

March 25, 2024

TO: Illinois Power Agency

FR: Climate Jobs Illinois (CJI)

RE: March 14 Request for Public Comments on 2024-25 Illinois Shines Program Guidebook

Please direct questions and comments to:

Joe Duffy, Executive Director:		
Mia Korinke, Campaign Mobilization Director:		

About Us

Climate Jobs Illinois is a coalition of labor organizations advocating for a pro-worker, pro-climate agenda in Illinois. Our mission is to advocate for a clean energy economy at the scale climate science demands, create good union jobs and support more equitable communities. Our coalition represents hundreds of thousands of Illinois working men and women who are the best trained and skilled to build Illinois' new clean-energy economy from the ground up. By focusing on the construction of clean energy sources as a way to combat the climate crisis, Climate Jobs Illinois offers a compelling new approach to creating an equitable and clean economy. Building a clean energy economy is an opportunity for labor to lead on climate by creating high-quality family-sustaining jobs that spur economic development while reducing carbon emissions.

Climate Jobs Illinois is a state affiliate of the Climate Jobs National Resource Center. Climate Jobs Illinois is directed by a coalition representing hundreds of thousands of union members across Illinois, and our Executive Committee is comprised of leadership from:

- Association of Bridge, Structural,
 Ornamental and Reinforcing Iron
 Workers Union Chicago & St. Louis
- Mid-American Carpenters Regional Council
- International Brotherhood of Electrical Workers Local 134
- International Brotherhood of Electrical Workers State Council
- Illinois Education Association
- Illinois Federation of Teachers

- International Union of Operating Engineers Local 150
- Midwest Region of Laborers
 International Union of North America
- Great Lakes Region Laborers
 International Union of North America
- Service Employees International Union State Council
- International Association of Heat and Frost Insulators and Allied Workers
- Illinois Pipe Trades Association

Background

On March 14, the Illinois Power Agency (IPA) solicited public comments on its draft <u>2024-25</u> <u>Illinois Shines Program Guidebook</u>. On behalf of our coalition members and their rank-and-file union members, Climate Jobs Illinois submits the following comments in response to the IPA's updated Program Guidebook, including changes to rollover capacity, collateral requirements, and increased program capacity.

Recommendations

Our coalition is supportive of the steps that the IPA has taken to help make solar energy solutions more accessible to communities throughout Illinois. By expanding overall program capacity from 666 MW to 800 MW for the 2024 to 2025 program year, we believe the IPA is setting the Illinois solar market up for strong development for the 2024-2025 program year and beyond. With over 9.2 GW of clean energy capacity statewide – and an additional 4.3 GW of capacity in the pipeline – Illinois continues to be a leader on clean energy production. Expanding program capacity for the Illinois Shines REC program will help the IPA meet its long-term climate goals by attracting more renewable energy developers to our state and creating good jobs for Illinois workers.

We were also pleased to see that the IPA is making good on its promise to remove barriers for solar development in undersubscribed market segments. We are particularly happy that the IPA

¹ U.S. Energy Information Administration. (2024, February 2). Preliminary Monthly Electric Generator Inventory. https://www.eia.gov/electricity/data/eia860m/

is removing the 5% REC contract value collateral requirement for public school solar projects with a Tier 1, Tier 2, or Environmental Justice designation. Removing this barrier for public schools in low-income and environmental justice communities will help promote activity in the Public Schools block, where many would-be participants are affected by financing constraints and debt limitations. Combined with the implementation of the IRS' elective pay ("direct pay") delivery option for federal clean energy tax credits, the IPA's program adjustments under this guidebook should help ease the financial pressure on public schools that wish to pursue solar. We also encourage the IPA to roll out additional education and technical assistance programs to increase participation in this block.

In this same vein, we encourage the IPA to remain flexible on its reallocation policy for unused capacity in undersubscribed blocks such as Public Schools and Community-Driven Community Solar. While we feel that the IPA's reduction in rollover capacity for the Public Schools Block from 50% to 25% is appropriate given increased demand in other segments, program administrators should reserve the right to reassess rollover capacity based on year-to-year demand. We expect solar development for public schools to pick up over the next few years as the IRS' direct pay mechanism is now in place, and many schools in the state now have an understanding of the Illinois Shines program and how it operates.