Program Guidebook

ADJUSTABLE BLOCK PROGRAM

ILLINOIS SHINES
Supporting Solar Development in Illinois

IPA ILLINOIS POWER AGENCY
Adjustable Block Program

Draft for Stakeholder Comment

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Adjustable Block Program Guidebook – Draft for Stakeholder Comment

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Introduction

The Adjustable Block Program is a state-administered solar incentive program created to facilitate the development of new photovoltaic distributed generation and community solar projects through the issuance of renewable energy credit delivery contracts, as required by Illinois law. The Adjustable Block Program Guidebook is a document created by the Adjustable Block Program Administrator to provide existing and prospective program participants with necessary guidance about application requirements, participation requirements, program processes, and other aspects of the Adjustable Block Program. The Program Guidebook works in conjunction with the Illinois Power Agency's Revised Long-Term Renewable Resources Procurement Plan to outline program requirements for Approved Vendors and their subcontractors.

The Program Guidebook is reviewed and updated on periodic basis by the Adjustable Block Program Administrator, InClime, Inc., in consultation with the Illinois Power Agency ("IPA" or "Agency"). Any omission of content from a prior version of this Guidebook through an update may not necessarily constitute the omission of a requirement, as some edits are made for cosmetic or synthesizing purposes and not to reflect the removal of a requirement. More information on the update process of this document can be found in Section 9: Guidebook Update Process.

The Agency and Program Administrator will update the Guidebook periodically as necessary to reflect changes in law and/or orders of the Illinois Commerce Commission ("Commission") which impact the Adjustable Block Program ("ABP" or "Program"), or the development of other requirements through separate comment and requirement publishing processes. In the event that subsequent changes in law, Commission orders, or the development of other program materials conflict with this Guidebook, those statutes and orders shall supersede the relevant portions of this Guidebook until such time as revisions may be completed.

Section 1: Adjustable Block Program Description

A complete description of the ~~Adjustable Block~~ Program ~~("ABP" or "Program")~~ can be found in the ~~Illinois Power~~ Agency's ~~("Agency")~~Revised Long-Term Renewable Resources Procurement Plan ("Plan" or "Revised Plan"; http://illinoisabp.com/wp-content/uploads/2020/04/Revised-LTRRPP-updated-from-ICC-Order-20-April-2020.pdf~~).~~), which was approved by the Illinois Commerce Commission in Docket No. 19-0995 on February 18, 2020, and published by the IPA on April 18, 2020. This Section of this Guidebook contains a summary of the Program designed for quick reference; subsequent sections elaborate on various aspects of the Program, including further guidelines not found in the Plan. A Glossary in Section ~~8~~10 of this Guidebook provides a description of key terms used throughout.

The ABP provides incentives for the development of new photovoltaic distributed generation ("DG") and community solar projects located in Illinois. These incentives are provided through payments made for the Renewable Energy Credits ("RECs") generated by participating projects over their first 15 years of operation. These payments are made through contracts between Illinois electric utilities and Approved Vendors (as described below).

~~This Guidebook describes the structure of the Program through the end of 2019. In the summer of 2019, the Illinois Power Agency will be updating, as needed, the Long-Term Renewable Resources Procurement Plan (subject to approval by the Illinois Commerce Commission in the latter months of 2019 or early 2020), with any changes taking effect upon Commission approval, and issues addressed within this Guidebook may be subject to change based on changes made to the Plan.~~

The ABP is administered pursuant to Section 1-75(c) of the IPA Act (20 ILCS 3855~~), as updated by Public Act 99-0906 (colloquially known as the Future Energy Jobs Act).~~). The Illinois Power Agency is the state agency responsible for the Program's general management and implementation. Day to day administration of the program is the responsibility of the Agency's third-party Adjustable Block Program Administrator, InClime, Inc.

In addition to the approval of the Agency's Plan and the approval of REC delivery contracts, many other aspects of photovoltaic development and installation in Illinois are under the jurisdiction of the Illinois Commerce Commission. These include the certification of distributed generation installers, interconnection standards, net metering tariffs, and tariffs allowing for a smart inverter rebate for non-residential PV systems.

A. Block Structure

The core of the Adjustable Block Program is the concept of a "block." A block constitutes a pre-established amount of program capacity available for a certain project type at a transparent, administratively set REC price or prices, with prices differing slightly depending on project attributes. Blocks are intended to create a progression from one price level to another based on the response of the market. A strong response from the market will result in a rapid progression to a lower price level, for example, while a weak response could elicit an increase in incentives if necessary, to facilitate market growth.

The initial ~~goal~~target for the Adjustable Block program is for participating systems to be delivering 1,000,000 RECs annually by the end of the 2020-2021 delivery year (i.e., May 31, 2021). ~~Based on~~Applying a standard capacity factor, this ~~entails~~delivery requirement requires approximately 666 MW of new photovoltaic generation. To achieve that goal, the Program's block structure was originally designed such that entirely filling three blocks per project category (see below for a description of the three categories) with new photovoltaic projects should result in meeting the program goal of 1 million RECs per year by the end of 2020-2021. ~~However, under the~~The Commission's April 3, 2018 Order approving the Initial Long-Term Renewable Resources Procurement Plan~~,~~ required the Agency ~~was required~~ to initially withhold 25% of program capacity (taken entirely from Block 3) for discretionary allocation; consequently, a fourth block from one or multiple program categories ~~is~~was required to meet this goal. The Agency announced its allocation of that 25% discretionary capacity on April 3, 2019 ~~(see Section 1, B for~~[1] and it is listed in the ~~allocation).~~table below.

~~In future years, if demand in any given category is stronger than anticipated (and, significantly, if funding is available through the utilities' RPS rider collections), additional blocks could be opened to accommodate that demand. (Likewise, if demand is lower in a category, a block may remain open longer than initially planned.) The block size, structure, and prices will be reviewed and updated as needed as part of the Plan update process occurring in 2019 (to take effect in calendar year 2020), and the Agency tentatively plans to allocate only capacity sufficient to meet the 1,000,000 REC requirement prior to updating its Plan.~~

Block Group	Block Category	Block 1	Block 2	Block 3[2]	Block 4
Group A (Ameren Illinois, MidAmerican, Mt. Carmel, Rural Electric Cooperatives and Municipal Utilities located in MISO)	Small DG	22	22	5.5	-
	Large DG	22	22	5.5	91.5
	Community Solar	22	22	5.5	12
Group B (ComEd, and Rural Electric Cooperatives and Municipal Utilities located in PJM)	Small DG	52	52	13	-
	Large DG	52	52	13	33
	Community Solar	52	52	13	30
Total		222	222	55.5	166.5

(Shaded Blocks have closed as of August 6, 2020)

Blocks are allocated into two groups by service territory/geographic category:

- Group A: for projects located in the service territories of Ameren Illinois, MidAmerican, Mt. Carmel Public Utility, and rural electric cooperatives and municipal utilities located in MISO.
- Group B: for projects located in the service territories of ComEd, and rural electric cooperatives and municipal utilities located in PJM.

[1] The Agency's discretionary capacity allocation decision can be found here: https://illinoisabp.com/wp-content/uploads/2019/04/Discretionary-Capacity-Rationale-4.3.19.pdf.

[2] As discussed above, Block 3 volumes have been decreased for consistency with the Commission's Order in Docket No. 17-0838 requiring that the 25% of discretionary capacity be held in reserve. See Docket No. 17-0838, Final Order dated April 3, 2018 at 60.

~~Based on load forecasts, 30% of Program capacity was initially allocated to Group A and 70% of Program capacity was allocated to Group B.~~

~~Within each Group, the blocks are divided by the following Categories:~~

- ~~25% of program capacity for DG PV systems up to 10 kW (Small systems)~~
- ~~25% for DG PV systems greater than 10 kW and up to 2,000 kW (Large systems)~~
- ~~25% for photovoltaic community renewable generation projects (Community Solar)~~

~~As discussed above, the remaining 25% was left to the Agency's discretion and held in reserve. The Agency allocated this capacity on April 3, 2019. In making the allocation, the Agency assessed the available Renewable Resources Budget (accounting for commitments made from the competitive Forward Procurements for RECs from utility-scale wind, utility-scale solar, and brownfield site solar, and the funding limitations created by the end of the RPS budget roll-over period that concludes with the 2020-2021 delivery year), demand in the various Groups/categories, any unexpected barriers to participation, or other factors related to creating a robust and diverse portfolio of projects. That allocation is provided below in Section 1, B.~~

Consistent with Section 1-10 of the IPA Act, all system sizes in the Adjustable Block Program are measured in maximum continuous AC as measured at the inverter.

~~B. Transition Between Blocks~~

~~Due to high initial demand for the ABP, lotteries were held on April 10, 2019 for community solar in Group A and Group B and for large DG categories in Group A. For these categories, the lottery procedures described further below took precedence over the transition process described in the following paragraphs.~~

As described in Sections 3.22 and 6.3 of the Revised Long-Term Plan,[3] absent additional funding being identified to support the Adjustable Block Program (presumably through legislative changes to the Illinois RPS), **no additional blocks other than those identified above are planned to open in the coming years.** As of the publishing of this updated Program Guidebook, the only remaining blocks with the

[3] The Final version of the Revised Long-Term Plan can be found here: http://illinoisabp.com/wp-content/uploads/2020/04/Revised-LTRRPP-updated-from-ICC-Order-20-April-2020.pdf.

capacity for new applications are Group A and Group B Small DG Blocks 2 and 3. However, project applications for other categories are being placed on waitlists as described in Section 1.D below.

For more information on how future blocks of capacity would be opened if funding is identified, see Section 6.3.3.1.2 (for community solar project selection) and 6.4 (on REC pricing adjustments) of the Revised Plan. Any opening of new blocks will be accompanied by opportunities for stakeholder comment and feedback prior to the finalization of block opening processes and procedures.

B. Transition Between Blocks[4]

Generally speaking, upon or shortly after~~,~~ a block's capacity becoming filled, the next block for that category will open at a price expected to be 4% lower than the previous block. ~~However, as described in a section below, if initial category interest is greater than 200% of Block 1 capacity, then a lottery process may be conducted to select the recipients of REC delivery contracts.~~

~~For each Group/category, 14 calendar days after Block 1 opens, project applications received will thus be assessed to determine if the aggregate MW nameplate capacity of those projects is greater than 200% of the Block 1 capacity for that Group/category. The program website will show a dashboard of the capacity of applications received, reviewed, and approved during that 14-day period.~~

~~If less than 100% of Block 1 capacity for a Group/category has been filled by 14 calendar days after applications open, Block 1 will be held open until 45 calendar days after opening, or until Block 1 is filled, whichever comes last. In other words, if Block 1 is filled after more than 14 days but before 45 days, the block will be held open until 45 total days has elapsed. If Block 1 is not filled within 45 days after opening, the Agency will continue to hold Block 1 open; the Agency will then announce whenever Block 1's capacity allocation is met that Block 1 for the Group/category is full and that it will be held open for an additional 14 calendar days of applications before officially closing.~~

~~Any projects submitted into that Group/category after Block 1 closes will be held for approval in Block 2 for that Group/category. The size available in Block 2 in this case will be impacted by the amount previously allocated to Block 1. (For example, if 110% of Block 1 was actually allocated, 90% of Block 2~~

[4] Large DG and Community Solar Blocks 1-4 for both Group A and Group B have been filled and project applications are being put on waitlists. This section only applies to Small DG Blocks.

~~will be available via the 45-day process described in the paragraph immediately above.) Subsequently, any projects submitted into a Block 2 Group/category after Block 2 has closed will be held for approval in Block 3, and the size available for Block 3 via the 45-day process will be reduced accordingly if the total amount actually allocated to Blocks 1 and 2 exceeds 100% of the planned capacity of Block 1 plus Block 2.~~

~~Each of Blocks 2 and 3 similarly would be held open until the later of (i) 45 calendar days after opening, or (ii) when the block is filled (in which case the block would be held open for an additional 14 additional calendar days after it is filled).[5]~~

~~If the capacity of applications in a Group/category received in the first 14 days is at least 100% and under 200% of Block 1 capacity (subject to a review of applications), then all of those projects will receive Block 1 pricing, and Block 1 for that Group/category will be considered closed. Block 2 will open for the next projects received, with those projects receiving Block 2 pricing. The capacity available in Block 2 in this case will be impacted by the amount allocated to Block 1. For example, if 130% of planned Block 1 capacity is allocated to Block 1, then 70% of planned Block 2 capacity will be allocated to Block 2. The 45-day clock for Block 2 would then start on the date when the Agency opens Block 2. If the capacity of applications received in the first 14 days is *exactly* 200% of Block 1, then both Blocks 1 and 2 for that Group/category will be considered closed, and Block 3 would then open with the 45-day clock.~~

~~Applications for a Group/category combination that do not engage in an initial lottery will be allocated on a first-come, first-served basis until Block 3 is filled. Order will be based on the date a complete application is submitted. Applications submitted in excess of the total capacity of Blocks 1-3 will be ordered and placed on a waitlist pending allocation of discretionary capacity, any potential allocation of additional funds, or removal from the program of previously accepted projects.~~

~~[5] Please note that holding Blocks open is still subject to overall Group/category capacity outlined in the table below, which may limit the overall amount of capacity available to be allocated to any projects submitted within the 45 period. As stated in the Long-Term Renewable Resources Procurement Plan (p. 100), any additional program capacity beyond the originally envisioned 666 MW depends on the availability of program funding. The Commission's Order in Docket No. 17-0838 requires that 25% of that 666 MW capacity be withheld for allocation as discretionary capacity, leaving the remainder as the Block 1-3 amounts. If funding constraints are anticipated, then overall capacity available across a 45 day block opening period must still be subject to the original limitation of that Group/category's portion of 666 MW of capacity.~~

~~The table below shows the amount of nameplate capacity (in MW) initially allocated to each block for each group and category. As discussed above, the final amount for each block may change to accommodate the soft closing process described above. As a further example, if the initial demand for the Group A, Small DG category in the first 45 days is 30 MW, the final amount of allocated capacity in Block 1 would be 30 MW, and the next block (Block 2) would open with 14 MW of expected capacity available. However, if Group A, Large DG category only had 10 MW of demand in the first 45 days, it would remain open until its 22 MW of capacity were filled (subject to any adjustments in the final 14 days), and then the next 22 MW block for the Group A, Large category would open.~~

~~**Block Group**~~	~~**Block Category**~~	~~**Block 1**~~	~~**Block 2**~~	~~**Block 3**~~[6]
~~Group A (Ameren Illinois, MidAmerican, Mt. Carmel, Rural Electric Cooperatives and Municipal Utilities located in MISO)~~	~~Small DG~~	~~22~~	~~22~~	~~5.5~~
	~~Large DG~~	~~22~~	~~22~~	~~5.5~~
	~~Community Solar~~	~~22~~	~~22~~	~~5.5~~
~~Group B (ComEd, and Rural Electric Cooperatives and Municipal Utilities located in PJM)~~	~~Small DG~~	~~52~~	~~52~~	~~13~~
	~~Large DG~~	~~52~~	~~52~~	~~13~~
	~~Community Solar~~	~~52~~	~~52~~	~~13~~
~~Total~~		~~222~~	~~222~~	~~55.5~~

~~These totals left the Agency with 166.5 MW of discretionary capacity to allocate across the various Group/category combinations for completing the program's first phase (i.e., to meet the initial 2020-2021 goals of 1,000,000 RECs delivered annually through the Adjustable Block Program). On April 3, 2019 the Agency released the following discretionary capacity allocations:~~[7]

~~**Group**~~	~~**Small DG**~~	~~**Large DG**~~	~~**Community Solar**~~	~~**Total**~~
~~Group A~~	~~0 MW~~	~~91.5 MW~~	~~12 MW~~	~~103.5 MW~~
~~Group B~~	~~0 MW~~	~~33 MW~~	~~30 MW~~	~~63 MW~~

[6] ~~As discussed above, Block 3 volumes have been decreased for consistency with the Commission's Order in Docket No. 17-0838 requiring that the 25% of discretionary capacity be held in reserve. See Docket No. 17-0838, Final Order dated April 3, 2018 at 60.~~

[7] ~~For information on the Agency's rationale, see: http://illinoisabp.com/wp-content/uploads/2019/04/Discretionary-Capacity-Rationale-4.3.19.pdf.~~

~~Total~~	~~0 MW~~	~~124.5 MW~~	~~42 MW~~	~~166.5 MW~~

~~Projects selected using discretionary capacity will receive Block 4 pricing, which is 4% lower than Block 3 pricing and is detailed in the REC Pricing section below.~~

Small DG Blocks 2 will be held open for 7 calendar days after the block volume is filled (with block volume defined by a measurement of a project being submitted to the program through the payment of the application fee). For the closing of the Small DG Blocks 2, the capacity of Block 3 will be adjusted down to account for any capacity submitted during that 7-day period. The Agency will announce when a block has been filled and when the closing date will be. For the Small DG categories, opening of new blocks other than Blocks 2 and 3 (that is, other than those blocks previously authorized through the Initial Plan) will not be automatic because opening those blocks will be subject to the identification of available funding.

For Small DG Blocks 3, blocks will close when the block volume is filled, and any projects submitted after that time will be put on a first-come/first-served waitlist for the Group/category, pending the analysis of available funds and the verification of eligibility of projects that applied to the program prior to them.

Subject to the conditions outlined above, a project will receive the price of the block that is open at the time the Part I project application is submitted. If a block closes while a project application is being reviewed and the project is not accepted, the capacity associated with that rejected project will be assigned to the next block.

Should a system in a given block fail to be developed and withdraw from the Program, that system's portion of the block will be forfeited. The volume associated with the forfeited system will be added to the block that is currently open (or, if no block is currently open, the most recently closed block) at the price for that block.

