

April 3, 2023

Illinois Power Agency

105 West Madison Street, Ste 1401

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To whom it may concern,

Ampion strongly opposes the additional language in *Section 6 subsection C*. which states, "to be considered a small subscriber in the Program, the utility account number associated with the subscription may not sum to larger than 25 kW_{AC} across a single or multiple Community Solar projects, if multiple subscriptions exist for the associated utility account." We propose that the IPA maintains the existing requirements for small subscribers.

There is no statutory guidance that requires such change in language. The operative language in *20 ILCS 3855/1-75* explains the small subscriber rule as, "50% of subscribers to the project's nameplate capacity being residential or small commercial customers with subscriptions of below 25 kilowatts in size." This section of the statute refers to the small subscriber rules in terms of an individual project's capacity rather than a customer's total capacity allocation in the program. The statutory definition only limits the individual subscription size of a small subscriber on a single site and does not limit the number of subscriptions or the total capacity that a small subscriber may have. In conclusion, the statute does not prohibit small subscribers from having multiple subscriptions, and Ampion does not support the IPA imposing additional limitations to the definition. There is no discernible policy objective that can be achieved by limiting a small subscriber to an aggregate subscription of 25 kW_{AC} or less.

A 25 kW_{AC} community solar subscription across the entire program is not enough capacity to cover load for some small subscriber utility accounts. When modeling 25 kW_{AC} of solar production around the middle of the state (PVWatts, Decatur, IL, 30 kWDC, 1.2 DC:AC ratio), a conservative estimate would be about 40,000 kWh/yr. While this may seem like plenty for a residential small subscriber, this is simply not always enough for a nonresidential small subscriber. The utility companies themselves have definitions for their small commercial rate classes (DS-2 for Ameren and Small Load Delivery Class for ComEd) that allow their respective "small commercial" ratepayers to peak up to 150 kW_{AC} for Ameren and 100 kW_{AC} for ComEd. While peak demand and subscribed solar capacity

may not be able to be compared directly, one can easily see how customers assigned to these rate classes can, and often do, have annual usages that exceed the 40,000 kWh estimate above. Under the proposed change, these customers would not be able to take full advantage of the benefit that the Adjustable Block Program (ABP) is designed to offer.

Furthermore, the effects of this change will have a material impact on the expeditious allocation of subscribers to sites while limiting the total benefit that small commercial customers can realize from program participation. Limiting small subscriber subscriptions to 25 kW_{AC} across the entire program will lead to significant increases in acquisition costs at a time when the Commission has recently reduced incentives for small subscriber acquisition. In the approved 2022 Long Term Renewable Resources Procurement Plan (LTRRP,) the IPA cited program data that indicated small subscriber adders were too high, so the IPA decreased the value of the adder for subscribing small customers to \$14.82/REC.¹ However, the data used to make this decision was gathered when developers were able to utilize the current small subscriber definition. If the IPA changes the definition of small subscriber customers, incentives for subscribing these customers must also be reconsidered.

Illinois and the IPA should not let perfection be the enemy of the good when it comes to stringent rules on subscriber allocation for Traditional Community Solar projects, especially when these changes will have serious impacts on acquisition and maintenance costs. The IPA and the market have successfully facilitated the development of community solar projects under existing statutory requirements to date, and it behooves the state of Illinois to let this continue so that Traditional Community Solar projects can be a successful means of meeting the state's renewable energy goals.

If the IPA implements its proposed changes beyond the statutory language defining small subscribers, Ampion urges that this new definition not be applied retroactively to awarded projects. Instead, it should take effect for projects awarded capacity in Delivery Year 2023-2024. If the IPA enforces this for past projects, 1.) new acquisition will have to be carried out increasing costs that were not previously factored into developers' pricing, 2.) certain ABP participants will not be able to realize savings that they were promised, 3.) contracts will have to be broken, and thus 4.) trust in community solar would be damaged and the ABP would suffer.

¹ Changes under 20 ILCS 3855/1-75 required all Traditional Community Solar projects to be filled with at least 50% small subscribers. In response to the mandate, the 2022 Long-Term Renewable Resources Procurement Plan included the previous voluntary 50% small subscriber adder in ABP REC prices for all Traditional Community Solar projects.

In summary, Ampion believes that the IPA should not over complicate and over regulate the small subscriber rule by limiting the total capacity that a small subscriber may be allocated to 25 kW_{AC} across the entire Program. There is no statutory requirement for this change, nor is there an articulated policy goal that this change would achieve. Additionally, this definition change would lead to higher acquisition costs despite the declining small subscriber incentive levels. Furthermore, changing subscription rules could hinder the current pace and impressive success of the ABP and community solar in IL. Lastly, it is imperative that no changes to the small subscriber rules are applied retroactively if the IPA decides to go through with the change. This would cause harm to the ABP's reputation, the IPA's reputation, some small subscriber participants, as well as developers who are helping the state of Illinois reach its renewable energy goals. We urge the IPA to maintain the current definition and practice around small subscribers and let Illinois continue to be a beacon of inspiration for community solar in the country.

Sincerely,

Regulatory and Policy Team

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Ampion, PBC.