

January 7, 2019

Illinois Power Authority

InClime, Inc.

BY EMAIL: comments@illinoisabp.com

Re: Vivint Solar Comments on Contract Requirements

Dear Illinois Power Authority and InClime, Inc,

Thank you for the opportunity to provide written comments on the Contract Requirements posted to the Illinois Power Agency ("IPA") Adjustable Block Program ("ABP") webpage on December 31, 2018. We provide these comments on behalf of Vivint Solar Developer, LLC ("Vivint Solar"), an Approved Vendor.

As we have indicated in prior communication, Vivint Solar commends IPA, the Illinois Commerce Commission, and InClime for their thoughtfulness in the development of the ABP. We applaud the desire to spur solar development within Illinois while also taking meaningful steps to protect consumers.

Vivint Solar offers both third-party and direct ownership financing models to provide customers with the option that best meets their energy needs. Specifically, in Illinois our customers may lease or purchase solar energy systems. Our comments here will address the requirements in Section 1 (draft requirements applicable to "all business models"), and Section 2 (draft requirements "specific to Purchase Transactions") of the Contract Requirements. We currently have no comments on Sections 3 or 4. Finally, Vivint Solar is an active member of SEIA, and as such supports the comments filed today by the Joint Solar Parties (unless inconsistent with our comments, below).

Comments

1. Common Contract Requirements for all business models

"System design specifications . . . Engineering schematic or line drawing of system"

Concern: While Vivint Solar acknowledges the importance of ensuring customers understand where and how a solar energy system will be installed at their home, providing an "engineering schematic" or "line drawing," as those terms are commonly understood, may not be possible at contract-signing, and will not necessarily help the consumer make an informed decision.

Vivint Solar provides a custom site plan to each customer which discloses material information about the design and the system equipment, including an image of where each array of solar panels will be installed on the customer's home. The site plan also identifies where on the roof an array would not fit, which roof sections are not included in the design due to a customer's preference, the sun hours that each array is expected to receive, the size of each array, and whether panels' performance will be normal or diminished. Finally, the site plan also includes written information about the system, including the system size, first year estimated production (both in the aggregate and by month), estimated offset of the customer's energy usage, and the make and model of the inverter and modules. We believe this information is sufficient for a customer to make an informed decision, and that the additional information included in an "engineering schematic" or "line drawing" would not help, and could confuse, a customer.



Recommendation: We recommend that either the phrase "engineering schematic" or the phrase "line drawing of system" be replaced with "site plan" or an equivalent phrase indicating that disclosure of material, but less detailed, information, will comply with the Contract Requirements.

"When mechanic's lien waiver(s) will be provided"

Concern: Vivint Solar does not typically use the services of subcontractors to install solar energy systems, and consequently may have no obligation to provide a mechanic's lien waiver. Including a statement to this effect under those circumstances could confuse customers. Moreover, as the Disclosure Form acknowledges, the system installer may not be known at the time the customer completes the Form and the customer contract. Finally, existing Illinois law includes provisions about whether, when and how information associated with the work of subcontractors must be provided to consumers. This draft requirement may be inconsistent with that law, and could cause confusion.

Recommendation: We primarily recommend that IPA/InClime eliminate this requirement and take comfort in the protections afforded by existing Illinois law. If IPA/InClime decides not to eliminate this requirement, then we secondarily recommend that the following phrase be added to the beginning: "If subcontractors will be used to install the solar energy system, then the installer must inform the customer when"

"Name of ICC-certified DG installer entity that will perform work"

Concern: As the Disclosure Form acknowledges, the system installer may not be known at the time the customer completes the form and the customer contract. Under these circumstances, the solar company is allowed to "enter the contact information for 3 potential installers." The draft requirement could be viewed as inconsistent with the Form.

Recommendation: We primarily recommend that IPA/InClime eliminate this requirement given that the issue is addressed by the Disclosure Form. If IPA/InClime decides not to eliminate this requirement, then we recommend that the following phrase be added to the end: "(if known - see [System Purchase] [Power Purchase Agreement] [Lease] Form for more information)."

2. Contract Requirements specific to Purchase Transactions

"Owner's rights and obligations upon selling the property"

Concern: It is not entirely clear what this requirement is intended to achieve. In a system purchase context, a solar energy system owner's rights and obligations with respect to the system itself are governed by general property law, and are relatively intuitive. In short, the owner has the right to sell her home, along with the system that she purchased that is installed on her home. If this requirement is instead intended to address rights and obligations associated with the ABP, then there may be no useful information to include given that the Approved Vendor is the counterparty to the REC contract, and not the homeowner-customer.

Recommendation: We primarily recommend that IPA/InClime eliminate this requirement given that the issue is addressed by other law, and in any event is intuitive and straightforward. If IPA/InClime decides not to eliminate this requirement, then we recommend that additional language be included to clarify the nature and scope of the rights and obligations about which the requirement is concerned.



We appreciate the opportunity to provide comments on the Contract Requirements. Should you have any questions, please do not hesitate to reach out to me directly.

Sincerely,

Steven Burt

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