

**From:** [@ Musselman Oost, Julie](#)  
**To:** [@ Pruitt, Mark](#); [Zuraski, Richard](#); [@ Kelly, Henry](#)  
**Subject:** FW: Realgy comments on Draft IPA Plan  
**Date:** Wednesday, September 14, 2011 3:30:10 PM

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**From:** Michael Vrtis [mailto:michael.vrtis@realgy.com]  
**Sent:** Wednesday, September 14, 2011 3:29 PM  
**To:** Oost, Julie  
**Cc:** robert.chevalier@dancorenergy.com; michelle.hickey@illinoissolar.org  
**Subject:** Realgy comments on Draft IPA Plan

Thank you for providing the opportunity to submit comments on the 2012 Draft Procurement Plan (the "Draft Plan"). The Solar Carve Out in the Illinois Renewable Energy Standard (RES) is one of the most aggressive solar mandates in the nation. If fully and strategically implemented, this policy could be an engine for job growth and economic development in Illinois.

Unfortunately, the Solar Carve Out implementation process outlined in the Draft Plan will not yield these benefits. In the Draft Plan, the IPA proposes to procure RECs, including SRECs, through an auction that has been designed with large, utility-scale projects in mind. To date, the IPA's auctions have successfully driven investment in utility-scale renewable energy generation, and the auction process outlined in the plan will continue to support growth in this sector. Developers and owners of small and mid-size distributed solar systems, however, will not be able to participate. Bidding requirements are too complex and transaction costs are too high to justify participation for small projects. This is a lost opportunity for the state.

Solar module prices have plummeted in the last two years and rooftop solar has never been more cost-effective. "Fuel" costs are zero, transmission costs are zero, and distributed solar delivers benefits to the electric distribution system by providing power at peak hours when other generation resources are at their most expensive. Initiating an SREC procurement program for distributed solar systems in 2012 would allow the state to take advantage of these values to mitigate the long-term price risks associated with other resources in the IPA portfolio while supporting badly needed job growth and economic development.

Realgy, LLC is a registered Alternative Retail Electric Supplier in the State of Illinois serving commercial and industrial customers. We have been waiting for clarity in the SREC and expansion in the net metering in order to start our solar energy power program. Our goal is to have installed up to 100 40-100 kw sized pv power sites co-located at business locations throughout the COMED market-place. Without clear legislative support (as is contained in every other state renewable energy policy that we know of) of solar installations of this size Illinois will miss out on such initiatives from business.

We respectfully recommend that the IPA modify the Draft Plan to include language stating affirmatively that the Agency will (1) create a procurement program for solar renewable energy credits (SRECs) from distributed solar energy systems; (2) implement the program over multiple years to encourage sustainable, long-term growth of Illinois' solar

industry; and (3) hold a series of workshops prior to the Spring 2012 procurement events to seek stakeholder input on program features and implementation procedures. Thank you for your consideration.

Sincerely,  
Realgy, LLC

Michael Vrtis, Managing

Partner



Michael Vrtis

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