~~The availability of capacity in each Block is available via an online dashboard at .~~

~~The following~~ **C. Lottery Procedure** ~~was implemented for Group A – Community Solar, Group B – Community Solar, and Group A – Large DG. The lotteries were held on April 10, 2019 using the following procedures . Clarifications regarding the management of post-lottery waitlists are included after the previously released procedures. The Lottery Procedure was specifically for the~~

The initial ~~opening of the Adjustable Block Program and at this time future lotteries are not planned. However, the Agency will be updating the~~ Long-Term Renewable Resources Procurement Plan ~~during the summer and fall of 2019 for implementation in 2020, and the updated Plan may contain new proposals for managing strong program demand (subject to approval by the Illinois Commerce Commission).~~

~~**C. Lottery Procedure**~~

~~*The following procedure applies to the initial opening of any of the three Adjustable Block Program*~~

~~*project categories for each of Group A and Group B: Small DG of up to 10 kW; Large DG from over 10 kW up to 2,000 kW; and Community Solar up to 2,000 kW. Each of the six Group/category combinations (e.g. Group A Community Solar, Group B Large DG) will be treated separately for consideration of whether to hold*~~ called for a ~~*lottery and how the lottery would be conducted.*~~

~~*Block 1 capacity is 22 MW*~~[8] ~~*for categories in Group A and 52 MW for categories in Group B. (Therefore 200% of Block 1 capacity is 44 MW for categories in Group A and 104 MW for categories in Group B.) Block 2 capacity is the same as Block 1. Block 3 capacity is 5.5 MW for categories in Group A and 13 MW for categories in Group B. Project size is measured in MW as determined by inverter capacity.*~~

~~**1. Determination for holding a lottery**~~

~~a. For each Group/category, 14 calendar days after Block 1 opens, project applications received will be assessed to determine if the aggregate MW nameplate capacity of those projects is greater than 200% of the Block 1 capacity for that Group/category. The program website will show a dashboard of the capacity of applications received, reviewed, and approved during that 14-day period. For purposes of assessing when a project application was received (applicable to this sub-section 1 or sub-section 3 of Section C, Lottery Procedure), the date/time stamp of the batch submission in the application portal will be used, and confirmation will be required that an application fee was initiated within the initial 14 day lottery window.~~

~~b. If the MW capacity of applications received in the first 14 days is less than or equal to 200% of the Block 1 capacity, there will not be a lottery for that Group/category.~~

~~i. If the capacity of applications received in the first 14 days is at least 100% and under 200% of Block 1 capacity (subject to a review of applications similar to that described in Paragraph 1.c below), then all of those projects will receive Block 1 pricing, and Block 1 for that Group/category will be considered closed. Upon that determination, Block 2 will open for the next set of projects received through new applications, with those projects receiving Block 2 pricing until Block 2 is filled. The capacity available in Block 2 in this case will be impacted by the amount allocated to Block 1. For example, if 130% of planned Block 1 capacity is allocated to Block 1, then 70% of planned Block 2 capacity will be allocated to Block 2. Valid project applications received in the interim period between the end of the initial 14-day application period and the opening of Block 2 will receive Block 2 pricing and will also reduce the available size of Block 2. Paragraph 3.d~~

~~[8] Consistent with Section 1-10 of the IPA Act's definition of "nameplate capacity" and as reflected in Section 6.3.1 of the IPA's Long-Term Renewable Resources Procurement Plan, block capacity designations refer to the aggregate nameplate capacity of participating systems measured in AC.~~

~~below would apply for Block 2, with the 45-day clock starting on the date when the Agency opens Block 2.~~

~~ii. If the capacity of applications received in the first 14 days comprises less than 100% of Block 1 capacity, see sub-section 3.b of Section C, Lottery Procedure.~~

~~iii. If the capacity of applications received in the first 14 days is *exactly* 200% of Block 1, then both Blocks 1 and 2 for that Group/category will be considered closed (with all such projects receiving Block 1 pricing), and Block 3 will then open. Valid project applications received after the end of the initial 14-day application period but before Block 3 opens will receive Block 3 pricing and will also reduce the available size of Block 3. Paragraph 3.d below would then apply for Block 3.~~

~~c. If the aggregate MW capacity of applications received in the first 14 days is greater than 200% of Block 1 capacity, then a preliminary notice of a Block 1 lottery will be issued for that Group/category. The Program Administrator will review applications for accuracy and completeness within approximately 21 days of receipt. Projects will be allowed 14 days to correct/cure deficiencies from the date of notice of any deficiency. Projects that fail to cure deficiencies or which are otherwise non-compliant will not be included in the lottery. Approval of an application is not a guarantee of~~ random project selection ~~of the project; it only authorizes the project to proceed in the~~ process ~~towards participating in the Block 1 lottery. An Approved Vendor will have an opportunity to withdraw a project from consideration for a lottery within a reasonable time before the date of the lottery, with the Program Administrator determining the reasonableness of that withdrawal date.~~

~~d. Should the aggregate MW capacity of valid applications fall to, or below, 200% of Block 1 capacity after the review of project applications described in Paragraph 1.c, then the Block 1 lottery will not be held and the process in Paragraph 1.b above will be followed. Should the aggregate MW capacity of valid applications fall below 100% of Block 1 capacity, the provisions under sub-section 3.b of Section C, Lottery Procedure will be followed for filling Block 1.~~

~~e. If a Block 1 lottery is conducted for a Group/category, the Agency will endeavor to conduct the lottery within approximately 49 calendar days after Block 1's opening date (the initial 14 days of project applications, 21 days for Program Administrator review, and 14 days for the curing of deficiencies). While the Agency will endeavor to conduct the lottery within this timeframe, this period may be extended, and is likely to be extended should a Block 1 lottery for Small DG projects be required. While the Agency plans to hold any required lotteries on the same day, final scheduling will depend upon the time needed to properly review project applications and may result in lotteries being held on more than one date.~~

~~**2. Lottery Process**~~

~~a. The Block 1 lottery for any Group/category combination, if needed, will be held at a public location announced by the Agency, and the selection of projects will be conducted using an algorithm that is open for review by interested parties. Each project participating in the Block 1 lottery will be identified by a name provided by the Approved Vendor. For all Large DG and Community Solar Block 1 lottery participants, the project name, the project size, the physical address, the Approved Vendor name, any small subscriber commitment status, any voluntarily provided utility interconnection queue id number, and the random ordinal number assigned to the project through the lottery will be made public. For small DG projects, the published address will consist only of the city and zip code.~~

~~b. For community solar categories only, there will be two rounds of Block 1 lottery selection conducted for each Group: the first round, for projects that commit to securing small subscribers (<=25kW) for at least 50% of a project's energy output; and the second, for all other projects plus those first-round-eligible projects not selected in the first round. The first round will be for 100% of the Group's Block 1 capacity. If less than 100% of the Group's Block 1 capacity makes a small subscriber commitment, then all projects making that commitment would be selected and the balance of the first-round capacity would be added to the second round for that Group. (For example, if project applications comprising 70% of the Group's Block 1 capacity have a small subscriber commitment, all of those projects would be assigned to Block 1, and a second-round lottery would be held for 130% of Block 1 capacity.)~~

~~c. Through the Block 1 lottery, each project within a Group/category will be assigned a random number indicating its ordinal rank within that Group/category. The selection of projects will be made by taking projects in order from the lowest number to the highest number. In~~ (i.e., a lottery) in the event that ~~the last~~ project ~~selected in a Group/category would exceed the capacity allocated to the lottery (200% of Block 1 for DG, 100% of Block 1 for each round of community solar), that project would be approved in its entirety.~~

~~d. All projects selected in the Block 1 lottery will receive the applicable Block 1 pricing.~~

~~e. Following the Block 1 lottery for a Group/category, Block 2 will be deemed to have been filled. If the capacity of the remaining unselected projects in a Group/category is less than or equal to the capacity of the applicable Block 3, then remaining projects will be automatically placed in Block 3 at the applicable Block 3 pricing. Block 3 will then remain open until filled as described in the Plan. (However, if Block 3 is completely filled at that point, then Block 3 would be considered closed.) Paragraph 3.d below would apply for filling the remaining portion of that Block 3. For example, for a Group B category, if 2 MW of Block 3 is automatically filled via the Block 1 lottery, 11 MW of Block 3 will remain to be filled. The 45-day clock for Block 3 will be considered to begin on the date when the Agency opens Block 3.~~

~~f. Following the Block 1 lottery, if the capacity of the remaining unselected projects in a Group/category exceed the capacity of the applicable Block 3, then projects will be automatically selected for Block 3 using the ranking from the original Block 1 lottery. Selection of projects will be made by taking remaining projects in order starting from the lowest remaining number until Block 3 is filled. These projects would all receive Block 3 pricing. Block 3 would then be considered closed. In the event that the last project selected in a Group/category would exceed the capacity allocated to Block 3, that project would be approved in its entirety.~~

~~In the event of a Block 1 lottery for a Group/category, given the drop-off in REC prices between Block 1 and Block 3, some Approved Vendors may not wish to proceed with a project if that project would receive Block 3 pricing. As the Adjustable Block Program is predicated on price transparency and Approved Vendors may have submitted projects into Block 1 on the expectation of Block 1 pricing (possibly even without any expectation of a lottery), the Agency believes Approved Vendors should be allowed to decline a Block 3 award within a short timeframe after selection without additional process or penalty. The Agency thus will allow any project notified that it has~~applications received ~~a REC contract with Block 3 pricing as the result of a previous Block's lottery to have 5 business days to decline its selection prior to the underlying contract being forwarded for approval to the Illinois Commerce Commission. The Approved Vendor will be able to exercise this option without any further penalty, process, or the posting of collateral. If a project selected to be in Block 3 declines its selection by this option, then the next ordinally ranked project(s) on the waitlist will be selected for REC contract(s) at Block 3 pricing until Block 3 is filled, along with the same terms (5 business days to accept or decline). Projects declining a Block 3 contract award will be removed from the lottery order and will be ineligible to receive a contract with Block 4 pricing through the allocation of discretionary capacity. A project may exercise this option to decline a REC contract with Block 3 pricing by communicating as such in writing to the Program Administrator.~~

~~g. Projects that remain unselected following the Block 3 allocation will be placed in a rank-ordered waitlist based upon their numbers from the Block 1 lottery. If and when additional capacity for that Group/category is made available by the Agency (through the allocation of discretionary capacity as described below in sub-section 6 of Section C, Lottery Procedure), or when space becomes available because previously accepted projects are no longer qualified for the Adjustable Block Program, those projects will be given 10 business days to accept or decline their selection. Selected projects would receive Block 4 pricing, which will be 4% less than the published Block 3 pricing. If a project selected to be in Block 4 declines its selection, then next project(s) in line in the waitlist would be selected along the same terms (10 business days to accept or decline) and this process repeated as needed until the available capacity is filled.~~

~~h. Projects must remain in the interconnection queue (i.e., maintain a valid interconnection agreement with the applicable utility) in order to maintain their place on the waitlist. Exceptions will be made for projects which are forced from the utility interconnection queue due to the utility's queue management process (such as being forced to pay a potentially nonrefundable deposit to remain in the queue), but may only be selected upon a demonstration that a) the project did not voluntarily exit the queue and b) the project has reapplied for interconnection with the utility.~~

~~3. Ordering of Projects That Do Not Participate in a Lottery~~

~~a. Projects that do not participate in the Block 1 lottery and apply later after the initial 14-day period will be placed in Block 3 if there is any capacity remaining in Block 3. If Block 3 is also filled, they will be placed at the end of the waitlist after any unselected projects from the Block 1 lottery, based upon the time when their complete application was submitted. If and when additional capacity for that Group/category is made available by the Agency, and these projects are ultimately selected from the waitlist, they will receive Block 4 pricing.~~

~~b. If less than 100% of Block 1 capacity for a Group/category has been filled following~~ within the first 14 ~~calendar~~ days of ~~applications,~~a Block 1 ~~will be held open until 45 calendar days after~~ opening~~, or until Block 1 is filled, whichever comes last. In other words, if Block 1 is filled after more than 14 days but before 45 days, the block will be held open until 45 total days has elapsed. If Block 1 is not filled within 45 days after opening, the Agency will continue to hold Block 1 open; the Agency will then announce whenever Block 1's capacity allocation is met that Block 1 for the Group/category is full and that it will be held open for an additional 14 calendar days of applications before officially closing. The relevant Block will be deemed filled when at least 100% of the Block's capacity as determined by the aggregate size of projects has been submitted.~~

~~c. Under Paragraph 3.b above, any projects submitted into that Group/category after Block 1 closes will be held for approval in Block 2 for that Group/category. Similar to Paragraph A.2, the MW capacity available in Block 2 in this case will be impacted by the amount previously allocated to Block 1. (For example, if 110% of Block 1 was actually allocated, 90% of Block 2 will be available via the 45-day process described in Paragraph 3.d below.) Subsequently, any projects submitted into the same Group/category after Block 2 has closed will be held for approval in Block 3, and the size available for Block 3 via the 45-day process described in Paragraph 3.d below will be reduced accordingly if the total amount actually allocated to Blocks 1 and 2 exceeds 100% of the planned capacity of Block 1 plus Block 2.~~

~~d. Each of Blocks 2 and 3 similarly would be held open until the later of (i) 45 calendar days after opening, or (ii) when that block is filled (in which case the block would be held open for an~~

~~additional 14 calendar days after the date it is filled).[9] Applications for a Group/category that does not engage in an initial lottery will be allocated on a first-come, first-served basis until Block 3 is filled. Order will be based on the date a complete application is submitted. Applications submitted in excess of the total capacity of Blocks 1-3 will be ordered and placed on a waitlist pending allocation of discretionary capacity, any potential allocation of additional funds, or removal from the program of previously accepted projects.~~

e. ~~The lottery waitlist is applicable to Blocks 1-3 and any discretionary capacity allocated. At this time, the Agency is not proposing that the lottery waitlist is applicable to capacity allocated as a result of the Plan Update developed by the Agency in 2019,[10] unless the Illinois Commerce Commission Order's approving the Plan Update requires that the waitlist be binding on subsequent project selection processes.~~

4. ~~Developer Cap~~

a. ~~For the purposes of the lottery, any affiliated[11] family of project developers[12] will have a 20% cap on the capacity of REC contract awards for a given Group/category, determined on a block by block basis. Any affiliated family of project developers which exceeds 20% of the awarded capacity in the initial 200% of Block 1 will have any projects that cause them to exceed the 20% capacity cap moved to become the first projects in Block 3 for that Group/category. Block 3 will~~

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[9] ~~Please note that holding Blocks open is still subject to overall Group/category capacity outlined in the table above, which may limit the overall amount of capacity available to be allocated to any projects submitted within the 45-period. As stated in the Long-Term Renewable Resources Procurement Plan (p. 100), any additional program capacity beyond the originally envisioned 666 MW depends on the availability of program funding. The Commission's Order in Docket No. 17-0838 requires that 25% of that 666 MW capacity be withheld for allocation as discretionary capacity, leaving the remainder as the Block 1-3 amounts. If funding constraints are anticipated, then overall capacity available across a 45 day block opening period must still be subject to the original limitation of that Group/category's portion of 666 MW of capacity.~~

[10] ~~Under Section 16-111.5(b)(5)(ii)(B) of the Public Utilities Act (220 ILCS 5), the IPA "shall review, and may revise, the plan at least every 2 years" after its initial publishing and propose any revisions "in conjunction with the Agency's other planning and approval processes" to the extent practicable. The Agency thus plans to revise its Long-Term Renewable Resources Procurement Plan over the summer of 2019, publishing any such revisions in mid-August for public comment and filing a revised Plan with the Commission in late September 2019; any Commission Order approving the Plan Update would likely be issued in December 2019 or in early 2020..~~

[11] ~~"Affiliated" means, with respect to any entity, any other entity that, directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with each other or a third entity. "Control" means the possession, directly or indirectly, of the power to direct the management and policies of an entity, whether through the ownership of voting securities, by contract, or otherwise. Affiliates may not have shared sales or revenue-sharing arrangements, or common debt and equity financing arrangements. These definitions are found in Section 7.3.1 of the Long-Term Renewable Resources Procurement Plan.~~

[12] ~~"Developer" means the entity, or set of affiliated entities if applicable, that, on the date the lottery is held for a particular Group/category, holds the largest equity share of a project. To be clear, the 20% cap applies to an affiliated family of developers as so defined, not to Approved Vendors or installers.~~

~~then be evaluated separately and any affiliated family of project developers that exceeds 20% of the awarded capacity in Block 3 will have any projects that cause them to exceed the 20% capacity cap be moved to become the first projects in the waitlist. This capacity cap will not be applied at any point after the initial lottery, or for any Group/category that does not hold an initial lottery. In the case of a lottery held for the community solar category with the small subscriber set-aside, the 20% cap evaluation will be applied to the total capacity in Block 1 after both lotteries for 200% of Block 1 capacity are complete.~~

~~For example, if a lottery was held in the community solar category and a lottery was needed for those projects that propose to include 50% small subscribers, that lottery would be held without regard to a developer cap. The subsequent lottery for the remaining 50% of capacity in Blocks 1 & 2 combined would be held. At the conclusion of that lottery, assume Developer A held contracts representing 25% of the Block 1 & 2 capacity. Assume that the 5% additional capacity over 20% represented 4 projects. These 4 projects would be moved and projects next in succession would move up until that Block 1 was at 200% of initial volume. The 4 projects would then be reinserted into the ordinal lottery list as the first 4 projects in Block 3. Assume that Developer A then held 40% of the Block 3 capacity and the extra 20% capacity over 20% represented 2 projects. Developer A's last 2 projects in Block 3 would then be moved, projects next in succession from the waitlist would take their place, and the 2 projects would be reinserted into the ordinal list as the first 2 projects on the waitlist. Note that the procedure would be the same if a different Developer B~~ exceeded ~~20% of Block 3 even if it didn't exceed 20% of Blocks 1 and 2.~~

~~b. If application of the 20% cap would result in Block 1 volume falling below~~ 200% of ~~allocated~~that Block 1 capacity~~, capped projects will be added back to the block in original lottery order after all projects from other developers not exceeding the 20% cap are allocated capacity.~~

~~**5. Project-Specific Requirements**~~

~~a. The reallocation of contracts between projects (i.e.,~~. Thus, when the Adjustable Block Program opened for project ~~substitution) will not be allowed.~~

~~All projects must be built as submitted in the initial application. All initial~~ applications ~~will require a detailed site diagram showing the locations of the solar panels on the parcel or the roof. For projects that are~~in 2019, initial project application volumes required ~~to be located in the same section of the parcel as in the initial application (~~that lotteries be held to select projects for the Groups A and B Community Solar and Group A Large DG categories. For more ~~detail can be found in the section on Part II project submission requirements, later in~~ information on that lottery procedure, please see the May 31, 2019 version of this Guidebook~~), photographic documentation of this will be required. If a project does not meet these requirements, it will not be considered eligible to receive REC payments and the Approved Vendor will have the option to resubmit the project. However, the resubmittal will be placed~~

~~at the end of any waitlists that had previously been~~. The ongoing management of community solar projects not selected and remaining on the waitlist is described in the following section.

D. Waitlist Procedures

~~b.~~ For the categories that have a waitlist (currently, community solar and Large DG for both Groups A and B) , projects will be selected from the waitlist in the established ~~for that Group/category, will be at the price of the Block open at the time, and will require a new application fee. All projects must be developed using the interconnection agreement applicable to the selected project.~~

~~**6. Discretionary Capacity**~~

~~a. Under the Commission's Order in Docket No. 17-0838, the total MW capacity of Blocks 1 through 3 of each Group and category makes up 75% of the Adjustable Block Program capacity required to meet the 2020-2021 delivery year procurement targets. 25% remains for the Agency to allocate at its discretion.~~

~~b. The Agency will allocate the remaining 25% of program capacity (approximately 166.5 MW) to various Groups/categories after evaluating the results of the initial program launch to assess the available Renewable Resources Budget (accounting for existing and planned commitments associated with the competitive Forward Procurements for RECs from utility-scale wind, utility-scale solar, and brownfield site solar, DG procurements, the Community Renewable Generation Program Forward Procurement; long-term REC contracts from years before 2017; required set asides for job training, Section 1-75(c)(1)(O) of the IPA Act's funding allocation for the Illinois Solar for All Program, RPS administration, funding limitations created by the end of the budget roll-over period that concludes with the 2020-2021 delivery year), demand in the various Groups/categories, any unexpected barriers to participation, or other factors related to creating a robust and diverse portfolio of projects. To the extent funding is available, the Agency will allocate the remaining capacity to the various Groups/categories as soon as practicable and will endeavor to do so prior to conducting a lottery.~~

~~c. Projects selected using discretionary capacity will receive Block 4 pricing.~~

~~**7. Additional Provisions**~~

~~a. Approved Vendors must attest that they have obtained all non-ministerial permits that, according to the commercially reasonable investigation of the Approved Vendor, are necessary to the project at the time of application to the Adjustable Block Program. The Approved Vendor must list all such permits, along with the name, phone, and email of a contact person at the issuing authority. The Program Administrator will verify a random selection of permits and reserves the right to verify any permits that it deems require further investigation.~~

~~b. Projects must submit a copy of a binding lease, option, or PPA contract between the Approved Vendor or project developer and the site owner as proof of site control for any project where the project owner is not also the Approved Vendor and the host. In cases where the system owner and host are the same entity, site control can be demonstrated by a statement from the system owner and host that this is the case.~~

~~c. All projects awarded a REC contract will be required to post collateral with the utility within 30 business days of the Illinois Commerce Commission approving the contract. Collateral is equal to 5% of the total contract value and may be in the form of cash or a letter of credit. The Approved Vendor's choice to withhold a project's collateral from the first REC payment for that project (or from the only REC payment for small DG projects) may be made only after the project is certified by the Program Administrator as developed and energized. This collateral will be forfeited if the project is not developed and energized within one year of the contract execution date for a distributed generation project, or within 18 months of the contract execution date for Community Solar projects, plus any extensions granted by the Program Administrator.~~

~~D. Waitlist Procedure Clarifications~~

1. ~~For the categories that have a~~ waitlist ~~created pursuant to paragraph 5 below projects will be selected in~~ order ~~from the waitlist based on their ordinal ranking numbers~~. Those selections will occur if/when project(s) in that Group/category that previously received the Program Administrator's recommendation for a REC ~~contract~~Contract[13] withdraw or are otherwise removed from the Program, thus opening up capacity ~~in the Program~~. This may not be a one-to-one relationship by number of projects~~. Rather~~; in general, sufficient capacity must be vacated by withdrawn projects ~~in order~~ to accommodate a project coming off the waitlist.

