



Agenda Item Summary

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Submitted By

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Reviewed By

CLP

Agenda Item Title

A Resolution Approving a Clean Energy Community Solar Clearinghouse Program (CS2) with the Metropolitan Mayors Caucus for Village of Oak Park Accounts and Authorizing the Execution of the Community Solar Clearinghouse Solutions Purchasing Pool Enrollment Agreement for Said Program for a One Time Fee of \$200

Overview

The Village is working with Mark Pruitt, Principal of the Illinois Energy Choice Aggregation Network and the Metropolitan Mayors Caucus relative to the Community Solar Subscription program that will allow village facilities to subscribe to a site that is producing solar energy and subsequently, the Village will receive on-bill credits from that community solar farm resulting in a lower ComEd electric bill. On June 24, 2019 the Board reviewed and discussed an Updated Analysis of Renewable Energy Projects that included a staff recommendation to consider Community Solar pilot subscriptions for four (4) Village accounts.

Staff Recommendation

Approve the Resolution.

Fiscal Impact

The CS² Program provides technical and management expertise to secure Subscriptions to Community Solar projects for participating Caucus members. A Subscription assigns a portion of the energy output of one or more Community Solar assets to a municipal ComEd account. With Subscriptions, members will receive on-bill credits for their portion of the output from Community Solar assets resulting in a lower monthly ComEd bill.

Background

The Future Energy Jobs Act (FEJA) created new incentives for the development of renewable energy assets in Illinois - including Community Solar. Community Solar refers to solar facilities that are shared by multiple consumers (called Subscribers) who receive credit on their electricity bills for their share of the power produced by the Community Solar facility. By claiming a portion of a large solar facility, Subscribers (i.e. ComEd account owners) can access the benefits of solar without installing solar panels on their own property. Additionally, Subscribers avoid up-front costs and ongoing maintenance obligations of solar panels, while securing lower costs resulting from economies of scale. Community Solar facilities funded under the FEJA are limited to 2 megawatts in generating capacity and are to be developed and operated by non-utility owners. The projects are partly funded by the sale of the Renewable Energy Credits (REC) generated by the Community Solar facilities to the investor-owned utilities in Illinois (ComEd, Ameren Illinois, and MidAmerican Energy). The remainder of the funding to support Community Solar development comes through the sale of Subscriptions. The CS2 Program seeks to buy in bulk to reduce the cost of Subscriptions, maximize on

-bill credits, and thereby deliver the highest cost savings for participating municipalities.

The Metropolitan Mayors Caucus (MMC) has partnered with The Power Bureau to bring the benefits of Community Solar to Caucus member municipalities through the CS2 Program. The CS2 Program provides technical and management expertise to secure subscriptions to Community Solar projects for participating Caucus members. Through the CS2 Program, some or all of the electricity consumed by a Subscribed account can be offset by energy generated by Community Solar. As a result of this offsetting arrangement, ComEd will issue credits for each kilowatt hour (kWh) of electricity delivered under a Subscription. Currently, the rate at which ComEd credits Subscriptions is \$0.06/kWh. Under the CS2 Program, the ComEd bill credit is shared between the Subscriber and Community Solar farm developer. Generally, CS2 anticipates that municipalities will be able to retain 10% of Subscription credits.

The CS2 Program will operate through the following steps:

- **Step 1: Municipal Expression of Interest.** Caucus members uploaded their ComEd utility billing information for analysis and submit an Expression of interest. Completed: February 2019
- **Step 2: ComEd Account Analysis.** The Power Bureau identified which ComEd utility accounts achieve cost savings with Community Solar subscriptions. Municipalities were given a no-cost Community Solar Subscription Opportunity Assessment Report identified accounts which are suitable for subscription. Completed: March/April 2019
- **Step 3: Request for Community Solar Developer Qualifications -** The Power Bureau issued a Request for Qualifications to all Community Solar developers registered with the Illinois Power Agency. Ten (10) Community Solar developers were scored as 'Qualified' and will serve as the bidder pool for the Request for Pricing. Completed: April 2019
- **Step 4: Community Solar Lottery -** The Illinois Power Agency conducted a lottery to select community solar projects to receive solar renewable energy credit incentives and therefore proceed to development. Completed: April 2019

Step 5: CS2 Program Purchasing Pool - Municipalities may formally enroll in the collaborative procurement process. Municipalities complete a Purchasing Pool Enrollment Agreement and pay a one-time enrollment fee* to participate in the purchasing pool. To participate in the Purchasing Pool, municipalities must accept and return the Agreement to the Caucus and pay the enrollment fee by August 16, 2019.

- **Step 6: Request for Pricing from Qualified Community Solar Developers -** The Power Bureau will request pricing on behalf of CS2 Program Purchasing Pool participants. Pricing will be presented in the form of a fixed discount to the ComEd Default rate. Targeted Completion: August 2019
- **Step 7: Subscription Agreements.** Municipalities will enter into subscription agreements with Community Solar Developers selected through the Request for Pricing for a period of up to 20 years. Targeted Completion: September 2019
- **Step 8: Deliveries Commence.** Community Solar developments are energized and begin generating Subscription credits for Caucus members. Targeted Completion: Fall-Winter 2019;
- **Step 9: Ongoing Credits and Billing Management.** The CS2 Program will manage ongoing billing activities for participating municipalities over the term of their subscription agreements with the Community Solar Developers. Ongoing operating costs of the CS2 Program will be paid for by the Community Solar project Developers. Targeted Completion: Fall-winter 2019

Alternatives

The Village Board could take no action which would effectively keep all accounts on the ComEd default rate.

Previous Board Action

On June 24, 2019 the Board reviewed and discussed an Updated Analysis of Renewable Energy Projects that included a staff recommendation to consider Community Solar pilot subscriptions for four (4) Village accounts staff has identified.

Citizen Advisory Commission Action

N/A.

Anticipated Future Actions/Commitments

- Subscribing CCA participants to Community Solar

Performance Management (MAP) Alignment

N/A.