COALITION FOR COMMUNITY SOLAR ACCESS

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CCSA Comments on IPA Customer Disclosure Request for Feedback

The Coalition for Community Solar Access (CCSA) greatly appreciates the IPA's request for feedback and its continued commitment to improving the functionality of the Adjustable Block Program. CCSA provides the following high-level comments that are reflective of our members' concerns but we expect our members to individually weigh in with more detailed comments.

> *1) Currently, an Approved Vendor must offer a disclosure form to a customer identifying the specific project connected to the subscription. The IPA is considering allowing for the inclusion of a schedule of potential projects on the disclosure form to allow for downstream assignment of a customer to an individual project.*
>
> *a. Should a schedule of projects be allowed in lieu of a specific project? If not, why?*

CCSA agrees with the IPA's assessment that, in general, the value proposition of community solar is driving subscriptions rather than a customer's connection with a specific project. Under Illinois law, a customer enrolls in a subscription with a particular project (as opposed to being simply allocated credits). However, that does not necessarily mean the customer has a deep connection to the project they happened to be initially offered. While we find that customers often do like the concept of supporting a specific in-state community-scale renewable energy project, a customer that is enrolling in community solar for savings and a general desire to support renewables will be largely indifferent to the specific project identity. A customer working with a developer with multiple projects will likely be initially assigned a project based on an algorithm or calculation intended to subscribe projects rather than matching a specific site preference.

If an unexpected delay occurs in the construction or utility interconnection of the project to which a customer is originally subscribed, then it is advantageous to assign that customer to an alternative project with an earlier energization date with the least imposition on the customer possible. If that customer can be transferred by the Approved Vendor or its designee to an alternative project that can provide the exact same benefits (including pricing terms, savings guarantees (if any), and fee structures) and contract terms, written notice to the customer is sufficient. This change would be to the customer's benefit and should be a seamless process for

the customer—they will receive their anticipated benefits earlier without additional effort on the customer's behalf.

CCSA also proposes a related adjustment to the disclosure form, but serving a more customer-specific purpose – instead of including a schedule of potential projects on the disclosure form, it should include a schedule of ***multiple utility account numbers*** that may be owned by the same customer or affiliated customers under common control. In other words, the customer should only need to review one disclosure form for each solar project to which they are subscribing if the terms and conditions are identical, even if they enroll more than one account to the project. For example: the owner of five convenience stores wishes to obtain a subscription at each location from the same (or affiliated) Approved Vendors on the same terms—a more customer-friendly approach would be to allow a single disclosure form with multiple accounts that provide straightforward confirmation that the core terms of each subscription are identical. If the current requirement to exclusively create disclosures through the InClime portal remains the same, changes to the InClime portal and corresponding API would need to be made.

b. If a schedule of possible projects were to be permitted, what requirements should be put into place to ensure that the customer is notified of the specific project eventually associated with the subscription?

A schedule of projects would be an improvement over the current approach of creating a new disclosure form. However, a better approach to allowing a schedule of projects would be an option on the disclosure form for the customer to be assigned to a project at a later date if the terms and conditions of the subscription are identical (including pricing terms, savings guarantees (if any), and fee structures). The customer should be notified of their final project assignment in writing by the AV, but the customer should not need to re-sign the disclosure form. This change would entail allowing "TBD" to be listed in the project field, as is allowed in most other states.

If, instead of CCSA's preferred approach, a schedule of possible projects is integrated into the form, customers should receive a schedule of possible projects (with an explanation of why multiple projects are listed). Once a project is selected for the customer, they should be notified at least 5 days before the customer's subscription is set to commence with the utility.

c. Should a new disclosure form be required if that subscriber was moved between projects? What other procedural requirements should apply if a customer's subscription is reassigned between projects?

No. New disclosure forms should only be required if there are changes to the pricing terms, savings guarantees (if any), or fee structures included in the original disclosure form presented to

the customer. Merely changing projects with all other terms and conditions being equal should not require the execution of a new disclosure form.

d. What other concerns should the IPA be aware of in this vein?