   Example: A 2 MW project that previously was selected for a REC ~~contract~~Contract withdraws from the ABP. The sizes of the next projects on the waitlist are, in queue order, 600 kW, 800 kW, and 700 kW. The 600 kW project and the 800 kW project would be selected off the waitlist, taking up 1.4 MW of the newly vacated capacity. The 700 kW project would remain on the waitlist because its selection would cause the remaining 600 kW of available capacity to be exceeded. The 700 kW project would ***not*** *be skipped over in favor of selecting a waitlist project*

[13] Please note, as of the publishing of this draft version of the Program Guidebook, the REC contract is undergoing a refresh process. Once this process is complete and the Refreshed REC Contract is finalized, portions of this document that reference the REC contract will be updated to reflect any necessary changes. More details on this process can be found here: https://illinoisabp.com/rec-contract/

<=600 kW. Rather, the 600 kW of available capacity would remain open until additional projects withdrew to open up sufficient capacity to accommodate the 700 kW project.

2. Once a project is selected off of the waitlist, it will receive the last available pricing for that Group/category combination (i.e. Block 3 pricing for the Small DG categories and Block 4 pricing for the Community Solar and Large DG categories) and the Approved Vendor will be given 10 business days to accept or decline the selection. If it declines, the next project(s) on the waitlist (subject to available capacity) would be selected along the same terms (10 business days to accept or decline) ~~and~~with this process repeated as necessary until the available capacity is filled (again, subject to available capacity).

3. Projects ~~should generally~~may, but are not required to, remain in the interconnection queue (i.e., maintain a valid interconnection agreement with the applicable utility) to maintain their place on the waitlist. Exceptions will be made for projects ~~which~~that are forced from the utility interconnection queue due to the utility's queue management process, including, but not limited to, being forced to pay a potentially nonrefundable deposit to remain in the queue, or incurring other costs to remain on the waitlist . ~~Projects may only be selected upon a demonstration~~ Any project that ~~a)~~has exited the ~~project did not voluntarily exit the~~ interconnection queue ~~and b) the project~~ must provide proof that it has reapplied for interconnection ~~with the~~as a condition of its selection off of the waitlist. Any project that declines a utility~~. Projects that are forced~~ interconnection restudy, declines to pay a potentially nonrefundable deposit to remain in the queue, or otherwise takes an action that pre-emptively removes itself from the utility interconnection queue ~~due to the utility's queue management process are not required to reapply~~rather than wait for ~~interconnection until such time as they are selected off~~involuntary removal will be deemed to have been removed from the queue involuntarily. Such projects will remain eligible for selection off of the waitlist.

~~4. The lottery waitlist for community solar projects, or any waitlist for another Group/category combination that is created pursuant to paragraph 5 immediately below, will remain in place until an updated Long-Term Renewable Resources Procurement Plan is approved by the Illinois Commerce Commission. The status of projects on the waitlist and process for the waitlist after that time is expected to be addressed in the updated Plan.~~

4. ~~Part I applications for community solar projects, and Part I applications for any other Group/category combination that has reached its limit (filling Block 4 for Large DG, and Block 3 for Small DG), may continue to be submitted into the Program until the date defined in paragraph 4 immediately above, after which any new project application process contained in the updated Long-Term Renewable Resources Procurement Plan (as approved by the Illinois Commerce Commission) will control. Applications submitted until the date defined in paragraph 4 immediately above will be placed at the back of the respective waitlist for the Group/category~~

~~combination.~~**For community solar projects**, under the Revised Plan, to replace projects originally selected in the lottery should those projects withdraw from the Program or fail to become energized in a timely manner, the Agency will maintain the existing waitlist established through the April 2019 lotteries and continue to select projects in that ordinal ranking for replacing those original projects. Until the opening of a new Block 5, projects will be selected at Block 4 pricing, but with any small subscriber adder capped at the levels described in Section F while still maintaining the small subscriber commitment made for the lottery.

In order for a community solar project to remain on that waitlist, Approved Vendors were required to verify with the Program Administrator within 90 days of the approval of the Revised Plan that the project maintained any applicable land use permits and site control (e.g., leases or lease options).

a. In the event that a Block 5 for community solar categories should open, the first 50% of this block would be filled using systems from the current ordinal community solar waitlist and remaining 50% of new block community solar capacity would be reserved for projects whose selection would be in part intended to increase the variety of community solar locations, models, and options in Illinois. More detail on this project selection process for opening new community solar blocks can be found in Section 6.3.3.1.2 of the Agency's Revised Long-Term Plan.

5. **For distributed generation categories** that have a waitlist, the Program will continue accepting project applications and place those projects on the waitlist for each Group/Category on a first come/first served basis, with newly opened space created by earlier projects that are not approved or are withdrawn filled from the top of the waitlist at Block 4 pricing. A project will be considered submitted when the application fee for the project is paid. When new blocks of capacity are opened, projects on the waitlist at that time would then be placed into the next block or blocks of capacity in the waitlist order at the REC price applicable to that next block (subject to available capacity in that next block or blocks).

E. REC Pricing

The following table lists the prices for RECs by each identified Group, Category, and Block. ~~After Block 3,~~Shaded blocks indicate prices ~~are expected to decline by 4% with each transition to any subsequent blocks if allocated~~that are no longer available. For Community Solar and Large DG the prices, shown are applicable to projects selected off waitlists. The Agency will monitor performance during the initial Blocks and may elect to modify the price change between blocks based upon the speed at which each Block is filled or other market-based factors.

Block Group	Block Category		Block 1	Block 2	Block 3	Block 4
Group A (Ameren Illinois, MidAmerican, Mt. Carmel, Rural Electric Cooperatives, and Municipal Utilities located in MISO)	Small DG	≤10 kW	$85.10	$81.70	$78.43	~~$75.29~~
	Large DG	>10 - 25 kW	$78.70	$75.55	$72.53	$69.63
		>25 - 100 kW	$64.41	$61.83	$59.36	$56.99
		>100 - 200 kW	$52.54	$50.44	$48.42	$46.48
		>200 - 500 kW	$46.85	$44.98	$43.18	$41.45
		>500 - 2,000 kW	$43.42	$41.68	$40.02	$38.42
	Community Solar	≤10 kW	$96.12	$92.28	$88.58	$85.04
		>10 - 25 kW	$87.07	$83.59	$80.24	$77.03
		>25 - 100 kW	$70.95	$68.11	$65.39	$62.77
		>100 - 200 kW	$60.47	$58.05	$55.73	$53.50
		>200 - 500 kW	$55.46	$53.24	$51.11	$49.07
		>500 - 2,000 kW	$52.28	$50.19	$48.18	$46.25
		Co-located systems exceeding 2 MW in aggregate size	$47.03	$45.15	$43.34	$41.61
Group B (ComEd, and Rural Electric Cooperatives and Municipal Utilities located in PJM)	Small DG	≤10 kW	$72.97	$70.05	$67.25	~~$64.56~~
	Large DG	>10 - 25 kW	$73.23	$70.30	$67.49	$64.79
		>25 - 100 kW	$65.61	$62.99	$60.47	$58.05
		>100 - 200 kW	$53.75	$51.60	$49.54	$47.56
		>200 - 500 kW	$48.07	$46.15	$44.30	$42.53
		>500 - 2,000 kW	$44.64	$42.85	$41.14	$39.49
	Community Solar	≤10 kW	$91.89	$88.21	$84.69	$81.30
		>10 - 25 kW	$82.82	$79.51	$76.33	$73.28
		>25 - 100 kW	$66.65	$63.98	$61.42	$58.96
		>100 - 200 kW	$56.12	$53.88	$51.72	$49.65
		>200 - 500 kW	$51.09	$49.05	$47.08	$45.20
		>500 - 2,000 kW	$47.88	$45.96	$44.13	$42.36
		Co-located systems exceeding 2 MW in aggregate size	$42.59	$40.89	$39.25	$37.68

F. Community Solar

Community solar projects will be provided the following adders based on percentage of small subscribers:

Adder	$/REC	
	Group A	Group B
Less than 25% small subscriber	No adder	No adder
25% to 50% small subscriber	$11.17	$10.88
Over 50% to 75% small subscriber	$22.34	$21.77
Greater than 75% small subscriber	$33.51	$32.65

~~The small subscriber adders will be determined based on the percentage of the project's capacity~~The community solar adders of $33.51 for Group A and $32.65 for Group B commensurate with a small subscriber level greater than 75% no longer applies to community solar projects selected (either through being taken off a waitlist, or as part of the opening of new blocks of capacity) after the ICC's approval of the IPA's Revised Long-Term Plan on February 18, 2020. This 75% small subscriber adder will continue to apply to community solar projects that were selected prior to that date. For projects selected after this change, the maximum adder for projects with over 50% small subscribers will be $22.34 for projects in Group A and $21.77 for projects in Group B.

The applicability of a small subscriber adder will be determined based on the percentage of the project's generating capacity (measured in kW AC) met through small subscribers' subscriptions, and not the overall number of small subscribers. A community solar project will have to demonstrate a level of small subscribers corresponding to the adder at the time of energization to receive an adder initially; if it does not meet that level by 1 year after energization, the project will ~~lose its~~ instead receive the small subscriber adder ~~and will~~associated with its actual realized level of small subscribers as of Year 1 (if any). A project would also be subject to a 20% penalty on the contract value if it proposed at least 50% small subscribers in its Part I application but realizes less than 50% small subscribers as of Year 1. Furthermore, the project will have to maintain the small subscriber subscription levels over time or face payment reductions or collateral drawdowns if the level is not maintained, as discussed further in Section 7 of this Guidebook.

A small subscriber is defined as a customer on a residential or small commercial rate class with a subscription of less than 25 kW. Eligible small commercial rate classes for the investor owned utilities are as follows:

- Commonwealth Edison: "watt-hour delivery class" and "small load delivery class"
- Ameren Illinois: "DS-2"
- MidAmerican: "GE", "GD", "GET", "GDT", "GER", and "GDR"

Community solar subscriptions occur at the account level. A single utility account may have multiple subscriptions to different community solar projects. Details of community solar subscription requirements are determined by applicable utility tariffs.

Section 2: Approved Vendors

Participation in the Adjustable Block Program ~~will take~~takes place through Approved Vendors. By having only Approved Vendors eligible to receive direct payments through the Program—i.e., ensuring that any entity receiving a REC delivery contract is registered with and vetted by the Agency, and has met conditions predicate— it ~~will be~~is possible to monitor compliance with program terms and conditions, ensure the accuracy and quality of information submitted, and reduce the administrative burden on the contractual counterparties. This model benefits consumers because they will be able to verify that an entity that proposes to develop a photovoltaic system for them ~~(~~or sell them a subscription to a community solar project~~)~~ is a legitimate entity participating in the program. An Approved Vendor that fails to live up to the requirements of the Adjustable Block Program and is a "bad actor" could have a significant negative impact on the entire renewable energy market in Illinois that would extend beyond just its own actions. It is important for the Agency to have the ability to monitor the program and ensure high quality performance by the Approved Vendors.

An Approved ~~Vendors will be the entity that is~~Vendor serves as the contractual counterparty with the utility, and thus ~~will be~~ the entity that receives payments from the utility for REC deliveries as contract obligations are met. Approved Vendors are therefore the entities responsible for submitting paperwork to the Program Administrator (as the responsible party for the information contained in that paperwork), maintaining collateral requirements, and ~~provide~~providing ongoing information and reporting. As such, ~~the~~ Approved Vendors will have to coordinate the downstream information from installers/developers as well as individual system owners (who may ~~well~~ provide required information through the installer/developer).

The Program does not require a specific delegation of duties between the Approved Vendor, installer/developer, ~~and~~ system owner, or other parties. The key consideration is that the Approved Vendor is ultimately responsible for the fulfillment of contractual obligations, including any obligations delegated to subcontractors, in a manner consistent with the requirements of this Plan and of the Approved Vendor's contract with the counterparty utility.

Approved Vendors ~~will have to~~must renew their approval once a year. Failure by an Approved Vendor to follow the requirements of the Adjustable Block Program could result in the entity having the suspension ~~of~~ or ~~losing~~revocation of its status as an Approved Vendor and thus losing the ability to bring new projects ~~in to~~into the Program. Losing that status would not relieve an Approved Vendor of its obligations to ensure that RECs from its projects that have been energized continue to be delivered to the applicable utility; failure to do so could result in having the vendor's credit collateral drawn upon.

The following information will be collected from prospective Approved Vendors and evaluated using the criteria listed below. ~~Items in blue type~~Italicized items (excluding sub-section headers) will not be required for distributed generation Single Project Approved Vendors,[14] and ~~the~~bolded items ~~in green type~~(excluding sub-section headers) will only be required for Approved Vendors who wish to act as an Approved Vendor for one or more Community Solar projects.

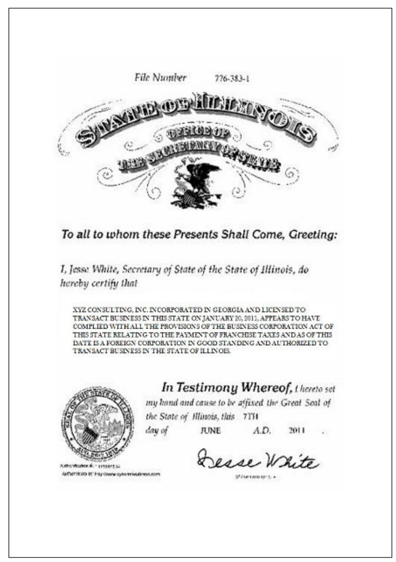
Registration as an Adjustable Block Program Approved Vendor is a prerequisite to becoming an Illinois Solar for All Approved Vendor, and the loss or suspension of Approved Vendor status under the Adjustable Block Program would result in an Approved Vendor's status under the Illinois Solar for All Program to also being terminated or suspended.

A. List of information collected in Approved Vendor Application

Vendor Contact Information

1. Legal Business Entity Name
2. Any Doing Business As ("DBA") name
3. Address of principal place of business
4. Name, phone number, and email address of primary point of contact responsible for the company's day-to-day interaction with the Adjustable Block Program
5. Telephone number of company

Company Background



File Number 776-383-1

STATE OF ILLINOIS
OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

XYZ CONSULTING, INC. INCORPORATED IN GEORGIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON JANUARY 20, 2011, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES AND AS OF THIS DATE IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

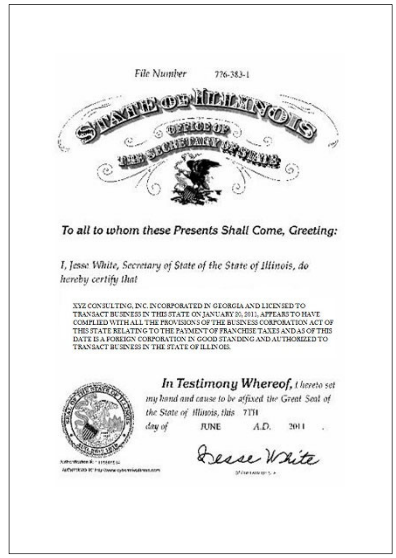
In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 7TH day of JUNE A.D. 2011.

Jesse White

Figure 1- Secretary of State Good Standing

[14] A Single Project Approved Vendor has simplified application requirements and a minimum size of 100 kW. See Section 6.9 of the Long-Term Plan for more information.

6. Ownership structure, including any affiliated businesses either owned or partially owned by the proposed Approved Vendor or who have ownership of all or part of the Approved Vendor
7. Employer Identification Number ("EIN")
8. Business Type (Corporation, LLC, LP, LLP, General Partnership, Nonprofit, Sole Proprietor, Other)
9. A listing of shareholders, owners, partners or proprietors with ownership interests in excess of 5% and the amount of their respective ownership interests (Not required for public companies)
10. Business entity home state of registration
11. Other states where entity is registered to do business
12. Business entity date of organization/incorporation in home state
13. ~~Must exist as a legal entity and be authorized~~Demonstrate authorization to do business in Illinois~~. Must upload~~ by uploading an Illinois Secretary of State statement of good standing dated within the past 12 months if a corporation, LLC, or non-profit~~.~~ (Example in Figure 1~~.~~)
14. ~~Is~~If the company is engaged in installing distributed generation projects~~ in Illinois? If yes~~, provide proof of Distributed Generation Installer Certification from the Illinois Commerce Commission, in the form of the Commission's order in the certification docket granting the company's certificate~~.~~
15. Provide a printout of either PJM-GATS ~~or M-RETS~~ aggregator account or M-RETS account ownership confirmation~~.~~
16. Company website (Parent company website if special purpose entity)



~~*Figure 1- Secretary of State Good Standing*~~

Vendor Classification and Project Types

17. Is this an application for a Single Project Approved Vendor?
18. Is this Approved Vendor an affiliate (as defined in Section 7.3.1 of the Long-Term Renewable Resources Procurement Plan) of any other Approved Vendor or current or intended Approved Vendor applicant? If yes, provide the name(s) of affiliated Approved Vendor or applicant.
19. Are you a minority-owned or female-owned business enterprise as specified in Section 1-75(c)(7) of the Illinois Power Agency Act (20 ILCS 3855) or a small business as defined in the Small Business Advisory Act (20 ILCS 692/5~~) who would like to be eligible for an initial batch size of 50 kW?~~)? [If so, an upload will be provided to provide documentation of that status.]

Legal and Regulatory Information

A yes answer to any Legal and Regulatory ~~questions~~question will not automatically disqualify a firm from Approved Vendor status. Information provided will be considered in conjunction with all other information in the application to determine an Approved Vendor's eligibility.

