

**Illinois Adjustable Block Program
PV System Purchase Disclosure Form**

Draft for Stakeholder Comments

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This form gives consumers who are considering contracting for a solar photovoltaic ("PV") system clear information about the system and their transaction. Execution of this form is required for the system to be eligible for the Adjustable Block Program, a state-administered incentive program.

The Adjustable Block Program provides payments for the sale of Renewable Energy Credits ("RECs") produced by new PV systems. RECs are created when solar panels generate electricity; one megawatt-hour of solar production equals one REC. RECs represent the environmental value of solar power, and whoever owns the RECs has the legal right to say they used that solar power. Because the environmental attributes of generation are sold as part of that transaction, customers participating in the sale of RECs relinquish their right to claim they are receiving solar energy.

Through program participation, all RECs from your system will be sold to Illinois utilities and retired to meet a compliance obligation. Payments for these RECs may be used to offset the purchase price or financing cost for the PV system you contract for. The actual level of these payments will vary depending on the size and location of the PV system.

There are different ways for customers to contract for a PV system. Customers may buy a system (system purchase), lease a system (lease), or contract to buy electricity generated by a system (power purchase agreement). Under a system purchase, the customer pays for and owns the system. Under a lease arrangement, a customer enters into a service contract to pay scheduled, pre-determined payments to a solar leasing company, which owns the system on the customer's property. Under a power purchase agreement, a customer agrees to host a system and to buy electricity generated from it at a per-kilowatt-hour rate from a company that owns the system. The type of contract you enter into will impact the economics of your solar decision.

By participating in the Adjustable Block Program, an installer or other vendor is required to provide you with this disclosure form so that you have accurate information about the PV system, including its size, cost, operations, warranties, and financial benefits. At the point when you decide to enter into a solar contract, you will be asked to sign this form indicating that the information in it has been provided to you. The form will be submitted to the Adjustable Block Program Administrator.

PV System Purchase Disclosure Form

The purpose of this form is to provide you with clear and accurate information about your PV system, but this form is not a substitute for your contract, which is a legally binding agreement. Do not rely exclusively on this form for your purchase; you should read the contract closely before you sign it.

This form is required for your PV system to be eligible for the Adjustable Block Program, a state-administered incentive program for PV systems, and an executed copy of this form will be provided to the Program Administrator. The Program Administrator may contact you to verify that you received this form.

Purchasing a PV system may have tax implications for you. You should consult a tax professional to understand any tax liability or eligibility for tax credits that may result.

You may rescind your PV system purchase contract within ~~10 calendar~~ 3 business days of signing it by contacting the seller of the solar system.

If you have questions or complaints related to the system or this sale process, first contact the system seller. You may also contact the Adjustable Block Program Administrator by emailing admin@illinoisabp.com or by calling (877) 783-1820. If you have been subject to fraudulent or deceptive sales practices, the Consumer Protection Division of the Illinois Attorney General’s office may be able to help. Customers may contact the Illinois Attorney General’s office by calling one of the following hotlines:

Chicago
800-386-5438
TTY: 800-964-3013

Springfield
800-243-0618
TTY: 877-844-5461

Carbondale
800-243-0607
TTY: 877-675-9339

Spanish Language: 1-866-310-8398

Customer Contact Information

Customer
Name:
Address:
Phone Number:
Email Address:
Customer’s Electric Utility:

Other Parties’ Contact Information

System Seller	Approved Vendor (per Illinois Adjustable Block Program rules)
Legal Name:	Legal Name:
Name Used for Marketing (if different):	Name Used for Marketing (if different):
Business Address:	Business Address:
Phone Number:	Phone Number:
Email Address:	Email Address:

System Installer		System Warranty and/or Maintenance Provider (if different from system installer)
Name:	Name Used for Marketing (if different):	Name:
Qualified Person License Number:		Name Used for Marketing (if different):
Business Address:		Business Address:
Phone Number:		Phone Number:
Email Address:		Email Address:

**The parties listed above are independent and are not representing, endorsed by, or acting on behalf of, a utility, a consumer group, or a governmental body except in those cases where they are a governmental body or consumer group.*

**Your ~~contract warranties~~ may be assigned, sold, or transferred by the system seller to a third party who will be bound by the terms of your contract. If such a transfer occurs, you will be notified if this will change the address or phone number to use for questions, payments, maintenance, or repair requests.*

System Purchase Information

- System purchase price: \$ ____
 - Deposit or amount owed to the seller at contract signing \$ ____
 - The amount owed to seller at the start of system installation \$ ____
 - The amount of the final payment due to seller \$ ____ and the time it is due _____ (for example, 30 days after system interconnection).
 - The amount of any other intermediary payments for the system \$ ____ and the time they are due _____.

