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Comments of the Coalition for Community Solar Access on the IPA's 2019 LTRRPP Revision

The Coalition for Community Solar Access (CCSA) appreciates the recent stakeholder workshops and the opportunity to provide feedback. As a party to the Joint Solar Parties (JSP), CCSA supports JSP comments and provides the following additional feedback for the IPA's consideration.

Feedback on the IPA's questions:

2. Small subscriber adder. Given the nearly universal commitments to at least 50% small subscribers made by the initial community solar project applications, how should the Agency consider updating its approach to the small subscriber adder to ensure a diversity of subscriber types? Should the Agency update its small subscriber adder in line with the recently adopted Minnesota small subscriber adder (which is approximately half the adder of the current Adjustable Block Program small subscriber adder for ABP project subscription levels over 75%)? What data points besides the Minnesota adder should the Agency consider in updating the small subscriber adder?

The customer acquisition process is in its very early stages and there are still a number of unknown costs in the market so it is too early to provide much substantive feedback on the small subscriber adder or recommend modifications.

However, CCSA recommends against using Minnesota as a basis for changes to the Illinois small subscriber adder. Illinois is a different market with different regulatory and program requirements that impact the cost of small subscriber acquisition and management. In addition, the complexity and difficulty of the disclosure, customer sign-up process raises the cost of acquiring small subscribers in Illinois. This complex process does not exist in Minnesota. Moreover, the complexity and difficulty of navigating the challenges of the ARES markets also adds additional costs. Finally, the Illinois bill credit for community solar subscribers is only offsetting the supply portion of a subscriber's rate, as opposed to a much higher base credit rate in Minnesota.

The above question also implies that because most community solar projects have made a commitment to at least 50% of small subscribers that there won't be a diversity of subscriber types. Fifty percent of small subscribers in a project still means that 50% of

the project can be anchor subscribers and other large commercial subscribers. This is not evidence of a subscriber type diversity problem. CCSA recommends that the IPA wait until the projects are operational and subscribed so it can use real data as a basis for deciding whether or not to make a change. Right now there are no community solar subscribers in IL and therefore no data.

4. Illinois Shines. Illinois Shines was established to highlight the value of solar development for participating projects (whose environmental attributes are otherwise transferred through the sale of RECs) while creating a trusted, government-affiliated brand that customers can use to verify the trustworthiness of marketers' claims. Is Illinois Shines providing an effective way to accomplish these goals? What additional educational content/information should the Agency consider providing to the public through Illinois Shines, and how can the Illinois Shines brand/website be expanded/improved?

CCSA is very supportive of the creation of Illinois Shines and believe that a trusted, government-affiliated resource is an essential tool for ensuring that customers are educated and informed about community solar products and their rights as consumers. Providing customers with educational tools and information about how community solar functions, factors that can affect their savings, important contract terms (e.g., rate escalators, index products, cancellation fees, notice periods, contract length), and questions to ask potential community solar providers is essential for customers to make informed decisions. An educated customer is much less susceptible to predatory marketing practices and is less likely to sign up for a product that is not in their best interest.

As the program matures and as resources become available, CCSA suggests adding more customer-friendly materials such as infographics and videos. In addition to being made available on the IL Shines website, these materials could be distributed to all utility customers either via email or with their utility bill. NYSERDA provides some helpful, plain-language descriptions and resources on their website, which may be useful to use as a guide.¹

In addition, as the IL Shines matures, the IPA could consider expanding beyond its website with an educational campaign that drives customers to its website for more detailed educational materials. This expansion could include:

- Radio and digital radio ads
- Local news ads (tv, paper, web)
- Targeted social media ads – especially leveraging any social communities the utilities may have built on Facebook, Instagram, Twitter, etc.

¹ See: <https://www.nyserda.ny.gov/All-Programs/Programs/NY-Sun/Solar-for-Your-Home/Community-Solar>

- Consumer education newsletters

CCSA members have also noted that it may help to use a singular name for the program – i.e. is it Illinois Shines or the Adjustable Block Program? Having one collective name will eliminate shopper confusion and Approved Vendor communications. Consistency is also important in the content of the Illinois Shines marketing materials. Rather than referring to the Community Solar projects as “singular large PV systems” they should consistently be called Community Solar projects. This would provide further awareness for the concept of Community Solar and use a less technical, more consumer friendly term.

It may also help to restructure or lightly edit the website materials to clarify which audience it is targeting (i.e. partner/vendor/developers vs. consumers). As a whole, the website is focused on the former subset audience. It may be useful to think through how the website experience can cater to both audiences and also ensure consumer friendly experiences that allow shoppers to feel excited about the program.

The Illinois Shines brand was created, in part, to help differentiate the ABP from other renewable energy credit programs that acquire RECs from other states. It may advantageous to further emphasize that all participating/Approved Vendors of the Illinois Shines program are developing LOCALLY produced clean power for local Illinois residents. This program was designed to improve the Illinois economy, bring jobs, and solidify Illinois’ commitment to renewable energy and should be celebrated and promoted.