20. Within the past five (5) years, has the business; any affiliate of the business that is engaged in operations in the U.S. related to energy; or any current or former owner (not including public shareholders), partner, director, officer, principal, or any person in a position involved in the administration of funds, or currently or formerly having the authority to sign, execute or approve contracts for the business:
    a. Been sanctioned or proposed for sanction relative to any business or professional permit or license?
    b. Been under suspension, debarment, voluntary exclusion or determined ineligible under any federal or state statutes?
    c. Been ~~proposed~~recommended for suspension or debarment?
    d. Been the subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation for any business-related conduct?
    e. *Been charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime, or subject to a judgment or a plea bargain for:*
        i. *Misappropriation of funds or property;*
        ii. *A criminal act that reflects adversely on the individual's honesty;*
        iii. *Actual loss to the company or other person; or*
        iv. *Dishonesty, fraud, deceit, or misrepresentation.*

       Note: The above does not include minor misdemeanors like speeding or parking tickets and does not include actions taken by former employees after leaving the employ of your company.

    f. Been suspended, cancelled, terminated or found non-responsible on any contract, or had a surety called upon to complete an awarded contract?

    For any Yes answers, provide an explanation of the issue(s), relevant dates, the entity involved, any remedial or corrective action(s) taken, and the current status of the issue(s).

21. Within the past five (5) years, has the proposed Approved Vendor or any of its affiliates that are or were engaged in operations in the U.S. related to energy had any judgments filed against it which remain undischarged? If yes, provide an explanation of the issue(s), relevant dates, the Claimant's name, the amount of the judgment, and the current status of the issue(s).
22. Within the last seven (7) years, has the proposed Approved Vendor or any of its affiliates initiated or been the subject of any bankruptcy proceedings, whether or not closed, or is any bankruptcy proceeding pending? If so, provide the Bankruptcy Code chapter number, the court

name, and the docket number. Indicate the current status of the proceedings as "initiated," "pending," or "closed".

23. Within the last seven (7) years, has any owner with greater than 15% ownership or principal of the proposed Approved Vendor or any of its affiliates been the owner or a principal (with greater than 15% ownership) in a company subject to any bankruptcy proceedings, whether or not closed, or that is currently in any bankruptcy proceeding pending? If so, provide the Bankruptcy Code chapter number, the court name, and the docket number. Indicate the current status of the proceedings as "initiated," "pending," or "closed".
24. During the past five (5) years, has the proposed Approved Vendor or any of its affiliates failed to file a tax return or fully pay taxes according to deadlines required by federal, state, or local laws in the amount of $10,000 or more? If yes, provide the taxing jurisdiction, the type of tax, the liability year(s), the tax liability amount the proposed Approved Vendor failed to file/pay, and the current status of the tax liability.
25. During the past five (5) years, has the proposed Approved Vendor or any of its affiliates that are or were engaged in operations in the U.S. related to energy been audited by any government entity resulting in a negative audit finding or requirement for remedial action? If yes, provide an explanation of the issue(s) under investigation, relevant dates, the government entity involved, any remedial or corrective action(s) taken, and the current status of the issue(s).
26. *During the past five (5) years, has the proposed Approved Vendor or any of its affiliates that are or were engaged in operations in the U.S. related to energy been the subject of any judgment or settlement as the result of by any public consumer protection authority (including but not limited to a federal/state/local attorney general's office, consumer protection bureau, or other consumer protection entity) in any jurisdiction? If yes, provide any remedial or corrective actions(s) taken and current status of the issue(s).*
27. *During the past five (5) years, has the proposed Approved Vendor or any of its affiliates that are engaged in operations in the U.S. related to energy been the subject of any unresolved Better Business Bureau complaints in any jurisdiction? If yes, provide any remedial or corrective actions(s) taken and current status of the issue(s).*
28. *During the past five (5) years, has the proposed Approved Vendor or any of its affiliates that are or were engaged in operations in the U.S. related to energy been the subject of any judgment or settlement as the result of lawsuits filed in a court of law or formal complaints filed with a regulatory agency alleging fraud, deception or unfair marketing practices, or other similar allegations? If yes, please identify the name, case number, and jurisdiction of each such lawsuit or complaint, any remedial or corrective action(s) taken, and the current status of the lawsuit or complaint.*
29. *During the past five (5) years, has the proposed Approved Vendor or its affiliates that are or were engaged in operations in the U.S. related to energy been suspended from participation or denied the ability to participate in a government or utility administered renewable energy incentive program? If yes, provide the name of the program and jurisdiction, an explanation of the issue(s), and the current status of the issue(s).*

Additional Questions Not Used for Qualification

30. The utility service territory or territories in which the Approved Vendor seeks to operate (ComEd, Ameren Illinois, MidAmerican, municipal utility/rural electric co-operatives).
31. Type of Approved Vendor (may select more than one): DG Installer, Community Solar Project Developer, SREC broker/aggregator, non-profit, other.
32. Do you intend to participate in the Illinois Solar for All program?
33. Do you consent to be contacted by representatives from solar job training programs in Illinois?
34. Do you have corporate hiring policies in place which prohibit the hiring of individuals who have been convicted of a crime?
35. Do you want to be listed on the public Approved Vendors list on the illinoisabp.com website?
36. *Please list all social media accounts associated with the proposed Approved Vendor.*

B. Attestation ~~–~~

The Approved Vendor will e-sign the following attestation:
I declare that:

a. I am the owner (for sole proprietorship), partner (for partnership) or the authorized agent (for corporation, LLC, or non-profit) of the proposed Approved Vendor;
b. The information provided on this form is true and correct to the best of my knowledge;
c. I agree to participate in registration and any initial or recurrent required training.
d. I agree to abide by the ongoing Program terms and conditions.
e. I agree to maintain registration to do business in Illinois.
f. I agree to provide updated information to the Administrator on any complaints, lawsuits, legal or regulatory action, bankruptcy, or any other material adverse changes in business condition when it becomes available.
g. *I agree to provide samples of marketing materials or content used by our company, or our subcontractors/installers and affiliates, to the Program Administrator for review upon initial qualification as an Approved Vendor. In addition, I will provide copies of any marketing material related to the sale, financing, or installation of solar photovoltaic systems that will apply to participate in the Adjustable Block Program, or related to the Adjustable Block Program itself, whenever requested by the IPA or Program Administrator. I furthermore agree to make changes to marketing materials requested by the IPA or Program Administrator in their efforts to ensure that such materials are not deceptive, confusing, or misleading, and to further ensure that such materials do not feature misrepresentations about our relationship to the Illinois Power Agency or the Adjustable Block Program.*
h. *I agree to comply with all consumer protection guidelines published by the Program Administrator and acknowledge that a failure to do so may jeopardize my ability to serve as an Approved Vendor in the program.*

i. I agree to provide and maintain credit and collateral requirements pursuant to Section 6.16.1 of the Long-Term Renewable Resources Procurement Plan.
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.
k. I agree to comply with all community solar subscriber reporting requirements including providing updated and accurate subscriber data.
l. As required by Section 1-75(c)(1)(7) of the Illinois Power Agency Act (20 ILCS 3855), I agree that any photovoltaic projects submitted for program approval were or will be installed by a qualified person in compliance with Section 16-128A of the Public Utilities Act (220 ILCS 5) and any rules or regulations adopted thereunder, including Title 83, Section 468.20 of the Illinois Administrative Code.
m. I agree to provide company financial statements and/or project references upon request of the Program Administrator.
n. I will comply with all other Program rules and Administrator requests.
o. If any requirements are implemented by the Illinois Power Agency or Program Administrator that I am unable to comply with, I agree to immediately request to withdraw my qualification to act as an Approved Vendor for any projects not already under contract with the utilities and cease all new Approved Vendor activities.

I attest that the statements above are true and correct.

Type Name

(automatically stamped with username, time and IP address)

C. Evaluation Criteria

1. Must demonstrate existence as a legal entity and authorization to do business in Illinois.
2. Neither the business or its affiliates that are or were engaged in operations in the U.S. related to energy, the business's principals or owners (except public shareholders), nor any business in which the current business's owners or principals were or are associated with ~~can~~may have been:
    a. ~~Been sanctioned~~Sanctioned or proposed for sanction relative to any business or professional permit or license~~.~~;
    b. ~~Been under~~Under suspension, debarment, voluntary exclusion or determined ineligible under any federal or state statutes~~.~~;
    c. ~~Been proposed~~Proposed for suspension or debarment~~.~~;
    d. ~~Been the~~The subject of an investigation, whether open or closed, by any government entity for a civil or criminal violation for any business-related conduct~~.~~;
    e. ~~Been charged~~Charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime, or subject to a judgment or a plea bargain for:
        i. Any business-related activity; or
        ii. Any crime the underlying conduct of which was related to truthfulness~~.~~; or
    ~~f.~~ ~~Been suspended~~Suspended, cancelled, terminated or found non-responsible on any contract, or had a surety called upon to complete an awarded contract~~.~~
    ~~g.~~f. ~~Unless~~ unless an explanation acceptable to the Administrator and IPA is provided.
3. Must not have had any judgments filed against it in the past 5 years which remain undischarged, unless an explanation acceptable to the Administrator and IPA is provided.
4. If the company or any of its affiliates or any principal or owner with greater than 15% ownership has initiated or been the subject of any bankruptcy proceedings (including for a different company where the same individual person had at least 15% ownership), whether or not closed, or has any bankruptcy proceeding pending, the Administrator and IPA will determine if the potential Approved Vendor is a risk for default on future Approved Vendor contracts. This decision will be based on the totality of the information provided including current financial statements, the circumstances of past bankruptcies, the time since the last bankruptcy, the role of the individual involved in the past bankruptcy, recent tax payment history, and any recent or pending judgements or investigations that might impact the company's financial standing.
5. The company must be current on all required taxes, based on local, state, and federal law. Past non-payment of taxes over $10,000 will be considered in conjunction with other factors in determining an Approved Vendor's eligibility.
6. Any issues found during any governmental audits during the past 5 years will be considered in conjunction with other factors in determining an Approved Vendor's eligibility. The mere fact that an audit was conducted with no negative results will not reflect negatively on the Approved Vendor's application.

7. Any regulatory or consumer complaints and their remedial actions will be screened by the Approved Vendor and IPA to determine if there is a pattern of violations or unresolved consumer protection issues with the company. The frequency and severity of the past issues, as well as the Approved Vendor's explanations of resolution and any processes put in place to prevent reoccurrence, will be taken into account.
~~8. Approved Vendors will be provided the option to request confidential treatment of specific sections of their application based on exemptions listed in 5 ILCS 140 (Illinois Freedom of Information Act). Such requests may be submitted by email or mail on company letterhead and must list the exemption claimed and the reasoning behind the claim.~~
~~9.~~8. The company must demonstrate either PJM-GATS ~~or M-RETS~~ aggregator account or M-RETS account ownership.
~~10.~~9. Additional information collected such as number of employees, type of company, management structure, etc. will be used by the Administrator to more thoroughly evaluate the applicant if there are any questions that arise from other parts of the Approved Vendor application.
~~11.~~10. *The company must provide an initial representative sample of marketing materials for each channel of marketing the company is engaged in, as part of the initial Approved Vendor application (for example, but not meant to be an exhaustive list: print, website, direct mail, direct email, web ads, social media, radio, telemarketing, billboards). Random audits of marketing material will be conducted regularly, and the IPA and Program Administrator also reserve the right to require a copy of all marketing materials should they have concerns about an Approved Vendor's marketing practices.*
~~12. The IPA and the Program Administrator reserve the right to conditionally approve applications from prospective Approved Vendors that have areas of concern. A conditional approval will require six month updates rather than the normal 1 year updates of the approved vendor application.~~

~~D. Appeal Procedure~~

~~The~~

D. Application Review and Appeal Procedure

1. ***Application Review***

The Program Administrator will review and make approval decisions for all Approved Vendor applications. It is the responsibility of the prospective Approved Vendor to respond to any questions or requests for additional information from the Administrator within 2 weeks of receiving such a request. Failure to respond to requests from the Administrator will constitute grounds for rejection as an Approved Vendor. Similarly, if a prospective Approved Vendor is dishonest within their Approved Vendor application, the Program Administrator reserves the right to grant a conditional approval of an application or outright reject an Approved Vendor application, as detailed below.

~~1.~~2. ***Application Rejection and Appeal***

Any Approved Vendor applications that are rejected will be provided a written explanation with the reasons for the rejection. ~~The applicant will have 2 weeks to appeal the rejection in writing on company letterhead conveyed by email or postal mail. The IPA will review all appeals and will be the final authority for granting or rejecting an appeal~~The Program Administrator's rejection of an Approved Vendor application may be appealed to the IPA within 2 weeks of receiving a determination, and the opportunity to appeal will be communicated by the Program Administrator as part of its notice of rejection. To appeal to the IPA, the Approved Vendor applicant should provide to the Program Administrator a request for reconsideration in writing on company letterhead, addressed to the IPA, explaining its rationale for why it believes the Program Administrator's determination is in error, as well as detailing any supporting information, documents, or communications. The IPA may request additional information and materials from the Approved Vendor applicant, and/or seek to schedule a call or informal discussion with the Approved Vendor applicant to learn more about the basis for its position. The IPA will endeavor to issue final determinations on eligibility, including a supporting rationale for its decision, as soon as practicable after the receipt of an appeal and review of relevant information.

3. ***Conditional Application Approval***

The IPA and the Program Administrator reserve the right to conditionally approve applications from prospective Approved Vendors that have areas of concern. A conditional approval will require six-month updates rather than the normal 1-year updates of the Approved Vendor application.

E. Confidentiality

Except where otherwise provided (such as with certain project-specific information being made publicly available ~~through publishing lottery results[15]~~), actual Approved Vendor submittals including quarterly reports, annual reports, Approved Vendor applications, and project applications will not be publicly posted or made publicly available as a matter of course - ~~provide~~provided that nothing included herein shall a) prohibit the IPA from reporting information taken from Approved Vendor submittals to appropriate authorities should the IPA have reasonable suspicion of any fraudulent or otherwise illegal

[15] Results of the April 10, 2019 project selection lotteries were made publicly available at http://illinoisabp.com/april-10-2019-lottery-results. Additionally, on June 19, 2019, the IPA published its Project Information Release Protocols, describing the data that it intends to regularly publish about project applications and selections. That document and the project data disclosure itself may be found at http://illinoisabp.com/project-information-disclosure-process.

behavior, b) prevent the IPA from making aggregated information taken from across Approved Vendor submittals publicly available, or c) prevent the IPA from sharing information received with the Illinois Commerce Commission or public utilities to support the Program's operation. ~~As of the time of this publishing, given the demonstrated public interest in learning about photovoltaic projects that have applied to or been approved through the program (including where such projects are located, project size, etc.), the IPA is exploring what specific information project information should be made publicly available through the illinoisabp.com website. Upon finalization and release, those project information release protocols will govern the Agency's release of project information and the Program Guidebook will be updated to reflect those new protocols.~~

Additionally, the IPA and the Program Administrator will provide confidential treatment to any commercially sensitive information submitted by Approved Vendors in connection with participation in the Adjustable Block Program. Under Section 1-120 of the IPA Act (20 ILCS 3855), the Illinois Power Agency has a statutory obligation to "provide adequate protection for confidential and proprietary information furnished, delivered, or filed" by any third party. As Section 7(1)(g) of the Illinois Freedom of Information Act ("FOIA") (5 ILCS 140/7) exempts from disclosure "[t]rade secrets and commercial or financial information obtained from a person or business where the trade secrets or commercial or financial information are furnished under a claim that they are proprietary, privileged or confidential, and that disclosure of the trade secrets or commercial or financial information would cause competitive harm to the person or business," the IPA believes that its responsibility under Section 1-120 necessitates the assertion of this FOIA exemption when applicable in response to a FOIA request, and to otherwise protect the confidentiality of commercially sensitive information in response to any discovery request or other request made in connection with formal investigation or litigation.[16] While the IPA will presume that seemingly commercially sensitive or confidential content contained in submittals including quarterly reports, annual reports, Approved Vendor applications, and project applications ~~are~~is indeed commercially sensitive ~~(to the extent not reflecting public information,~~ or ~~otherwise obviously not commercially sensitive)~~confidential and thus should be actively protected from disclosure, Approved Vendors will have the opportunity within the application portal to designate project information as "proprietary, privileged, or confidential, the disclosure of which would cause competitive harm" and should otherwise similarly designate any other particularly sensitive information to maximize the likelihood that protection of such information ~~would be protected~~ from disclosure would be supported by a reviewing body ~~(such as a reviewing court or the state's Public Access Counselor) in response to an~~

[16] It may, however, publish non-confidential information deemed subject to disclosure under the Freedom of Information Act to ensure that all parties – and not merely requesting parties under FOIA – have access to any such disclosures.

~~appeal of the Agency's determination that such information should not be disclosed in response to a FOIA request~~.

F. Designee Registration

As used for purposes for Designee registration, the term "Designee" refers to third-party (i.e., non-Approved Vendor) entities that have direct interaction on behalf of the Approved Vendor with end-use customers. This includes installers, marketing firms, lead generators, and sales organizations. The Agency reserves the right to add additional categories as needed. Under Section 6.9.1 of the Revised Long-Term Plan, Designees must now also register with the Program.

The purpose of this new Designee registration requirement is to increase Program transparency. Potential customers will be able to verify that an entity representing the Program is indeed a registered participant (and likewise be able to review if the entity is listed on the complaint or disciplinary databases). Approved Vendors and their Designees shall have 45 days of lead time for compliance once these requirements are implemented. Implementation of the Designee Registration functionality in the ABP portal is set tentatively for September 2020.

While registration of Designees does not change the responsibilities of the Approved Vendor, or the potential for an Approved Vendor to be held accountable for the conduct of its Designee, the Agency believes that this step will provide additional information and transparency to consumers and to the marketplace generally.

Registration shall include the Designee's provision of contact information, acknowledgment of the business relationship with the Approved Vendor, and identification of the categories of the consumer-facing services provided. Additionally, a Designee is responsible for acknowledging that it will comply with all applicable Program requirements through an attestation. Failure by a Designee to comply with applicable requirements could subject the Designee to suspension or termination from future participation in the Program. If the Designee ignores a suspension (or termination) decision made by the Program Administrator and continues its Program-related activity nonetheless, any Approved Vendor that works with the Designee during that period could be subject to discipline. Likewise, Approved Vendors found to be working with entities engaged in customer-facing activities that fail to register with the Program could be subject to discipline.

Approved Vendors will be responsible for ensuring that their Designee(s) register with the program, and Approved Vendors who fail to do so may be subject to disciplinary actions. This includes Designees of Designees. For example, where an Approved Vendor may work with an installer, and that installer may in turn hire a lead generation firm to assist in marketing, the Approved Vendor will be responsible for ensuring that both the installer and the lead generation firm register as Designees with the Program.

Once the Designee Registration functionality in the ABP portal is finalized, all third-party entities that have direct interaction with end-use customers of the ABP and that operate within the Illinois Adjustable Block Program need to register as a Designee on the Program website. Once registered, these entities can indicate in the portal one or more of the following roles:

- Disclosure Form Designee – An entity that the Approved Vendor has designated that is permitted to generate Disclosure Forms on behalf of the Approved Vendor.
- Community Solar Subscriber Designee – An entity that the Approved Vendor has designated that is permitted to manage the community solar subscription information for an Approved Vendor's community solar projects.
- Marketing or Sales Designee – An entity that the Approved Vendor has designated to act as a marketing agent and/or customer acquisition agent on behalf of the Approved Vendor. This includes, among others, entities that engage in solicitations through any channel (in-person, telephone, etc.), as well as entities that perform online lead generation services.
- Installer Designee – An entity that the Approved Vendor has designated to install systems on the Approved Vendor's behalf.

