

ICC Grants Emergency Relief to Avoid Solar Market Disruption and Preserve Net Metering

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Chicago, IL – On Thursday, the Illinois Commerce Commission granted in part an Emergency Motion by solar advocacy organizations concerning distributed generation rebates and net metering credits in Ameren Illinois’ service territory. In its Order, the Commission urged Ameren to continue to provide full net metering credits to residential solar customers until an audit is completed to protect consumers and avoid disruptions to the solar market.

To encourage the use of renewable energy sources, the Illinois legislature created net metering credits to compensate solar customers for any excess electricity they generate and send back to the grid, reducing the customer’s monthly electric bills. Under state law, an electric utility may discontinue the delivery service portion of net metering credits for new net metering customers if the load of the electricity provider's net metering customers equals 5% of the total peak demand supplied by that electricity provider during the previous year. While Ameren asserted that they may meet the 5%

threshold imminently under the calculation methodology contained in their current tariffs, the Commission's Order directed ICC Staff to perform an audit of Ameren's threshold calculation as a protective measure for customers.

Moreover, the Commission directed Staff to prepare an order initiating an investigation to determine whether the threshold calculations contained in Ameren's Rider Net Metering Tariff should be amended so as to comply with how the threshold calculation should be calculated pursuant to the Illinois Public Utilities Act, and further require Ameren to explain why implementation of its current tariff should not be stayed. Under the Commission's Order, Ameren was also directed to maintain records of customers potentially affected by recalculation of the 5% threshold.

From the bench, ICC Chairman Carrie K. Zalewski expressed concerns that by allowing Ameren to end net metering before the Commission approved the replacement tariff as required by statute, would be a violation of the legislature's intent to transition smoothly from retail net metering to a successor distributed generation rebate. "Ending net metering without the rebate in place could have a chilling effect on solar sales at a time when the state is working to further decarbonize the grid and increase renewables. This could also lead to layoffs in the solar industry at a time when the state is still recovering from an economic downturn," said Zalewski.

On September 28, 2020, the Environmental Law & Policy Center, Natural Resource Defense Council, Vote Solar, Solar Energy Industries Association Coalition for Community Solar Access, and the Illinois Solar Energy Association filed the Emergency Motion requesting the Commission direct Ameren to temporarily preserve retail net metering, which it intends to terminate October 1, 2020, by issuing a temporary stay and other Interim Relief. In its Order, the Commission denied the request for a temporary stay, citing procedural and due process grounds for its decision. The Commission's ruling comes one week after the Commission issued an Interim Order on September 23, 2020, requiring an investigation as to the proper methodology for calculating the statutory threshold.

To read the Commission's Order or learn more about Docket # 20-0389, please click [here](#) or visit www.icc.illinois.gov.