

On May 10, 2017 the Illinois Power Agency (“IPA”) held a workshop to discuss the process for procuring one million Renewable Energy Credits delivered annually from new utility-scale wind projects and one million Renewable Energy Credits delivered annually from new utility-scale/brownfield solar projects under new Section 1-75(c)(1)(G) of the IPA Act adopted in Public Act 99-0906 – i.e., the “initial forward procurements.” The workshop provided stakeholders an overview of the proposed structure and terms of the procurements, select contract provisions, and the timeline for conducting the procurements.<sup>1</sup>

Based upon the discussion at the workshop, the IPA is interested in receiving additional feedback from stakeholders on two topics. This feedback may be used by the IPA to update and refine the procurement.

Stakeholders are requested to send responses to this Request for Comments to [Anthony.star@illinois.gov](mailto:Anthony.star@illinois.gov) by May 17, 2017. Responses to this Request for Comments received by the IPA will be posted on the IPA’s website.<sup>2</sup>

### **Topic 1: Site Control**

At the workshop, some attendees expressed interest in having more stringent requirements for verification of site control than what was presented at the workshop.

1. Site control could be as simple as just submitting a site address, or as strict as demonstration of full site control (e.g., lease agreements with no option for site modification). What would be an appropriate site control standard for the initial forward procurements and why? In responding, please provide sample documents, requirements, or templates for verification of site control, if applicable. Also, in responding, please discuss how a more stringent requirement may impact the ability of new market participants/smaller firms to participate in the procurement.
2. Would having the option of providing an additional performance guarantee in lieu of providing evidence of site control mitigate the risk of failure to develop the project in time to start REC deliveries?

### **Topic 2: REC Delivery Flexibility**

At the workshop, some attendees requested more flexibility in the terms related to REC delivery, including banking of RECs (meeting a delivery year annual delivery quantity with RECs from a previous year) and/or utilization of replacement RECs (allowing RECs from other eligible projects to be used to meet a delivery year’s annual delivery quantity).

1. What circumstances (e.g., operational or performance risks) could lead to a project failing to deliver its annual delivery quantity and could be mitigated through allowing banking and/or replacement RECs?
2. Should the ability to bank RECs be unlimited or should there be parameters (e.g., quantity, vintage)?
3. Should banking of RECs be allowed between multiple projects owned by an entity/affiliate with contracts under the Initial Forward Procurements?
4. Taking into account statutory project qualification requirements, should the ability to provide eligible replacement RECs be otherwise unlimited or should there be additional parameters (e.g., quantity, vintage, narrower eligibility of RECs)?
5. Under what circumstances should underperformance that cannot be remedied through banking and/or replacement lead to the termination of a contract? What alternative penalty provisions should be considered to address underperformance?

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<sup>1</sup> A copy of the workshop presentation is available at: <https://www.illinois.gov/sites/ipa/Documents/Initial-Forward-Procurements-Workshop-20170510.pdf>

<sup>2</sup> Comments posted to the IPA website will be listed by naming the responding party. Any respondent wishing to provide the IPA with information it deems confidential and/or proprietary may submit both “public” and “confidential” versions of its written responses, with only the “public” version posted on the IPA website. Consistent with its duties under 20 ILCS 3855/1-120, the IPA will institute controls to protect against the disclosure of any confidential and/or proprietary information furnished by any respondent to this Request for Comments.