



ILLINOIS COMMERCE
COMMISSION

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CHIEF CLERK'S OFFICE

December 17, 2012

Illinois Commerce Commission
527 East Capitol Avenue
Springfield IL 62701

VIA FAX (217) 524-8928

RE: Docket 12-0213 First Notice Comments

Dear ICC,

The language proposed in Part 468 regarding Distributed Generation Installer Certification (Certification) would be temporarily favorable for our company. We have served as general contractor (an "entity") on nearly 50 wind turbine and solar PV installations since 2007. We meet the requirement of 20 installations and could potentially gain a short-term business advantage to our company by limiting competition. **HOWEVER, despite these facts, we ARE COMPLETELY OPPOSED to this Certification requirement and the exorbitant \$3,000 fee.**

The overall language of Part 468 "smells" of crony capitalism or better yet, crony socialism and should be completely abolished. The language favors large established business, narrow defines training qualifications, imposes an extraordinarily high fee, imposes YET another fee (tax) on business, and another example of big, powerful interests trying to gain further monopoly status in a market.

Recognizing the ICC may not have the authority to scrap this policy, we do encourage the ICC provide feedback to the legislation that this certification is all around bad for Illinois. We certainly will contact our legislators and let them know this is bad for business and great for stifling growth of clean renewable energy in Illinois.

A disturbing element of the proposed certification process is narrowly limiting this to wind and solar systems while not having a statewide standard for all types of contracting. Why does a small "mom-n-pop" electrician in small town in Illinois get by without a license in many parts of the state but all of a sudden, a "wind or solar" installer now faces such a draconian licensing process? This is wrong and with many trades can impact human life and property safety.

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Municipalities across the state are inconsistent in their administration of contracting licenses and each often have different administrative requirements. Some trades do not require licenses at all. This overall approach increases the cost on business (when pursuing work in multiple municipalities), is an extra administrative burden (compared to only dealing with state-level licensing), increases administrative costs to municipalities (also frequently dealing with strained budgets), and increases the complexity of doing business in Illinois.

Further, the defining of "installation" meaning the electrical aspect of the project is too narrow also. This neglects the contribution and skills required by other engineering and contracting disciplines that are frequently necessary and involved during the installation of wind, solar and other distributed generation systems.

Wind turbine installation and some types of solar PV installations require considerable knowledge of concrete, geotechnical, steel frame assembly, heavy equipment rigging and other non-electrical work. In particular, wind turbines over 5 kW in size and for sure 10 kW and above require unique skillsets. Our company has installed five 10 kW wind turbines on two 40 kW wind turbines 100 and 120-foot towers. We've also overseen installation of a 48 kW solar PV carport structure. All these unique structures involved geotechnical engineering, structural engineering, concrete and/or general contracting, and small and large crane operators. Electrical contractors did play a major role in these jobs but did not by their backgrounds alone, have the complete skillset to "install" all of the projects by themselves.

With regards to the wind turbine projects, our company and our key subcontractor, Pals Electric, Inc., has gone to Bergey Windpower Company training to specifically learn how to install these wind turbines. Pals Electric is an IBEW member contractor and their training was not enough to alone tackle this specialized work. It has taken this specialized manufacturer's training along with several 10 kW field installations to hone our skill to do this type of work. To lump together "wind" and "solar" certification as similar work is not wise. Wind turbines (particularly 10 kW and larger) are considerably more complex to install than most types of solar PV systems.

Tick Tock Energy, Inc has been in business nearly 6 years located in Effingham, IL. Starting from scratch when the solar/wind market was virtually non-existent, we've helped create demand and promote solar/wind development in Illinois. The market is still very tiny yet we've helped fill a needed void for these services in a downstate and generally rural market. It's been a challenging road. Consumers are slow to adopt wind and solar which are generally capital intensive and beyond the financial reach for most.

Had this Certification rule been in place as written when we started business, this would have created a major hurdle and delayed our progress. Our price for our services would have been higher and further deterred a difficult sale of this expensive equipment. Consumers are careful to buy, are price and return-on-investment sensitive, and perform considerable self-research and questioning prior to purchase.

The Certification requirement is BAD for business and will handcuff still a young, immature market. We support a robust market. President Obama, Governor Quinn, and other political leaders clamor for more "green" jobs and support for small business but the entire Certification requirement will produce the opposite effect. Furthermore, the general concept of occupational licensing is stifling business nationwide. Brink Lindsey points out in his book Human Capitalism that the rise of occupational licensing is destroying startup opportunities for poor and middle class Americans. Part 468 will exacerbate this disturbing trend.

Our company's success to date is due to our technical training and education we've pursued before starting business and continue to advance on an on-going basis. Untrained and uneducated companies have little chance of success in the market and will not maintain sustainable business. Tick Tock Energy has invested well over \$20,000 in education in form of training fees, travel, time, and related expenditures to grow our knowledge base. This is on top of over 25 years of collective engineering and electrical contracting experience and formal education of the two owners that existed prior to starting our business.

