



April 28, 2020

Illinois Power Agency
105 West Madison Street, Suite 1401
Chicago, IL 60602

To Whom It May Concern:

Clearway Energy Group LLC (“CEG”), is one of the largest owners of community solar projects in the country, with over 20,000 residential and non-residential subscribers including Fortune 100 companies, municipalities, school districts and community organizations. We have deep experience marketing community solar subscriptions in markets, such as Colorado, Massachusetts, Minnesota and New York, and appreciate the opportunity to help Illinois achieve its long-term renewable energy goals.

The following are responses to the Illinois Power Agency’s (“IPA”) request for comments and feedback on the Marketing Guidelines and Disclosure Form for community solar projects in the Adjustable Block Program (“ABP”), as well as suggested amended language to the Marketing Guidelines. The suggested changes to the disclosure form and Marketing Guidelines are intended to improve the customer experience with the subscription process while also maintaining standard consumer protections necessary for a robust community solar program.

I. COMMUNITY SOLAR DISCLOSURE FORM FEEDBACK

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?

Yes, a schedule of projects should be allowed, and alternatively, the Approved Vendor should be able to list “TBD” in the project field on the disclosure form, and to provide the specific project information to the customer at a later date. This practice has been demonstrated to be effective in other states with more mature community solar markets. Massachusetts, Minnesota, and New York require disclosure forms, but the project name is not required at the time of customer sign-up. Instead, “TBD” or something similar can be used until the customer is assigned to a specific project, at which time the community solar provider would use existing communication channels to inform the customer of their assigned project with time estimates on when the project will begin producing energy and the start of bill credits. There are no requirements to have customers re-execute disclosure forms when the project is assigned in those markets. This process is successful because the customer sign-up is complete when the customer agreement and disclosure form are executed, without the need for either party to re-execute the disclosure form when the specific project is assigned. Customers understand through our marketing



communications that we will do everything we can to assign them to the next available project that works for their subscription.

Our experience shows that customers are attracted to community solar for energy cost savings and to support local renewable energy. While many customers appreciate the connection to a specific, tangible, in-state community solar project, our experience is that the exact project which they participate is not important in their decision to subscribe.

Instead, at the point-of-sale, Approved Vendors can share basic information about the types of projects in their portfolio without disclosing a specific project name or a list of projects on the disclosure form, and then at energization, Approved Vendors can communicate the details of the project through e-mail or mailed communications without any changes to the disclosure form. What is most important to the customer is that they are ultimately assigned to a project which will generate net metering credits and help them achieve their savings and sustainability goals.

Informing customers of a list of potential projects may be confusing and unnecessary for the customer at the time of enrollment. Having a list of projects with subsequent communications “switching” their project may appear unorganized and confusing which may result in customers cancelling their subscriptions to no fault of the Approved Vendor. It is our view that informing customers of the project in writing one-time results in the best customer experience, and that is our practice in all other markets.

Additionally, any preliminary assignments whether to one project or multiple projects, could create challenges down the road if the ABP portal (“Portal) requires an update when the *actual* project is selected. In order to avoid unnecessary changes and duplicative records in the Portal due to new or revised disclosure forms, it is our recommendation that no project be selected at the time of enrollment unless the customer is expected to receive credits immediately.

Should the IPA decide that “TBD” for the project name is not allowed, then a schedule of potential projects would be the preferred method of communicating potential projects to the customer, but without the need to have customers re-execute the disclosure form when the specific project is assigned.

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?

The preferred course of action is assigning the customer’s specific project prior to energization, but without the need for the customer to execute a new disclosure form.

If the disclosure form must be re-executed by the customer when the specific project is determined, then we may (a) cause customer confusion that original contract terms have not been honored and (b) experience a subscription shortfall at the point of energization if customers do not re-execute the disclosure form and customer agreement. For the ABP Program to be successful, it must promote a



consumer-friendly enrollment process with consumer protections in place, which can be accomplished without requiring a project assignment at the time of enrollment in the disclosure form.

Approved Vendors already have communication channels in place which update the customer on the project's progress, including project assignment, projected energization date when available, FAQs on their account, timing for the receipt of bill credits, and billing information from the Approved Vendor. Utilizing the existing Approved Vendor communication channels to communicate the specific project assignment creates the best customer experience.

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, since a change in project is a non-material change and was not the basis of the customer's enrollment, a written communication from the Approved Vendor delivered to the customer via email or mail is sufficient when assigning customers to their specific project.

Although we believe that the execution of a new disclosure form is not needed for project changes, we would like to reiterate that we believe changes to *any* other terms in the disclosure form should require the execution of a new disclosure form.

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

No additional comments.

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?

N/A – At this time Clearway intends to keep its customer acquisition activities in-house and authorized to subscribe its customers, so these questions do not apply to us.

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?

N/A



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?

N/A

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

N/A

3) Currently, a disclosure form must be executed by the individual customer, whether through 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?

The current process of requiring a wet or an electronic signature is appropriate to ensure customers receive, review, and understand the disclosure form prior to enrollment. It is important that the disclosure form accompany the customer agreement which must be executed by the customer. An important purpose of the disclosure form is to have a uniform communication of program terms to all customers. Allowing an authorized agent to execute the disclosure form would negate the integral role of the disclosure form.

