



## Stakeholder Feedback: 2026 Long-Term Renewable Resources Procurement Plan

**Nelnet Renewable Energy (AV ID: 2044)**

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To: IPA.ContactUs@Illinois.gov

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**June 10, 2025**

Dear Illinois Power Agency,

Thank you for the opportunity to provide stakeholder feedback on the 2026 Long-Term Renewable Resources Procurement Plan. Nelnet Renewable Energy (NRE) is pleased to respond to the Agency's request for comments and respectfully submits this feedback as an active Approved Vendor and Developer of distributed generation projects under the Illinois Shines program.

NRE's feedback to Chapter 7 (Illinois Shines) is set out below with specific focus on the following topics:

- Topic 1: Defining Small and Emerging Business
- Topic 5: Support for Abandoned Contracts

### **Chapter 7**

#### **Topic 1: Defining Small and Emerging Business**

*Question 1: Should Illinois Shines adopt the same definition of "small and emerging business" as Illinois Solar for All? If not, please provide details on an alternative definition.*

- We encourage the IPA to revisit its use of the federal Small Business Administration (SBA) definition when classifying small and emerging businesses within the Illinois Shines program. While the SBA definition may serve as a broad, federal standard, it is overly expansive for the purposes of Illinois Shines and could include entities that are far beyond what would reasonably be considered "small" or "emerging" within the context of this program. This risks diluting the program's intent to support newer, more localized market participants and those historically underrepresented in the clean energy economy in Illinois.
- Illinois Shines aims to encourage market diversity, equitable access to incentive opportunities, and long-term industry growth. In considering alternative thresholds, the Agency should look to align with



definitions already established and outlined by the Illinois General Assembly. For example, the Illinois General Assembly classifies a construction business as a small business if its annual revenue does not exceed \$14 million, showing a stark difference to the current SBA definition utilized by Illinois Solar for All. Aligning with established state-level standards would more accurately reflect the economic realities of the Illinois solar marketplace and help ensure the program's broader vision of inclusive economic participation and benefits are directed toward truly small and emerging businesses while reinforcing the program's equity-focused goals.

- Furthermore, the definition needs to be more nuanced and appropriately scoped, not only considering annual revenue but also including additional criteria such as number of employees, number of projects, number of active contracts, and owner status.
- While we recognize that this question is posed specifically in relation to Illinois Shines, we believe the same concerns apply, perhaps even more critically, to Illinois Solar for All. Given ILSFA's explicit focus on equity, environmental justice, and supporting participation from disadvantaged communities and grassroots organizations, the federal SBA definition does not adequately reflect the scale, values, or goals of that program. We believe a more intentional and equity-centered definition would better align with ILSFA's mission and the communities it is designed to serve.

#### **Topic 5: Support for Abandoned Contracts**

*Question 1: Is there value to the Agency developing solutions to manage this issue given this challenge is primarily between an Approved Vendor and their customers? Please explain.*

- While there are established consumer protection measures in place to support customers when challenges arise with Approved Vendors (AVs), there are limited measures to support resolution when issues occur reversely, for example, when customers fail to fulfill their contractual obligations. In these situations, customers rarely respond to AV communications, leaving AVs with no recourse despite their ongoing program obligations and performance expectations.
- Participation in the Illinois Shines program is essential for solar companies to remain competitive in Illinois's energy market. As a result, AVs are effectively required to assume the risks associated with program participation. When a customer abandons a project or becomes unresponsive, the AV is left in a difficult position trying to balance consumer protections, financial exposure, and the need to remain in good standing with the program. Given that these risks are directly associated with program requirements, the program is therefore inherently involved with the challenges that AVs face and not separate from them.
- To elaborate, although the program often maintains that contractual relationships between AVs and their customers are separate from its purview, this position is complicated by the program's extensive requirements. If the program has the authority to prescribe the terms and limitations of



how AVs may competitively operate in the energy sector within the state of Illinois, then it must also take a more active role in resolving situations where those same requirements limit an AV's ability to resolve project issues, cure contract breaches, or protect against financial harm. Without this balanced support, AVs bear a disproportionate burden in circumstances beyond their control while trying to avoid program sanctions and penalties.

