



Public School Projects Category Request for Stakeholder Feedback

October 14, 2021

Background

On September 15, 2021, Governor Pritzker signed the Climate and Equitable Jobs Act (Public Act 102-0662) into law. This Act includes significant changes to the Illinois Power Agency Act (20 ILCS 3855, the "IPA Act"), including an overhaul of certain elements related to the Adjustable Block Program. As this Act also frees up additional funding for supporting new renewable energy project applications, those changes include requirements that certain Adjustable Block Program categories reopen (or open for the first time, in the case of new categories) within 90 days after the effective date.

The Illinois Power Agency ("IPA" or "Agency") is seeking feedback on certain provisions of the law in order to prepare for opening of additional blocks on December 14, 2021 in compliance with P.A. 102-0662. This feedback will be utilized by the Agency to develop interim requirements for the opening of blocks in December; such requirements may ultimately be revised and/or modified in accordance with the approval of the Agency's next Long-Term Renewable Resources Procurement Plan by the Illinois Commerce Commission, which is expected to occur in the summer of 2022.

Section 1-75(c)(1)(K)(iv) of the IPA Act creates the following new category for the Adjustable Block Program for projects at public schools:

"At least 15% from distributed renewable generation devices or photovoltaic community renewable generation projects installed at public schools."

Further, the Act states that:

"The Agency may create subcategories within this category to account for the differences between project size or location. Projects located within environmental justice communities or within Organizational Units that fall within Tier 1 or Tier 2 shall be given priority."

For block reopening, Section 1-75(c)(1)(G)(iv)(4) provides as follows for this category:

"The Agency shall open the first block of annual capacity for the category described in item (iv) of subparagraph (K) of this paragraph (1). The first block of annual capacity for item (iv) shall be for at least 50 megawatts of total nameplate capacity."

Illinois Adjustable Block Program

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The Adjustable Block Program is a state-administered solar incentive program developed and managed by the Illinois Power





The Agency seeks stakeholder feedback on the proposed method to implement the requirements as outlined in the Act. Responses to this Request for Stakeholder Feedback should be submitted to the IPA by November 4, 2021 by emailing written responses to IPA.Solar@illinois.gov with the subject "Responder's Name - Response to Public Schools Feedback Request."

In general, responses will be made public and published on the websites of both the <u>Adjustable Block Program</u> and the <u>Illinois Power Agency</u>. Should a commenter seek to designate any portion of its response as confidential and proprietary, that commenter should provide both public and redacted versions of its comments. Independent of that designation, if the Agency or the Program Administrator determines that a response contains confidential information that should not be disclosed, the IPA reserves the right to provide its own redactions.

Proposed Approach

Tier 1 and Tier 2 school categorization will be determined based on the results of the annual Evidence-Based Funding Distribution process (Evidence-Based Funding Distribution Calculation) for public schools in Illinois. Environmental Justice Communities will be determined per the criteria contained in Section 8.15 of the Revised Long-Term Renewable Resources Procurement Plan and as shown on the map published on the Illinois Solar for All website. The Agency proposes that 70% of block capacity will be allocated to projects that are at schools in Tier 1, Tier 2, and/or Environmental Justice Communities, and that 30% of block capacity for schools in Tiers 3 and 4 and not in Environmental Justice Communities. Furthermore, the Agency proposes that within those two allocations, one-quarter of the block allocation be allocated to projects less than 250 kW, one-quarter to projects between 250 kW and 1 MW, and half to projects over 1 MW. If the allocations are not filled within 180 days of block opening, then projects will be accepted on a first come, first served basis regardless of Tier, Environmental Justice Community location or project size.

Stakeholder Feedback Questions

- A. Is the proposed 70% (35 MW) for schools categorized as Tier 1, Tier 2, and schools located within Environmental Justice communities and 30% (15 MW) for Tier 3 and Tier 4 schools appropriate? If a different split is proposed, please provide the reasoning behind that split.
- B. Are the prior year results of the annual Evidence-Based Funding Distribution process conducted by the Illinois State Board of Education an adequate and timely source to determine Tier 1 or Tier 2 status? Are there other ways to verify a school qualifies for the Tiers 1 and 2 and Environmental Justice Community categories?

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- C. Are the proposed size categories (< 250 kW, 250 kW to 1 MW, over 1 MW) appropriate and allocations to each category appropriate? If not, please suggest alternatives and explain the rationale behind the allocations proposed.
- D. At this time, the Agency is not proposing specific allocations between projects in Group A or Group B, nor does the Agency propose a specific allocation for community solar projects located at public schools. The Agency expects that such allocations may be proposed in the next Long-Term Plan. In this interimperiod, should specific allocations be made to groups or to community solar projects?

Next Steps

Stakeholder feedback received on the proposals discussed herein will be considered for use in the opening of new blocks of Program capacity, and possible inclusion in the development of the new draft Long-Term Renewable Resources Procurement Plan.

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