



ENVIRONMENTAL LAW & POLICY CENTER

Protecting the Midwest's Environment and Natural Heritage

October 26, 2018

TO: Program Administrator - Adjustable Block Program and the Illinois Power Agency

**FROM: MeLena Hessel, Policy Advocate, Environmental Law & Policy Center (ELPC);
Rachel Granneman (ELPC)**

SUBJECT: Comments on Draft Approved Vendor Application and Standards

The Environmental Law and Policy Center (ELPC) appreciates the opportunity to provide comments to the Illinois Power Agency (IPA or Agency) and the Adjustable Block Program (APB) Administrator in response to the release of its draft Approved Vendor brochure, marketing guidelines, and disclosure forms for distributed generation. ELPC has spent years advocating for the expansion of clean energy in Illinois, specifically to ensure the success of Illinois' Renewable Portfolio Standard. ELPC was a party in the proceeding to approve the Long-Term Renewable Resources Procurement Plan (Plan) and has engaged in extensive outreach, both with the renewables industry and environmental advocates. ELPC is also an active participant in the Illinois Solar for All Working Group. ELPC draws on this experience to inform our following recommendations on the draft brochure, guidelines, and forms.

1) Renewable Energy Credits (RECs) and Environmental Benefits

It is a difficult task to accurately describe Renewable Energy Credits (RECs), renewable claims, and the environmental benefits that ABP customers will be helping to advance. The descriptions currently included in the brochure, marketing guidelines, and disclosure forms are accurate, but may not provide consumers a complete picture, particularly when it comes to those environmental benefits. Given this, ELPC strongly suggests the IPA and the ABP Administrator add slightly more context around Illinois' commitment to achieving 25% renewable energy by 2025; that the intent of this goal is to develop new renewable energy resources in Illinois, diversify the state's electricity supply, avoid and reduce pollution, reduce peak demand, and enhance the public health and well-being of Illinois residents¹; and that the RECs sold will be helping utilities achieve that goal. It is important that customers understand that their participation in the ABP will have real and meaningful impacts. Legal limitations on renewable claims based on the sale of RECs to the utilities do not negate the positive environmental impacts

¹ See 20 ILCS 3855/1-5 (6).

of the customers' participation, and they are still contributing to a cleaner, greener, and more resilient Illinois.

Additionally, it may be helpful to provide links to additional resources for consumers that would like more information and/or want to dive deeper into the claims they may make regarding their solar system. For instance, it would be perfectly appropriate for customers to claim they are generating renewable electricity, so long as they also explain they are selling that electricity/not using renewable energy themselves. One potentially useful resource is the Boston Green Ribbon Commission's report on Institutional Renewable Energy Procurement (https://www.greenribboncommission.org/wp-content/uploads/2016/10/Institutional-Renewable-Energy-Procurement-Guidance_REV.pdf). Additionally, ELPC encourages the IPA and its Administrator to explore these issues further when developing its "brand," as discussed in Chapter 7 of the Long-Term Renewable Resources Procurement Plan.

2) Property Tax Impact

Draft text in the brochure states: "Under the Illinois Property Tax Code, if you purchase and install a rooftop PV system on your home or commercial building, your property tax assessment may increase." This statement, while accurate, is misleading. Illinois law actually protects property owners from increases in their property tax assessment related to the installation of solar on their property for the purpose of utilizing solar energy improvements. 35 ILCS 200 allows for the alternate valuation of solar such that its impact to assessed value would be no more than a conventional heating or cooling system, which many properties will already have installed. In practice this generally results in no increase to property taxes from the installation of solar. The brochure should acknowledge this practice in some way so as not to confuse consumers who are told about the special assessment by their Approved Vendor.

3) Facilitating the Hiring of Returning Citizens

The draft marketing guidelines for the ABP indicate that criminal background checks must be performed on employees and agents engaged in in-person solicitation. ELPC understands the need for and fully supports this requirement. Nonetheless, its inclusion raises concerns that it could inadvertently be interpreted by Approved Vendors as a deterrent to hiring persons with a record. The hiring of persons with record is, of course, an express goal of P.A. 99-0906, which created the Adjustable Block Program. (See 220 ILCS 5/16-108.12 (a)(1)). Therefore the IPA and the ABP Administrator should confer with the Illinois Solar for All Program Administrator around this language and determine if any edits or additional language would be helpful in supporting the broader legislative goals of hiring persons with a record.

4) Miscellaneous Minor Issues

In addition to these more top-line recommendations, ELPC noticed a few minor areas where edits may improve the accuracy or clarity of statements.

- a) South-facing – The draft ABP brochure suggests that systems that do not face south will “be less valuable.” ELPC notes that this would not necessarily be true for hourly pricing customers, today.
- b) Retail price of electricity – The draft ABP brochure tells customers that whether this increases or decreases, it will impact their prospective cost-savings. Would it be helpful to further clarify that there are not guarantees on this point?
- c) Net metering – The IPA and ABP Administrator should review proposed language around net metering in the draft disclosure forms to ensure it would be accurate for customers in muni and co-op territory.

Sincerely,

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