

ComEd Response to IPA's request for comments on
Distributed Generation/Photovoltaic Procurement

Questions 1&3.

1. For DG between 25 kW and 2 MW in nameplate capacity, should the IPA consider holding procurements for more than one size range category? Are there other attributes that should be considered (e.g., net metering eligibility, community solar projects, residential/non-residential) in determining procurement categories?

3. If the IPA holds separate procurements for new and existing systems, how should those terms be defined?

Response:

From the questions posed by the IPA, it seems as though a number of separate procurements are being contemplated. Given the language in HB2427, how would separate procurements be consistent with the approved legislative requirements?

The newly passed language calls for:

“a one-time supplemental procurement plan limited to the procurement of renewable energy credits, if available, from new or existing photovoltaics, including, but not limited to, distributed photovoltaic generation.”

And requires that:

“The supplemental procurement plan shall ensure adequate, reliable, affordable, efficient, and environmentally sustainable renewable energy resources (including credits) at the lowest total cost over time, taking into account any benefits of price stability.”

and

To the extent available, 50% of the renewable energy credits procured from distributed renewable energy generation shall come from devices of less than 25 kilowatts in nameplate capacity.”

The first statement makes clear that the special procurement is for new or existing photovoltaics; some of which may be, perhaps must be, from distributed generation. The second statement notes that the procurement plan must ensure the purchase of resources at the lowest cost over time. The third statement indicates that if any distributed generation is procured, 50% of that must come from sources of 25 kw or smaller.

Looking at these statements together, plus the other language of the Act, it would seem that the procurement must purchase the lowest cost sources of any photovoltaics offered in the procurement, whether from new or existing facilities, utility scale or distributed generation, within Illinois or surrounding states. The only way to ensure that the renewables purchased are the lowest cost is that for each procurement event held, all forms of photovoltaic resources are allowed to bid in with the lowest cost bids being accepted (taking into account any legislatively mandated preferences) until the available funds are exhausted. In addition, standard contract forms should be used so that winning bids are selected on the basis of price alone by the procurement administrator. Holding separate procurements for different types/vintages/locations of photovoltaics would effectively create additional preferences outside of those authorized under the Act.