The annual recertification and reporting process is also unduly bureaucratic. To maintain records on individuals and file the reports outlined in Section 468.80 will increase the administrative burden, raise our overhead cost of business, and in turn increase cost of the wind/solar systems in Illinois. AGAIN the consumer loses and installers must further dedicate precious resources (time) filling out more government imposed paperwork.

Successful businesses must constantly invest in training to maintain a competitive edge, stay-up-to-date on evolving technology and installation methodologies, safety, and other topics. The \$3,000 license fee and \$500 per year recertification takes away funds that could be invested in further training and improvement. Our business already pays several other fees, organizational dues, attends trade shows and technical seminars, industry provided webinars and other forms of fee-based and free training to improve our skills, for example, our company currently pays the following:

- Professional Engineer (PE) license fee
- Certified Energy Manager (CEM) license fee
- Green Building Engineer (GBE) license fee
- Monthly IBEW Union dues

- Industry trade shows, technical seminars, manufacturer training programs, and other forms of educational initiatives

To survive in business requires staying on top of new technology, new and improved methods, safety programs, and other means to remain competitive. Collectively these costs drive up our overhead cost of business.

Running a wind, solar and contracting oriented business entails significant risk. Our general liability, errors and omissions and other forms of insurance coverage we carry is not cheap. Errors or mistakes can translate to large future cost increases and potentially could shut our business down. We take technical knowledge and training very seriously since the financial penalty for mistakes is potentially very high. Future business requires us to maintain a strong reputation and do our job well. The free market does a good job of protecting the consumer in this regard.

FOR ALL THE REASONS ABOVE, WE ENCOURAGE SCRAPPING RULE 468 ALTOGETHER. If the ICC cannot do that we recommend the following:

Suggested Definition Changes

“Directly Supervised”: Modify the following sentence:

“...and review of work performed by apprentices or electrical contractors who...”

To “work performed by qualified general, electrical, mechanical, and/or other specialty trades required to complete the installation”

“Distributed generation facility”: Eliminate reference to “distributed renewable energy generation device” as defined in Section 1-10 of the Illinois Power Agency Act (et.al)

Distributed generation should be defined as small-scale power generation technologies (in the range of 1 kW to 10,000 kW for example) used to provide an alternative to or an enhancement of the traditional electric power system.

Distributed generation technologies include systems such as solar, wind, fuel cells, reciprocating engines, gas turbines, microturbines, cogeneration and/or other forms of power generation technology.

“Install”: This is too narrowly defined to only include on-premise electrical wiring and associated electrical work. We recommend deleting this narrow reference. The shortcoming of this language is its failure to account for the other structural aspects of an installation. Wind turbines and their towers in particular have more “installation” challenges beyond the on-premise electric wiring. Many solar PV installations (such as solar carport structures and large pole-mount installations involve fair amount of structural work including: structural and geotechnical engineering, concrete, steel structure assembly, heavy equipment rigging, and associated work.

“Entity”: The installing entity which often acts in a general contracting capacity should have properly educated and trained staff in charge of the installation directly and/or indirectly using subcontractors. Lacking proper knowledge should prevent a company from qualifying as an “entity”. Credentials such as electrical, mechanical, structural, or similar engineering degree from a 4-year accredited university, years of appropriate contracting experience installing distributed generation equipment, supplemented by other specialized training from major equipment manufacturers (such as 3-day training offered by Bergey Windpower, Inc.), a nationally recognized organization such as NABCEP, MREA, and many others should be required at minimum to qualify as an “entity”.

“Qualified person”: The proposed definition is too narrowly defined and fails to account for all the elements required to install a wind turbine (in particular) and many types of solar PV installations. For example, wind turbine installations require knowledge of structures, geotechnical issues, steel tower assembly, heavy equipment rigging and other non-electrical skills. Also, the size of a project can require different skills and installation complexities. Installation of 1 kW wind turbine on a 30-foot tower is a completely different exercise than installation of 40 kW wind turbine on a 120-foot tower for example. Solar PV systems are mounted on a variety of structures such as solar carports, poles, building facades, rooftops and others.

Other Recommended Changes:

Section 468.50 Required Application Information: ELIMINATE parts f, g and h. Minimally include names of individuals, their education, years of experience, nature of their experience as it relates to installation of distributed generation systems, other relevant 3rd-party training, licenses, certificates, etc.

Section 468.60 Certification Requirements: Parts d2 and d3 – revise to remove the narrow definition to only consider electrical contractors and electricians. This is narrowly biased to this trade and discounts the contributions of other engineering and contracting disciplines.

Section 468.80 Annual Recertification: GREATLY **SIMPLIFY** THIS ENTIRE SECTION!

Section 468.120 Fees: Change fee structure to:

1. Application for General Distributed Generation Certification: \$75
 - a. Addition for solar certification: \$25
 - b. Addition for wind turbine installer certification: \$25
 - c. Addition of other types of distributed generation: \$25
2. MAX fee \$150
3. Annual recertification: \$100

4. Application to restore an expired certification: \$200
5. Penalty for noncompliance: \$500

We appreciate your consideration of the above.

Sincerely

Craig Pals
Vice President