



October 17, 2018

**Illinois Power Authority  
160 North LaSalle Street  
Chicago, Illinois 60601**

**InClime, Inc.  
326 First Street, Suite 27  
Annapolis, MD 21403**

**Re: Vivint Solar Comments on Illinois Adjustable Block Program Approved Vendor  
Application and Standards**

**Dear Illinois Power Authority and InClime, Inc.,**

Thank you for the opportunity for Vivint Solar, Inc. (“Vivint Solar”) to provide written comments on the Illinois Adjustable Block Program’s “Approved Vendor Application and Standards.” Vivint Solar commends the Illinois Power Authority (“IPA”), the Illinois Commerce Commission (“ICC”), and the Program Administrator, InClime, Inc. (“InClime”), for their thoughtfulness in the development of the Adjustable Block Program (“ABP”). We applaud the desire to spur solar development within the state of Illinois while also developing meaningful measures, requirements, and application processes to protect consumers.

Vivint Solar is a national leader in the residential solar market. Through Q2 2018, Vivint Solar has nearly 140,000 customers nationwide, and has installed approximately 952 MW of rooftop solar across 22 states. Vivint Solar employs approximately 3,500 people across the nation, including sales persons, installation technicians, electricians, warehouse employees, and administrative positions. We are actively involved with various trade organizations, including the Solar Energy Industries Association (“SEIA”) and many of its state affiliates, and participate with other organizations seeking to understand the solar industry and protect consumers, including the Clean Energy States Alliance.

Vivint Solar offers both third-party and direct ownership financing models to provide customers with the option that best meets their energy needs. We announced plans to expand into Illinois on August 2, 2018, and look forward to bringing the benefits of clean affordable energy, along with the creation of jobs, to Illinois residents through participation in the ABP as an Approved Vendor.

Vivint Solar appreciates the efforts of the IPA and InClime to gather stakeholder feedback, both during the Stakeholder Meeting held on October 10, 2018 (representatives of Vivint Solar’s legal/compliance, new markets, and policy departments attended the meeting) and through written comments. Vivint Solar’s comments herein are not intended to be a line-by-line review of the Approved Vendor Application and Standards, but will address select critical issues for IPA’s and InClime’s consideration.

**Comments**

14. “Provide company balance sheet and profit and loss statement for the last full fiscal year.”

Based on comments made during the stakeholder meeting, it’s clear that this requirement is intended to ensure that approved vendors are financially stable and capable of fulfilling their contracts under the ABP. It is common practice for a financially stable project developer to create a special purpose entity



specifically for programs like the ABP. This entity might not however have meaningful profit or loss statements, or its financials might not provide an adequately holistic view of the company behind the entity. It would be more appropriate to allow the Approved Vendor applicant latitude to disclose the purpose of the special purpose entity that is applying to obtain status as an Approved Vendor, and its relationship as a subsidiary to any parent company. For example, Vivint Solar might answer this question as follows: "Vivint Solar Developer, LLC is a subsidiary of Vivint Solar, Inc., which is a publicly traded corporation whose financials are publicly available."

22. "The utility service territory or territories in which the Approved Vendor seeks to operate (ComEd, Ameren Illinois, MidAmerican, municipal utility/rural electric co-operatives)"

If an Approved Vendor expands the utility service territory it seeks to operate within, will it need to submit an amendment to this application, or can an additional election be made during its annual recertification? It's unlikely that, upon submitting an application, an Approved Vendor will fully understand all the utility territories in which it might eventually operate. We believe that allowing an Approved Vendor to designate any additional utility service territories it wishes to expand into in its annual recertification will be the least burdensome on Approved Vendors and the most accurate way for the IPA and InClima to obtain this information.

31. "During the past five (5) years, has the proposed Approved Vendor or any of its affiliates been the subject of any Better Business Bureau complaints in any jurisdiction? If yes, provide any remedial or corrective actions(s) taken and current status of the issue(s)."

Vivint Solar does not believe this question should be included in the Approved Vendor Application. The Better Business Bureau ("BBB") is not a regulatory authority or a government entity. The BBB is a private entity that sustains itself by dues paying businesses it purports to rate. Given the potential conflict of interest that exists in the BBB ratings and accreditation, and the confusing and convoluted ratings systems used, Vivint Solar believes that referring to BBB complaints in this application is inappropriate and unhelpful.

- g. "I agree to provide samples of any marketing materials or content used by our company or our subcontractors/installers and affiliates, to the Program Administrator for review and approval prior to their use. I furthermore agree to make any changes to marketing materials as instructed by the Administrator."

The scope of "samples" needs to be defined. Under the current language, it is unclear if the Program Administrator would have to approve all marketing content (i.e., website updates, blog posts, social media posts, press releases, etc.), or just marketing materials that are provided directly to the consumer. We believe this subpart should be clarified to apply only to information that is provided directly to customers, and information directly related to the customer acquisition process, and should be limited to a discrete, but representative amount of marketing materials. Finally, it will be important to understand the timeframe we can expect for the Program Administrator's review process.

- j. "I agree to complete annual reports by the report deadline, disclosing names and other information on installers and projects, and documenting that all installers and other subcontractors comply with applicable local, state, and federal laws and regulations including ICC registration as Distributed Generation Installers, providing current status of unfinished projects and credits generated and delivered by completed projects, and any other annual report requirements as determined by the Administrator."

We understand that the intention behind this requirement is to ensure that Approved Vendors reasonably oversee their subcontractors and affiliates. To that end, we recommend replacing "documenting" with "certifying." This imposes a burden on the Vendor for any noncompliance from its subcontractors and affiliates and it doesn't allow Vendors to skirt responsibility, but it does so in a less burdensome way.



m. "I will comply with all other Program rules and Administrator requests.

It's clear that the IPA and InClima can't anticipate all issues that might arise with the opening of the ABP and that some new guidelines, requirements, and rules will eventually be necessary. Vivint Solar would be supportive of language requiring compliance with forthcoming program rule changes, but we believe that a requirement to comply with any future "Administrator requests" is unreasonable. We recommend a simple qualifier - "reasonable Administrator requests" would appropriately limit the Administrator's discretion, and at minimum, encourage a conversation between Vendors and the Administrator.

### **Conclusion**

Vivint Solar appreciates the opportunity to provide comments on the Illinois ABP Approved Vendor Application and Standards, and we look forward to contributing to the Our goal is to facilitate and support the adoption of renewable energy, specifically rooftop solar, as a viable consumer option in the state of Illinois. Thank you for your consideration of our comments, and please do not hesitate to reach out with any questions.

Sincerely,

Andrew Christensen  
Director, Markets & Regulatory Affairs  
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