

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION

THE CITIZENS UTILITY BOARD	)	
and	)	
THE ENVIRONMENTAL DEFENSE FUND	)	
	)	Docket No. 15-____
Proceeding for Approval of a Tariff Implementing a	)	
Community Solar Pilot Program	)	

**Verified Petition of the Citizens Utility Board and  
Environmental Defense Fund to Initiate a Proceeding to  
Approve a Tariff Implementing a Community Solar Pilot Program**

Pursuant to the Rules of Practice of the Illinois Commerce Commission (“ICC” or “the Commission”), 83 Ill. Admin. Code § 200.100, and the Illinois Public Utilities Act, 220 ILCS 5/10-10 and 5/10-108, the Citizens Utility Board (“CUB”) and the Environmental Defense Fund (“EDF”) hereby petition the Commission to initiate a proceeding to approve a community solar pilot program utilizing virtual net metering. In support of this Motion, CUB and EDF state the following.

1. CUB is a statewide organization of residential ratepayers with the duty to represent and protect the interests of the residential utility consumers of this state and the legal authority to file this petition on behalf of its members. 220 ILCS 10/5(1)(a) and 220 ILCS 10/5(2)(d) and (e).

2. EDF is a non-profit organization whose mission is to preserve the natural systems on which all life depends. Guided by science and economics, EDF strives to find practical and lasting solutions to the most serious environmental problems.

3. The Commission has general supervision of all public utilities 220 ILCS 5/4-101. In Illinois, the Commission has general authority for “any matters covered by the provisions of the [Public Utilities] Act, or by any other Acts relating to public utilities.” 220 ILCS 5/10-101. The Commission has the authority under Illinois law to direct the utility to do what is reasonably necessary to accomplish a legislative objective. *Abbott Lab. Inc. v. Illinois Commerce Comm’n*, 289 Ill.App.3d 705, 712, 682 N.E.2d 340, 347-348 (1 Dist.1997), citing *Lake County Bd. of Review v. Prop. Tax Appeal Board*, 119 Ill.2d 419, 427, N.E.2d 459 (1988).

4. The General Assembly has found that net metering can encourage private investment in renewable energy resources, stimulate economic growth, enhance the continued diversification of Illinois' energy resource mix, and protect the Illinois environment. 220 ILCS 5/16-107.5(a). The Public Utilities Act (“PUA”) contains provisions allowing customers that own or operate eligible renewable generating facilities of less than 2,000 kW on their own premises to enter into a net electricity metering agreement with their local utility or alternative electric supplier. 220 ICS 5/16-107.5. The law also provides that each electricity provider – including ComEd – shall

consider whether to allow meter aggregation for the purposes of net metering on:

(1) properties owned or leased by multiple customers that contribute to the operation of an eligible renewable electrical generating facility, such as a community-owned wind project, a community-owned biomass project, a community-owned solar project, or a community methane digester processing livestock waste from multiple sources; and

(2) individual units, apartments, or properties owned or leased by multiple customers and collectively served by a common eligible renewable electrical generating facility, such as an apartment building served by photovoltaic panels on the roof. 220 ILCS 5/16-107.5(l).

5. Currently, the Commonwealth Edison Company (“ComEd’ or “the Company”) offers such service through its rider “Parallel Operation of Retail Customer Generating Facilities with Net Metering” (“Rider POGNM”). CUB and EDF propose modifications to Rider POGNM which would extend the net metering option to such eligible customers in the ComEd service territory, as described in CUB/EDF Exhibits 1.0 and 1.1, including the various billing methodologies for crediting those customers depending on their customer classification.

6. CUB/EDF believe that Illinois’ net metering policies and tariffs should be updated to take advantage of emerging best practices around community solar projects, modern technologies such as Advanced Metering Infrastructure (“AMI”) and expected improvements in utility billing capabilities. Illinois is likely to experience an increasingly faster deployment of distributed generation projects such as community solar, driven in part by changes to the Illinois Renewable

Portfolio Standard which provides specific funding for solar energy development,<sup>1</sup> and substantial investment in distributed generation called for by the Illinois Power Agency.<sup>2</sup> The Illinois General Assembly has allocated \$30 million for solar procurement which is anticipated to include a great deal of distributed solar.<sup>3</sup> much of this likely to be distributed solar as discussed in the related IPA workshops. .<sup>4</sup>

- The ongoing roll-out of Advanced Metering Infrastructure (“AMI”) and Smart Meters in Illinois greatly facilitate DG development and net metering evaluation, measurement, and verification. Under the accelerated timeline approved by the ICC last summer, ComEd was scheduled to invest over \$200 mm in 2014 on Smart Meter installation alone.
- The Environmental Protection Agency’s 111(d) Proposed Rule (also known as the “Clean Power Plan”) implementation will also likely drive more renewable development across the state.
- Costs for distributed generation—especially wind and solar—continue to fall in Illinois and across Midwest.<sup>5</sup>

Given these established policies and trends that will affect the state’s renewable energy and other DG resources in the near- and long-term, it is important to update Illinois’ net metering policies to reflect modern utility billing capabilities and emerging best practices.

6. CUB and EDF propose that the Commission approve a community solar pilot project which utilizes virtual net metering. To that end, CUB and EDF have proposed a tariff, Parallel Operation of Community Generating Facilities with Virtual Net Metering (“Rider POGVNM”), which would allow for groups of customers to collaboratively own eligible renewable generating facilities, and share in the attendant billing credits from those facilities. *See* CUB/EDF Ex. 1.1. Such a tariff

---

<sup>1</sup> 20 ILCS § 3855/1-75.

<sup>2</sup> *See* IPA 2015 Draft Procurement Plan at 90-109; Final Order, In Re Illinois Power Agency, ICC Docket No. 14-0558 (Dec. 18, 2014).

