



**COMMENTS ON DRAFT CONTRACT REQUIREMENTS
ENGIE DISTRIBUTED SOLAR
JANUARY 7, 2019**

SoCore Energy LLC (dba ENGIE Distributed Solar) respectfully submits these comments on the draft contract requirements.

Common Contract Requirements for all business models

Right of rescission within 3 calendar days. A required three-day rescission period is not appropriate for a non-residential customer. Non-residential customers are sophisticated counterparties with experienced legal representation. The process of developing and negotiating a contract typically takes months, and requires the investment of thousands of dollars of legal expenditures on both sides. This engagement is undertaken with the mutual understanding that once a contract is signed, it is legally binding on both sides. Note that ENGIE is not taking a position on whether this requirement is appropriate for contracts with residential customers.

Change in pricing or other terms in event of non-selection for ABP Program REC contract. It is common to include a clause that renders the receipt of an incentive as a *condition precedent* to a contract. In this case, if a project is not selected for a REC contract, the solar provider has the option to terminate. Please confirm that this type of CP clause would satisfy the proposed requirement.

Name of ICC-certified DG installer entity that will perform work. We recommend eliminating this requirement. It is very common that a solar developer would not have executed a contract with an installer at the time when the contract with the customer is signed. Developers need the flexibility to line up subcontractors on their own construction schedule. Once a contract with a customer is executed, it cannot easily be opened up again. Prematurely locking developers to specific installers in customer-contracts may reduce a developer's ability to negotiate competitive terms, and/or subsequently change installers in a case when performance expectations are not met.

Contract Requirements specific to PPA Transactions

Initial Payment. We would like to clarify that for typical PPA transactions, the Initial Payment will not be a down payment or a fixed dollar amount, but simply the first monthly payment owed for production. The actual dollar value of the initial payment owed by the customer to the solar provider will be a function of a) the agreed-upon PPA rate (\$/kWh), b) actual system production (kWh), and c) the agreed-upon invoicing schedule.

Date of First Payment. Similar comment to the above. For typical PPA transactions, the date of the first payment is not a hard date; it is a function of when exactly the project is energized and the agreed-upon invoicing schedule.



Additional Clarity Requested

We had understood from the Q&A during one of the late-2018 stakeholder meetings that the actual, executed contract with the customer would not be required to be submitted with the Part 1 application. The Program Administrator indicated that they will be looking for a short letter signed by the customer indicating that the Approved Vendor has exclusivity over the project, and specifying the project address and the meter. This would supplement the required application materials detailed in Section 6.12.1 of the Long Term Plan, as well as the signed Disclosure Form. Additional clarification would be appreciated.

Thank you for the opportunity to provide this feedback. We would be happy to answer any questions that the IPA or the Program Administrator may have – please do not hesitate to reach out.

A handwritten signature in black ink that reads "Madeleine Klein". The signature is fluid and cursive.

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