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### **JEEC Comments on Draft 2026-2027 Program Guidebook**

The Joint EEC Parties (“JEEC”) thank the Illinois Power Agency (“IPA”) for the opportunity to provide stakeholder feedback on the Draft 2026-2027 Program Guidebook (“Draft Guidebook”) dated March 9, 2026, for the Adjustable Block Program (“ABP”):

#### **Site Control:**

Pages 105-106 of the Draft Guidebook allude to a potential requirement where the AV is required to sign site host control:

“Site control must be signed by both parties, the customer, and the Approved Vendor or installer. In projects where the Approved Vendor is the owner, such as in community solar projects, or the owner and off-taker such as in distributed generation, site control must be signed by the Approved Vendor and the host/landlord of the installation property. If the Approved Vendor is the same entity as the host/landlord of the installation address, only one signature from the entity is needed” ([Draft Guidebook Pages 105-106](#)).

The JEEC respectfully requests clarification from the IPA on this section as EEC AVs are only required to own the REC Contract for six years following a CS project’s Part II Verification Date as stated in the ICC’s Final Order for the 2024 LTRRPP:

“The Commission adopts the IPA’s edit that changed the word “project” to the word “contract” in the description of the required six-year delay of any transfer. This edit was a clarification to align that provision with the existing position that the AV does not need to own the physical project or installation. The Commission encourages the IPA to make any other necessary conforming changes to the Plan as well” ([Docket 23-0714](#)).

On pages 105-106 of the Draft Guidebook, the JEEC believe that the IPA is **only** referring to **specific** cases of CS projects where the **developer** is the owner of the underlying asset and physical project itself, in which the **developer** who owns the project would be required to sign site host control with the landowner. However, the JEEC is interpreting this language to mean that this requirement would not apply to CS projects where the EEC AV is not the owner of the underlying asset and physical project, but instead, simply the owner of the REC contract for six years following the CS project’s Part II Verification Date. During the 2024 LTRRPP proceeding, the IPA and the ICC acknowledged that EECs need to partner with more experienced developers and investors for project financing to participate in the solar market. The Agency wrote that it does not

wish to prohibit these arrangements which would prevent developers and investors from assisting EECs with accessing capital and unlocking the wealth-building value of state incentives. Without financing or with impaired financing from strategic co-development partners, EECs are at a severe disadvantage competing in the solar industry. This rule requiring the EEC AV to own the REC Contract, but not the project, for six years following the Part II Verification date, was left unmodified during the 2026 LTRRPP proceeding ([Docket 25-0945](#)).

Since EEC AVs are newly emerging, disadvantaged participants in the ABP, EEC AVs rarely own CS projects due to lack of in-house capital and balance sheet capabilities. Instead, EEC AVs benefit from co-development partnerships with more experienced non-EEC developers and long-term owner operators in the program. The EEC AV will work with the non-EEC developer through origination. The EEC AV will then submit the Part I application for the EEC CS project for an expedited REC award to complete the last step of the “development phase” so the ProjectCo LLC that is owned by the non-EEC developer can be sold to a new long-term owner/operator or Independent Power Producer (“IPP”) through a Membership Interest Purchase Agreement (“MIPA”). The non-EEC developer and the EEC AV then mutually benefit from a development fee and an EEC co-development fee that is typically paid out upon closing of the project sale through the MIPA. Requiring the EEC AV to sign site host control would cause significant roadblocks during the financing and underwriting process with long-term owner operators and their lenders. Additionally, requiring the “Approved Vendor” to sign site host control would eliminate these co-development partnerships that EECs rely on for program participation to build up their businesses. Therefore, the JEEC propose the following edit to the Draft Guidebook:

“Site control must be signed by both parties, the customer, and the Approved Vendor or installer. In projects where the ~~Approved Vendor~~ developer is the owner, such as in community solar projects, or the owner and off-taker such as in distributed generation, site control must be signed by the ~~Approved Vendor~~ developer and the host/landlord of the installation property. If the Approved Vendor is the same entity as the host/landlord of the installation address, only one signature from the entity is needed ([Draft Guidebook Pages 105-106](#)).

