



April 3, 2019

Joint Committee on Administrative Rules
700 Stratton Office Building
Springfield, IL 62706

Re: Illinois Commerce Commission, Regulatory Accounting Treatment of Cloud-Based Solutions.
Docket 17-0855; 83 Ill. Adm. Code 289

Dear Honorable Members of the Joint Committee on Administrative Rules (JCAR):

We write in support of the Illinois Commerce Commission's (ICC) "Rulemaking Relating to the Regulatory Accounting Treatment of Cloud Based Solutions." As representatives of the renewable energy industry, we are strong proponents of policies that allow utilities to modernize computing systems and employ technologies that allow them to manage large amounts of data quickly and cost effectively to foster more rapid deployment of renewables on the electrical grid.

The technologies that we represent, primarily wind and solar, are at the forefront of the changing grid. In just the past few years, utility-scale wind and solar energy have grown to provide nearly 8% of the nation's electricity with more growth on the way¹. Distributed generation and distributed energy resources have also changed the nature of our electricity system. The grid is now accommodating the two-way flow of electrons and increased interconnections across the distribution system. All of these new technologies are creating large amounts of data and require advanced data management systems for utilities to be able to efficiently accommodate these technologies into the grid.

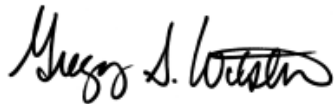
We understand that the current regulatory accounting model creates a disincentive for utilities to procure cloud computing resources by treating those costs as operating expenses and treating traditional on-site computing systems as a capital expense. While we do not propose to know which computing system is best for a utility, we are confident that we do not want utilities to be forced to make technology decisions based on outdated accounting rules. We commend the ICC for seeking to remove that outdated financial barrier and creating a level playing field for utilities to make procurement decisions that are the best tools for modernizing the grid.

¹ <https://www.eia.gov/tools/faqs/faq.php?id=427&t=3>

As our electricity system modernizes, becomes more distributed, more customer focused, and cleaner, we expect technology, data and computing to become more centrally important to the operation and management of the grid. We do not believe that utilities, as operators of the distribution system, should be constrained by accounting policies that were created prior to the invention or modern computing technologies. We commend the ICC for working on a rule that will allow utilities to make the best procurement decisions necessary to modernize the grid and allow the increased deployment of renewable energy across a modern grid.

We request that JCAR accept the ICC's rulemaking and allow utilities to make technology procurement decisions that will enable a modern, advanced and clean grid to serve Illinois customers.

Sincerely,

A handwritten signature in black ink that reads "Greg S. Wetstone".

Greg Wetstone
CEO, ACORE

A handwritten signature in blue ink that reads "Thomas C. Kiernan".

Thomas C. Kiernan
CEO, American Wind Industry Association

A handwritten signature in black ink that reads "Abigail Ross Hopper".

Abigail Ross Hopper
President & CEO, Solar Energy Industries Association