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?

a) We believe an improvement to consider is allowing the disclosure form to be generated and signed electronically within the Approved Vendor's electronic signature platform rather than the current process which requires a multi-part process – (i) generate the customer agreement using the Approved Vendor's system and separately generate the disclosure form using the Portal, (ii) customer executes the customer agreement using the Approved Vendor's electronic signature platform and is advised that the disclosure form will be delivered in a separate email from the Portal, and (iii) customer locates the email with the disclosure form and executes it.

In all other state markets, the community solar provider generates the disclosure form in its Customer Relationship Management ("CRM") platform rather than generating the disclosure form in the Portal. The customer agreement and disclosure form are signed together within the same package. Customers review the entire package comparing the terms in the customer agreement and disclosure form to confirm consistent terms between the two documents. And most importantly, when customers sign the package,



they have completed their enrollment with the community solar provider. Community solar providers appreciate this sign-up process because it facilitates a streamlined enrollment well-received by our customers.

Creating the disclosure form with the customer agreement on the Approved Vendor's own CRM platform rather than through the Portal would improve the point-of-sale process and overall customer experience considerably. Asking customers to wait and look for a separate email from the Portal with the disclosure form after the customer already executed the customer agreement disjoins the sign-up for the customer. Often times, customers cannot find the disclosure form, get frustrated with the lengthy process, or simply forget to sign the form. Because the Portal does not provide API feedback to the Approved Vendor whether a customer has signed the disclosure form or not, the only way to find out if a customer signed the disclosure form is to manually log into the Portal and look at the customer's account at which point it is likely days or weeks after the point-of-sale and could be hard to get the customer to execute another agreement without causing confusion or concern. Allowing Approved Vendors to generate and execute the existing disclosure form on their own CRM can assuage these concerns while still allowing the IPA and the Program Administrator to have access and oversight of the completed and uploaded forms. Approved Vendors can be required to follow strict guidelines on how to populate the form and ensure its accuracy.

b) API capabilities are limited because no automatic status updates are provided to the Approved Vendor when the customer executes the disclosure form. Currently, an Approved Vendor must manually retrieve the status for each customer in a time-consuming tracking process. Adding automated messaging and/or reporting functionality on the status of customers executing the disclosure forms would greatly improve enrollment completion, but this IT change would not be necessary if Approved Vendors were allowed to generate and execute the disclosure forms within the CRM, as in other community solar markets. Approved Vendors will have more productive outreach to customers who have not signed the disclosure form when provided the ability to connect the disclosure form information to our CRM platform.

c) The structure of the Portal currently requires an assigned project when generating the disclosure form. If the IPA continues to require Approved Vendors to generate the disclosure form through the Portal in this manner, then the Portal will need to be redesigned such that selection of a specific project is disconnected from the ability to generate the disclosure form. Approved Vendors typically begin customer acquisitions a year or more before expected project energization which pose challenges in selecting a specific project at point-of-sale when the project timeline could change.

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?

No additional information is needed on the disclosure form.



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 net present value formula¹ is causing confusion for customers because (i) all of the assumptions must be explained and (ii) the assumptions are markedly different than the community solar product being offered. The formula uses 15 years when some community solar agreements are for 20 years. Additionally, the formula uses a 5.5% discount, but the community solar product offered likely has a different discount rate. Lastly, for community solar products that offer indexed pricing, the “Your Purchase Price” populates as \$0 which is misleading when the customer will pay for their community solar subscription. Because the net present value is not customized to the community solar product, we recommend deleting it from the disclosure form.

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 COVID19 global health pandemic?

We ask that the IPA consider temporarily or permanently removing all estimated dates² related to project timelines from the disclosure form. The project timelines have been negatively affected by COVID19 with no certainty on when the nation will resume regular operations without stay-at-home orders or other restrictions on commerce.

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.

a) Timing for Delivering the Disclosure Form. Facilitating a streamlined enrollment with the contract and disclosure form delivered and reviewed together is preferred for community solar enrollment. For many customers, the signup process is done in one transaction with the sales pitch focused on the terms of the disclosure form and the contract together. In fact, the disclosure form is an attachment to Clearway’s customer agreement. Allowing the disclosure form and the contract to be delivered together will clarify

¹ The formula used for determining Cashflow estimate savings computes a net present value of all payments made under the PPA and compares that value to a net present value of the electricity your system would produce using a starting price based on the expected Block and an escalation rate of .5%, 1.7%, and 2.5% based on U.S. Energy Information Administration average retail price costs for Illinois. A discount rate of 5.5% is used in all cases and the calculation is made over the 15-year term of the Illinois Shines contract. The production figures are based on the first-year production with a .5% annual degradation factor.

