

Illinois Shines (Adjustable Block Program) Stakeholder Feedback Request – Public Schools Category

BACKGROUND

The Illinois Power Agency is seeking public comment on the following requirements for projects submitted to the Public Schools category of the Illinois Shines program (“Program”).¹

A list of requirements for the Public Schools category followed by relevant questions for feedback are detailed below. Stakeholders may comment on as many or as few of the questions outlined within this document as they would like. Stakeholders should also not feel limited by the questions offered below and may provide comments on these proposals beyond the scope of the specific questions posed below.

Please provide comments via email attachment to IPA.Solar@illinois.gov with the subject “[Responder’s Name] – Response to Public Schools Feedback Request” by March 3, 2023.

In general, responses will be published on the Program website. 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.

REQUEST FOR FEEDBACK

LAND OWNERSHIP REQUIREMENT:

A school/district must own the land on which a project submitted to the Public Schools category is sited. Projects developed on land leased by a school/district are not permitted for submission to this category, unless a public school is sited on the same parcel of leased land. A school district must own the land on which the prospective project is sited at the time of application to the Program. Schools/districts are not permitted to enter into agreements that would be contingent on receiving a REC Contract from the Program in order to qualify for this Program category. A school district must continue to own the land the project is sited on for the entire lifetime of the REC Contract (20 years). ([Program Guidebook](#) pg. 35)

Questions for Feedback on Land Ownership Requirement

1. Under what circumstances, if any, should the Agency consider allowing land where a project participating in the Public School category is sited be sold to an entity that is not a public school or public school district, and the project be allowed to continue to remain under contract and deliver Renewable Energy Credits for payment?

¹ Additional information on the Public Schools category can be found in the Agency’s [Long-Term Plan](#) in Section 7.4.4.

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- i. The Agency appreciates feedback both for and against allowing flexibility for changes in land ownership with the caveat that projects submitted to the Public Schools category benefit from higher REC prices and set aside Program capacity, both of which are intended to increase the development of solar projects and the benefits of this development for public schools throughout Illinois.
2. If the Agency does allow for land where a project participating in the Public School category is sited be sold to an entity that is not a public school or public school district, what should be the parameters around such an allowance?
 - i. The Agency is looking for specific examples of circumstances that should or should not be considered qualifying for this allowance (e.g., consolidation of a school district, closing of a school, etc.). As the Agency's area of expertise is not in public schools and the long-term upkeep/ownership of such facilities, all feedback regarding circumstances surrounding the circumstances under which a public school/district may sell a public school building or district facility would be valuable in developing these requirements.
 - ii. Should these allowances, if offered, be reviewed on a case-by-case basis, or should there be protocols developed that can be followed by Approved Vendors in the case that a qualifying circumstance for exemption from this requirement occurs?
 - iii. In the event that the Agency allows such sales, during what time frame under the REC Contract should these sales be allowed (i.e., should these sales be allowed only during the last 10 years of the REC Contract)?

ANCHOR TENANT REQUIREMENT:

For community solar projects participating in the Public Schools category, the public school at which the project is sited (or the school district within which the project host is located) must be an anchor subscriber to the community solar project. As such, the public school or district must subscribe to a minimum of 10% of the project's capacity and, by law, cannot exceed 40% of the project's capacity. The Agency recognizes that it may be difficult for a school district or public school to predict the levels of student enrollment – and thereby, energy usage – for the next 20 years. The Agency will allow flexibility around the ability of an anchor tenant of a Public School category community solar project to transfer the subscription to another public school or school district and adjust the subscription size (within the 10-40% range) as needed. In order to ensure that the benefits of the Public Schools category return to the schools that host these community solar projects, the Agency will require that the hosting public school (or the district within which the hosting school is located) request a waiver from the requirements as necessary during the subscription term. The Agency will develop the waiver process through solicitation of stakeholder feedback and publish the process in the Program Guidebook. ([Long-Term Plan](#) pg. 170)

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The ICC's July 14, 2022 Final Order on the Agency's Long-Term Plan included a conclusion that the Agency must provide a waiver for the requirement that a school must act as an anchor tenant for community solar projects that are submitted to the Public Schools category of the Program.

The Agency will allow flexibility around the ability of an anchor tenant of a Public School category community solar project to transfer the subscription to another public school or school district and adjust the subscription size (within the 10-40% range) as needed. The anchor tenant may request a waiver from the subscription requirements as necessary at any point during the 20-year subscription term. As the waiver process is intended to be used in limited instances when a school can no longer serve as an anchor tenant due to unforeseen circumstances that may arise over a 20-year period, a school and/or district may not request a waiver in advance of a demonstrated need at the time of the project application. ([Program Guidebook](#) pg. 36)

Questions for Feedback on the Anchor Tenant Requirement*Components of Waiver*

1. The Agency proposes the following items as requirements for the waiver request:
 - i. Reason for waiver request (i.e., explanation of circumstances that prevent the public school from continuing to act as an anchor tenant)
 - ii. Percentage of the project that the public school will subscribe to should waiver be granted (should be within 10-40% range as outlined in the Long-Term Plan)
 - iii. Timeline under which the Approved Vendor thinks that the project will be 90-100% subscribed if/when waiver is granted to diminish the subscription size of the public school
 - iv. Type of subscribers that will be used to backfill the subscription amount that the public school is diminishing their subscription by
2. What additional information should be required in a waiver request that the Agency does not contemplate here?

Permissible Reasons For Waiver Request

3. What are permissible reasons that a waiver from the anchor tenant might be requested? The Agency is looking for feedback on specific examples of circumstances that should or should not be considered qualifying for this waiver.

Review of Waiver

4. What documentation should an Approved Vendor need to provide with a waiver request?
5. How can a school demonstrate with existence of a situation that would give rise to the need of a waiver?