The less that can be added to the disclosure form, the better. The length is already a barrier to customer sign-up. As CCSA has noted previously, a succinct, targeted disclosure form improves the customer experience and ensures that they understand the most important aspects and financial terms of their contract.

2) Currently, a disclosure form must identify the specific Approved Vendor connected to the subscription. It appears, however, that many Approved Vendors may instead be relying on third-party customer acquisition firms. The IPA is thus considering allowing for the inclusion of a schedule of potential Approved Vendors on the disclosure form to allow for downstream assignment of a customer to an individual Approved Vendor.

a. Should a schedule of Approved Vendors be allowed in lieu of requiring a specific Approved Vendor? If not, why?

A schedule of possible Approved Vendors should be permitted, so long as the terms and conditions of the subscription being offered are identical (including pricing terms, savings guarantees (if any), and fee structures). In many cases, a parent company may own multiple projects in a portfolio, in those cases Approved Vendors are not always created at the parent company level, but rather the project level. In addition, to the extent that community solar facilities are owned by a financing vehicle, individual systems may be owned by SPEs/project companies and there may be several Approved Vendors. As a result, allowing a schedule of Approved Vendors may reduce customer confusion if a customer is assigned from one project to another under the conditions described by CCSA's response above, and will provide greater flexibility to ensure customers can be placed onto the earliest projects available.

b. If a schedule of possible Approved Vendors were to be permitted, what requirements should be put into place to ensure that the customer is notified of the specific Approved Vendor eventually associated with the subscription?

As noted above, the customer should be notified in writing of any changes or updates in project assignment at least 5 days before customer's subscription is set to commence with the utility.

c. Should a new disclosure form be required if that subscriber was moved between Approved Vendors? What other procedural requirements should apply if a customer's subscription is reassigned between Approved Vendors?

A new disclosure form should be *not* be required if the customer is moved to another project (which could be listed as an Approved Vendor itself) if, and only if, the terms and conditions of the subscription (including pricing, terms, and savings guarantees (if any) remain the same. Customers should be required to re-execute the disclosure form when a material change to their contract terms is involved, and otherwise when there are payment implications forthcoming.

d. What other concerns should the IPA be aware of in this vein?

3) Currently, a disclosure form must be executed by the individual customer, whether though a wet signature or an electronic signature. While the IPA is extremely reluctant to allow disclosure form execution through an authorized agent, the agency would appreciate feedback on the degree to which this requirement presents a challenge or barrier in customer acquisition. Additionally, should the IPA introduce new requirements regarding e-signatures? If so, what requirements would be appropriate? What other means, besides a customer-executed form, may be effective for confirming that a customer received, reviewed, and understood the disclosure form?

It is critical that customers fully understand all the terms and conditions outlined in their disclosure form and contract, and CCSA believes a wet signature / electronic signature is an appropriate tool for ensuring that customer understanding. It is important to continue to allow e-signatures, particularly in light of COVID-19, and to allow the Approved Vendor to use an e-signature platform that is scalable and integrated into the provider's existing sales process, as long as it is already legally compliant. The electronic process allows greater participation in community solar in an increasingly digital age.

CCSA does note that for commercial customers, the identity of the "customer" must necessarily have more flexibility because the "customer" is not a natural person that can be identified. Still, an authorized representative of the customer *other than the Approved Vendor* (unless the Approved Vendor itself is the customer) should sign on behalf of the customer.

4) As customer acquisition has now commenced, is there any feedback or process improvements that could be made with respect to the streamlining of how the customer disclosure form is generated, or with the ABP portal and how Approved Vendors interact with it? What would those be and what impacts would they have to the business and the customer?

CCSA understands and respects the IPA's position that the disclosure statement is the cornerstone of the IPA's vision for consumer protection. However, requiring that the disclosure form to be generated through a portal—which CCSA understands has had challenges with stability and bugs—is not necessary to keep the prominence of disclosure statements. In addition to technical challenges, generating disclosure forms through the ABP portal limits the ability for the provider

and for the customer to make customer-specific alterations as may be necessary when the provider and customer are reviewing the document together. For example, if the customer is a business and wishes to list their business name differently (e.g. with a D.B.A.) or to list a different phone number or email than how it was originally listed when the provider generated the form via the portal, they may need to make that change on the spot. The provider should be able to make these minor edits to the disclosure form, per the customer's request, without having to return to the portal. This means that, at minimum, the disclosure form generated by the portal should allow some editable fields, but a better option is for the Approved Vendor to generate and upload a completed disclosure form after it is signed.

