

THOMAS G. SMITH, Mayor  
BARBARA PACE, Clerk  
BRAD A. PAPENBERG, Treasurer



CITY OFFICES:  
100 West Fourth Street  
Waterloo, Illinois 62298  
(618) 939-8600

Dear City of Waterloo Electric Customer:

Like you, the City of Waterloo supports the use of renewable generation sources for making electricity. Through our membership in the Illinois Municipal Electric Agency, our community's electric portfolio includes solar, - wind, - and hydro-generated electricity.

For a variety of reasons, we understand that residents and businesses may wish to install solar panels on their properties and rooftops. Toward that end, we have in place an approved interconnection agreement and a net metering policy. The interconnection agreement sets the technical requirements for safely connecting your solar generation panels to the city's electric distribution system. The net metering policy will help you understand the type and amount of compensation you may receive during those instances in which your generation system produces more than your home or business currently is using. We will be happy to go over the interconnection agreement and the net metering policy with you and your solar vendor/installer, so things are completely understood. Please contact Kelli Pace at 618-939-8600 ext. 216 to arrange a meeting with Tim Birk, Director of Public Works.

We want our commercial and residential customers to make the best and most fully informed decisions possible when it comes to installing their own solar generation units. In that spirit, we want you to be informed that the State of Illinois' solar power incentive program called the Long-Term Renewable Procurement Plan that is to be administered by the Illinois Power Agency is currently the subject of an Appellate Court filing. At issue in the court case is whether customers of municipal electric systems, such as City of Waterloo's may access solar program incentives administered through the Illinois Power Agency. The customers of investor-owned utilities (even those who will never install solar generation) pay into these program funds each month through charges on their electric bill in order to provide these solar incentives. Customers of cooperative and municipal systems, such as ours, are not charged each month to pay into the incentive program. The court case centers around the question of whether customers who don't pay into the program should have access to incentives paid out through the program. The matter likely will not be resolved until sometime in 2019, and, in the end, there remains a possibility that incentives from the Long Term Renewable Procurement Plan will not be available for customers of cooperative and municipal electric systems. The court has broad discretion in their ruling and remedy. At worst, they could even require the solar owner to pay back the incentive funds to the Procurement Plan after the system is installed, if the courts hold that the incentives should not have been paid in the first place.

We want to inform you of this set of circumstances as you consider installing solar generation in the City of Waterloo, especially if you are relying on receiving an incentive from Illinois Power Agency.

Sincerely,

Tim Birk  
Director of Public Works