• ~~Is PV system sale contingent upon selection for the Adjustable Block Program incentive? Yes OR No~~

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- The expected value of the REC incentive payment(s) that will be received by the Approved Vendor for this solar energy system \$ ____
 - Will the Approved Vendor pay a rebate to you or discount your system cost for some or all of the value of the REC payment(s) received for your system? Yes OR No
 - If so, you will receive \$ ____ OR ____% of the value of the REC payment(s) received for your system.

~~• Is PV system sale contingent upon selection for the Adjustable Block Program incentive? Yes OR No~~

**As the counterparty to a REC delivery contract with an Illinois electric utility, the Approved Vendor will receive payment(s) for your system's RECs. Even if the Approved Vendor will not pay a rebate to you for some or all of the value of the REC payment(s) received for your system, those REC payments may be reflected in your overall system purchase price.*

**You may be eligible for other federal and/or state incentives related to your PV system that are not included in your system purchase price. For example, the federal government provides an income tax credit to help with the cost of buying a residential solar system. (There is also a tax credit for businesses*

that purchase solar systems.) As of 2018, the residential income tax credit for PV systems is currently worth 30 percent of the total cost of the system and will drop to 26 percent in 2020, then 22 percent in 2021, and zero after 2021. This tax credit does not have to be taken in the single tax year that your system is installed. If your income tax liability for that year is less than the value of the credit, you can reduce your income tax liability to \$0 for that year and carry the remainder of the credit forward to future tax years. The 30 percent tax credit is available for systems that are placed in service by the end of 2019. For projects placed in service in 2020, the tax credit will be 26 percent. In 2021, the tax credit will be 22 percent. Consult a tax professional to determine your eligibility.

Commented [AY1]: Better addressed in the brochure

• Non-connection to internet fee \$ ____

*If you do not maintain a high-speed internet connection, you may be charged a fee by the seller to enable electronic payment.

- The total cost to be paid to seller, including any interest, installation fees, document preparation fees, service fees, or other fees: \$ ____
 - List all fees associated with the PV system (for example, interconnection fees, maintenance fees, etc.) and the amount of each one and when it is due:

Fees	Amount	When It Is Due
	\$	
	\$	
	\$	
	\$	

- If a payment for your system is more than ____ days late, you will be charged \$ ____
OR
Late payments accrue interest at ____% annually.

- Will the system be financed (for example, through a loan)? Yes OR No OR Unknown
 - If so, will the seller assist in financing the system? Yes OR No OR Unknown

Commented [AY2]: Seller may not know the consumer's plans if the consumer is working with a third-party financier

Commented [AY3]: Even if Seller knows the consumer plans to finance, the Seller may not know who the consumer will use for financing. As a result, the Seller cannot say if they will assist with financing.

*If your system is financed, carefully read any agreements and/or disclosure forms provided by your lender. This disclosure form does not contain the terms of your financing agreement.

System Installation Timing

- The approximate start date of system installation will be ____ days from the date your contract is signed or ____ [date].
- The approximate completion date of system installation will be ____ days from the date your contract is signed or ____ [date].
- Does seller plan to furnish a lien waiver to the customer upon final payment? Yes OR No
 - If so, the approximate date when the installer is expected to furnish a lien waiver to the customer will be ____ [date].

- YOU OR SELLER OR INSTALLER are responsible for submitting a system interconnection application to your utility.

*The interconnection rules vary based on location and utility service territory. Links to interconnection information are provided below for three electric utilities:

- Ameren Illinois: <https://www.ameren.com/illinois/electric-choice/distributed-generation>
- Commonwealth Edison Company: <https://www.comed.com/MyAccount/MyService/Pages/DistributionLess10k.aspx>
- MidAmerican Energy Company: <https://www.midamericanenergy.com/customer-generation.aspx>

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System Design Specifications

- Size of system in kilowatts ___kW DC and ___kW AC.
- Estimated gross annual electricity production in kilowatt-hours from your system in the first year ___kWh
- Estimated annual system production decrease: ___%
- Expected life of the system ___ years
- Expected overall percentage degradation over the life of the system ___%
- System will be ROOF-MOUNTED OR GROUND-MOUNTED
- System WILL OR WILL NOT track with the location of the sun in the sky.
 - If a tracking system is installed it is a SINGLE OR DUAL-AXIS TRACKER.
- The manufacturer of your PV panels is ___.
- The make of your inverter is ____; The model of your inverter is ____.