Section 3: Marketing Guidelines and Consumer Protections

Marketing Guidelines for DG projects and Community Solar projects can be found at:

http://illinoisabp.com/marketing-guidelines-marketing-materials-stakeholder-process/

Marketing Guidelines will be updated, as needed, on an ongoing basis~~.~~, and may post-date the latest version of the Program Guidebook. Notifications will be sent to all Approved Vendors on any changes to these guidelines including any dates related to implementation of changes.

A. Illinois Shines

The IPA and its Program Administrator have chosen "Illinois Shines" as the public-facing name and brand for the Adjustable Block Program. Public-facing documents produced in connection with the Adjustable Block Program will use the "Illinois Shines" brand and logo, and the website www.illinoisshines.com will host public-facing program content.

The term "Adjustable Block Program" will be used in conjunction with Approved Vendors and program management and administration.

For more information on the Illinois Shines brand name please consult the following document:

http://illinoisshines.com/wp-content/uploads/2018/12/Illinois-Shines-branding.pdf

B. Violation of Consumer Protections, Marketing Guidelines, or other Program Requirements

In the event that the Program Administrator identifies that it believes an Approved Vendor and/or its Designee is not acting or has not acted in compliance with program requirements, including, but not limited to, demonstrating a lack of responsiveness to the Program Administrator's and/or IPA's notices or requests for information, the Program Administrator will notify the Approved Vendor (and the Designee, if applicable) through an e-mail that outlines the problematic behavior, explains how the behavior is non-compliant with program requirements, and may request more information about the issue. After a review of any such response, the Program Administrator will determine what discipline, if any, should apply to the Approved Vendor. The Program Administrator will also provide a copy of the determination to the IPA.

The Program Administrator's determinations of discipline may be appealed to the IPA, and the opportunity to appeal (as a well as a deadline by when such appeal should be made) will be communicated by the Program Administrator as part of its determination of discipline. To appeal to the IPA, an Approved Vendor should provide to the IPA a request for reconsideration of discipline in writing on company letterhead explaining its rationale for why it believes the Program Administrator's determination is in error as well as sharing any supporting information, documents, or communications. The IPA may request additional information and materials from the Approved Vendor, and/or seek to schedule a call or informal discussion with the Approved Vendor to learn more about the basis for the Approved Vendor's position. The IPA will endeavor to issue final determinations on discipline, including a supporting rationale for its decision, as soon as practicable after the receipt of an appeal and review of relevant information. –

C. Discipline

The Adjustable Block Program is a state-administered incentive program; no entity is entitled to receive or benefit from that state support, and the eligibility to do so depends on following program requirements. Entities thus may be suspended from program participation – i.e., suspended from continuing to have their solar marketing and development activities supported by the State of Illinois through state-administered REC delivery contracts – as outlined further below.

A suspension under the ABP is generally considered a suspension from conducting the activities defined below for the duration of the suspension. As suspension may be more limited in scope than what is described below should circumstances warrant, and likewise may include additional provisions beyond those outlined below.

When the Program Administrator communicates that an **Approved Vendor** is suspended, the Approved Vendor will generally be suspended from:

- Generating new disclosure forms
- Generating new project applications
- Moving forward on already generated disclosure forms and/or in process project applications
- Marketing of any kind regarding the Program on any platform (i.e. social media, organizational website, marketing and or customer acquisition via outside marketing firms, etc.), including any statements implying the availability of program incentives through such marketing
- Using Program materials in customer acquisition outreach (e.g. Program disclosure form, Program brochure, Program logo, etc.)
- Mentioning ABP or Illinois Shines while performing customer acquisition outreach, including any statements implying the availability of program incentives through such outreach
- Partnering with an Approved Vendor and/or Designee in good standing to work around Program suspension
- Participation in the IPA's Illinois Solar for All program

When the Program Administrator communicates that a **Designee** is suspended, the Designee is suspended from:

- Generating new disclosure forms
- Moving forward on already generated disclosure forms
- Collaborating with the Designee's Approved Vendor(s) to convert Disclosure Forms into Project Applications
- Marketing of any kind regarding the Program on any platform (i.e. social media, organizational website, marketing and or customer acquisition via outside marketing firms, etc.), including any statements implying the availability of program incentives through such marketing
- Using Program materials in customer acquisition outreach (e.g. Program disclosure form, Program brochure, Program logo, etc.)
- Mentioning ABP or Illinois Shines while performing customer acquisition outreach, including any statements implying the availability of program incentives through such outreach
- Partnering with an Approved Vendor in good standing to work around Program suspension
- Participation in the IPA's Illinois Solar for All program

The Program Administrator will maintain a public report[17] of disciplinary actions taken involving Approved Vendors/Designees that have been found to have violated Program guidelines. This public report has been developed in the interests of fairness, transparency, and awareness to help ensure that all Approved Vendors/Designees are aware of disciplinary decisions, and thus do not unknowingly partner with entities that are suspended from the Program. The report is also designed to provide information to potential project hosts, installers, and other interested parties.

D. Disciplinary Determinations

The Adjustable Block Program (and the Illinois Solar for All Program, to which the Revised Plan's consumer protection requirements are also applicable) are ultimately state-administered incentive programs leveraging state- or utility-collected funds to provide additional incentives for photovoltaic project development. These programs do not constitute the solar project development market

[17] http://illinoisabp.com/disciplinary-actions-report.

generally; an Approved Vendor or Designee could simply choose not to avail itself of these additional incentive funding opportunities and therefore may operate outside of the Agency's published marketing guidelines and consumer protection requirements..

Consequently, the Agency views its disciplinary determinations as a determination of eligibility for state-administered incentives. Suspension or revocation of Approved Vendor or Designee status is not a restriction on general market conduct; upon suspension or revocation of status, the restrictions are limited to the ability of an Approved Vendor to avail itself of additional incentive funding.

The Agency has established certain procedural safeguards to accompany its disciplinary determinations. Approved Vendors, Designees, agents, or other third parties potentially subject to Program discipline for a violation of the Agency's Marketing Guidelines or Consumer Protection requirements will be afforded the following:

- A 45-day lead time will be provided to Approved Vendors and Designees in order to prepare for and implement general changes to the IPA's marketing guidelines released in August 2020 and thereafter in accordance with the Revised Plan. Unless otherwise specified, the lead time granted will not prohibit Approved Vendors and Designees from taking earlier steps towards compliance. In situations where the IPA determines that emergency adoption of a new or modified consumer protection is necessary, no lead time will apply; however, the Agency commits to enforce any such requirements with an eye toward the practical challenges inherent in immediate implementation.
- In the event that the Program Administrator identifies that it believes an Approved Vendor, Designee, or other party is not, or was not, in compliance with Program requirements, the Program Administrator will notify the Approved Vendor through an e-mail that:
  - Outlines the problematic behavior;
  - Explains how the behavior is non-compliant with program requirements; and
  - Requests more information about the issue.
- No disciplinary determination (such as the suspension or revocation of the ability to participate as or on behalf of an Approved Vendor) will be made by the Agency's Program Administrator without the allegedly offending party having the opportunity to offer a written or oral explanation of the problematic behavior for review and analysis by the Program Administrator;
- All disciplinary determinations made by the Program Administrator will be communicated through a written explanation of the determination featuring at least the following:
  - A brief explanation of the infractions for which the Approved Vendor and/or Designee is being suspended;
  - A timeline of communications between the offending entity and the Program Administrator;
  - Specific reference to the specific Program requirement(s)/guideline(s) the offending entity violated;

  - An explanation of any suspension, including what specific conduct is no longer permitted in connection with the Program through the length of the suspension;
  - An explanation of the process to appeal a disciplinary determination to the Agency and the deadline for submission applicable to any appeal.
- The IPA will endeavor to address any appeals of disciplinary determinations within two weeks of receiving an appeal (although the need to receive additional documents or information may lengthen that timeline).
- Any appeal determination made by the IPA will include, at minimum, a clear statement of the Agency's decision, the consequences of that decision, and a supporting explanation as to why that decision was made.

Section 4: System Eligibility

A. System Location

All systems must be entirely physically located in Illinois and interconnected to the distribution level electrical grid of an Illinois investor owned electric utility, rural electric cooperative, or municipal electric system. Off-grid systems are not eligible for the Adjustable Block Program. All Distributed Generation systems must be located on the customer side of the ~~customer's~~ electric meter and used primarily ~~used~~ to offset that customer's electricity load.

Systems must be built at the location specified in the Part I application. Systems must remain at the approved location for the duration of the 15-year contract and may not be relocated.

B. Interconnection Date

All systems must have a final interconnection approval (or equivalent from rural electric cooperative or municipal electric utility) ~~date~~dated on or after June 1, 2017.

C. New Equipment

All systems must use equipment that meets either of the following criteria:

- The equipment is new, that is, none of the equipment has been used prior to the installation of the solar electric generating facility; or
- The age and warranty of the equipment is disclosed to a customer or host who's solar system will use equipment that was previously used in a solar facility.

D. Installer Requirements

System installations must meet the following requirements in order to participate in the Adjustable Block Program. ~~These requirements are not waivable for any system, including systems built after June 1, 2017, but before program launch.~~

1. A system must be installed by ~~a company with current~~an entity certified as a Distributed Generation Installer certification ~~from~~ in good standing with the Illinois Commerce Commission. (https://www.icc.illinois.gov/Electricity/authorities/DistributedGenerationCertification.aspx).
    i. Note: Exceptions will be considered for self-installing a system on one's own property without being an ICC Certified DG Installer, provided that the self-installer submits one of the following proving that they are a Qualified Person: 1) a notarized attestation that they have completed at least five solar project installations prior to the application(s)

submitted to the Program; or 2) a certificate of completion for one of the training programs noted in the definition of “Qualified Person” below. Exceptions will be granted at the sole discretion of the Program Administrator.

2. A system must be installed by a qualified person(s). The following definitions of “qualified person” and the term “install”, as taken from Title 83, Part 468 of the Illinois Administrative Code, will be used to evaluate compliance with this requirement:

   "Qualified person" means a person who performs installations on behalf of the certificate holder and who has either satisfactorily completed at least five installations of a specific distributed generation technology or has completed at least one of the following programs requiring lab or field work and received a certification of satisfactory completion: an apprenticeship as a journeyman electrician from a DOL registered electrical apprenticeship and training program; a North American Board of Certified Energy Practitioners (NABCEP) distributed generation technology certification program; an Underwriters Laboratories (UL) distributed generation technology certification program; an Electronics Technicians Association (ETA) distributed generation technology certification program; or an Associate in Applied Science degree from an Illinois Community College Board approved community college program in the appropriate distributed generation technology. To be considered a "qualified person", the experience and/or training relied upon must be with the same type of distributed generation technology for which the qualification status is sought.

   "Install" means to complete the electrical wiring and connections necessary to interconnect the new solar project with the electric utility's distribution system at the point of interconnection between the project and the utility. "Install" in this Part specifically does not mean:

   - Electrical wiring and connections to interconnect the new solar project performed by utility workers on the utility’s distribution system;
   - Electrical wiring and connections internal to the new solar project performed by the manufacturer;
   - Tasks not associated with electrical interconnection of the new solar project and the utility, including those relating to planning and project management performed by individuals such as an inspector, management planner, consultant, project designer, contractor, or supervisor for the project or their employees.

~~D~~E. Expansions

An expansion to ~~an energized~~a system that is already under an ABP contract must be independently metered (with a separate GATS or M-RETS ID) and separately billed and will be issued a new contract and/or product order independent from ~~the contract~~that of the original system. The Program Administrator will process expansion requests only for systems that have been Part II verified. The expansion must comply with all program rules in effect at the time the expansion application is submitted. Expansions are subject to the following additional requirements:

1. The expansion will only be compensated up to the maximum 2 MW size limit when added to the original system at that location. For example, if a location already has a 1.9 MW system at that location and a 200 KW system is added, a new contract will only be granted for the estimated production of a 100 KW system.
2. If an expansion would move the total system size from the ~~small~~Small DG category into the ~~large~~Large DG category, and that category is operating on a waitlist, the expansion would be added to the waitlist in the same manner as a new system in that category while the existing system continues to receive REC payments under the previously contracted terms. Expansion applications submitted prior to the corresponding Group/category reaching full capacity will not be added to the waitlist and instead will be eligible for Part I review.
3. The expansion price will be adjusted to ~~take into~~ account for the current block price at the size of the combined system minus the price paid to the original system. For example, a 10 kW system in Block 1 Group A initially received $85.10/REC with an estimate that it would produce 100 RECs over the contract period, for a total of $8,510. A 10 kW addition is planned once the small DG and large DG categories in Group A have moved to Block 2. Because the new system with this addition would total 20 kW, the total system size is now in the >10-25 kW size category; for Block 2, Group A, that price is $75.55/REC. Assuming the expansion would also produce 100 RECs over the contract life, a calculation must be performed as if the system were a 20 kW system at the current block price. This value would be 200 RECS * $75.55/REC = $15,110. The previous payment of $8,510 must be subtracted from this value, leaving a total contractual payment of $6,600 for the new expansion. There will be no pro-rating of the time the original system was in operation when making this calculation. The contract term for the original system will remain the same, and the contract term for the expansion will be 15 years from the date the expansion commenced operation.
4. If an expansion is made to an existing system that is not part of the Adjustable Block Program and only the expansion is applying to the Program, then the system size used to determine REC price will be solely the expansion size.
5. ~~E~~For ABP dashboard and Block capacity calculations, the capacity of an expansion system is taken from the Group/category corresponding to the individual applications, not from the Group/category corresponding to the aggregate system.

F. Co-location of DG projects

The total capacity of distributed generation systems enrolled in the Adjustable Block Program at a customer's location will be considered a single system. (For example, three 100 kW systems at a single location will be considered a 300 kW system.) For purposes of determining the system's REC price, a system's location is considered to be a single building (regardless of the number of utility accounts at the location) for rooftop installations, and a single property parcel for ground-mounted systems (if a property ~~had~~has both rooftop and ground-mounted systems, it will be considered a single system). Additionally, systems located on multiple different rooftops or ground locations on the same parcel will be considered a single system if each system is owned by the same entity or its affiliates.

If two or more projects on one parcel are separately owned and serve to offset the load of separate entities, then in order to have these arrays considered as separate projects, an Approved Vendor must provide proof that the occupants are not affiliated entities, and each has a separate utility meter and separate utility billing.

~~F~~G. Co-location of Community Solar Projects

- No Approved Vendor may apply to the Adjustable Block Program for more than 4 MW of Community Solar projects on the same or contiguous parcels (with each "parcel" of land defined by the County the parcel is located in).
- Co-located projects summing to more than 2 MW of Community Solar may be permissibly located in one of two ways:
    - Two projects~~,~~ of up to 2 MW ~~each,~~in size on one parcel or contiguous parcels; or
    - ~~One project, of~~An up-~~-~~to 2 MW~~,~~ project on each of two contiguous parcels.
- Multiple projects up to ~~2MW~~2 MW in aggregate on the same parcel with the same owner will be considered a single project for purposes of REC pricing as well as size criteria in the case of a lottery.
- A parcel of land may not have been divided into multiple parcels in the two years prior to the project application (for the Adjustable Block Program) or bid (for competitive procurements) in order to circumvent this policy. If a parcel has been divided within that time period, the requirement will apply to the boundaries of the larger parcel prior to its division.
- If there are multiple projects owned or developed by a single entity (or its affiliates) located on one parcel of land, or on contiguous parcels of land, any size-based adders will be based on the total size of the projects owned or developed on the contiguous parcels by that single entity or its affiliates. Furthermore, the total combined size of projects owned or developed by a single entity (or its affiliates) on contiguous parcels of land may not be more than 2 MW, or more than 4 MW if co-located consistent with the provisions outlined above.
    - "Affiliate" means, with respect to any entity, any other entity that, directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with each other or a third entity.
    - "Control" means the possession, directly or indirectly, of the power to direct the management and policies of an entity, whether through the ownership of voting securities, by contract, or otherwise. Affiliates may not have shared sales or revenue-sharing arrangements, or common debt and equity financing arrangements.
    - "Contiguous" means touching along a boundary or a point. For example, parcels touching along a boundary are contiguous, as are parcels that meet only at a corner. Parcels,

however near to each other, that are separated by a third parcel and do not touch along a boundary or a point are not contiguous. Additionally, parcels that are separated by a public road, railroad, or other right of way accessible at all times to the general public are **not** considered contiguous.

- Projects owned or developed by separate entities (meaning that that they are not affiliates) may be located on contiguous parcels. If there is a naturally good location from an interconnection standpoint, one owner should not be allowed to prevent another owner from developing a project in that location.
- Projects must have separate interconnection points.

~~G~~If a single project is developed and then a second, co-located project is developed on the same or a contiguous parcel at a later date, the approach above contemplates that these two projects will be considered co-located and co-located project prices will apply. To make this price adjustment the least administratively burdensome on all parties involved, the price adjustment for both projects will only be applied to the second project, with that project's REC price reflecting not only the co-located project price, but also an additional discount reflecting the differential between the first project's contract price and the applicable Block's co-located project price. This co-located pricing provision will only be applicable if the Commission's approval date of the second project is within one year or less of the Commission's approval date of the first project. If the first project has not yet commenced construction at the time of the second project's approval, then the co-located pricing provision will apply.

In the case that there are two co-located projects on a single parcel (or two contiguous parcels) owned by a single entity or represented by a single Approved Vendor, any sale of one project to a different owner or transfer of one project to a different Approved Vendor would not avoid the price adjustment that applies to co-located projects. In such a case, the second project's REC price would be adjusted to a price accounting for both co-located projects (i.e., below the listed co-located project price) in line with the description above. This restriction also applies to projects that are accepted off the waitlist that would render an already developed project a co-located project.

H. Site Control

~~The~~For project application, the Approved Vendor must provide a written binding contract, option, or other demonstration of site control acceptable to the Program Administrator for all projects where the Approved Vendor is not also the project owner and the host. In cases where the system owner and host are the same entity, site control can be demonstrated by a statement from the system owner and host that this is the case.

~~H~~Separate procedures have been developed for community solar projects seeking to maintain a waitlist spot in line with the Commission's Order in Docket No. 19-0995.

I. Site Map

The site map must be provided with each application for all systems, showing property boundaries (if ground-mount), any structures on the property or rooftop, and the location of the solar array(s).