Even if these issues are not addressed, there is significant room for improvement in how the disclosure form is presented. For example, the disclosure form includes several sections that are left blank because they only apply to one pricing structure (for instance, fixed lease payments or fixed-rate PPA payments) if they are not pertinent to the provider's subscription model. Instead of confusing customers with blank line items, these entire sections should be removed when the relevant sections are not applicable. For example, several sections include the phrase "If your subscription is structured as [X, Y, or Z]..." If the provider indicates in the portal that their subscription model is not structured as [X or Y], then the portal should eliminate the following blanks pertinent only to X and Y and skip to showing only the outputs pertinent to structure Z.

5) As customer acquisition has now commenced, is there any information not currently included on the customer disclosure form which should be included on the form? If so, what information should now be included?

CCSA proposes including the customer's utility account number(s) on the disclosure form. This will help properly identify the customer and will ensure the appropriate information is collected during the sales process that is also ultimately needed for the provider and the utility company to manage the subscription.

6) As customer acquisition has now commenced, is there any information currently included on the customer disclosure form which is creating confusion for customers? If so, what information, and how can that information be more effectively presented to the customer?

The Project Specifications and Subscription Specifications sections currently include 3 separate dates – the start date of construction, the expected date of project energization, and the estimated month when you will start receiving bill credits. Customers are often confused by seeing all 3 dates, and we recommend listing only the estimated project energization date, following by a note that "you will begin receiving bill credits shortly after the energization date, in accordance with utility timelines."

The NPV calculations under Net Cash Flow Estimates are blatantly misleading to the customer since they are labeled "NPV of Electricity ***Savings*** Over 15 Years." A far more accurate term would be "Modeled NPV of Net Metering Credits." This change is needed for several reasons, including: (1) the "savings" are actually net metering credit values (2) Ameren net metering credits for community solar do not have independent cash value (and thus the value depends on the ability to have consumption to credit against), and (3) the models assume compounding increases in net metering credit rates, which does not accurately describe historic values. Furthermore, net metering credit values could in fact differ greatly between suppliers and between rates (for instance, ComEd Rate BES customers' net metering credits currently reflect the value of capacity, but ComEd Rate RRTP customers' net metering credits reflect hourly LMPs only), so using a single set of assumptions for all customers is misleading. The IPA should remove these figures from the disclosure form because they serve only to confuse and mislead the customer rather than to inform the customer.

7) Are there any adjustments – temporary or permanent – which the IPA should consider making to its Marketing Guidelines and disclosure form in light of the ongoing COVID- 19 global health pandemic?

None at this time

8) Are there any other adjustments which you believe the IPA should make to its community solar disclosure form and related Marketing Guidelines? If so, why? Please present a detailed explanation as part of your answer and alternative language where appropriate.

Since community solar providers are required to provide the Illinois Shines brochure as well as their own contract to the customer, the 7-page disclosure form is largely redundant and creates a barrier to participation, especially in light of the fact that the disclosure form contains an acknowledgement of receipt of the brochure. This creates confusion. The brochure contents that are included/repeated in the disclosure should be removed and the disclosure should focus on the project-specific information that will be in the customer's contract.

In just a few sentences, the disclosure form could remind the customer that they are receiving bill credits from the electricity instead of receiving RECs, and then outline the subscription model made available to them by the provider. We encourage the IPA to review the shorter disclosure forms being used in other states and use a similar format that better outlines the program in a way that is concise and easy for the customer to read and understand.

We also recommend that the IPA make disclosure forms consistent across the Adjustable Block Program and the Illinois Solar for All program.

Please don’t hesitate to contact us if you have any questions and thank you for your consideration of this feedback.

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