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THE ACCELERATE GROUP



FUTURE

ENERGY JOBS BILL

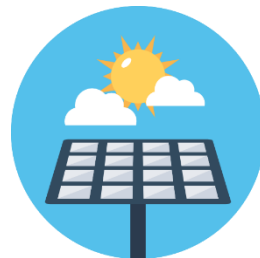




FUTURE

ENERGY JOBS BILL

- \$5 billion for new wind and solar
- \$5 billion in energy efficiency investments
- \$12 billion to \$15 billion in new private investment
- Lower bills due to energy efficiency
- Possible 50% reduction in CO₂ emissions by 2030



ENERGY EFFICIENCY



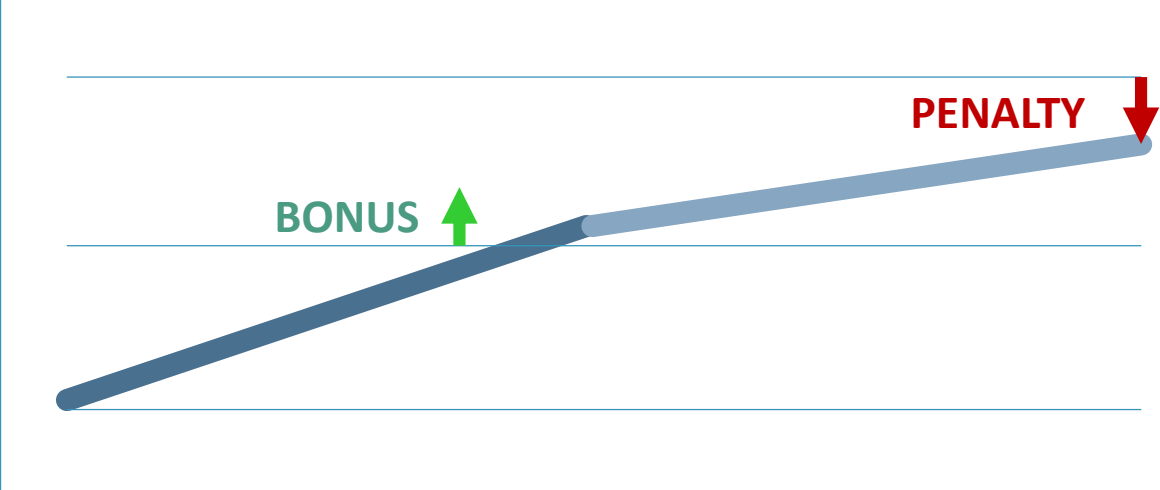
ComEd  **21.5%**
by 2030

Ameren IL  **16%**
by 2030

MAJOR CHANGES TO:

- Low-Income Programs
- Public Building / Public Housing
- Third Party Programs
- R&D Programs
- Measurement & Performance

PERFORMANCE-BASED



SOLAR POWER

3,000 MW NEW BUILD



50%

Distributed Generation (< 2 MW)

ADJUSTABLE BLOCK INCENTIVE

RES

**15 YEAR
REC VALUE**

**UPFRONT
PAYMENT**

C & I

**15 YEAR
REC VALUE**

**20%
UPFRONT**

**REMAIN.
OVER 4YRS**

COM

**15 YEAR
REC VALUE**

**20%
UPFRONT**

**REMAIN.
OVER 4YRS**

40%

Utility-Scale (> 2 MW)

15-YEAR REC CONTRACTS

2%

Brownfield Projects

15-YEAR REC CONTRACTS

SOLAR FOR ALL | \$200 million + \$10 m/yr



SOLAR FOR ALL INCENTIVE

RES

22.5%

COM

37.5%

NFP

15%

RFP

PIL

**LESSER OF 25%
OR \$50 MILLION**

- 1) THIRD-PARTY ADMINISTRATOR
- 2) MUST PROVIDE ENERGY AND ECONOMIC BENEFITS
- 3) UP TO 5% FOR GRASSROOTS EDUCATION
- 4) MUST INCLUDE JOB TRAINING
- 5) 25% OF PROJECTS IN ENVIRONMENTAL JUSTICE COMMUNITIES

WIND POWER

| 1,300 MW NEW BUILD



Utility-Scale (> 2 MW)

15-YEAR REC CONTRACTS

TIDBIT: 1:1 Provisions in legislation require total RECs procured from Solar to not lag too far behind Wind.



