

Sangamon Solar – Chapter 10 LTP Feedback

1. Do the current criteria for reviewing Advance of Capital requests appropriately identify contractors that truly need capital? Why or why not?
2. What challenges do small and emerging businesses face when applying for an Advance of Capital through the IL Shines program? - **The process is simple and straightforward. There could be a case made that would grant businesses under a certain threshold automatic approval for the AOC. For example, companies with revenue under \$5million in the previous year would be automatically granted AOC up to \$50k.**
3. What improvements to the Advance of Capital process would make it more accessible to small or emerging businesses?
4. Are there other factors beyond the process of the application and the criteria for review that may be limiting the application rates for Advance of Capital?
5. Do you believe the current Advance of Capital cap (lesser of \$750,000 or 50% of REC contract value) helps or hinders equitable access to project development opportunities? Why? - **No, the only case I can think of where it would be a limiting factor is when the project is so large that the \$750k is not enough to cover the cost of the project which would only apply to massive systems that likely have alternative sources of funding.**
6. Should the Agency rethink the structure of the Advance of Capital mechanism to allow for different tiers of funding to be allocated for the diverse needs of a business, dependent on the life cycle of the contractor's development? a. If so, what factors should the Agency consider in determining Advance of Capital tiers? - **As mentioned above small businesses request small amounts of capital should be automatically approved. One of the best use cases for this would be stranded customers. Currently we are shouldering the costs of assisting stranded customers until the payment is paid out. The only upfront costs charged to the customer are to cover the application fee and the collateral for the utility. By allowing the AOC to be received it would alleviate the burden on our company incurred. By automatically approving AOC for these cases, often below \$10k, it would also reduce the labor needed by the program to evaluate the applications.**