<sup>3</sup> *See* Public Act 98-0672, adopting Section 1-56(i) of the Illinois Power Agency Act.

<sup>4</sup> *See* Public Act 98-0672, adopting Section 1-56(i) of the Illinois Power Agency Act; Final Order, *In Re Illinois Power Agency*, ICC Docket No. 14-0651 (Jan. 21, 2015)..

<sup>5</sup> *See* <http://www.seia.org/research-resources/solar-market-insight-report-2014-q1>.

would allow customers who cannot install eligible facilities on their own premises to benefit from Illinois' net metering laws.

7. CUB/EDF proposed a Virtual Net Metering Rider to be included with ComEd's Schedule of Electric Service Rates, Riders, and Terms and Conditions. The proposed Rider is based on ComEd's traditional net metering Rider Parallel Operation of Retail Customer Generating Facilities with Net Metering ("Rider POGNM"). Using the framework of Rider POGNM, the proposed Rider Parallel Operation of Community Generating Facilities with Virtual Net Metering ("Rider POGVNM") sets clear, minimum standards for virtual net metering for eligible ComEd customers by adapting national best practices to the environment specific to Illinois. This tariff utilizes a host and subscriber customer model for efficient management and allocation of qualifying project generation credits among the virtual community supporting the project. This tariff would be designed to facilitate community solar projects, and would be a pilot project designed to evaluate how well ComEd's billing systems and business processes could be arranged to facilitate community solar projects.

8. CUB and EDF propose the community solar pilot program begins with the date of a tariff filing in compliance with the final order in this docket and end three year from that date. CUB and EDF expect that approximately four to five projects, under the 2 MW project size restriction contained in the PUA, will be eligible for service under the proposed pilot. CUB and EDF recommend the Commission limit eligible projects to ones that test various models for community solar, for example:

- A resource located within a microgrid project;
- A commercial rooftop project;
- A project located within a brownfield redevelopment or landfill redevelopment area;
- A non-profit sponsored project; and/or
- A resource located to relieve ComEd system constraints.

Projects that meet one or more of these criteria should be eligible during the pilot phase of this program. If a significant amount of viable projects emerge, including those that would test a model not considered above or serve distinct populations, CUB and EDF recommend the Commission expand the total number of projects beyond four to five to a number it considers an effective sample for evaluation.

9. After three years, CUB and EDF recommend the Commission direct ComEd to evaluate and publish the results of the pilot program as a filing to the Commission. The evaluation will examine the success of the virtual net metering process including but not limited to:

- The ease of the application process for Host Customers;
- The ease of enrollment/disenrollment of Subscribing Customers;
- The efficiency of the determination and allocation of virtual net metering credits;
- The accuracy of virtual net metering billing procedures;
- The effect of limiting projects to a capacity rating of 2,000 kW; and
- The effect of requiring Subscribing Customer's to reside no more than five miles from the Virtual Net Metering Project or be connected to the same substation as the Virtual Net Metering Project.

10. CUB and EDF request that the Commission initiate a proceeding for the approval of a tariff implementing a community solar pilot program. In that proceeding, CUB and EDF agree to accept electronic service as governed by Part 200.150 of the Commission's rules, 83 Ill. Admin. Code §200.150, and request that the following individuals be added to the service list:

For the Citizens Utility Board

Julie L. Soderna  
Director of Litigation  
Citizens Utility Board  
309 W. Washington, Ste. 800  
Chicago, IL 60606  
(312) 263-4282  
jsoderna@citizensutilityboard.org

Christie Redd Hicks  
Attorney  
Citizens Utility Board  
309 W. Washington, Ste. 800  
Chicago, IL 60606  
(312) 263-4282  
crhicks@citizensutilityboard.org

Michael McMahon  
Policy Analyst  
Citizens Utility Board  
309 W. Washington, Ste. 800  
Chicago, IL 60606  
(312) 263-4282  
crhicks@citizensutilityboard.org

Jeff Zethmayr  
Senior Policy Analyst  
Citizens Utility Board  
309 W. Washington, Ste. 800  
Chicago, IL 60606  
(312) 263-4282  
jzethmayr@citizensutilityboard.org

For the Environmental Defense Fund:

Andrew Barbeau  
President  
The Accelerate Group  
18 S. Michigan Ave., 12<sup>th</sup> Floor  
Chicago, IL 60603  
TELEPHONE  
andrew@theaccelerategroup.com

Richard Munson  
Director, Midwest Clean Energy  
Environmental Defense Fund  
18 S. Michigan Ave., 12<sup>th</sup> Fl.  
Chicago, IL 60603  
(630) 687-0282  
dmunson@edf.org

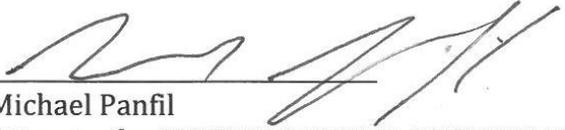
James Fine  
Director of Energy Research and Senior Economist  
Environmental Defense Fund  
123 Mission St., 28<sup>th</sup> Fl.  
San Francisco, CA 94105  
(415) 293-6060  
jfine@edf.org

Dated: February 27, 2015

Respectfully submitted,



Kristin Munsch  
Attorney for the CITIZENS UTILITY BOARD  
309 W. Washington St., Ste. 800  
Chicago, IL 60606  
(312)263-4282  
kmunsch@citizensutilityboard.org



Michael Panfil  
Attorney for ENVIRONMENTAL DEFENSE FUND  
US Climate and Energy Program  
1875 Connecticut Ave., NW  
Washington, DC 20009  
(202)572 3280  
mpanfil@edf.org