PowerMarket

February 28, 2022

Illinois Power Agency

Dear IPA,

We appreciate the opportunity to provide comment and feedback on the Long-Term Plan. Our comments are specific to the current rules governing disclosure statements and how the implementation of such requirements make the Illinois community solar market challenging. We do not believe value of these requirements in the interest of consumer protection outweigh the costs they have to the administration and management of participants in the Illinois Shines program.

At the highest level, we want the rules governing Illinois Shines to be flexible and not prescriptive and take into consideration how community solar is actually experienced by the Approved Vendors and the participants.

Illinois Shines Participants Should Execute Disclosure Form and Subscriber Agreement Contemporaneously

As suggested for the Illinois Solar of All Approved Vendors and participants, the Agency should allow participants to execute disclosure forms contemporaneous with their subscriber agreements. The current process by which customers must execute a disclosure statement first provides for a disjointed customer experience and a backwards approach to properly setting the allocations in a disclosure statement.

The reality is, to be able to populate participant data and information in the disclosure statement form, the participant wants to ensure all terms of their participation are aligned with expectations and they frankly wouldn't sign a disclosure statement until they were presented with all documents that governed their participation.

Further, the disclosure forms, when signed electronically, should not require an audit/signature information page to be valid and approved. Many subscribers may use digital means of electronically signing the disclosure form but may not have the sophisticated programs or systems that produce a audit/signature information page. This requirement is unnecessary and serves no materially legitimate purpose. If a Vendor were to be nefarious and execute a disclosure form without the subscriber's intent, the check on this risk is that when the customer receives credits on their bill and the Vendor seeks to charge that subscriber for the value of their community solar credits, that subscriber will simply refuse to pay. The Vendor would have no standing as the subscriber would dispute any attempted charge they would make against them and the subscriber would prevail.

The above example serves as a foundational check against violations of consumer protections and that overly prescribed rules and requirements only hurts the market and its participants and provides limited consumer protection value.

Approved Vendors Should Be Able to Adjust Allocations, Regardless of Magnitude, and Participants Should Not be Required to Re-Sign Disclosure Forms

Illinois requires that the subscriber be presented with a disclosure statement first whereby its expected that the subscribing organization inserts the subscriber's allocation to the project. However, even if the Agency allowed for contemporaneous execution of disclosure form and subscriber agreement, it still does not address the fact that the Approved Vendor may not have the best usage data and information to set an allocation in the disclosure form. Therefore, it is not until after the disclosure form and subscriber agreement are signed that the Approved Vendor can submit the customer's information to the applicable utility to pull the subscriber's energy usage data. As frequently happens, the energy usage data retrieved from the utility shows that the subscriber's initial allocation provided in the disclosure statement does not best reflect what their allocation should be. In some instances, the allocation should be adjusted by more than 2 kw or 10%. Under the current rules, such needed change requires the Approved Vendor to go back to the subscriber to have them resign a disclosure form, essentially days after they signed the form in the first instance. This makes the Approved Vendor look incompetent as if somehow it didn't know how to calculate the allocation (which isn't the case), and erodes the confidence the participant has in the program. Shouldn't the program rules incentivize the proper allocation of participants, rather than penalize the Approved Vendor by making them go back and having a document resigned. Further, the utility accepts the adjusted subscriber allocation, and validates it against its system of record, but then IABP does not accept the disclosure form because of a difference between the actual allocation and what's on the form and rejects the customer as invalid. The requirement that the disclosure form allocation match the utility allocation creates an unnecessary nuisance that simply encumbers the Phase 2 verification process.

In the ongoing management of community solar projects, an Approved Vendor may make adjustments to participant's allocation for a variety of reasons, but always is in the best interest of all stakeholders. The threshold of 2 kW or 10% are an incredibly low bars and does not take into consideration that fact that participant's usages may change over time. We are living in a world where customers are purchasing electric vehicles, materially increasing their annual energy usage. You also have participants taking energy efficiency initiatives, reducing their annual usage. In these instances, and everyone in between, there are legitimate reasons to adjust participant's allocations up or down from time to time. There shouldn't be a requirement that then the Approved Vendor needs to go and get the participants consent each time. Fundamentally, these adjustments are in the best interest of the customer, either to further maximize their savings potential, or ensure they are not accruing excess credits they cannot use. The benefits are also realized by the project owner as they can better optimize the community solar project's performance.

By nature of the current rules, if a participant decides to travel for six months of the year and their energy usage materially drops. Should the Approved Vendor not be allowed to reduce their allocation so that they do not unnecessarily accrue a bank of credits without getting a newly signed disclosure form? If the subscriber is unavailable or unresponsive to the requests to resign the disclosure form, should all parties be stuck with the allocation that was on the initial disclosure form? This doesn't seem like the intention when these rules were written, but they are the actual outcomes that result.

It is unclear to us how these requirements are truly protecting the consumer. By requiring them to sign, sure, they are forced to be notified of the adjustment, but what benefit is that creating? The priority should be on the delivery of value, not the notice. In all other community solar markets, the subscribing organizations can adjust allocations without a prescribed rule that they must have the disclosure form signed again. In many cases, the subscriber agreements themselves provide language that the CDG Host or Vendor can adjust these allocations at their discretion. This flexibility has material practical implications.

PowerMarket handles at it manages more than 500 MW of community solar across the country. The reason why states like New York and Massachusetts are the most mature and successful community solar markets is because the policy makers and regulators appreciate the practical implications of the rules being made. There is a priority made to ensure flexibility in how the program operates, yet still maintaining a high level of consumer protection. Consumer protection is unquestionably a top priority for all

stakeholders, Approved Vendors included. We want participants to have a great experience in participating in CDG, because we want them to refer their friends and family to the projects, we want them to pay for the credits applied to their bills, and we want the industry to thrive as our business depends on it.

Therefore, where are the real risks in allowing flexibility in the way disclosure forms are adjusted? We posit there are none. While we can appreciate that these regulatory requirements were established with good intent, and may have been overly conservative to ensure consumers were protected in a new community solar market. These rules do not appear to mitigate any material risk, rather such requirements result in undue administrative costs and burdens in facilitating the enrollment of community solar subscribers. We implore you to update the rules to disclosure form requirements to enable the flexibility in the administration of community solar in the state, appreciating the dynamic nature of energy products and services.

Conclusion

PowerMarket truly appreciates the efforts of IPA in taking a thoughtful effort in updating the rules and requirements governing the Long Term Plan. We do want the Agency to appreciate the practical implications of these rules and ask that it not be overly prescriptive. While it may appear on its face that certain rules and requirements are necessary in the interest of consumer protection, in fact, such requirements cause friction in the community solar enrollment process, overly complicating the contracting and thereby making it a challenging experience for all stakeholders. We hope you take our comments under advisement and make the necessary updates so that the Illinois Adjustable Block Program can thrive.

Thank you for the opportunity to provide comment. If you have any questions regarding these comments, please reach out to me at Jason.kaplan@powermarket.io.

Sincerely,

Jason Kaplan
Chief Operating Officer
PowerMarket