Members have also suggested the IPA could establish a logo or stamp for all Approved Vendors that can be placed on marketing materials and their websites that signifies they are an Approved Vendor of Illinois Shines, if such a logo does not already exist. If it does exist, it would be helpful to publicize more information about how it should be used and how Approved Vendors may access it.

5. Disclosure forms. How can the disclosure forms (and process) be streamlined to be more consumer friendly while still maintaining their essential purpose of providing essential program information to customers? How can the complexity of varying net metering credits (e.g., default service compared to many different ARES levels) and the resulting impact on customer value from solar be best conveyed? Are the simpler disclosure forms for over 25 kW projects providing the appropriate program information?

CCSA member companies found that the structure provided by the Marketing Guidelines and Disclosure Form is a great approach to establish a foundation for Approved Vendors to build their programs. It is clear that Approved Vendors and their Providers must build out programs for subscribers with a tangible economic benefit while complying with Illinois regulations and Adjustable Block Program guidelines.

However, a number of challenges exist regarding the Marketing Guidelines and the Disclosure Forms, which prevent Approved Vendors' from building compliant, customer-friendly processes.

As CCSA has mentioned in previous stakeholder comments, our members support the use of a customer disclosure form and believe it is an important customer education tool to help subscribers understand key aspects of their contract before signing. CCSA shares the same goals as the IPA but stresses the current eight-page form is not an effective way to convey this information to a customer. Energy is a confusing topic to most people and the current disclosure forms are too long and complex to provide useful information for the customer.

Looking at other industries and markets, effective disclosures are 1-2 pages and present information in a clear, concise and easily digestible manner. Massachusetts utilizes a 2-page disclosure form that allows the form to be determined at a later date. The Massachusetts form accomplishes the intent of having succinct, plain language terms conveyed to the customer.

Given the state's history with retail supply, it is understandable and appropriate that the IPA is concerned about consumer protection. However, it appears that some information in the disclosure form is not relevant to many community solar contracts because there are so many different types of products being offered in the market. The following examples represent some of the inconsistencies in the current disclosure form.

- In a guaranteed savings model, the customer signs a contract to purchase utility bill credits generated by the community solar project at a specified discount (*e.g.*, 10%). If the customer receives \$100 worth of utility bill credits in a given month, they will be charged \$90 for those credits by the community solar provider. Under this model, the customer pays no upfront fee and does not receive a bill from the community solar provider until after they receive their first bill credits on their utility bill.
- Many contracts also allow customers to terminate their community solar subscription (with certain notification requirements) for a low fee or no fee. There are many components of the current disclosure form that are not relevant for a customer who chooses this type of product, including the "Estimated annual production decrease of the community solar project." It is unclear what the purpose of this information is and how it would be helpful to the customer. In addition, "Will the CS provider guarantee you a minimum level of electricity production from the project?" is not a relevant term if the customer is paying only for bill credits that they actually receive on their utility bill. If the system produces less than expected in a given month, their payment to the CS

provider will be less. It is also confusing to imply that the customer will be receiving electricity production, when they are receiving bill credits.

Because there are so many different types of community solar products in the market, CCSA reiterates the need for a plain-language disclosure form that will allow customers to easily refer back to their contract for more information. The approach taken by regulators in Maryland, New York, Massachusetts and New Jersey is preferable and much more consumer friendly and would better serve the purpose of educating customers about the key terms of their contracts.

For an additional point of consideration, it may be helpful to note that CCSA members are having issues in other states regarding discrepancies between the name/address on the utility bill and the name/address on disclosure forms. Guidance on how to navigate this would be appreciated (*e.g.* allowing both a “name” and “representative” field on the disclosure form in the event that the customer is signing on behalf of a company or even on behalf of their spouse). This is especially pertinent given that the Program Administrator portal and utility portals are not currently linked via automated interface.

Other feedback

Site maps and Shading

CCSA members have generally noted that rules regarding site maps are too strict. The IPA could preclude potential gaming issues in other ways, such as limiting the number of MW per parcel ID and imposing stricter rules on deviating from the capacity factor submission limits. In addition, the shading study should only be applicable if a developer is using a standard capacity factor. Projects with custom capacity factors should not be required to submit a shading study as the requirement to substantiate results from proprietary modeling is taxing. The viability of a project relies on accurate modeling and every project developer is incentivized to rely on accurate shading studies.

If a portion of a co-located site (*e.g.*, 2MW of a 4MW site) receives a REC contract, CCSA recommends changing the guidelines to allow a developer to develop that awarded project anywhere within the 4MW footprint. The landowner and developer should be able to build the project to their preferred design within the permitted footprint. Developers could add a site plan update to quarterly development reports, in order to keep the IPA/Program Administrator aware of small changes to the site plans. If something is glaringly different from Part I of the application, the Program Administrator can alert the Approved Vendor and ask for further explanation.

Co-location

CCSA recommends revisiting REC prices for co-located projects going forward. For example, what will happen to the REC price for a subsequently awarded co-located facility if the first project has already been built? These complications were not really

considered in the initial stakeholder feedback process before the enormity of the waitlist was known.

Thank you for the opportunity to provide this feedback. Please do not hesitate to reach out if you have any questions.

Sincerely,

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