### **EEC SPAVs and Regular SPAVs:**

Page 34 of the Draft Guidebook states the following:

“Entities who wish to make use of the SPAV designation will need to request that status prior to submitting their system’s Part I application. The Program Administrator and Agency will review requests to ensure that this process is not used to avoid the more general requirements of this Program through the establishment of nominally separate entities” ([Draft Guidebook Page 34](#)).

The JEEC would like to outline the administrative burden and project risk that this would cause for EEC AVs with project financing through co-development. Creating an EEC SPAV is a necessary step to eliminate tax equity liability for state incentives and federal tax credits to flow to the ProjectCo LLC that is being sold from the developer to the long-term owner operator. EEC SPAV creation enables a designated system to be placed on an individual Master REC Contract with only the EEC SPAV’s product order contained on that individual Master REC Contract instead of a parent company EEC AV having a Master REC Contract that contains multiple product orders for different projects that are being sold to different long-term owner operators. Oftentimes,

when EEC AVs and non-EEC developers collaborate during the co-development process, the developer and EEC collectively evaluate submission between either the EEC block co-development pathway or the TCS pathway for CS projects scored with EEC points. The decision between the EEC block or the TCS block is based on a number of factors such as financial modeling, EPC price, and REC award timeline. Setting up an EEC SPAV prior to Part I submission is not only costly for an EEC with the EEC incurring administrative legal fees, but it is also unnecessary if the project is being submitted into the TCS block by the non-EEC developer who is partnering with the EEC for TCS-EEC points. In other words, if the project is submitted to the TCS block, the non-EEC developer would create the SPAV, but if the project is submitted to the EEC block by an EEC AV, the EEC would create the EEC SPAV.

Based on availability of block capacity and timeline for REC award, the decision between submission to the EEC block and the TCS block is sometimes made a few weeks prior to Part I submission to the ABP which results in not enough time for the EEC to create an EEC SPAV. EEC SPAV registration can take four-to-six weeks (or more) for review and approval with the program administrator. Additionally, there could be circumstances where an EEC creates an EEC SPAV for a project that does not proceed in the EEC block in which the EEC would need to file for dissolution of the newly created EEC SPAV entity. Having the ability to submit the Part I application with a parent-company AV in tandem with assigning the batch/designated system to the affiliated SPAV utilizing an Exhibit C-5 Form of Acknowledgement of Assignment and Consent form thirty days following the Trade Date is much more flexible than being required to create an SPAV prior to Part I submission. Therefore, the JEEC propose the following edit to the Draft Guidebook:

~~“Entities who wish to make use of the SPAV designation will need to request that status prior to submitting their system’s Part I application. The Program Administrator and Agency will review requests to ensure that this process is not used to avoid the more general requirements of this Program through the establishment of nominally separate entities”~~ ([Draft Guidebook Page 34](#)).

## **REC Pricing:**

The JEEC reiterates its response from the 2026 LTRRPP proceeding:

Section 7.5.3 of the 2026 LTRRPP explains that it is the IPA’s understanding that many third-party owned projects might have access to the ITC for at least a portion of the 2026-27 Program Year. As a result, the Agency has chosen to model REC prices with the simplified assumption that participating projects will have access to the ITC; thus, the resulting REC prices reflect that expectation, as shown in Table 7-9:

Table 7-9: Proposed Illinois Shines REC Prices (\$/REC) for 2026-27 Program Year

Block Category	Project Size	Group A <sup>[A]</sup>	Group B <sup>[B]</sup>	Group A REC Price Change from 2025-2026 Delivery Year (%)	Group B REC Price Change from 2025-2026 Delivery Year (%)
Small DG	0 - 10 kW	\$70.37	\$80.77	\$4.03 (6.1%)	\$5.29 (7.0%)
	>10 - 25 kW	\$60.92	\$79.21	\$3.74 (6.5%)	\$9.43 (13.5%)
Large DG	>25 - 100 kW	\$59.53	\$69.65	\$0.00 (0.0%)	\$0.00 (0.0%)
	>100 - 200 kW	\$55.63	\$65.09	\$0.00 (0.0%)	\$0.00 (0.0%)
	>200 - 500 kW	\$45.64	\$53.40	\$0.00 (0.0%)	\$0.00 (0.0%)
	>500 - 2000 kW	\$42.37	\$49.57	\$0.00 (0.0%)	\$0.00 (0.0%)
	>2000 - 5000 kW	\$31.96	\$37.39	\$0.00 (0.0%)	\$0.00 (0.0%)
Traditional Community Solar	0 - 25 kW	\$57.49	\$70.91	\$0.00 (0.0%)	\$0.00 (0.0%)
	>25 - 100 kW	\$58.84	\$72.15	\$0.00 (0.0%)	\$0.00 (0.0%)
	>100 - 200 kW	\$57.50	\$69.58	\$0.00 (0.0%)	\$0.00 (0.0%)
	>200 - 500 kW	\$53.46	\$64.20	\$0.00 (0.0%)	\$0.00 (0.0%)
	>500 - 2000 kW	\$46.02	\$54.24	\$0.00 (0.0%)	\$0.00 (0.0%)
Community-Driven Community Solar	>2000 - 5000 kW	\$33.99	\$39.98	\$0.00 (0.0%)	\$0.00 (0.0%)
	0 - 25 kW	\$80.66	\$96.74	\$6.84 (9.3%)	\$5.27 (5.8%)
	>25 - 100 kW	\$81.88	\$97.27	\$6.48 (8.6%)	\$4.35 (4.7%)
	>100 - 200 kW	\$78.09	\$93.45	\$4.81 (6.6%)	\$4.09 (4.6%)
	>200 - 500 kW	\$68.02	\$85.02	\$0.29 (0.4%)	\$2.78 (3.4%)
Public Schools	>500 - 2000 kW	\$58.77	\$71.34	\$0.84 (1.5%)	\$2.39 (3.5%)
	>2000 - 5000 kW	\$50.48	\$57.35	\$8.54 (20.4%)	\$7.56 (15.2%)
	0 - 25 kW	\$77.17	\$93.17	\$0.00 (0.0%)	\$0.00 (0.0%)
	>25 - 100 kW	\$68.57	\$84.96	\$0.00 (0.0%)	\$0.00 (0.0%)
	>100 - 200 kW	\$65.81	\$76.91	\$0.00 (0.0%)	\$0.00 (0.0%)
	>200 - 500 kW	\$57.72	\$66.88	\$0.00 (0.0%)	\$0.00 (0.0%)
	>500 - 2000 kW	\$54.51	\$61.04	\$0.00 (0.0%)	\$0.00 (0.0%)
	>2000 - 5000 kW	\$42.15	\$46.74	\$0.00 (0.0%)	\$0.00 (0.0%)

Note: Some prices remained unchanged from the 2025-2026 Delivery Year.  
 [A] Group A encompasses Ameren Illinois, MidAmerican, Mt. Carmel, Rural Electric Cooperatives, and Municipal Utilities located in MISO  
 [B] Group B encompasses ComEd, and Rural Electric Cooperatives and Municipal Utilities located in PJM

According to IRS guidance regarding tax credit eligibility under Section 48E and Section 45Y, (see Notice 2025-42, dated August 15, 2025), CS projects greater than 1.5 MW AC were required to have material purchased prior to September 2, 2025, to qualify for the Five Percent Safe Harbor. Alternatively, to claim the full ITC, CS projects greater than 1.5 MW AC must “commence construction” under the Physical Work Test between 7/4/25 and 12/31/25 and have up to four years to be placed in service. CS projects greater than 1.5 MW AC that “commence construction” under the Physical Work Test between 1/1/26 and 7/4/26 (within 12 months after enactment) can claim the full ITC and have four years to be placed in service, but only if they meet FEOC supply chain rules. CS projects greater than 1.5 MW AC that “commence construction” under the Physical Work Test after 7/4/26 must meet FEOC rules and be placed in service before 12/31/27 to receive the full ITC.