~~I. Shading Study~~

~~A shading study shall be completed for all projects. Suitable shading studies can include, but are not limited to, using tools such as the Solar Pathfinder, Steprobotics, Helioscope, and HORIcatcher as well as or in conjunction with software designed to perform shading analysis. The Program Administrator and IPA reserve the right to request further information on any shading study or the system used to obtain that shading study. Applicants can request approval of a given shading study software or system prior to application, however applicants are not required to obtain pre-approval for the use of shading study software.~~

~~In order to use the standard capacity factor (discussed on the next page), a system must meet the Minimal Shading Criteria.~~

~~The Minimal Shading Criteria is:~~

> ~~No obstruction is closer than a distance (“D”) of twice the height (“H”) it extends above the PV array. All obstructions that project above the point on the array that is closest to the obstruction shall meet this criterion for the array to be considered minimally shaded. Any obstruction located north of all points on the array need not be considered as shading obstructions. Obstructions that are subject to these criteria include:~~
>
> 1. ~~Any vent, chimney, architectural feature, mechanical equipment, or other obstruction that is on the roof or any other part of the building.~~
> 2. ~~Any part of the neighboring terrain.~~
> 3. ~~Any tree that is mature at the time of installation of the PV system.~~
> 4. ~~Any tree that is planted on the building lot or neighboring lots or planned to be planted as part of landscaping for the building. (The expected shading shall be based on the mature height of the tree.)~~
> 5. ~~Any existing neighboring building or structure.~~
> 6. ~~Any planned neighboring building or structure that is known to the applicant or building owner.~~
> 7. ~~Any telephone or other utility pole that is closer than 30 feet from the nearest point of the array.~~

J. REC Quantity Calculation

1. The application portal will automatically calculate (i) the PVWatts estimated production and (ii) a production estimate using the standard capacity factors[18] of 16.42% for fixed mount or 19.32% for single- or dual-axis tracking systems. An applicant will be allowed to choose either of these numbers, which will then calculate a 15-year contractual REC delivery amount rounded down to the ~~nearest~~ whole REC. The PVWatts capacity factor will be calculated automatically by the portal using PVWatts Version 5 and the following inputs:
    a. System address as entered by the Approved Vendor
    b. Module type: Standard
    c. System losses: 14%
    d. Array type will be based on Approved Vendor input for system type using the following: Fixed open rack for non-tracking ground mount systems, Fixed roof mount for non-tracking roof mounted systems, 1-Axis for single axis tracking systems, and 2-Axis for dual axis tracking systems
    e. Tilt angle: Tilt angle entered by Approved Vendor
    f. Azimuth angle: Azimuth angle entered by Approved Vendor
    g. DC/AC ratio: Actual ratio based on Approved Vendor inputs for DC and AC capacity
    h. Inverter Efficiency: As entered by Approved Vendor. If blank a default of 96% will be used.
    i. Degradation: 0.5% per year. Alternative degradation rates will not be accepted.
2. Applicants can also use an alternative capacity factor, which may be larger than the standard or PVWatts capacity factor, if such a selection was obtained using a custom software tool designed to calculate such capacity factors or calculated by a professional engineer. Approved Vendors can always choose a number lower than the standard, PVWatts, or alternative capacity factor if they determine it is appropriate. Any arrays (i) with an azimuth greater than 270 or less than 090, (ii) with a tilt of greater than 80 degrees, or (iii) that do not meet the Minimal Shading Criteria may not use the standard capacity factors and must either use the PVWatts estimate or alternative capacity factor.
3. Any proposed alternate capacity factor that is calculated using a proprietary third-party software tool may be subject to audit by the Program Administrator. This may include a requirement that the Approved Vendor provide a copy of the third-party software tool with appropriate licenses to the Program Administrator as well as providing all inputs to the tool in a manner which will allow the Program Administrator to replicate the generation claimed. This

[18] These capacity factors are 15-year average capacity factors, reflecting an assumption of 0.5% annual degradation, and based on an inverter's AC rating. Any alternative capacity factor should be based on the same assumptions. Please see Section 6.14.5 of the Revised Plan.

will only be required on a case-by-case basis as determined by the Program Administrator who will conduct both random and targeted audits of alternate capacity factors.

4. The Administrator will evaluate systems using non-standard technologies such as bifacial panels or seasonally adjusted tilt on a case by case basis.
5. Any capacity factor that is approved for Part I of an application will be the maximum capacity factor that the system may use even if changes to the final as-built system would result in a higher capacity factor. However, any changes to the system between the Part I and Part II approval that would lower the capacity factor will result in a capacity factor reevaluation and the new, lower Part II capacity factor must be used. The Part II capacity factor cannot be greater than the Part I capacity factor. If there is a new, lower Part II capacity factor, again stated relative to the system size in AC, it will be used, rather than the Part I capacity factor, for calculating payments under the REC ~~contract~~Contract and the annual REC delivery obligations under the REC ~~contract~~Contract.
6. At the Part II application, the Approved Vendor will be asked to update system parameters, if needed. As an additional check, photographic evidence and possibly on-site inspections will be used to verify the final system parameters. If the standard capacity factor was used at the Part I application – and if the project is still eligible for the standard capacity factor based on its updated shading criteria, azimuth, and tilt – then the standard capacity factor will continue to be used as the Part II capacity factor and applied to the Part II system size, discussed below. If PVWatts was used at the Part I application to calculate a capacity factor, then PVWatts will be used again based on the updated Part II system parameters to calculate a Part II capacity factor. If PVWatts calculates a higher capacity factor for Part II relative to Part I, the lower capacity factor from Part I will be used. If a custom capacity factor was used at the Part I application stage, the same custom capacity factor (or lower custom capacity factor, if reduced per above) will be used and applied to the Part II system size. Switching among production estimate calculation methodologies between Part I and Part II is ~~not permitted.~~permitted only if accompanied by a decrease in the capacity factor, otherwise such switching is not permitted.
7. Modifications to Part I project parameters may be permitted prior to the Program Administrator's approval of the Part I application, but only if these modifications do not increase the 15-year REC quantity.

K. System Size

1. All system sizes described in this Guidebook are AC system size based on the inverter size, i.e. a system with a single 10 kW inverter is considered a 10 kW system even if it has 12 kW of STC DC capacity.
    a. Inverter capacity shall be measured as the nameplate maximum continuous output.
    b. An inverter shall be connected to a solar panel in order to be considered as part of the AC system size. In the case of microinverters that contain two inverters per unit, only the inverters connected to a panel shall be included in the AC system size.

2. Systems will be limited to a DC capacity of ~~150~~155% of the AC capacity (for example, a 10 kW AC system can contain only 15.5 kW in STC DC capacity). An Approved Vendor may request an exemption for this requirement, but exemptions will only be granted for good cause and at the discretion of the Agency and its Program Administrator.

L. Systems with Battery Backup

All systems which include a battery shall be electrically connected in a manner which ensures that any non-solar generated electricity used to charge the battery is not later metered as solar generated power. This can be done in one of two ways:

1. The meter used to report production is electrically located before the battery charger and does not measure any power that is drawn from the battery bank.
2. A net meter is connected to the system that runs in reverse when any non-solar power, including on-site generator power, is used to charge the battery bank.

This restriction must be an integral part of the physical system design. An inverter which can be configured using software to preclude non-solar charging of the battery bank is not sufficient if that inverter is used as the source of reporting for renewable generation.

M. Systems that Directly Serve DC Loads

The Agency does not wish to inadvertently prohibit participation in the Program by photovoltaic systems that do not convert the DC electricity produced to AC electricity. However, for the reasons addressed below, the Agency is still in the process of developing standards for allowing Adjustable Block Program participation from DC-only systems.

Certain difficult questions arise in considering how to structure such systems' participation, particularly, how to estimate the system's 15-year REC production for purposes of establishing a contractual delivery obligation. The Plan allows systems to use an alternative capacity factor based upon an analysis using PV Watts or an equivalent tool. This may be challenging, however, given that the alternative capacity factor ordinarily must be multiplied by a system's nameplate capacity (measured based on the inverter size in kilowatts AC), and in a DC-only system, the capacity of solar panels may significantly exceed the inverter size. An alternative approach may be to assume an inverter size equal in size to the DC photovoltaic array: e.g., if such a system has 10 kW DC of panels, the Agency could assume an inverter size of 10 kW AC and then multiply by a standard capacity factor.

~~The Agency plans to continue receiving feedback from and working with interested parties during the initial stages of program launch with the hope of developing manageable standards for allowing participation from DC-only systems prior to the update of the Agency's Long-Term Renewable Resources Procurement Plan in the second half of 2019.~~

The Agency has communicated regularly with industry stakeholders who are seeking to coordinate and obtain ANSI approval of a new DC metering standard. However, this standard has not yet been finalized. The Agency also received no comments on DC metering in response to its public request for comments dated July 3, 2019 regarding the revisions to this Plan. Thus, the Agency believes it would be premature to incorporate a DC metering standard into the Adjustable Block Program (or, by implication, the Illinois Solar for All Program), but will continue its dialogue with industry professionals to understand the development of DC metering. The Agency intends to revisit this issue in the next Plan update in 2021.

N. Metering

~~Systems~~ The following metering requirements are identical for systems registered ~~in~~ with either GATS or M-RETS ~~must utilize an ANSI C.12 certified revenue quality meter.~~:

1. Systems over 25 kW ~~registered in GATS~~ must utilize a new meter that meets ANSI C.12 standards.
2. Systems over 10 kW and less than 25 kW in size ~~registered with GATS~~ must utilize a meter that meets ANSI C.12 standards. Meters that are refurbished (and certified by the meter supplier) are allowed.
3. Systems of 10 kW in size and below ~~registered with GATS~~ must utilize either a meter that is accurate to +/- 5% (including refurbished and certified meters), or an inverter that is specified by the manufacturer to be accurate to +/-5%. The inverter must be UL-certified and must include either a digital or web-based output display. Inverters with integrated ANSI C.12 compliant meters are allowed with a specification sheet showing this standard has been met.
4. No system is required to have automated or remote meter reporting capability, although such meters are allowed if they meet the requirements in sections 1-4 above.
5. As referenced above, the Agency has not yet adopted a DC metering standard and welcomes continued feedback on the proper approach.

Registry	System Size	Accuracy	New vs Refurbished	Meter vs Inverter
~~M-RETS~~	~~All~~	~~ANSI C.12 revenue grade~~	~~Unspecified~~	~~Meter only~~
PJM-GATS and M-RETS	>25kW	ANSI C.12 revenue grade	New only	Meter only
	>10kW and <25kW	ANSI C.12 revenue grade	Refurbished ok	Meter only

	<=10kW	+/-5%	Refurbished ok	Inverter ok (must be UL-certified with digital or web-based output display)

O. No Partial Systems

All systems entered into the ABP must include the entire output of the system (recognizing, of course, the REC delivery obligations for community solar projects correspond to only the subscribed shares of those projects). Any capacity of a system which is not part of the ABP must be separately metered with a separate inverter.

P. Rate Recovery

All systems submitted to the ABP are prohibited from recovering the costs of said project through state-regulated rates. Section 1-75(c)(1)(J) of the Illinois Power Agency Act (20 ILCS 3855) contains the following prohibition against recovering the costs of a photovoltaic generating unit whose RECs are used for compliance with Illinois's renewable portfolio standard (20 ILCS 3855/1-75(c)) through state-regulated rates:

> *In order to promote the competitive development of renewable energy resources in furtherance of the State's interest in the health, safety, and welfare of its residents, renewable energy credits shall not be eligible to be counted toward the renewable energy requirements of this subsection (c) if they are sourced from a generating unit whose costs were being recovered through rates regulated by this State or any other state or states on or after January 1, 2017. Each contract executed to purchase renewable energy credits under this subsection (c) shall provide for the contract's termination if the costs of the generating unit supplying the renewable energy credits subsequently begin to be recovered through rates regulated by this State or any other state or states; and each contract shall further provide that, in that event, the supplier of the credits must return 110% of all payments received under the contract.*

As RECs sold through the ABP are used to meet the state's renewable portfolio standard, this prohibition also applies to projects participating in the Adjustable Bock Program. Consistent with the passage above, Section 4(a) of the Adjustable Block Program's REC Delivery Contract Cover Sheet requires that a Seller make the following representation:

> *As required by Section 1-75(c)(1)(J) of the IPA Act, each such Designated System is not and will not be a generating unit whose costs are being recovered through rates regulated by Illinois or any other state or states.*

Section 4 of the REC Delivery Contract provides that, for a violation of Section 4(a), the project would be removed from the REC Contract, and that "Buyer shall be entitled to payment by Seller in the amount of the greater of: (i) the Collateral Requirement with respect to such Designated System or (ii) one hundred ten percent (110%) of the total payments Seller has received from Buyer associated with RECs from such Designated System."

If the Program Administrator has reason to believe that the costs of an ABP project may be recovered (currently or in the future) through state-regulated rates, the Program Administrator may request more information from that project's Approved Vendor and could request that the Approved Vendor sign an attestation that the project's costs have not been and will not be recovered through state-regulated rates.

Section 5: Project Applications

A. Part I Application Process

Batches

All applications will be submitted electronically through the Approved Vendor portal at illinoisabp.com. Applications will be completed on a project-by-project basis. ~~However, applications can only be submitted in a batch which must consist of at least 100 kW and no more than 2 MW of capacity.~~ A batch may include any combination of project types and locations, including project types across program categories. An ~~approved vendor~~Approved Vendor may select from their completed project applications to form and submit a batch. Project applications will only be reviewed once they have been submitted as part of a batch.

~~A minority-owned, female-owned, or small business may request to submit an initial batch of only 50 kW, with any subsequent batches subject to the standard 100 kW requirement. For purposes of eligibility for submitting a 50 kW initial batch, a "small business" means any for profit entity, independently owned and operated, that grosses less than $4,000,000 per year or that has 50 or fewer full-time employees, with its principal office in Illinois. This status will be requested and approved by the Program Administrator in the Approved Vendor application process.~~

~~If REC contracts are allocated such that the capacity of a batch becomes less than 100 kW (or less than 50 kW for an initial batch by a minority-owned, female-owned, or small business) the batch still can be submitted for ICC approval, provided that at least 75% of the initial capacity of the batch was approved by the Program Administrator.~~

Application Fee

An application fee equal to $10/kW, not to exceed $5,000, will be required for each project. This application fee will be paid to the Program Administrator at the time the batch is submitted. The application fee payment will be part of the batch submission process and the fee will be automatically calculated by the application portal. Fees may be paid by wire, check, credit card, or ACH direct deposit initiated by the applicant using a unique tracking code generated by the application portal in the wire or direct deposit notes section to allow matching of deposits to batch submissions by the Administrator. Credit card payments will be subject to an additional fee of 2.9% of the total payment to account for credit card processing fees and will be limited to no more than $10,000 per month per Approved Vendor.

Application Parts

Applications consist of a Part I and a Part II; each of these parts must be completed for each participating system. The Part I application may be completed when the project is in the planning stage and collects information on a system's planned technical aspects including size, estimated REC production, equipment and installation company. The Part II application is to be completed only when a project has been completed and energized. Only systems that have a completed and ~~approved~~verified Part I application that is subsequently approved as part of a batch by the ICC may ~~proceed to~~submit the Part II ~~stage~~application.[19]

A completed disclosure form is required for submission of a Part I application. The disclosure form must be generated using the disclosure form portal at the ~~illinoisabp.com site.~~Program website. The portal contains an interactive form that can be completed by either the Approved Vendor or one of ~~their~~its approved ~~designees~~Designees which ~~produces a form that~~upon completion can either be e-signed using the portal e-signature functionality or printed, signed, scanned, and uploaded. The information ~~from~~on the disclosure form is automatically transferred to the application portal to start a Part I application for DG systems. Approved Vendors are not authorized to use their own versions of the disclosure form ~~or their own e-signature systems.~~ , nor are they authorized to edit in any way the disclosure form generated in the portal. Approved Vendors may employ commercially available e-signature systems for customer signature of the disclosure form but must submit the audit/signature information page with the e-signed disclosure form. More information on the specific content of the disclosure form can be found in the distributed generation and community solar marketing guidelines on the ~~program~~Program website (http://illinoisabp.com/).[20]

The disclosure form is to be completed after system design and must be delivered to the customer before the contract is signed. A representative of the Approved Vendor or Designee shall review the disclosure form with the customer ~~before the customer signs it~~ and provide the customer with an opportunity to ask questions about the disclosure form~~.~~ prior to obtaining a signature from the customer. The customer must sign the disclosure form prior to signing the installation agreement. Terms of the underlying contract between a customer and an Approved Vendor or its subcontractor must be consistent with terms of the required disclosure form. Any statements made verbally to the customer must be consistent with the contract and the disclosure form. If a DG system was energized or went under contract prior to the Agency's finalization of the DG disclosure forms on December 27, 2018, the Approved Vendor will be required to complete the disclosure form and send it to the customer, but will have an opportunity to attest, in lieu of obtaining the system host's signature on the disclosure, that

[19] Much of the description of Program procedures that follow the ICC's batch approval is adapted from the Final REC Delivery Contract published by the Agency on January 28, 2019 (http://illinoisabp.com/rec-contract). For these procedures and other items described in the Program Guidebook but directly addressed through the REC Delivery Contract, to the extent that there may be any unintended inconsistency between descriptions in this Program Guidebook and the Final REC Delivery Contract, the latter is generally controlling.

[20] All disclosure forms submitted to the Program require a customer e-mail address. If the customer does not have an e-mail address, the Program offers a waiver that the customer can sign confirming that they do not have an e-mail address. The Approved Vendor must submit this waiver along with the customer's disclosure form.

its diligent, good-faith efforts to contact the customer using all known contact information were either unsuccessful or resulted in the customer refusing to sign the disclosure.

~~Once an Approved Vendor has at least 100 kW of Part I applications complete (or 50 kW if applicable) that Approved Vendor can select projects to become part of a batch submitted to the Program Administrator for approval.~~ ***Batching Process***

Under Section 6.14.1 of the Revised Plan, project applications may be processed on a rolling basis utilizing the process outlined below.

If an Approved Vendor does not wish to actively manage the batching of its applications, then batches of Part I verified applications that are at least 100 kW in batch size will be automatically submitted by the Program Administrator to the ICC for approval. On a rolling basis, the Program Administrator may also submit *additional* verified project applications from that Approved Vendor to the ICC for approval, whether as an add-on to an existing batch or as an independent batch (with all verified applications being batched together into standalone batches of no more than 2MW of capacity). Those applications processed on a rolling basis may constitute a batch of less than 100 kW in size.

If an Approved Vendor does wish to actively manage the batching of its applications, then it may elect to "rebatch" its verified project applications, including keeping individual verified applications from being submitted by the Program Administrator to the ICC on a rolling basis after verification. Batches actively managed and shaped at the Approved Vendor's direction must be at least 100 kW in size to be submitted to the ICC for approval. For this election, four business days prior to the Program Administrator's date of submission to the ICC (referred to herein as the "Eligibility Deadline"), the Program Administrator will provide Approved Vendors with a list of all applications that have been Part I verified prior to the Eligibility Deadline. Approved Vendors may take one or both of the following elections on a new page in the Approved Vendor portal. Any of these elections that the Approved Vendor chooses to make must be completed no later than 12:00 PM Central Prevailing Time two business days prior to the Program Administrator's submission date (hereinafter the "Election Deadline"):

- Completely "rebatch" these Part I verified applications into batches of at least 100 kW and no more than 2 MW, with the content of each batch determined at the Approved Vendor's discretion.
- Hold back any individual verified application(s) from submission to the ICC
    - Approved Vendors may elect to hold back a Part I verified application from submission to the ICC no more than twice for any given project application
    - After the second election to hold back an application, that application will be placed into a batch and submitted to the ICC for approval on a rolling basis

After the Election Deadline has passed, should an approved Vendor take one or more of the above elections and still have batches containing less than 100 kW of Part I verified projects, the Program

Administrator will use its discretion to make batching decisions for those projects on behalf of the Approved Vendor prior to the Program Administrator submitting batches to the ICC.

Note that the *first* batch from a new Approved Vendor must still be at least 100 kW in size (and have at least 75% of its capacity Part I verified). An Approved Vendor may submit subsequent batches of less than 100 kW in size if processed on a rolling basis as described above.

This new batching functionality will be implemented on [DATE].

Project Review

The Program Administrator will review each project's application in the batch for compliance with program guidelines and, as needed, request additional information from the Approved Vendor to verify the submitted information and approve the project. An Approved Vendor will be given up to two weeks to cure deficiencies in an application. In the case of continued communication between the Program Administrator and the Approved Vendor, at the Program Administrator's discretion, the cure period may be extended up to two weeks from the last good faith effort to provide the required information.

