



October 24, 2018

InClime
Illinois Adjustable Block Program
Program Administrator

Dear Sirs and Madams,

Certasun is a residential solar dealer-installer headquartered in Buffalo Grove, Illinois. We are grateful for the work the Illinois Power Agency and InClime (the "Administrator") are doing to launch the Adjustable Block Program, encourage the adoption of distribution generation, and protect consumers.

Certasun has adopted our [No Surprises Guarantee](#) because we are also committed to honestly explaining residential solar to homeowners. In interacting with them every day, we have learned a lot about what consumers find confusing.

You recently requested comment on your *Draft PV System Lease Disclosure Form*. Below please find our feedback.

Consider Removing Information Likely to be in the Lease Contract

The draft Disclosure requires information that should in the lease contract. Including such information both in the contract and the Disclosure, most probably in different forms or with different wording, will cause consumer confusion. It will also add significantly to administrative burden and unnecessarily raise cost for Illinois consumers. Finally, the Administrator is unlikely to be able to update the Disclosure form quickly enough to keep up with changes in a dynamic marketplace. Certasun believes the market's vendors are in the best position to draw distinctions between themselves, and therefore suggest the Disclosure form be kept as simple as possible.

As an alternative to a complex Disclosure form the Administrator could require that certain information be included in lease contracts.

Specifically, consider omitting the following from the Disclosure:

- Payment timing and schedule (page 3).
- Information on paper versus electronic invoices (page 3)
- Fee breakdown, unless fees are not included in lease payments (page 4 and 5)
- Information on UCC-1 filing (page 5)
- Information on early termination penalties, if any (page 5)
- The approximate start and finish date of the system installation (page 5)
- Who is responsible to submit system interconnection application (page 5) (it seems this would always be the vendor)
- System maintenance obligation (page 7)
- System repairs obligation (page 7)
- System installation warranty (page 7)
- Roof warranty (page 7)



- Removal cost obligation (page 7)
- Insurance obligation (page 7)
- Guarantee information (page 7)
- Property transfer information (page 8)

Consider Removing Information Unlikely to Be Relevant for or Useful to Consumers

The draft Disclosure seems to be written with a residential customer in mind. However, it also requires the vendor to specify certain information that is unlikely to be relevant for or useful to the consumer. Specially, the Administrator should consider removing:

- Information about the REC incentive payments (page 4). We believe all lessors we keep these payments and use the funding to allow lower lease rates. Therefore, disclosing information here about the specific dollar amount of incentives to which the customer is not entitled will only cause confusion.
- A list of “all other state and/or federal tax incentives or rebates relied up on determining the total of the leasing the system” (page 4). First, this information is not relevant to a consumer leasing the system. The lessor will use any such incentives to lower the lease price. Second, it is not clear what “the total of the lease the system” means.
- Information about whether the system will be roof- or ground-mounted and the type of tracker, if any (page 6). The number of residential single- or dual-axis tracker systems will be infinitesimally small.
- Information about the “expected life of the system” (page 6). This is irrelevant for a lease.
- Information about panel and inverter warranties (page 7). The consumer does not own a leased system, so these are irrelevant.

Consider Clarifying Certain Requests to Ensure Fair Comparisons

It appears from the draft Disclosure form that one of the Administrator’s primary objectives is to ensure the ability of customers to make apples-to-apples comparisons across vendors. Given this objective, we suggest rewording or revision certain requests. Specifically:

- The draft Disclosure asks for the “estimated annual system production decrease” (page 6). Is this the same as the warranted maximum decrease in solar panel production? If so, it would seem the use of the term “estimated” is inappropriate, since it implies “expected”, while “warranted” might be more appropriately thought of as a worst-case. Certasun also suggests that “warranted” is a much more objective measure.
- Building further on the request for “estimated annual system production decrease”: Most solar panel warranties include a larger first-year warranted degradation followed by a smaller annual



degradation in subsequent years. We suggest the final Disclosure should allow for this and possibly other warranted degradation models.

- The draft Disclosure asks for the “Expected overall percentage degradation over the life of the system” (page 6). Again, “expected” and “life of the system” are nebulous terms. the Administrator might instead ask for the “Warranted maximum system degradation over the lease term” or “minimum guaranteed solar production over the lease term”.

Consider Carefully the Financial Cases to Avoid Biasing Conclusions

The draft Disclosure says the Administrator plans to include three PV system savings calculation cases—with low, middle, and high future electricity rate forecasts.

The choice of utility rate growth to use for the forecast will be important. We suggest the middle forecast should be the 10-year historical growth rate in avoidable cost of energy from ComEd, Ameren, or MidAmerican.

Consider Removing Speculation about Remote Possibilities or Present Both Positive and Negative Scenarios

The section in the draft Disclosure on net metering says “Net metering is subject to change or termination by executive, legislative, or regulatory action, which may impact the rate and terms under which you are credited.” Current Illinois law grandfathers customers who go solar into the current net metering rules, even if they change in the future for new customers.

While the law could change, this is merely a speculative possibility, not a probable event based on current information. It is also possible that the government could choose to tax carbon emissions and thus cause an increase in utility electricity price, but the Disclosure form does not describe that possibility. If the Disclosure includes theoretically possible downside risks, it should also include theoretically possible upside scenarios. To do otherwise would be to bias consumers away from distributed generation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Josh Lutton". The signature is fluid and cursive, with a large initial "J" and a long, sweeping tail.

Josh Lutton
President, Certasun LLC