Commented [AY5]: Allow installer to list up to 3 manufacturers in case they run out of the proposed item.

* Because this PV system may be participating in the Illinois Adjustable Block Program, your system will be connected to the grid. Your electric utility remains responsible for the delivery of electric power and energy to your premises and will continue to respond to any service calls and emergencies. A grid-connected solar energy system will not function in the case of an electricity outage unless you have an accompanying electricity storage system and the ability to “island” (disconnect from the grid).

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Net Metering

*Net metering allows you to get credit from your energy supplier for electricity generated by your PV system. Your electricity bill will reflect the amount of electricity supplied to you, minus the excess electricity generated by your PV system and delivered to the grid. You are eligible to participate in net metering if you own or operate an eligible PV system less than or equal to 2,000kW (AC-rated) for your own use. To participate in net metering, an application for net metering must be submitted to your

energy supplier. Energy suppliers doing business in the State of Illinois are required to provide net metering for eligible solar customers. 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.

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System Operations, Maintenance, Warranties, and Guarantees

- System maintenance (operational upkeep) IS OR IS NOT included as part of your system purchase contract.
 - If system maintenance is included, for ___ years by ___ (for example, seller, installer, or approved vendor)
- System repairs (actions required to fix a malfunctioning system) ARE OR ARE NOT included as part of your system purchase contract.
 - If system repairs are included, for ___ years by ___ (for example, seller, installer, or approved vendor)
- Is the system warranted against issues related to improper installation? YES OR NO
 - If so, this warranty is for ___ years by ___ (for example, seller or installer)
- Do your solar panels come with a manufacturer’s warranty? YES OR NO
 - If so, this warranty is for ___ years.
- Does your system inverter come with a manufacturer’s warranty? YES OR NO
 - If so, this warranty is for ___ years.
- Your roof IS OR IS NOT warranted against leaks from the system installation.
 - If your roof is warranted against leaks from system installation, for ___ years by ___ (for example, seller, installer, or approved vendor)

*You are responsible for obtaining insurance coverage for any loss of or damage to the system not covered by the warranties listed above. Consult an insurance professional to understand how to protect against the risk of loss or damage to the system.

- Seller is providing you with a:
 - ___ System performance or electricity production guarantee
 - ___ Other type of system guarantee (specify) _____
 - ___ No guarantee

*Unauthorized modification of your PV system, including the relocation of it, is prohibited under the Adjustable Block Program.

Property Transfers

- If you sell your home, transfer of the system to the new homeowner requires (list any known conditions required for the transfer of your PV system as part of a real estate transaction):

Net Cash Flow Estimate

- Estimated total PV system savings calculations:

[Here, six savings estimates will be presented to the customer—with low, middle, and high future electricity rate forecasts, each with and without an assumed federal income tax credit. The savings calculations will rely on the current default electricity supply price as the starting point with different escalator rates representing different potential future electricity rates and inflation forecasts. The savings estimates will be automated based on form inputs.]

*Consult a tax professional to determine your eligibility for the federal income tax credit for PV systems.

*These savings estimates are not guarantees. Actual savings may vary.

*This savings calculation uses your prior electricity usage to estimate future usage. Actual future usage may not be the same as prior usage.

*This savings calculation was based on a standard forecast for retail electricity prices, using the following assumptions:

- =
- =
- =

Actual retail electricity rates may vary from this projection. For further information regarding your electricity rates, contact your electric utility or the Illinois Commerce Commission.

*Tax and other state and federal incentives are subject to change or termination by executive, legislative, or regulatory action, which may impact savings estimates. Savings may change if your electric utility's net metering tariffs or distributed generation rebates change prior to the commissioning of the system.

Additional Terms and Disclosures

*Nothing listed below shall alter, amend, repeal, or supersede the disclosure requirements contained in this form.

