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Submitted Via Email To: IPA.Contactus@illinois.gov

Re: Revised Long-Term Renewable Resources Plan – Response to Consumer Protection Comment Request

To Whom It May Concern:

Please be advised that I represent the Chicago Environmental Justice Network (CEJN). CEJN is a coalition of several Chicago-based environmental justice organizations, including the Little Village Environmental Justice Organization, Neighbors for Environmental Justice, Blacks in Green, Southeast Environmental Task Force and People for Community Recovery. CEJN advocates to eliminate adverse and disproportionate risks in environmental justice communities, to ensure opportunities for these communities to participate at every level of decision-making, and to equitably allocate the benefits of public health, economic, environmental and energy programs and resources.

As environmental justice organizations, members of CEJN have great interest in the implementation of the consumer protection provisions of the Adjustable Block Program ("ABP") and the Illinois Solar for All ("ILSFA") program. CEJN's suggestions, comments, and answers are not exhaustive due to the time limitation in submitting these comments. CEJN is open to other options, suggestions, and opportunities to work with the IPA as revisions and rulemaking move forward under CEJA.

1.a Do the current disciplinary processes under the ABP and ILSFA programs establish a sufficient process for revocation of the ability to receive state-administered incentives?

CEJA supports the continued use of the current disciplinary processes under the ABP and ILSFA programs. Currently, both the ABP and ILSFA programs utilize a three-step disciplinary process. First, alleged offenders receive written notice of their alleged violations and possible ramification if the violations are validated. The alleged offender then has time to respond and provide evidence in their defense. After receiving their response, the Program Administrator will determine if the alleged offender violated a contract term, law, or other program requirement and issue a punishment. Punishments range from temporary suspension to complete removal

from the programs. Further, the offending entity always has a right to appeal directly to the IPA. The procedure provides a good balance between consumer protection and the vendor's due process rights.

However, the IPA should ensure that disciplinary decisions are made timely to protect consumers. Consumers are currently unaware of pending disciplinary action, and a delay in disciplinary action may pose a danger to consumers while making a purchase decision.

1.b Should the Agency and/or Program Administrators also include the names of entities whose Approved Vendor applications are denied and are therefore unable to participate in the program?

CEJN believes that consumers should be made aware of all relevant information before making a purchasing decision. Currently, IPA publishes a list of approved vendors for both the ABP¹ and the ILSFA² programs. IPA also publishes a list of disciplined vendors.³ Further, the IPA files an annual report with the Illinois Commerce Commission that outlines the complaints IPA has received throughout the year. The combination of these three lists and reports provides valuable information to a consumer wishing to take part in either of these two programs.

Adding an additional list of entities whose initial application to join the ILSFA or the ABP programs were denied may have unintended consequences that the IPA and the Program Administrators should consider. A threat of a public denial of entities that wish to participate in one of these programs may deter program participation by vendors, thereby reducing the number of participating entities. Further, a list of rejected entities may prove redundant, as IPA already publishes lists of approved vendors and a list of disciplined vendors to which a prospective customer can refer.

2.b Should certain system efficiencies also be included in the minimum contract terms and conditions for distributed generation projects?

While a more efficient system would be beneficial, the IPA should ensure that the imposition of a minimum system efficiency requirement would not increase the cost of the qualifying system to the extent that it would price out lower-income communities. IPA already has protections in place that ensure that any project approved by this program would have a net beneficial effect on consumers. For instance, an ILSFA project can only be approved if the expected cost savings of the system over the first 15 years is at least twice the installation costs of that system. This requirement is already substantially more protective than similar programs found in other states. For example, Hawaii's Green Energy Money Saver program only requires a project to have an expected energy cost savings of 10%.⁴ Imposing minimum efficiency standards that increase the costs of each system may be a redundant provision that may increase the barrier to participation. IPA should weigh these potential barriers against the benefits of a more efficient system.

