From: Anthony Fotopoulos
To: IPA.ContactUs

Cc: William DePhillipo; Lauralyn Farwell; Eric Valderrama

Subject: [External] Keystone Power Holdings - Response to Public Schools Feedback Request

Date: Wednesday, February 22, 2023 12:29:38 PM

Hello,

This is Anthony Fotopoulos from Keystone Power Holdings. We are an Approved Vendor and have been actively speaking to Public Schools in Illinois about the new program for many months (we have spoken with over 200 Public Schools, been awarded 3+ school solar projects, and have submitted 1 of the 2 community solar projects in the Public Schools queue). We are submitting this in response to the IPA's request for feedback. We are also including additional feedback/questions that were not requested that the IPA may want to consider answering. We are also very happy to speak with the IPA should there be additional questions or if the IPA is looking to speak to someone actively developing these Public School projects, as we have been doing.

Land Ownership Requirement – Feedback: School districts are generally space constrained and this limits the possibilities to do solar that is not on rooftops. School districts could purchase land to act as an anchor tenant for community solar on that newly owned land, but this is complicated and generally not something the districts have the desire to do – the larger/growing districts are purchasing land for new schools, but do not generally have parcels they would purchase just for solar or unused parcels that could be used for solar. We have spoken to some districts about purchasing land for them and selling it to them for a nominal fee, which appears allowable, but this is complicated as well – we would like it clarified that this is explicitly allowed so long as it is owned by the school district before application. We also think the requirements for land ownership limits the amount of schools that can participate. Allowing adjacent land to a school owned by others (not the school district, touching on parcel map) would allow more schools to participate because of the ease of land acquisition by developers rather than the school district, and would still give the benefits to the school district via the anchor tenancy requirement... but the IPA has said this is not allowed - it must be on school owned land. We would suggest this be reconsidered and adjacent land (touching school on parcel map), but owned by developers should be allowed to facilitate more schools going solar given the complication of school districts acquiring land for solar.

Anchor Tenant Requirement – Feedback: We do not have comments on the Waiver requirements, and agree this should only be in limited circumstances to ensure the school districts benefit from this program. Our only comment would be that the school district should be allowed to combine with other school districts to meet the anchor tenant requirement. For instance, if a larger school district at 40% anchor tenancy can no longer participate and needs a waiver (assuming it was approved), it should be allowed to be replaced by 4x 10% tenants or even just 1x 10% tenant (to meet minimum 10% anchor tenancy). It should not need to be a 1-to-1 replacement, and any replacement school district should only need to meet the minimum 10% anchor tenant requirement.

Additional Feedback – Item 1) Combining Smaller Districts: We would suggest that smaller districts should be allowed to combine to have at least 10% of a larger system together. Some districts are too small (a district with a single school in rural Illinois, for example) for a more economic system (cost efficient, etc) and some of the small school districts have the most land suitable for solar. Combining several small districts that in total are 10%-40% of a larger system should be explicitly allowed so long as they are all in the same utility territory. We would suggest requiring the land must be owned by only one of the school districts (who will also likely receive

additional lease revenue for allowing solar on their land), but the land must not be owned by all the school districts participating to make the minimum 10% jointly. We request that combining small districts to meet the 10% anchor tenant of a larger system be specifically allowed, and the land must just be owned by one of the school districts making up the 10%.

Additional Feedback — Item 2) Subscription Agreement: We are developing Subscription Agreements for Public Schools, using normal Community Solar Subscription Agreement IPA guidelines and customizing them for 20 year terms and anchor tenancy. There is a checklist of requirements for Traditional Community Solar Subscribers, but nothing of course yet exists for Public School Subscribers. School districts want to see the Subscription Agreement before committing to a Site Lease and Letter of Intent (all that is required for submission to Public Schools currently). The agreement must be for 20+ years, correct (not 1 year, optionally renewable)? Also, is there any other requirements on top of the normal Traditional Community Solar Subscription Agreement requirements that will be required for Public Schools Subscription Agreements? We will include language about a to-be-determined waiver process allowing the school to opt-out, but otherwise are looking for guidance on any known additional requirements for Public Schools Subscription Agreements, as many School Districts rightly want to see the language of their savings in the Subscription Agreement before committing to tie up their land for solar via a site lease/easement (site control required for application to Public Schools).

Additional Feedback – Item 3) Waitlist: We are wondering what happens if a public school project is submitted that now becomes greater than the initial allocation for Public Schools? Will there be waitlists by project size, Tier and Group within the Public Schools category? And regardless, if on the waitlist, will the allocation by project size be "opened up" for any on the waitlist – like if a large project is on the waitlist because that size tier has been met, but the mid-size allocation is unused, would that big project get the mid-size allocation and come off the waitlist before the 50% is allocated to the other TCS groups like mentioned in Program Guidebook 1.D for uncontracted capacity? For example:

Assume a new Tier 1 Public School solar project (say 5 MW AC) in Group A
Initial allocation (including rollover from 2021-22 PY) = 46.45 MW in Group A
70% to Tier 1/2/EJ Comm = 32.515 MW in Group A, Tier 1/2/EJ Comm
¼ to projects > 1 MW = 8.128 MW in Group A, Tier 1/2/EJ Comm, large projects
Assuming 4 MW already allocated to this Tier/Size/Group for Public Schools (Current amount on dashboard in Public Schools Group A)

- A 5 MW AC would be over the allocation now (9 MW AC applied vs 8.128 MW AC allowed)
- Would the project be passed over on the waitlist for smaller projects under the allowed amount in the current year (as a 4 MW AC would fit while the 5 MW AC would not)
- Would the project get allocated before 50% Public School Capacity is reallocated to Traditional community solar at the end of the program year?
- Would the project get allocated if there is unused size allocations in Public Schools in that year (in a different Tier/Size/Group bucket)?
- Or would it just roll to a specific waitlist for that Tier/Size/Group for the future

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