



July 22, 2019

Anthony Star, Director
Illinois Power Agency
105 West Madison Street, Suite 1401
Chicago, IL 60602

Delivered electronically to IPA.contactus@illinois.gov

Dear Director Star,

Please find below Certasun's comments regarding the updated Long-Term Renewable Resources Procurement Plan. These comments pertain specifically to the Illinois Solar For All program.

- Income verification for Illinois Solar For All

Certasun appreciates the IPA's dedication to consumer protection and is largely supportive of the process that Approved Vendors must follow in pursuit thereof. The exception to this relates to income verification for low-income Distributed Generation participants. Currently, Approved Vendors are required to collect, handle, and submit sensitive information about low-income participants. We acknowledge and support the opportunities to use third-party verification programs (e.g. LIHEAP, HUD, Medicaid, etc.) but have continued concerns about verifying households that do not have third-party qualification.

We propose using the same income eligibility verification process currently used for ILSFA Community Solar participants:

"A subscriber can be verified as low-income if they reside in a HUD Qualified Census Tract and provide a signed affidavit that they meet the income qualification level."

We believe that any homeowner within a HUD Qualified Census Tract that signs an affidavit should be eligible for the ILSFA Distributed Generation category as well. The benefits of this approach are twofold: (1) it improves consumer protection by avoiding the collection of sensitive information and (2) it lowers the barriers to entry in a category of ILSFA that has seen limited success.

- REC Value for Illinois Solar For All

"Incentive levels are expressed as REC prices, and will be set according to the same groups and categories as the Adjustable Block Program (Group A for projects located in Ameren Illinois, Mt. Carmel, MidAmerican, and rural electric cooperatives and municipal utilities located in MISO; Group B for projects located in ComEd, and rural electric cooperatives and municipal utilities located in PJM). Unlike the Adjustable Block Program, these incentives will initially not be



changed based upon blocks of capacity filling up. Rather, the Agency proposes to review and update the incentive levels on an annual basis. That update will include an adjustment to account for how the comparable Adjustable Block Program REC price for each Group and category has changed since the previous update (or original REC prices as determined in this Plan), allowing for the prices offered through Illinois Solar for All to track overall market conditions while continuing to be offered at a higher level than for the Adjustable Block Program.”

Certasun urges the IPA to untether the ILSFA REC prices from the Adjustable Block Program, as it has become clear that the different programs have different market forces. Given the low turnout for ILSFA Distributed Generation in Program Year 2018/2019, we believe that the ILSFA REC prices will need to be adjusted to encourage participation and ensure our continued pursuit.

Certasun is implementing Illinois Solar for All because it directly aligns with our values. This is what caused us to first investigate ILSFA and explore its feasibility – not because we saw the prospect of windfall profits, but because we believe that it is critically important to bring the benefits of rooftop solar to low-income and environmental justice communities.

Unfortunately, we have found that it is difficult to make the ILSFA Distributed Generation projects pencil out at the current REC value. The costs of outreach, education, and verification of qualifying homeowners are considerably higher for the ILSFA program than for the same market segment in the Adjustable Block Program. A higher REC value would 1) increase the cost savings that we are able to pass along to qualifying homeowners and 2) solidify our resolve to continue diverting resources towards Illinois Solar for All. Additionally, the looming step-down of the Federal ITC is already changing the feasibility of ILSFA projects that we can offer.

- Site Assessment for Illinois Solar For All

Current program guidelines suggest that a site assessment must be completed before a contract is signed. Certasun supports the spirit of this guideline, which is meant to protect homeowners, but believes that requiring a site assessment prior to contract signing adds unnecessary cost to projects that are uncertain to proceed. Certasun proposes that the Plan clarify that site assessments are not required before contract signing so long as the contract allows a homeowner to cancel if the site assessment determines that there are any improvements required in order to install the solar system. We believe this provides equal protection to homeowners without burdening Approved Vendors with unnecessary expense prior to contract signing.

Sincerely,

Jesse Feinberg, Vice President

Certasun



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Dear Director Star,

Please find below Certasun's comments regarding the updated Long-Term Renewable Resources Procurement Plan. These comments pertain specifically to the Renewable Portfolio Standard and Adjustable Block Program. We have separately provided comments on Illinois Solar for All. The numbering below refers to the numbering in your request for comments.

A.2. (Alternative Compliance Payments): We believe the IPA should use these as flexibly as it can to maximize its ability to meet its mandates under the law. In particular, we believe the ACP funds should be available to be used first for fulfilment of existing contract obligations, and second to allow extending the resources available to the Adjustable Block Program. In particular, the IPA should prioritize actions that will allow for maintenance or growth in the installation-related jobs created as a result of the ABP. The clear legislative intent of the Future Energy Jobs Act was both to provide for increased adoption of renewables *and* to provide for stable, high-quality employment for workers entering the renewable energy field.

C.1. (Geographic Diversity): At least as it applies to distributed generation, we believe the current block structure provides for sufficient geographic diversity. The ABP's block capacity dashboard shows that the percentage of funds used/available in each of groups A and B are comparable.

C.2. (Batch Structure): We see no problem with the current 100kW minimum batch size.

C.3. (REC Pricing): Due to the oversubscription of community solar the IPA might consider a significant reduction in REC pricing for future community solar blocks. To a lesser extent, the rapid depletion of blocks 1-3 of the large DG category suggests that somewhat lower prices might be justified in the future. Finally, for small DG, the measured rate of consumption of the blocks suggests the initial REC pricing was more ideal. However, with the federal tax credit decreasing by 4% on January 1 and the REC price likely to decrease by 4% at about the same time, the IPA should consider suspending the 4% block decrease for small distributed generation.

C6. (Collateral): The current credit and collateral requirements are sufficient. However, the IPA should clarify how a project that is approved in a Part I application can be subsequently withdrawn prior to energization and therefore removed from the collateral requirement without penalty. We recognize the IPA's desire to avoid phantom projects; at the same time, Approved Vendors should not be required to forfeit collateral for projects that will not be built due to actions outside their reasonable control.



C.7. (Contract non-execution / collateral non-payment): See comments above. Please consider whether it is appropriate to treat small DG systems, large DG systems, and community solar systems the same.

D.5. (Disclosure forms): We appreciate the IPA's desire to provide consumer protections. However, the disclosure forms cause more confusion than benefit. First, we have had numerous cases where customers thought the disclosure form *was* the contract. Second, the disclosure form itself is extremely long. Third, the disclosure form simply repeats information we are required to include in our contracts anyways. Consumers would be adequately protected by the combination of the required program brochures and existing contract requirements.

Sincerely,

Josh Lutton, President

Certasun