¹ For a list of approved vendors for the ABP program, see <https://illinoisshines.com/approved-vendor-info/>

² For a list of approved vendors for the ILSFA program, see <https://www.illinoissfa.com/vendor-directory/>

³ For the ABP, see <https://illinoisshines.com/disciplinary-actions-report/> and for ILSFA, see

⁴ See <https://gems.hawaii.gov/participate-now/for-homeowners/>

3.c Should valid complaints from customers about a transaction constitute a “deficient” system?

CEJN believes that the IPA should consider valid complaints by consumers as a deficient system. Energy savings are one of the main driving forces that lead customers to participate in these programs, and hidden fees would detract from this goal. In effect, hidden fees may decrease the relative efficacy of the units (i.e., the percentage of energy savings expected by the customer would decrease) and thus would have the same effect as a deficient system that produces less energy than anticipated.

3.d Should systems failing to meet baseline energy production levels (such as shaded or north-facing systems which meet expected outputs, but have unusually low expected outputs) be considered “deficient”?

The IPA should not consider unusually low expected capacity systems deficient. The ILSFA program already has a system specification that limits the cost of a qualifying system. Current regulations limit the price of a system to 50% of the expected energy savings of the system over a 15-year term. This limitation takes into account the limited production expectation of north-facing or shaded systems. Adding these systems to the list of defective units would unnecessarily limit the range of properties that can take part in these programs.

Further, classifying systems with low expected capacity as deficient may reduce program participation of lower-income individuals. If a north-facing roof disqualifies a structure from participation in this program, a homeowner may be required to modify their roof, at great personal expense, to take part in these programs. This expense will be compounded with the costs of roof repairs that a homeowner must already undertake to ensure that their roofs have at least a 15-year life span. These added costs may disproportionately harm lower-income homeowners.

4.a Should the standardized disclosure form take the format of a more limited document that contains necessary information specific only to the customer’s system/subscriptions and the associated financial obligations?

CEJN believes that an abridged standardized disclosure form should be provided to consumers. Ideally, this restructured document would be shorter and only include information relevant to the customer's specific system. This may aid a program participant's understanding of the system they purchase and the expected costs, fees, and savings the system should produce. However, the abridged version of the disclosure should not replace the full-length disclosures already supplied to consumers.

Currently, ILSFA standard disclosure form sits at 15 pages in length. The ABP standard disclosure forms sit anywhere from 5 to 10 pages in length. While each page provides valuable information, the length of these forms may hide vital information that may sway a consumer’s purchasing decision. Other states have summarized critical system information into more concise documents. The State of Rhode Island uses a two-page standard disclosure form for its solar incentive program.⁵ While California has a relatively large Consumer Protection Guide that all consumer solar purchasers must receive before they execute a solar

⁵ For Rhode Island’s standard disclosure form, see <https://commerceri.com/wp-content/uploads/2020/01/REF-Consumer-Disclosure-FINAL.pdf>

purchase contract,⁶ consumers are also provided a 1-page standard disclosure document that specifies the project's cost and explains a consumer's 3-day right to cancel a purchase contract.⁷ While these abridged standard disclosures are not intended to take the place of full-length disclosures, they provide relevant information in a concise format.

5.a Should the database which the IPA maintains under 1-75(c)(1)(M)(iv) be expanded to include identification not only of entities which have received a suspension but also entities that are warned for violations of program requirements?

CEJN believes that the IPA should list entities warned of violations in its disciplinary database. While formal disciplinary action is always available, offenses that do not rise to a level that would require formal discipline may still pose a threat to consumers. Further, as discussed above in section 1.a, consumers are not currently aware of the pending disciplinary proceedings against vendors. These violations may be a material factor that would persuade a consumer's purchasing decision. Information about repeat violations and pending enforcement action should be made public through the consumer complaint center and disciplinary database.

Thank you for your consideration of these comments.

Sincerely,

/s/ Jonathan Berjikian

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⁶ California's Consumer Protection Guide stands at 24 pages in length and can be found here: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/solar-guide/solar-consumer-protection-guide-2021_english.pdf?sc_lang=en&hash=46A099FFAEBD4D839E9A32AB8E5A8BC9

⁷ California's standard disclosure document can be found here: <https://www.cslb.ca.gov/Resources/Contractors/SolarDisclosureDoc.pdf>