**VALUE
OF
DER
REBATE**

LOCATION

where an energy resource is located on the grid

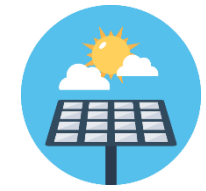
TIME

when an energy resource is providing value to the grid

PERFORMANCE

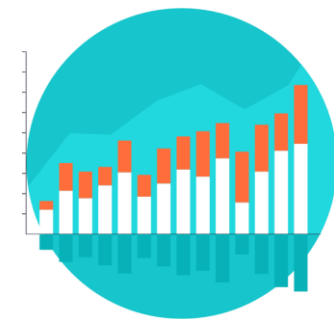
how an energy resource is providing value to the grid

VALUE OF DER REBATE

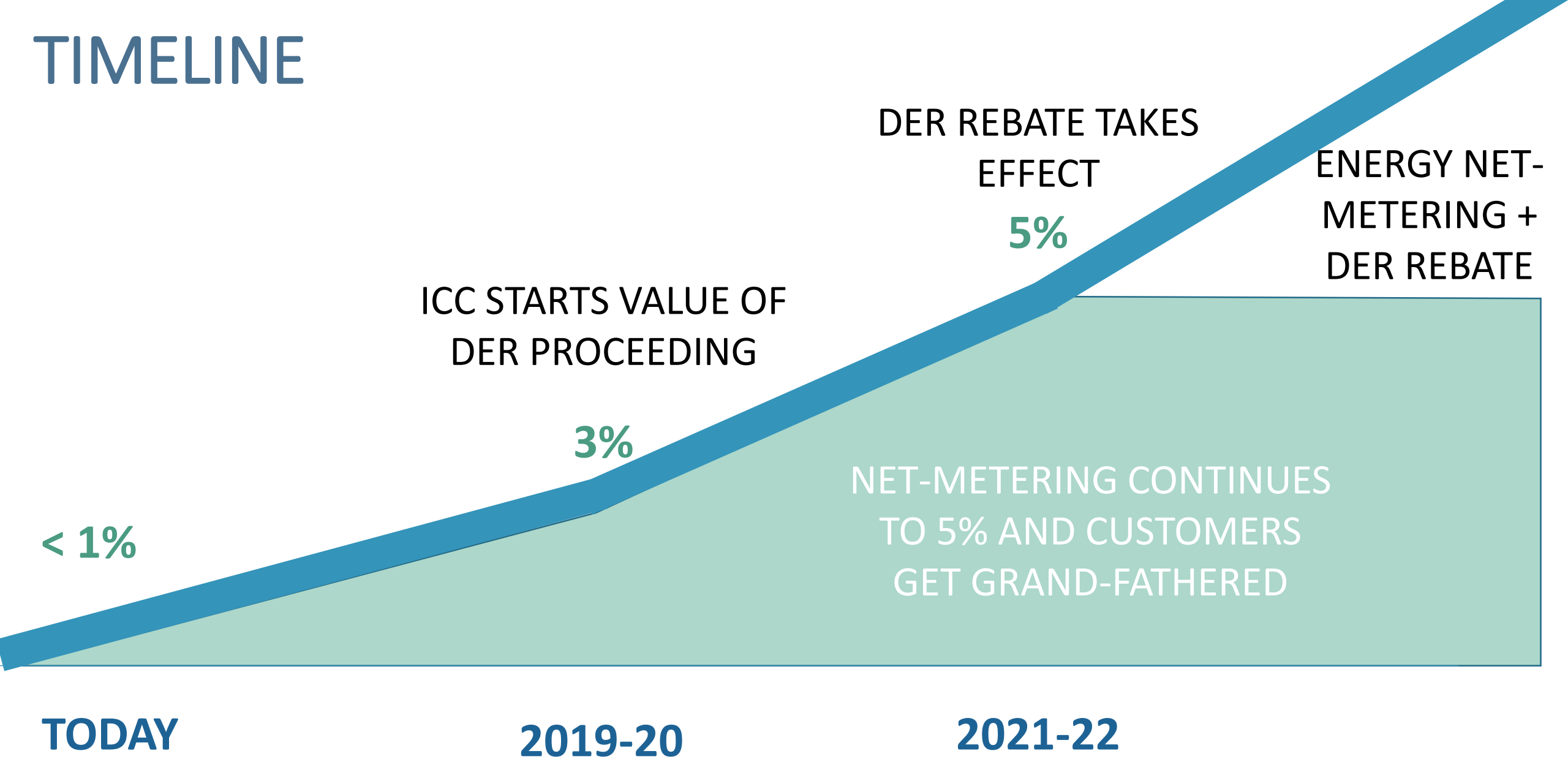


FUTURE ENERGY JOBS ACT

“The value of such rebates shall reflect the value of the distributed generation to the distribution system at the location at which it is interconnected, taking into account the **geographic, time-based, and performance-based benefits**, as well as technological capabilities and present and future grid needs.”