The JEEC suggest that the IPA considers the difference between CS projects that are “awarded” during the 2026-2027 delivery year versus projects that are “submitted” during the 2026-2027 delivery year. The JEEC agrees with the IPA that TCS projects scored with EEC points submitted during the 2025-2026 delivery year (prior to June 1, 2026) that are stuck on the TCS waitlist for “*pending REC award during the subsequent 2026-2027 delivery year*” will most likely qualify for the ITC. These 2025-2026 TCS waitlisted projects that will be awarded during the 2026-2027 delivery year might have enough time to commence construction under the Physical Work Test prior to July 4, 2026, or may have been able to qualify for the Five Percent Safe Harbor prior to September 2, 2025. However, brand new EEC CS category projects that will be submitted during the 2026-2027 delivery year will just be receiving land leases, special use permits, and interconnection agreements. These brand-new EEC CS category projects will most likely not qualify for the ITC.

Generally, lenders and financing partners of long-term owner operators that participate in the ABP require a REC award or at least a secured position on the TCS waitlist prior to issuing the green light for the long-term owner operator to grant a Limited Notice-to-Proceed (“LNTP”) to the EPC for the AHJ ministerial permitting process and preliminary construction on the project.

Additionally, due to longer zoning timelines, extensive interconnection queue positions, and distribution upgrade schedules, very few CS projects in early stages of development submitted during the 2026-2027 delivery year will be placed in service prior to the ITC termination date on December 31, 2027. The Agency can verify this by considering the number of CS projects in the program that have historically submitted Part II Verification extensions to the standard twenty-four-month energization deadline following the ICC Trade Date. Therefore, the JEEC propose for the IPA's 2026-2027 REC Pricing Model to omit the 30% ITC.

### **EEC REC Adder:**

Page 104 of the Draft Guidebook states the following:

“Approved Vendor must certify that all Engineering, Procurement, Construction or development work will be performed by the Approved Vendor submitting the application, in conformance with the "self-performance" definition as defined by the Agency in the Program Guidebook, and therefore request the EEC CS Self-Perform \$5/REC adder” ([Draft Guidebook Page 104](#)).

When going through the bidding process and the scope delineation process with a long-term owner operator, depending on what long-lead time equipment the long-term owner operator has already procured to meet their schedule with the lender, EPCs are typically asked to exclude either the procurement of modules, the procurement of medium voltage transformers, or the procurement of racking and foundations from EPC pricing.

Additionally, when EPCs begin their scope, CS projects can be at certain levels of the design phase. For example, an EPC may take over the engineering from the developer or long-term owner operator at a 30% electrical design set and a 30% civil design set, then progress the 30% electrical and the 30% civil design set to a 100% Issue for Construction (“IFC”) design set. While in other circumstances, the developer or long-term owner operator may only have produced an interconnection design that includes a site map and a single-line diagram in which the EPC would take that interconnection design through 100% IFC.

Furthermore, some permits may be pulled by the original developer in some instances, where in other cases, the EPC would pull the same permits. For example, the developer or long-term owner operator may have already created a preliminary Stormwater Pollution Prevention Plan (“SWPPP”) with an obtained National Pollution Discharge Elimination System Permit (“NPDES”). If this is the case, the EPC would submit a Notice of Intent (“NOI”) to the Illinois Environmental Protection Agency (“IEPA”) with a finalized SWPPP during the post-construction phase that includes final stabilization seeding. In other situations, the EPC may create a preliminary SWPPP, obtain the NPDES permit, submit the NOI, and close out the SWPPP via final stabilization seeding.

These examples highlight that the term “all Engineering, Procurement, Construction or development work” is obscure. Therefore, the JEEC propose the following edit:

“Approved Vendor must certify that ~~all~~ Engineering, Procurement, Construction or development work will be performed by the Approved Vendor submitting the application, in conformance with the "self-performance" definition as defined by the Agency in the

Program Guidebook, and therefore request the EEC CS Self-Perform \$5/REC adder” ([Draft Guidebook Page 104](#)).

The JEEC appreciate the IPA for the opportunity to comment on the Draft Guidebook and looks forward to working with the IPA to provide opportunities to those who have been historically left out of the clean energy sector.

Respectfully Submitted,

The JEEC