² “The approximate start date of project construction will be _____”; “If not, the expected date of project energization is _____”; “If the community solar project is not completed or energized by _____, you will receive a _____ refund of the sum of your community solar payments to date from your community solar provider.”; and “The estimated month when you will start receiving bill credits through your community solar subscription is _____”.



the timing of delivery for the disclosure form. Guidelines for Marketing Behavior Section 7(c) proposed edit:

A completed Standard Disclosure Form must be delivered to the customer ~~before~~ and signed at the time the contract is signed. A representative of the Approved Vendor shall review the Standard Disclosure Form with the customer before the customer signs it and provide the customer with an opportunity to ask questions about the Standard Disclosure Form. An electronic signature is permitted. The Standard Disclosure Form will include an embedded link to the Illinois Shines Community Solar Informational Brochure.

b) Delivery of the Brochure. The current Portal-generated disclosure form utilizes a hyperlink to the brochure. Allowing Approved Vendors to use hyperlinks should be allowed as well. Guidelines for Marketing Behavior Section 7(d) proposed edit:

The Illinois Shines Community Solar Informational Brochure and Standard Disclosure Form may be delivered to the customer electronically as either an attachment or a hyperlink, ~~but these two documents must be delivered to the customer as an attachment, or otherwise fully displayed for the customer's review, and not merely hyperlinked for access.~~

c) Online Marketing. A standard process in all markets provides additional information to the potential customer after the web inquiry is completed by the potential customer. Adding the brochure as an attachment or fully displayed would disrupt the web inquiry process for the customer. Pop-ups are often times used to fully display a document, but that might give the brochure the appearance of an annoying pop-up to the customer after the customer selects their zip code or electric service utility. Instead, the current process sufficiently conveys the message in the brochure. Guidelines for Marketing Behavior Section 11(a) proposed edit:

Each Approved Vendor offering community solar subscriptions to customers online shall clearly and conspicuously make available the ABP Informational Brochure, ~~prior to collecting any personal information other than a zip code or electric service territory~~. The Approved Vendor's marketing material shall not make any statements that it is a representative of, endorsed by, or acting on behalf of a utility or a utility program, a consumer group or a program run by a consumer group, a governmental body or a program run by a governmental body (unless the Approved Vendor is a governmental body or consumer group). If the Approved Vendor would like to inform potential customers of an endorsement by a governmental body or consumer group, the Approved Vendor can only do so after having requested and received permission from the IPA to do so, with such permission granted at the IPA's sole discretion.

d) Expected Energization Date. Clearway believes that the expected energization date is useful to customers. However, Approved Vendors already have communication channels in place which inform customers when the project is near completion when energization is expected. Due to a variety of circumstances which affect a project's energization, providing one or more standard calendar quarters is a more reliable timeframe for energization. Guidelines for Marketing Materials Section 2(c)(viii)(3) proposed edit:



Where possible, Approved Vendors marketing subscriptions to projects not yet energized should 1) clearly disclose the expected energization ~~date~~ timing using one or more standard calendar quarters and 2) disclose that net metering credits will not be received by the subscriber before the time the project is energized, as that date may be later than the date expected by the subscriber. The Approved Vendor must also clearly communicate any subscription-related charges that may be assessed prior to energization of the project.

e) Timing for Review of Marketing Materials. In the event the IPA requests to review all marketing materials created by the Approved Vendor, it would be helpful to know when to expect feedback on the review of the materials. Guidelines for Marketing Materials Section 6(b):

a. The IPA may request to review all marketing materials created by Approved Vendors and their Designees, Associates, and subcontractors that are relevant to the Illinois Adjustable Block Program and Illinois Shines. The determination of whether to request materials rests with the IPA and must be followed by an Approved Vendor.

b. Upon review of marketing materials within ten (10) business days, the IPA may request that these materials be altered to ensure that the content of the materials are not deceptive, confusing, or misleading, and to further ensure that they do not feature misrepresentations about the relationship between the IPA, the Adjustable Block Program, Illinois Shines, and the Approved Vendor. The determination of whether to require changes rests with the IPA and must be followed by an Approved Vendor.

II. REQUEST FOR STAKEHOLDER FEEDBACK - MARKETING GUIDELINES

5. Are there any other revisions to its Marketing Guidelines that the IPA should consider?

In summary, it is our recommendation for the IPA to consider best practices from established markets to pave the way for another successful community solar model which allows the community solar provider to (i) generate the disclosure form outside of the Portal using existing Approved Vendor's CRM platforms, (ii) electronically execute the disclosure form and the customer agreement together using existing electronic signature platforms already in place for executing customer agreements,³ (iii) use "TBD" for the project name or a schedule of potential projects unless the community solar provider is able to assign the *actual* project at the time of sign-up, (iv) use the executed disclosure form and customer agreement as a complete community solar enrollment without the need for re-execution when the *actual* project is assigned, and (v) allow the community solar provider to communicate the *actual* project assignment using existing communication channels rather than requiring customers to execute a revised disclosure form when the *actual* project is assigned.

³ Technically, this would only require the Program Administrator to authorize use of the disclosure form template which Approved Vendors can re-create in their own CRM platforms, and would not require a specific API.

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Clearway appreciates the IPA posing these questions and seeking stakeholder feedback to increase program efficiency and ensure consumer protection.

Sincerely,
Clearway Energy Group LLC