gets out" [of the queue]. 22c believes this new rule is a best practice the utilities have adopted but, however, with respect to the 11-1-22 opening there are likely several hundred MWs of executed Free IAs in the field which will be competing in the tiebreaker against 100% IAs or projects unable to pay because they are unsure if they'll receive a program selection. To be clear, 22c has no negative comment on the strategy of obtaining Free IAs (it was allowed to be done back in 2020, 2021, and parts of 2022); 22c simply wants to present this fact to the IPA as there is thus a significant delta between those types of projects, Free IAs,

that can sit in a Top-Two queue position for a year (which also blocks others from moving up) while newer projects getting their IAs today and for much of this year, 100% IAs, have had to pay or get out of queue. The 100% ISAs are of course at an incredibly large disadvantage to Free ISAs: 22c's suggestion is thus to remove points for executed IAs and solely focus on queue position for projects as the deciding factor for points or not within the interconnection point section. Any project ties should then have ordinal rankings assigned at random since a. the queue is both prioritized and deprioritized and b. the quantity of ties will be substantially less dramatic as it was in the inaugural IL solar program.

2. **Top-Two Queue Position**- 22c finds this to be a shrewd project feature to prioritize by the IPA. The public queue websites are however not reliable temporally speaking for when each month they're updated. Ameren has however been very helpful and reasonable in providing emails to developers stating queue positions while ComEd has done the opposite. For efficiency, 22c suggests the IPA communicate directly with the EDCs to make sure their public queue websites are working properly and updated by 5:00pm central on 10-31-22 for developers to search their project IDs and screenshot queue positions in lieu of hundreds of email requests getting sent to the utilities over the next 50 days. The latter will cause issues for developers to show proof on 11-1-22 as the utilities will be unable to respond due to the volume of requests. Furthermore a screenshot email from a developer may be showing a *past* project queue position which further emphasizes the need for the public lists to be fully updated by close of business 10-31-22. 22c also suggests that the IPA require the utility application ID be a project input similar to site address (ID types: "DER-xxxxx" for Ameren or "22-xxxxx" for ComEd); this will enable the IPA to double-check and continuously track/audit a developer's queue position and status.
3. **"After-Two" Queue Position**- Conversely to Top-Two queue position projects, projects further than 2 projects down in the queue ("After-Two") at the substation level (e.g., 4th on a substation but 1st on a feeder) should be *deprioritized*. 22c strongly suggests the *deprioritization* be in the form of a 3 point *subtractor* which would only be removed once the project moves up to a Top-Two queue position. The subtractor would level the playing field when it comes to a. the two different IAs that exist and b. maintains "first come, first served" but in a more efficient, more productive fashion as it would be tied to local substation capacity and its respective order (servings if you will) being prioritized over Free IA execution dates that could be far down in queue and only signed because it was "easier to sign" back then.
4. **Project Contingency and Top-Two**- Many projects in a Top-Two queue *feeder* position in ComEd are potentially contingent to other Top-Two queue

positions in different areas as all of ComEd's distribution level substations roll-up (backfeed) to a transmission substation. Therefore 22c agrees with the IPA's current writing that queue position be solely defined by the *substation* level and not the feeder level. At this time and given ComEd and Ameren's historic fluctuation in interconnection costs between study phases and after IAs being paid for 22c strongly suggests *not considering Project Contingency* and solely focusing on substation queue positioning for all applications in both utilities.

5. **IA Recency**- 22c does not find this to be an efficient or productive way of prioritizing projects based on their feasibility: for example under the strawman a project that is 8th in a substation queue with a signed Free IA (from perhaps September 2021) would receive a point over a non-signed IA project that is conversely 1st in queue and has not signed its IA yet only because it's not clear if it will be selected by the IPA at the time of IA issuance... Sure the 1st in queue gets 2 points but it still is losing a point position to a project that in the spirit of the interconnection category is theoretically less feasible (being 8th in a substation line vs. 1st): the old rule allowing Free IAs should not have a point advantage over a new project.
6. **Project Score Maturation**: For projects that are on the Waitlist or the non-waitlist listing of projects (projects submitted on 11-1-22 or after that are in line but still below the Minimum Score) that don't have executed IAs should have their score appreciate if and once the IA is fully executed by the AV allowing it to move up on the list. Conversely, projects should be required to prove their IA is still signed and or the same queue position ID is intact quarterly if on the Waitlist or risk falling off or down the listings.
7. **EEC Developer**: The EEC block moratorium will likely make it infeasible in the short term for EECs to finance projects at scale. 22c suggests awarding 2 points to EEC developers for solely developing (developer scope: originating the interconnection queue position, obtaining site control on the property, obtaining land use permits when necessary, and completing solar design and production modeling) and submitting a project given the strictness of the 6 year moratorium, provided, however, an EEC shall *not* be allowed to buy a project from an AV, submit it into a block, then sell it back to the same or an affiliated AV.
8. **Conservation Opportunity Areas & New County or Public Land**: COA subtractors and New County or Public land seem to be conflicting priority concepts: For example a project could be located in a New County or on Public or non-profit land but the majority of the county is a COA causing the priority conflict to occur. 22c suggests that if a project is in a

New County or on public land then the COA subtractor should *not apply* just as it doesn't for EJCs, contaminated properties, roofs, or disturbed properties, unless, however, projects *not* being in COAs is a more important priority to the IPA than equitable project disbursement across the state and on public or non-profit land.

9. **Minimum Score of 4 Points**- Since 22c suggests the removal of IA Recency category the maximum amount of interconnection points should then change to 3. 22c therefore suggests a Minimum Score of 4 points for the Waitlist to maintain the ICC's Final Order intent on having to score at least 1 higher than possessing an executed interconnect agreement.

22c appreciates the opportunity to have participated and looks forward to seeing the final tiebreaker rules in early October.

Sincerely,

alex farkes

22c Development
Uptown, Chicago

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