

**Project Selection for Future ABP Community Solar Blocks
Request for Stakeholder Feedback**

November 23, 2020

Under Section 6.3.3.1.2 of the IPA's [Revised Long-Term Renewable Resources Procurement Plan](#) ("Revised Plan"), the IPA proposed that should funding become available to open new Adjustable Block Program blocks,¹ 50% of any new community solar capacity would be allocated in accordance with the current ordinal community solar waitlists, while 50% would be allocated to projects that "increase the variety of community solar locations, models, and options in Illinois." In approving the Revised Plan, the Illinois Commerce Commission agreed with this proposal, but also found that "stakeholder feedback is a valuable tool to refine the scoring approach in order to best achieve the goals of increasing the variety of community solar locations, models, and options in Illinois." This Request for Stakeholder Feedback constitutes the first step in that feedback process.

Responses to this Request for Stakeholder Feedback should be submitted to the IPA by December 21, 2020 by emailing written responses to IPA.Solar@illinois.gov with the subject "Responses to Community Solar Project Selection Feedback Request."

All responses will be posted to the Adjustable Block Program website. In general, responses will be made public and published on the ABP's website (<https://illinoisabp.com/>). However, should a commenter seek to designate any portion of its response as confidential, that commenter should provide both public and redacted versions of its comments.

The Agency expects that it will then hold a stakeholder virtual workshop to discuss the written stakeholder feedback received and release a draft project selection process document for additional feedback (including written comments and one or more workshops) prior to finalization.

The Agency is concurrently releasing a request for stakeholder feedback related to adjusting REC prices. Stakeholders are requested to provide technical feedback on REC pricing as part of that feedback process; for this request for feedback on community solar project selection,

¹ As outlined in Chapter 3 of the IPA's Revised Plan, obtaining RPS funding necessary for opening additional Adjustable Block Program blocks in 2021 would require passing new legislation.

stakeholders should only comment on whether or why REC pricing should be considered differently for community solar projects selected using project diversity criteria.

Background

During the Adjustable Block Program's initial project application window, 919 community solar project applications were submitted, with 112 projects ultimately selected through the April 2019 random project selection process (or "lottery"). Remaining projects were placed on ordinal waitlists established through lottery results.

Through the project application process, the Agency observed common characteristics across community solar applications: most applications were for projects at or near 2 MW (AC) in size located in more remote greenfield locations, and few (if any projects) were designed to focus on serving specific communities of subscribers (such as smaller projects located in urban or suburban locations or those tied to community-based organizations). Through its Revised Plan, the Agency sought to provide new pathways for more diverse community solar project participation while still respecting the interests of developers of waitlisted projects that had already successfully applied to the program. Under the Agency's approach, 50% of the capacity of any new community solar block would be allocated to projects currently on the ordinal waitlists (with the selection order determined through those waitlists), while 50% of the new block's capacity would be selected using project diversity criteria.

More specifically, Section 6.3.3.1.2 of the Revised Plan outlines the following project selection framework:

- *When funding becomes available to open Block 5 (or any subsequent block) for each Group, the Agency will announce the specific block opening date with at least 60 days' notice prior to that opening date.²*
- *The Agency will then accept new community solar project applications for 60 days after the opening date.³*
- *If verified new project applications received during the 60-day application window are less than the available capacity (i.e., 50% of the Block capacity), then the remaining*

² Community solar project applications will continue to be accepted after the approval of this Revised Plan and prior to the opening of Block 5; they will be placed at the end of the current waitlist. Once the new block has opened, those projects may withdraw from the waitlist and reapply to be considered under the new project application criteria.

³ A project currently on the existing ordinal waitlist may be withdrawn from that waitlist and resubmitted as a new project application (subject to payment of the application fee) to be considered for these new project selection criteria.

capacity would be released for selecting additional projects off of the existing ordinal waitlist.

- *If new project applications received during the 60-day application window exceed the available capacity, then project selection will be conducted by scoring projects in the following manner and accepting projects based on the highest scores:*
 - *Projects will first be sorted into four categories based on the development density of the townships in which they are located.⁴ The highest density class would get 3 points, the next class 2 points, the third class 1 point, and the lowest density class 0 points.*
 - *Projects developed in response to a site-specific RFP issued by a municipality or community group (issued prior to the announcement of the opening of the block) would be awarded 1 point.*
 - *Projects that commit to only serve subscribers in the same township as the project would be awarded 1 point. If the township population is below 50,000, then subscribers could also be in adjacent townships to meet this commitment and receive this point. (REC payments will be adjusted to only account for subscribers meeting this commitment.)*
 - *Projects under 100 kW (AC) in size would be awarded 2 points. Projects between 100 and 500 kW (AC) in size would be awarded 1 point. A project's size will be determined through including any actual or proposed co-located community solar projects in that size determination.*
 - *Random selection will only be utilized as a tie-breaker for equally scored projects to fill available capacity, if any; however, should the capacity available be so small so as to only accommodate one or more projects below a certain size, then the Agency may only consider those projects small enough to not exceed that remaining capacity.*