TIMELINE



TODAY

2019-20

2021-22

SMART INVERTER SERVICES

FUTURE ENERGY JOBS ACT

UTILITY CONTROL DURING RELIABILITY EVENTS

“the utility shall be permitted to operate and control the smart inverter associated with the distributed generation that is the subject of the rebate for the purpose of preserving reliability during distribution system **reliability events**”

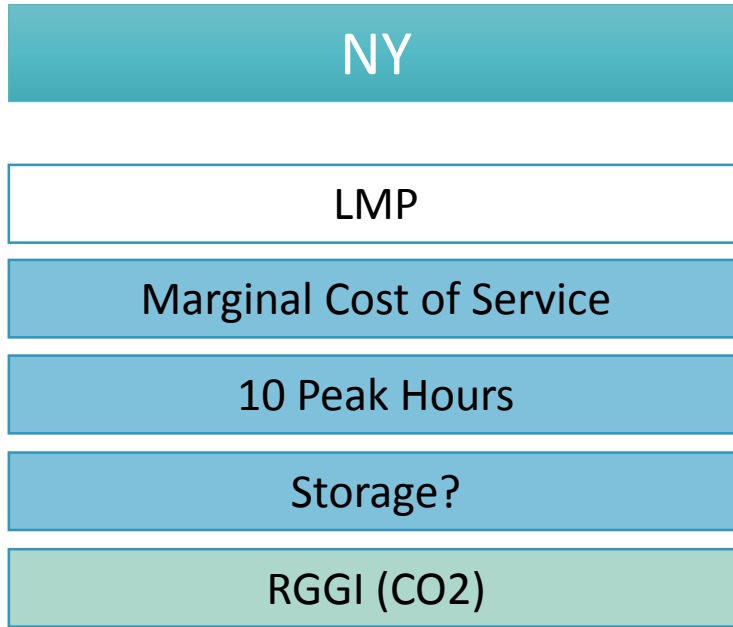
OPPORTUNITY FOR ADDITIONAL COMPENSATION

“The tariff shall also provide for additional uses of the smart inverter that shall be separately compensated and which may include, but are not limited to, **voltage and VAR support, regulation, and other grid services.**”

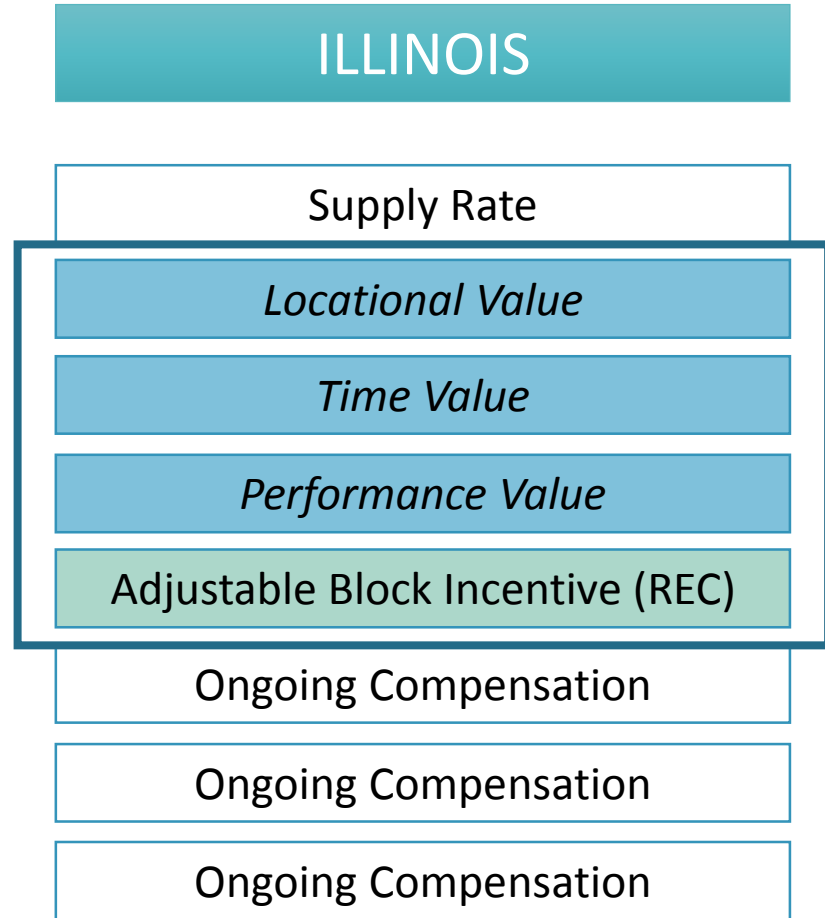
“If the Commission determines that an **additional use or service** would be beneficial, the Commission shall determine the terms and conditions of the operation and how the use or service should be separately compensated.”

COMPARISON OF COMPENSATION

- ENERGY
- LOCATION
- TIME
- PERFORMANCE
- ENVIRONMENTAL
- VAR
- VOLTAGE
- OTHER SERVICES



REV NEM VALUE STACK



UPFRONT CASH

VALUE OF DER REBATE

QUESTIONS

- What does it mean to treat DER like a distribution system asset (DER rebate as a regulatory asset) in a deregulated market? How will a utility now approach DER?
- Is a distribution utility now incentivized to achieve DER adoption (WACC)?
- What should be included in the performance measurement?
- What additional services should be compensated on an ongoing basis?