~~If, after any attempts to cure deficiencies have been made, 75% or more of the kW volume in a batch is reviewed and approved by the Program Administrator, the Program Administrator will assign the batch (less any projects not approved) to a utility, and prepare the confirmation information (and master contract information if it is the Approved Vendor's first batch) related to that batch.~~

~~If less than 75% of the kW volume of a batch is approved by the Program Administrator, the batch will be rejected in its entirety.~~ Batches will be reviewed in the order that they are received. Systems that are reviewed and approved but are in a batch that is rejected may be submitted in a future batch which will be subject to an expedited review process. The application fee for a batch applies only to newly submitted systems in that batch, not to systems that were previously reviewed and approved.

An Approved Vendor that repeatedly submits batches that are rejected may be subject to having its Approved Vendor status reviewed, and possibly terminated.

~~For Block 1, all batches submitted within 14 days of the program opening will be considered for Block 1. If the total quantity of~~After a batch has been reviewed and approved ~~projects submitted during that 14 day period in any Block 1 Category or Group exceed 200% of that Block's capacity, a lottery will be held to select projects.~~

~~The~~by the Program Administrator, the Program Administrator will then submit information about the batch to the Illinois Commerce Commission for approval. The Program Administrator simultaneously will forward the information to the applicable ~~utility~~contracting utility. Note that once a batch has been submitted to the Illinois Commerce Commission for approval, the applications in that batch are no longer eligible to participate in Solar For All.

ICC Approval

The Commission meets approximately every two weeks. The Program Administrator will strive to efficiently process approved batches for submittal to the Commission. The Agency understands that Commission practice is that items for consideration by the Commission must be submitted to be placed on its open meeting agenda at least ~~one week~~8 business days prior to each meeting. For an Approved Vendor's first batch (or batches) with a utility, ~~the~~that batch (or batches) will constitute a new REC ~~contract~~Contract. Subsequent batches will be included in separate Product Orders under the existing REC ~~contract~~Contract.

When the Program Administrator submits contract (or Product Order) information to the Commission for approval, that submittal will include the Program Administrator's recommendation for approval of the batch, with a summary of factors relevant to Plan compliance and pertinent to the Commission's standard of review for batch approval. Once a batch is approved by the Commission, the applicable utility will execute the contract (or Product Order). The Approved Vendor will then be required to sign the contract (or Product Order) as approved by the Commission within seven business days of receiving it. Approved Vendors that do not execute an ABP contract (or Product Order) after project selection, submission to the Commission for approval, the Commission's approval, or the utility's execution may face disciplinary measures impacting their status as an Approved Vendor in the Program moving forward~~; any~~. Any such discipline will be based on the Program Administrator and IPA's review of the circumstances under which the contract (or Product Order) was declined.

Discipline may include a possible suspension or termination of the Approved Vendor's status under the Adjustable Block Program. Suspension or termination will not impact an Approved Vendor's rights or obligations under already-executed contracts or product orders, but rather it will impact its ability to submit new project applications. Generally, the Program Administrator and the IPA will review all of the circumstances informing why a contract award was declined before the issuance of any discipline. Approved Vendors should provide a detailed, comprehensive explanation for why they declined to execute any contract or product order. If circumstances genuinely outside of an Approved Vendor's control necessitated non-execution, then discipline may have limited deterrent effect and may not be warranted, and thus the Approved Vendor's explanation may want to emphasize and explain any such circumstances. Neither the IPA nor Program Administrator is able to provide a disciplinary determination in advance of non-execution to "pre-approve" such an action, nor can they provide a timeframe for the issuance of such determination after non-execution.

Unless the system has already been energized (including the initiation of the standing order for REC transfers) within 30 business days of the ICC approving the contract (or Product Order), a collateral requirement constituting 5% of the value of a system's REC ~~contract~~Contract must be posted with the utility counterparty in the form of cash or a letter of credit from an underwriter with credit acceptable to the utility. The Approved Vendor may choose for the utility to withhold the collateral amount for each system from the first REC payment for the system (or only REC payment for small systems) in exchange for not needing to maintain the ongoing collateral requirement, but this election may be made only for systems that are energized prior to the date of ICC approval and only after the project is certified by the Program Administrator as developed and energized. Depending on the circumstances, a failure to provide contractually required collateral may also subject an offending Approved Vendor to discipline as outlined above.

Development Timelines

Once a contract (or Product Order) for a batch has been executed by the Approved Vendor and the utility, projects within that batch must be developed and energized by the following time limits based on the contract execution date:

- Distributed generation projects will be given one year to be developed and energized.
- Community solar projects will be given 18 months to be developed, energized, and demonstrate that they have sufficient subscribers.

A project that is not completed in the time allowed (plus any extensions granted, as described further below) will be canceled and removed from the schedule on its contract, and the REC volume associated with the project will be eliminated. The Approved Vendor will also forfeit the posted collateral associated with the project.

A project that is not completed in time and deemed canceled may be subsequently included in a future batch submitted by an Approved Vendor, but that project will be treated as a new system rather than a resubmitted system and will receive a REC price applicable to its category and block open at that time.

Extensions will be granted for the following circumstances:

- An indefinite extension will be granted if a system is electrically complete (ready to start generation) but the utility has not approved the interconnection. The Approved Vendor must document that the interconnection approval request was made to the utility within 30 days of the system being electrically complete, yet not processed and approved.
- A 6-month extension will be granted for documented legal delays, including permitting delays.
- One 6-month extension will be granted upon payment of a refundable $25/kW extension fee for distributed generation systems, and up to two 6-month extensions for community solar projects (the second extension is only for achieving the required subscriber rate, not for project completion and energization, and will require an additional refundable $25/kW fee). The extension fee(s) would be payable to the contracting utility and would be refunded as part of the first (or only for systems up to 10 kW) REC payment.

- The Agency may also, but is not required to, approve additional extensions for demonstration of good cause. The Agency is aware of potential delays in receiving updated interconnection cost estimates (particularly for community solar projects on a crowded feeder queue) that could delay system completion timelines, possibly pushing electrical completion beyond the period contemplated in the contract at no fault of the developer; such delays would qualify as good cause for the approval of an extension.

These extensions are outlined in the REC delivery contract itself, and the IPA has issued separate guidance regarding how extension requests should be made for certain circumstances.

Multiple Approved Vendors

In a case where one Approved Vendor submits a Part I application for a project, and then (before the first application is reviewed and approved by the Program Administrator and its batch submitted to the ICC for approval) a second Approved Vendor submits a new Part I application for a project at the same location, the Program Administrator will proceed as follows in attempting to resolve the potential conflict:

The Program Administrator will first investigate (including potentially contacting the site host) whether there is an intent that the multiple project applications be for separate, co-located projects (and if so, whether the co-location would be allowed under Program terms and conditions).

- If co-location is intended and feasible, then the Program Administrator will allow for co-location.
- If co-location is not both intended and feasible (i.e., if the two applications appear to represent the same project), the Agency will review the documents submitted with the Part I applications to determine which Approved Vendor is premising its control of RECs on an earlier-executed site control agreement (or, if both Approved Vendors rely on the same site control agreement, then which Approved Vendor has an earlier-executed REC control agreement); this Approved Vendor will be presumed to be the proper representative of the project.
- An Approved Vendor with a later-executed site control or REC control agreement (as applicable) will be given an opportunity to furnish documentation showing that the earlier-executed instrument was properly terminated prior to that Approved Vendor's Part I ABP application. If acceptable documentation is provided (subject to confirmation with the other Approved Vendor), then the application from the Approved Vendor with the later-executed agreement would proceed (subject to any other review and approvals of the application).

Change of Approved Vendors

A project that has been waitlisted or otherwise not yet selected for a REC Contract may change its Approved Vendor. This switch of Approved Vendors may be for an individual project that is a subset of a larger batch (although minimum batch size requirements would still apply).

While it is not necessary to seek Program Administrator approval in advance of commencing this transaction, the Approved Vendor transferring the project and the Approved Vendor receiving the project ("Transferee") must provide the Program Administrator with a binding document wherein both agree that the Transferee shall have rights to the RECs produced by the project and the authorization to represent the project for an ABP application. The documentation also must show that the project host (and the project owner, if different) consent to the change of Approved Vendor.

Please note that if a project was submitted co-located with another project, it will continue to be deemed co-located after any change of Approved Vendors. As a result, any co-located pricing or array layout requirements will still apply after a potential change of Approved Vendor. The transferred project, if community solar, could, if applicable, be newly considered co-located after being taken by the Transferee AV. The co-located pricing provision will only be applicable if the Illinois Commerce Commission's approval of the second project is within one year or less of the Commission's approval of the first project. If the first project has not yet received Commission approval at the time of the second project's approval, then the co-located pricing provision will apply.

Sale of an Approved Vendor

Additionally, the sale of an Approved Vendor is permissible. A change in ownership of the Approved Vendor (e.g., the sale of an entire LLC to a new entity) with no change to the AV/project pairings does not require consent, but does require the Approved Vendor to alert the Program Administrator to the change and provide documentation of the sale.[21] The new owner will need to submit an Approved Vendor application with details specific to its ownership of the LLC (see Section 2 for more detail on Approved Vendor requirements). Additionally, the new owner must contact its contracting utility/utilities to update its contact and banking information for the respective REC contracts with the utility.

Sale of a Project

A sale of the project itself (or a majority equity share in the project) that results in a new system owner but not a new Approved Vendor is allowed while the project remains unselected for a REC Contract. In such a case, the Approved Vendor is expected to contact the Program Administrator in order to update

[21] The seller's Approved Vendor profile and banking information will not be visible to the new owner of the Approved Vendor after a sale.

the ownership data for the project in the ABP portal. This project ownership change would not change any previous determination that the project was co-located, and it could, if applicable, cause the project to be newly considered co-located. The co-located pricing provision will only be applicable if the Illinois Commerce Commission's approval of the second project is within one year or less of the Commission's approval of the first project. If the first project has not yet received Commission approval at the time of the second project's approval, then the co-located pricing provision will apply.

B. Part II ~~Submittal~~Application Process

Once a system is completed and energized~~(~~, and after ICC approval of the system's application for a REC ~~contract~~Contract (or Product Order), the Approved Vendor will complete Part II of the application. Part II ~~will consist~~consists of uploading information verifying completion of the project and confirming that the specifications have not changed from the Part I application. If the final system size is larger than the proposed system size such that it would cause the system to change from the up-to-10 kW category to the over-10 kW category, the payment terms will be adjusted from the full payment on energization to 20% payment on energization and the balance paid over the next four years; the reverse is also true. Additionally, for any increase in system size at the Part II stage, the price per REC will be changed to the applicable REC price for the final system size based on the block open at the time the system is energized. A system that is developed at a size smaller than the original application will not be eligible for additional price adders.

A project's REC payment is based on the quantity of RECs estimated to be produced by the system, and this amount will be considered the lesser of the estimated production in Part I and Part II of the application. In this way, a system that is built smaller than planned will not benefit from excess REC payments that the final system cannot support as a result of its decreased production estimate. On the opposite side, if a project's final size is larger than the planned size, an increase in the REC payment could present unexpected budget management challenges.

If the final AC size differs (whether larger or smaller) from the size submitted in Part I of the project application and the difference exceeds the larger of 5 kW or 25%, then the system will be removed from the contract, with the option to re-apply to the ABP. Changes to the DC size of the system are governed by ensuring that the 155% DC/AC ratio is not exceeded (refer to Section 4(K) of this Guidebook for the full requirement). If the size difference at the Part II stage does not exceed those limits, the system will remain validly under contract. In the case of a size *increase* of less than the larger of 5 kW or 25%, *or* if the Approved Vendor desires to have the system change from a distributed generation project to a community solar project (or vice versa), then the Approved Vendor will have the option of canceling and resubmitting the system, but the REC price will then be that of the Block open at the time of resubmission, not of the original submittal. A new application fee will be required because the Agency will need to review the system design, which would be different from what was originally submitted (e.g., because of the change in system size). In all these cases described in this paragraph, if a project is removed, then resubmitted and approved within 365 days of the removal, the collateral associated with the original system would be applied to the resubmitted system (and any excess refunded to the Approved Vendor); if not, the original collateral would be forfeited.

The Agency ~~will reserve~~reserves the right to request more information on an installation, and/or conduct on-site inspections/audits of projects to verify the quality of the installation and conformance with the project information submitted to the Agency. Projects found not to conform with applicable installation standards and requirements, or projects found not to be consistent with information provided to the Agency, will be subject to removal from the program if the deficiencies cannot be remedied. Likewise, Approved Vendors who repeatedly submit projects that have these problems may be subject to ~~losing~~the suspension or termination their Approved Vendor status.

The Program Administrator will review the Part II application and, upon approval, will provide a confirmation sheet to the Approved Vendor to include with its invoice to the utility with which it has contracted to sell the RECs from that project. The Program Administrator separately will provide information to each utility covering the details of each completed project.

Any changes to a project after Part II is verified must be communicated to the Program Administrator, and, depending on the nature of those changes, could constitute a violation of the REC delivery contract.

C. Inspections

The Agency reserves the right to physically inspect any project submitted to the Program for any reason. Inspections will be scheduled in advance but may occur at any time during which the project is still within the Program.

If a material deficiency is found during the inspection, the Approved Vendor will be sent a Deficiency Notice, with a copy to the system host. Within 5 business days of its receipt of the Deficiency Notice, the Approved Vendor shall provide an action plan that cures the deficiency within 20 business days. The Approved Vendor shall provide proof of completion of the action plan to cure the deficiency (or deficiencies) no later than the 20 business-day deadline. Failure to complete the action plan may result in (i) removal of the project from the REC contract, and/or (ii) disciplinary action upon the Approved Vendor. Proof of completion shall include, at minimum:

- A brief explanation of how the issue was corrected
- Before and after photos of the correction, if applicable
- Confirmation of any resulting changes to the system specifications

The Program Administrator shall assess such proof for acceptability on a case-by-case basis dependent upon the nature of the deficiency. The Approved Vendor will be notified (with a CC to the System Host) once the Program Administrator accepts the completion of the action plan. Should the action plan or the completion of the action plan not be accepted by the Program Administrator, the Program Administrator will work with the Approved Vendor to modify the plan and/or the implementation such that it becomes acceptable.

D. Energized Systems

Only systems energized on or after June 1, 2017, are eligible for application to the Adjustable Block Program. An Approved Vendor is allowed to submit a Part I application for an already energized system that meets this requirement; however, the Approved Vendor bears the risk that the system does not meet program requirements if marketing, sales, installation, and other development activities occurred prior to the Agency's final publication of Program guidelines. Systems that are already energized will complete the same Part I and Part II process for final approval, with the only exception that the irrevocable standing order must be initiated but will not be accepted by the utility until after ICC approval and contract signing.

~~D~~

E. Community Solar Additional Requirements

Part I of an application for a community solar project ~~will require~~requires a description of the proposed subscription model (e.g., typical length and structure of contract, economic terms, marketing channels, etc.) and the expected mix of residential and non-residential subscribers. Applicants may enter their proposed model or enter "unknown" if the model is not yet known. The Agency will assess whether the subscription model will reasonably meet program terms and conditions and will use the subscriber mix to determine which adder, if any, will be awarded to the system, but the final adder (if any) will depend on the subscription level demonstrated once the system completes Part II of its application.

Under Part II of the application, a community solar project will have to demonstrate that it has met a minimum subscription level to be considered energized and eligible to receive payment for RECs. To receive REC payments, at least 50% of the capacity of the project must be subscribed at the time of energization. Such payment will be based upon a project's percentage subscribed at the time of ~~energization.~~Part II verification/Energization.[22] The Approved Vendor will report subscription levels on a

[22] Subscription level will be verified through review of applicable disclosure forms and data provided by the interconnecting utility.

quarterly basis during a project's first year. The calculation of the number of RECs for payment will be updated after one year of operation (based on the final quarterly report of that first year) to allow for the acquisition of additional subscribers. ~~A~~In addition to other extension provisions outlined in the REC delivery contract, a community solar project may request one additional extension, with a non-refundable extension payment of $25/kW, to its energized date if it needs additional time to acquire subscribers.

If a community solar project fails to attract sufficient subscribers by the time of energization, but also meets the definition of a distributed generation project (i.e., is located on-site, behind a customer's meter, and used primarily to offset a single customer's load), it may request to be recategorized as a distributed generation project and receive a REC payment at the lesser of the original price and the price of the distributed generation block open at the time this determination is made. A community solar project that does not meet the definition of a distributed generation project that fails to attract subscribers will not be eligible for this option~~ and would not be eligible for REC payments.~~. Likewise, a proposed distributed generation system may switch to be recategorized as a community solar project before energization and receive the REC price of the currently open community solar block, and any appropriate adders. In both of these situations, a project may only switch one time.

~~E~~F. Required Information

The following information will be required for each Part I and Part II application:

Part I

Note: Every completed disclosure form will create a Part I application with all of the information from the disclosure form already prefilled, eliminating the need for duplicate data entry. Community solar projects will not have completed a disclosure form and will therefore be required to enter this data in the Part I application form. All items not marked as "optional item" are required for a Part I application.

- Project location[23] and property owner
- Project Owner (if different than property owner)
- Installer name & contact information (May select unknown if not yet known)
- Name of Utility for which the system is interconnected
- Project Type (Residential, Non-residential, Government, Non-Profit, Community Solar)

[23] The project's latitude and longitude (in degrees out to 6 decimal places, e.g. 41.881856, -87.631222; this information is easily identified through Google Maps) will be requested as *optional* information. Projects in rural locations are strongly encouraged to provide this information. Approved Vendors that submit a significant number of projects with addresses that are difficult to map without latitude/longitude information may be asked by the Program Administrator to provide latitude/longitude for all future project applications.

