

US Solar – Response to Updated Program Guidebook

Dear IPA,

US Solar respectfully submits this feedback regarding the IPA’s draft Illinois Shines Program Guidebook. As an active developer of distributed generation and community solar projects under this program, we based these comments on our experience in Illinois and several other states. We write to comment on two potential changes to the Program Guidebook.

1. **Small Subscriber Contract**

The change proposed at page 82, Section 6.C.1. regarding small subscribers of community solar projects is extremely troubling. In the announcement sent out by the IPA on January 13, 2023, the Agency clarified specifically that “customers with multiple subscriptions on the same utility account which exceed 25 kW in cumulative size on a single project will not be counted as Small Subscribers.” We think that is a fair limitation and have no problems with restricting small subscriber participation in that way – namely, a given small commercial subscriber can’t have more than one 25-kW subscription in an individual project.

Unfortunately, the proposed language in the Program Guidebook takes this a step further by limiting small subscribers across multiple projects (emphasis added):

Traditional Community Solar Under All REC Delivery Contracts

A small subscriber is defined as a customer on a residential or small commercial rate class with a subscription of less than 25 kW. Eligible small commercial rate classes for the investor-owned utilities are as follows:

- Commonwealth Edison: “watt-hour delivery class” and “small load delivery class”
- Ameren Illinois: “DS-2”

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.

This is a very large change to the requirements and would have significant impact to the way community solar subscriptions are handled across the program. This language differs significantly from the language clarified by the Agency in January. This proposal would have a negative retroactive effect, harming subscribers who have signed multiple 25 kW subscriptions (albeit only one per community solar project) as is currently allowed by the rules, and as clarified in the IPA’s January 13, 2023 program announcement (which implied that the clarification would apply to all future subscriptions and reports).¹

¹ “The following is a clarification of the definition and application of the term “Small Subscriber” for the purpose of meeting Small Subscriber requirements, including minimum subscription levels and calculating REC price adders where applicable. To be considered a Small Subscriber for these purposes, the subscription or sum of multiple subscriptions **to each individual Community Solar project** under one utility account may not exceed 25 kW AC. . . . The Program Administrator will review subscriptions to confirm that customers with multiple subscriptions on the same utility account which exceed 25 kW in cumulative size **on a single project** will not be counted as Small

Taken at fact value, this new proposed change would require community solar operators to somehow terminate legally enforceable long-term subscription contracts that complied with all program requirements at the time said contracts were executed. We believe adequate justification is warranted for the level of change proposed as it would have the effect of invalidating mutually negotiated contracts between subscribers and subscriber organizations entered into in compliance with the existing rules.

There are also practical and workability concerns with the new proposal, as there is currently also no way for a subscriber organization to know if a customer already has an existing subscription with another subscriber organization's community solar project. It would not be right to penalize the subscriber organization for something that would require subscribers to accurately identify and notify the subscriber organization of their existing accounts.

Any change to the effect of the one drafted should also require the IPA to give notice to impacted subscribers and provide them an opportunity to respond. Although US Solar is responding to this request for feedback, that does not obviate the need for direct notice to impacted program participants that do not receive regular updates from the IPA on the program to which they are beneficiaries.

2. DC to AC Ratios

A second issue, where we'd like to see an update to the Program Guidebook is in Section 4.K.2. That section of the Guidebook states, at page 43:

"Systems will be limited to a DC capacity of 155% of the AC capacity (for example, a 10 kW AC system can contain only 15.5 kW in STC DC capacity). An Approved Vendor may request an exemption for this requirement, but exemptions will only be granted for good cause and at the discretion of the Agency and its Program Administrator."

In other markets, we generally see DC coupled storage using an AC-to-DC ratio is closer to 1.7 (not capped at 1.55). We would like to see the Guidebook updated to a maximum 1.7 ratio so applicants can use a more cost-effective battery energy storage system (BESS) sizing. The ability to store more mid-day energy clipping and use the BESS more frequently helps cover the high cost of adding battery storage and would enable greater deployment of storage capacity in Illinois. At the very least, the Guidebook should further clarify and streamline the exemption process for applicants that have an economic case to size their BESS above the 1.55 ratio. As currently drafted, it is difficult for developers to know how the exception process works, the timeline for exception determinations, and the process for appeals.

Thank you for your consideration in this matter and we hope the IPA takes our comments and experience into account when making final changes to the Program Guidebook.

Subscribers for purposes of meeting Program requirements related to subscription levels and calculation of REC price adders for the next quarterly invoicing period following this announcement (i.e., the March-May 2023 invoicing period). Review of **future quarterly community solar reports will follow this protocol** with respect to multiple subscriptions and will continue to include the verification of rate class of any subscriptions used to fulfill Small Subscriber requirements." (emphasis added)