Projects not selected for an open block will be given the option to be considered for the next block that opens, but will not be given prioritization over new applications. Project scores and new waitlists specific to this scoring-based application pathway will be maintained to replace any capacity (at the applicable block REC price) that becomes

⁴ For determining the development density category, the Agency proposes to adopt the methodology proposed by ELPC/Vote Solar in their comments on the draft Revised Plan, which sorts all the townships of Illinois into four classes. See:

https://www2.illinois.gov/sites/ipa/Documents/Draft%20Revised%20Plan%20-%20Summer%202019/Comments%20to%20Draft%20Revised%20Plan/ELPC_Vote%20Solar%20Plan%20Comments.pdf.

available if selected projects withdraw or are not completed. This new waitlist would be treated separately from the original April 10, 2019 lottery waitlist. New project applications or replacement projects taken from this second, new waitlist must be equal in size to or smaller than the project being replaced.

As stakeholders are likely aware, the opening of any new blocks of project capacity for the Adjustable Block Program is dependent on funding availability—and, absent legislative changes, the RPS funding required for opening additional community solar blocks is not projected to be available in the near future. Additionally, a draft of the next revised Long-Term Plan is scheduled to be released in 2021 with Commission approval scheduled for early 2022. Upon Commission approval of that next revised Long-Term Plan, any provisions of that plan which differ from the outcomes of this stakeholder feedback process would govern project selection.

Stakeholder questions

To help frame future workshops, and to assist the Agency in developing a detailed draft written project selection process document, the Agency is seeking written feedback on each of the numbered items below. Stakeholders are free to provide feedback only on select numbered items below and may also provide more general feedback or feedback on additional considerations not outlined below as warranted.

In approving the IPA's proposal, through its Final Order in Docket No. 19-0995, the Commission requested that the IPA solicit feedback specifically on the following items:

- (1) the timeline for project application to, and any potential reallocation of funds from, community solar projects selected through scoring;*
- (2) whether minimum scores should be required for any individual or subset of attribute(s) for all scoring pathway applicants;*
- (3) automatic triggers to lower attribute scores;*
- (4) qualification requirements for individual attributes (e.g., should site-specific RFPs be required to have been issued prior to the announcement of the opening of the block);*
- (5) number of points awarded; and*
- (6) other attributes that should be considered in order to increase the variety of community solar locations, models, and options in Illinois, such as proposals to award points to non-greenfield projects.*

If other attributes are suggested, please provide as much detail as possible describing and defining those additional attributes.

The Agency has identified the following additional questions for feedback:

- (7) Are there alternative methodologies that should be considered for assigning project locations to development density categories?
- (8) The current block structure divides the state into two Groups, A and B. Should additional groups with specific capacity allocations be considered to ensure the geographic distribution of projects above and beyond the development density category approach?
- (9) Should the scoring methodology award points to encourage participation by minority or women-owned businesses, either as Approved Vendors or sub-contractors? What mechanisms could be considered to ensure that any such diversity points awarded during project select result in actual utilization of minority or women-owned businesses?
- (10) Should the IPA utilize additional criteria (either in scoring, or project requirements) to encourage the use of graduates of job training programs and/or increasing the diversity of the workforce for these projects?
- (11) In order to encourage subscriber proximity to projects, should the IPA consider alternative approaches to the township standard described above?
- (12) The Adjustable Block Program requires a signed interconnection agreement for projects over 25 kW in size. Should additional and/or alternative project maturity requirements be considered?
- (13) Should different adders be considered for REC pricing to recognize specific attributes of projects selected through this process? REC pricing currently only accounts for project size and level of small subscribers.
- (14) Can any lessons be taken from the development of the lottery process for the selection of licenses for cannabis dispensaries? If so, how could those guide the development of the community solar project selection process?

The Agency also welcomes any suggestions and recommendations on the project selection process that may not be reflected in these questions, or any suggestions of other considerations which should inform the development of a project diversity-oriented selection process (with the caveat that incorporating any such suggestions would need to comport with the Revised Plan and Illinois law).