*Question 2: What type of relief should be offered to Approved Vendors that face a situation of an abandoned contract?*

- To ensure fairness and maintain program integrity, the Illinois Shines program should provide clear and practical forms of relief for AVs in situations where a customer has effectively abandoned their contract.
- For example, AVs should be permitted to formally "file" for an abandoned contract designation, supported by documented evidence such as failed communication attempts, non-responsiveness, or proof that the original customer sold their property without transferring their obligations. Upon verification of this designation, the program should allow the AV the option to cancel the REC agreement and be formally released from ongoing obligations tied to that project. We understand the contracting utility would be exposed in this situation, so in order to protect utilities, the AV would need to forfeit the posted collateral and prove that the customer benefited from a pass-through of the Illinois Shines SREC payout.
- Additionally, projects designated as abandoned may be deemed ineligible for future SREC contracts, such as expansions, under the program unless underlying issues are resolved or appropriately reassigned.
- Alternatively, AVs may choose to continue reporting generation for a contract designated as abandoned if the system remains operational. However, the AV would not be held responsible for any associated shortfalls or drawdowns limited to that specific project, and their broader portfolio performance or collateral requirements would not be negatively impacted. This would ensure the utility is still receiving the benefit of contracted SRECs, but the AV is not negatively impacted by the abandoned contract.

*Question 3: What are preventative solutions to this issue that the IPA could implement?*

- To mitigate the growing issue of abandoned contracts, the IPA should consider implementing a range of preventative strategies that acknowledge the evolving risk landscape that AVs face as the program matures. One such solution would be updating disclosures to be more direct, clear, and urgent regarding the long-term obligations of participation in the program, potential consequences of non-cooperation, and the risks AVs bear over the 15-year contract term. These acknowledgments could

be supplemented with customer-facing educational materials such as program-specific pamphlets, FAQs, or summary sheets that emphasize the importance of maintaining communication, transferring obligations upon home sale, and fulfilling responsibilities throughout the contract term. This would provide an unbiased approach to further support AVs in educating customers of how much risk the AV takes on and the overall obligations of program participation.

- Additionally, the IPA should adopt a more flexible approach to contract performance and program obligations. As AVs continue to uncover unforeseen risks, particularly those stemming from the long-term nature of the REC agreements, it is evident that the program's original structure did not fully anticipate all operational realities. For example, re-evaluating the structure of upfront REC payments and instead aligning with the "paid-as-produced" model used for public school projects could provide a more sustainable and risk-aligned approach, especially in the small distributed generation category.
- Moreover, the IPA could also consider solutions similar to force majeure, whereby an AV's ability to perform is rendered functionally impossible due to a customer's refusal to engage. In such cases, though performance may technically remain possible, the original purpose of the contract is undermined. The program could offer formal relief tools, such as temporary suspension of obligations, extensions of time, or alternate resolution pathways that acknowledge and address these challenging situations before they escalate to contract abandonment.

*Question 4: Are there other examples / events that should be considered an "abandoned contract"?*

- In defining what constitutes an abandoned contract, the IPA should broaden its criteria to include instances beyond a change of ownership. Specifically, cases involving customer refusal to cooperate, whether through outright denial of service, unresponsiveness, or repeated non-cooperation despite multiple documented outreach attempts. While these issues may traditionally be viewed as issues for the AV to manage, the consequences often leave AVs solely responsible for ongoing performance risks and financial liabilities, with no feasible resolution.
- Importantly, the continued operation of a system does not necessarily indicate that a contract remains active or intact. If a customer refuses access for corrective maintenance, declines to engage in communication, or blocks necessary service resolutions, the system may generate below expected levels, resulting in REC shortfalls. In such situations, the AV is unable to fulfill its obligations under the REC contract, through no fault of its own, and has no pathway to cure the issue or recover resulting losses outside of pursuing legal action. These scenarios are functionally equivalent to abandonment and should be formally recognized as such by the IPA with corresponding relief options provided to AVs.

Thank you for your consideration of this feedback. Please do not hesitate to reach out should you require any additional information or wish to discuss further.



Sincerely,

Elise Christianson, Incentives Program Manager  
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