- Financing Structure (Customer-owned, lease, or PPA) (Not asked for community solar)
- Number of graduates of job training programs the developer intends to work on the project (optional question)
- Technical Project Information
    - Ground or Roof Mount
    - Number of tracking axes (fixed tilt, 1-axis tracking, 1-axis backtracking, or 2-axis tracking)
    - Array information (# modules, module power rating, tilt, ~~&~~ azimuth, and whether or not the modules are bifacial) for each array
    - Inverter size in continuous AC output which must be equal to or less than nameplate capacity
    - Inverter efficiency
    - System size in DC and AC will be calculated by the portal from the information provided above.
- PV Watts (or similar tool) estimate of REC production during 15 year term (auto-calculated by the portal if using PV Watts)
- For Community Solar only
    - (for purposes of preference in lottery selection) Does the project commit to obtaining 50% small-subscribers? Note: This is only for the purposes of any potential initial lottery. Community Solar projects will receive adders for small subscriber subscription levels as described in Section 1 regardless of selection made here, and thus may still receive an adder for small subscriber subscription levels above 50% despite an initial commitment of only 50%.
    - Describe the proposed subscription model (e.g., typical length and structure of contract, economic terms, marketing channels, etc.). Applicants may enter their proposed model, or enter "unknown" if the model is not yet known.
    - Describe the expected mix of residential and non-residential subscribers.
    - If the project is in a municipal utility or electric cooperative territory, demonstrate the municipal utility or electric cooperative offers net metering bill credits for community solar projects substantially similar to that offered under Section 16-107.5(*l*) of the Public Utilities Act as well as purchase of energy from any unsubscribed ~~energy~~project shares under the Public Utilities Regulatory Policies Act of 1978.
- Required Uploads
    - For DG Projects

    - A disclosure form must have been completed and signed through the application portal.[24] This can be done prior to the Part I application and will not require a separate upload. If the AC size of a distributed generation system as submitted in Part I differs by more than the greater of 1kW or 5% from the AC system size noted in that application's disclosure form, a new disclosure form will be required.
- For all Projects
    - ~~Shading Study~~
    - Proof of site control
    - Plot diagram or site map for all systems
    - Ground-mounted systems larger than 250 kW AC must provide a land use permit from the AHJ (Authority Having Jurisdiction). If a land use permit is not applicable, the Approved Vendor must provide written confirmation from the AHJ that no permit is required. The land use permit is required if more than 250kW of a system is ground-mounted.
- Additional uploads for systems over 25 kW
    - ~~Signed~~ Interconnection Agreement
    - ~~Approved Vendors must attest that they have obtained all non-ministerial permits that, according to~~ signed by both the ~~commercially reasonable investigation of~~ interconnection customer and the ~~Approved Vendor, are necessary~~interconnecting utility prior to the ~~project at the time~~date of Part I application ~~to the Adjustable Block program. The Approved Vendor must list all such permits, along with the name, phone, and email of a contact person at the issuing authority. The Program Administrator will verify a random selection of permits and reserves the right to verify any permits that it deems require further investigation~~submittal.
- Requirements for systems already energized prior to application
    - GATS or M-RETS unit ID
    - Uploading of
        - Certificate of Completion of Interconnection
        - Net metering application approval letter (if applicable)

Any project that does not meet these requirements will not be considered eligible to receive REC payments; the Approved Vendor will have the option to resubmit the project. However, the resubmittal

[24] There is a limited exception, discussed above, for systems that went under contract or were energized prior to the Agency's finalization of the DG disclosure form on December 27, 2018.

will be placed at the end of any waitlists that had previously been established for that Group/category, will be at the price of the Block open at the time, and will require a new application fee.

Part II

- Actual system size in both DC and AC (if different than the size submitted in Part I, please re-supply the array information)
- Final 15-year REC production estimate
- Modules: manufacturer~~ / ~~/make, model, whether or not modules are bifacial
- Inverter: size, manufacturer~~ / ~~/make, model~~,~~
- Number of tracking axes (fixed tilt, 1-axis tracking, 1-axis backtracking, or 2-axis tracking) – must be the same as submitted in Part I.
- Does this project have a battery backup?
- Meter: manufacturer~~ / ~~/make, model. Does the meter meet the ANSI C.12 standard if required by the applicable registry?
- Number of graduates of job training programs who worked on the project (optional question)
- Provide description of any other changes made to the project between initial application and the completion of the project
- Interconnection Approval Date and Online Date
- Registry in which the system is registered (PJM-GATS or M-RETS)
  i. Provide the PJM-GATS or M-RETS unit ID
  ii. Provide the name on the PJM-GATS and M-RETS account
  iii. Provide proof of ~~accepted~~having initiated an irrevocable ~~transfer agreement~~standing order
- Confirm name and contact information of company performing installation from Part I (must match the name of a current ICC Certified DG Installer) including the ICC Docket Number for the Certification of the DG Installer of record for the project.
- Name of qualified person(s) who conducted the installation
- For systems that include a battery, a detailed schematic must be provided showing that either only solar-generated power can be used to charge the battery or that the battery's output does not run through the meter used to measure solar output.
- Provide final invoice showing installer. If the system owner is the installer a checkbox can be selected to indicate this
- Attestation of compliance with all marketing guidelines published by the Agency, for marketing activity that occurred after November 26, 2018
- Attestation that the contract with the customer is consistent with the disclosure form provided to the customer
- Attestation of compliance with all DG installation contract requirements or community solar subscription requirements previously published by the Agency (or an attestation that good-faith,

diligent attempts to secure a compliant contract amendment for DG contracts executed before January 23, 2019 were unsuccessful)

- ~~Final system cost~~
- Final system cost including any and all costs related to the following: modules, inverters, other generating equipment, balance of system (BOS), engineering/ procurement/construction (EPC), installation, interconnection, origination and development, sales/general/administrative (SG&A) including customer acquisition, financing, legal, permitting/inspection/other soft costs, contingencies, and any other direct or indirect costs attributable to the project. Any and all profit that results from project development should not be included in the total project cost.

Note: Individual project costs will be protected as confidential and proprietary pursuant to the Agency's obligation under Section 1-120 of the IPA Act. All persons within the Agency or the Program Administrator who have access to this information will be required to submit a signed statement demonstrating a commitment to maintain the confidentiality of the information and appropriate cybersecurity measures will be taken to protect this information. This approach is similar to how the Agency and its Procurement Administrator have handled sensitive commercial information submitted by bidders in competitive procurements for energy, capacity, and renewable energy resources during past years.

Section 7(1)(g) of the Illinois Freedom of Information Act exempts from disclosure "[t]rade secrets and commercial or financial information obtained from a person or business where the trade secrets or commercial or financial information are furnished under a claim that they are proprietary, privileged or confidential, and that disclosure of the trade secrets or commercial or financial information would cause competitive harm to the person or business, and only insofar as the claim directly applies to the records requested." (5 ILCS 140/7(1)(g)). The requested submission of project cost data will have a check box for the Approved Vendor to certify that the predicate conditions of Section 7(1)(g) are met. It is the Agency's position that project cost data would, with such a certification, constitute commercial or financial information that is exempt from public disclosure.

Project cost information will only be disclosed on an aggregated basis no smaller than an entire block.

Variations in the system layout between Part I and Part II are not allowed except in the following cases:

- Change in location of the system on a roof or parcel for any DG system, or any system for a Community Solar project which was the only project on a parcel entered into the initial program lottery, if held.
- Increase in the surface area covered as long as the originally plotted footprint is still entirely covered by the solar array or associated equipment or wiring.

- Decrease in the surface area covered as long as the solar array and any associated equipment or wiring remains entirely in the originally plotted footprint.
- Changes in location on a parcel made to provide access paths through the solar array on order to access an otherwise stranded portion of the parcel.
- Changes in location on a parcel made to account for parcel unsuitability that was not apparent in the Approved Vendor's commercially reasonable investigation of the property when conducting the initial project design.
- Switching between rooftop and ground-mounted.
- Switching between tracking system types and non-tracked systems is allowed; however, the lower of the Part I capacity factor or Part II capacity factor must be used. Switching tracker types by itself is not sufficient to qualify for an exception. At least one additional criterion from the list above must be met to qualify for an exception.
- Approved Vendors may request approval for other changes; such approval will be granted if the Approved Vendor can demonstrate to the Program Administrator that the change was made due to factors that were not apparent in the Approved Vendor's commercially reasonable investigation of the project when conducting the initial project design and which would not constitute gaming of the lottery system or project application process.

Required Uploads:

- Certificate of Completion signed by the utility
- Net metering approval letter (if applicable)
- Photograph(s) of the project showing all installed modules. Photograph(s) must show all modules clearly ~~show each module~~enough to verify the number of modules installed.
- Photograph(s) of the inverter(s). ~~Photograph~~Photographs must clearly show the inverter information panel with the model number. ~~Photograph~~A photograph of just one inverter is acceptable if using microinverters.
- Photograph of the meter (if applicable). Photograph must clearly show current cumulative lifetime meter reading~~.~~ or, if the meter has no physical display, a screenshot of the monitoring portal with the lifetime meter reading.
- Proof that the project has initiated an irrevocable ~~transfer set-up~~standing order without an end date in the REC tracking registry through either a copy of the ~~irrevocable transfer~~ registry's email acceptance ~~email~~ of the irrevocable standing order or a screen shot of the irrevocable ~~transfer~~standing order screen showing the registry certification number of the system.
- For Community Solar only
  - ~~Proof~~Subscriber information (as of the energization date) including proof that minimum subscriber commitments have been met (50% of capacity must be subscribed)
  - Percentage of small subscribers (as a share of total system capacity)

Section 6: Renewable Energy Credit Management and Assignments

A. REC Delivery

1. All systems must be registered in either the PJM-GATS or M-RETS tracking registry. For systems larger than 5 kW, the first REC must be delivered within 90 days of the date the system is ~~energized and registered in GATS or M-RETS.~~Energized/Part II verified. For systems smaller than 5 kW, 180 days for the first REC delivery will be allowed. The 15-year delivery term will begin in the month following the first REC delivery and will last 180 months. Any RECs that were created prior to contract signing are not part of the contract and will not be transferred to the utility under the contract or purchased by the utility under the contract.
2. Approved Vendors will be required to set up an irrevocable ~~15-year Standing Order~~standing order without an end date for the transfer of RECs from the system to the utility.
    a. Community Solar projects which are not 100% subscribed will be allowed to set up a standing order for the percentage subscription the project has met. For the unsubscribed portion of a project, RECs will not be transferred to the utility. Community Solar projects shall update this percentage once per year based on their achieved subscription rates for the previous year.
    b. All other systems must set up an irrevocable standing order for 100% of the capacity the system produces.
    c. Standing orders must be established without an end date. The applicable utility buyer of the RECs will cancel the order at the end of the REC delivery term.
3. ~~Systems already energized at the time of contract signing, including systems energized on or after June 1, 2017, will be required to deliver their first REC within 90 days of contract signing, or 180 days for systems less than 5 kW. The 15-year delivery term will begin in the month following the first REC delivery and will last 180 months. Any RECs that were created prior to contract signing are not part of the contract and will not be transferred to the utility under the contract or purchased by the utility under the contract.~~

~~4.~~3. When registering a system in PJM-GATS or M-RETS, the Approved Vendor must incorporate the Adjustable Block Program application ID into the name of the system, the Unit field, and the Note field.

Submitting REC Information to Tracking Systems

Approved Vendors are responsible for entering system production in the tracking registry where the system is registered. This must be done at least annually (and as frequently as monthly) and as necessary to ensure that the delivery of required RECs under contract is complete prior to the annual report submission date. Detailed information about creating RECs in the PJM-GATS system can be found at https://www.pjm-eis.com/getting-started.aspx. Detailed information for M-RETS can be found at https://help.mrets.org

B. Assignment of REC Contracts

REC delivery contracts entered into under the Adjustable Block Program are assignable, and assignments may be made at either the batch (or "Product Order," as used in the contract) or Master Agreement level. As required by the Plan, assignments may only be made to entities registered with the ABP as Approved Vendors. If the assignment is to an Approved Vendor already having a valid REC Contract with the same counterparty utility through the ABP, then the prior written consent of the counterparty utility is not required for that assignment and any batches transferred will constitute new batches under the Approved Vendor's existing agreement with that utility. The Approved Vendor assignor must notify the IPA and counterparty utility of such an assignment made without the utility's consent and provide that utility with the assignee's contact and payment information.

Assignments by Approved Vendors are subject to an assignment fee of $1,500 for the first assignment and $5,000 for any subsequent assignments of the same batch or same master agreement. Assignment fees are payable to the counterparty utility at the time of assignment, with fees made part of that utility's renewable resources budget for the procurement of renewable energy resources. ~~Assignments to affiliates are not subject to fees.~~The first assignment of a product order of contract to an affiliate is not subject to fees, although other assignments and subsequent assignments of the same product order to an affiliate may be. Please consult Section 9.2 of the REC Contract for additional information.

Assignments may not be made within a) 30 business days of contract execution (or the posting of collateral, whichever is later) or b) 30 business days of a prior assignment of the same batch or same master agreement. In the case of the assignment of an individual batch, any surplus RECs associated with the batch remain with the original master agreement.

On assignment, an Approved Vendor's ongoing collateral with respect to a transferred batch, if in cash form, may simply be applied to the transferred batch, while letters of credit will remain in place until the assignee posts replacement collateral.

~~The Agency reserves the right to publish a standard acknowledgment form for assignments of the REC contract.~~

Upon completion of the assignment, new contract documentation – including Exhibit A and associated schedules – will be developed by the Program Administrator to reflect the change in systems subject to the assignor's original agreement and the assignee's expanded or new agreement.

Collateral Assignment

Collateral assignment of the REC ~~contract~~Contract by an Approved Vendor – i.e. pledging of the accounts, revenues or proceeds in connection with any financing or other financial arrangements for a system or systems, but without relieving itself of performance obligations – is permitted at either the batch or Master Agreement level and does not require prior consent of the counterparty utility. The Approved Vendor must notify the IPA and counterparty utility of the collateral assignment made without the utility's consent and provide that utility with the identity of and contact information for the financing party.

As financing parties are unlikely to be Approved Vendors but may become assignees due to foreclosure or default under financing arrangements, the requirement that such an assignee be an Approved Vendor will be waived for 180 days following such a transfer. The new assignee would then have 180 days to either a) become an Approved Vendor itself, or b) assign the batch or Agreement to an Approved Vendor. For purposes of calculating assignment fees, both the initial assignment post-default and the second assignment within 180 days constitute a single assignment.

For more information on assignment or collateral assignment, please see Section 9.2 of the Master REC Agreement within the REC Contract.

Steps to Assign Product Order(s) or an Entire REC Contract

Assignments are governed by Section 9.2 of the Master REC Agreement, as modified by Section 13(j) of the Cover Sheet. As explained in the REC Contract, assignments may be subject to fees, and may in certain circumstances require the Buyer's consent to be effectuated.

An entire REC Contract or any product orders/batches under a contract may be assigned in their entirety. It is not possible to assign individual projects within a product order.

Following are the steps for assignment. The Assignor is the Approved Vendor that already holds the product order(s) and wishes to initiate assignment, while the Assignee is the Approved Vendor that will receive the assignment. The Buyer is the contracting utility.

1. Assignor contacts Buyer and Program Administrator to provide informal notice of intent to assign, including the identity of Assignee.
2. Assignee applies to be an Approved Vendor (if not already) on the Program website. (In the case that the Assignee is a foreclosing financing party, the requirement that the Assignee is an Approved Vendor shall be waived for up to 180 days following the transfer.)
3. Program Administrator reviews and approves Approved Vendor application (if the Assignee is not already an Approved Vendor).

4. Assignee and Assignor execute the appropriate form of Acknowledgement. The Acknowledgement without consent form[25] is used if the Assignee already is a valid Approved Vendor with an existing fully executed REC Contract. The Acknowledgement and Consent form[26] is used in all other situations. Thus, one of the two versions of the form is required in all cases.
5. Program Administrator and Buyer collaborate to confirm that Assignor has met all prerequisites for assignment:
    a. Full collateral has been posted for the subject product order(s).
    b. Thirty business days have passed since ICC approval of the subject product order(s).
    c. Buyer has received any applicable assignment fees.
        i. A fee of $1,500 is required for the first assignment of a contract or product order. If Assignee and Assignor are affiliates, this fee is waived. Any subsequent assignments of prior-assigned product orders, even between affiliates, carry a fee of $5,000. All assignment fees are payable directly to Buyer.
    d. Assignee, Assignor, and Buyer must work out together how collateral will be maintained.
    e. Assignee and Assignor have met any other requests by Buyer for additional information for Buyer to use in determining whether to grant consent (not applicable if consent is not required).
6. Program Administrator generates shell REC Contract (if needed), Exhibit A, Schedule A(s), and Schedule B(s) (if appropriate) for Assignee. Generates Schedule A(s) for Assignor. All documents are provided directly to Buyer.
7. Buyer signs Acknowledgement, REC Contract (if needed), and Exhibit A. Sends all items to Assignee. Sends Acknowledgement to Assignor.
8. Assignee and Assignor effect the legal assignment. Assignee countersigns REC agreement and Exhibit A. Assignee and Assignor provide copies of fully executed documents to Buyer.
9. Buyer notifies Program Administrator that the assignment is complete.
10. Program Administrator updates ABP database, moving subject product order(s) from Assignor's REC Contract to Assignee's REC Contract.

Note that an Approved Vendor may, without consent, collaterally assign or pledge the revenue stream of a REC Contract or product order(s), or collaterally assign the REC Contract itself, in conjunction with financing or other financial arrangements. The Approved Vendor must provide notice to the Program

[25] http://illinoisabp.com/wp-content/uploads/2019/07/ABP-Acknowledgement-of-Assignment.pdf

[26] http://illinoisabp.com/wp-content/uploads/2019/10/ABP-Acknowledgement-of-Assignment-and-Consent-2019_10_23.pdf

Administrator and Buyer of such a collateral assignment or pledge, including the identity and contact information of the financing party obtaining collateral rights.

Assignment of Waitlisted Projects

Projects may be selected off a waitlist in any given Group/category combination either when a new block of capacity is opened (and receive the new block's REC price), or when a previously selected and approved project drops out of the program, thus freeing up program capacity (with the project selected from the waitlist receiving the most recently available REC price). While projects are on a waitlist and thus not yet under contract, an Approved Vendor may assign that project to another Approved Vendor, or the project itself may be sold, without penalty or impacting the project's position on the waitlist but must promptly notify the Program Administrator of that transfer and provide appropriate documentation.

Section 7: Annual Reports and Performance Evaluation

A. Annual Report Requirements

On an annual basis, each Approved Vendor will submit an Annual Report of the contracts and systems in its portfolio using the Approved Vendor portal at www.illinoisabp.com. ~~Each Approved Vendor will be able to change its point of contact for completing the Annual Report at any time if desired.~~ Approved Vendor. The Annual Report will serve as the basis for verifying that RECs from projects are being delivered to the applicable utility, and, absent corrective actions taken by the Approved Vendor, can be a tool used to determine what actions may be taken by the utilities to enforce the contractual requirements that RECs are delivered, including, but not limited to, drawing on collateral. Additionally, the Annual Report will be used by the Agency to consider the ongoing eligibility of an Approved Vendor to continue participation in the program. For all systems, the report will include information on:

- RECs delivered by each of the systems in the portfolio
- Status of all systems that have been approved, but not yet energized, including any extensions requested and granted
- Energized systems that have not delivered RECs in the year
- Balance of collateral held by each utility
- A summary of requests for REC ~~obligation~~obligations, suspensions, reductions, or eliminations due to force majeure events
- Information on consumer complaints received
- Other information related to ongoing program participation, including use of graduates of job training programs and other information related to increasing the diversity of the solar workforce

For community solar projects, the report will also include:

- Percentage of each system subscribed on a capacity basis
- The number and type of subscribers (e.g., residential, small commercial, large commercial/industrial), including capacity allocated to each type
- Subscriber turn-over rates
- ~~An internal check in the portal to ensure that community solar disclosures were signed by all subscribers~~

The community solar annual report will require the Approved Vendor to enter each subscriber, the subscriber's contract start date and end date if it fell within the current reporting year, ~~if~~whether the subscriber meets the requirements of a small subscriber, and the subscriber's subscription size in kW. The portal will automatically prorate all data to determine the average subscription amount and percentage of small subscribers based on this data. A signed disclosure form is required in order for a given subscriber to count towards a community solar project's subscriber tally in either an annual or quarterly report. If the AC size of a community solar subscription submitted to the Program

Administrator differs by more than the greater of 1kW or 5% from the subscription size noted in that subscriber's corresponding disclosure form, a new disclosure form will be required. As with project cost data, the IPA will treat this subscriber information as confidential and proprietary and will provide protection of this information as required under Section 1-120 of the IPA Act (including asserting any applicable protections in response to FOIA, discovery, or other requests).

Approved Vendors will be given 90 days to cure any deficiencies in the information reported, as found by the Agency and/or utilities. Failure to cure deficiencies may result in the contracting utility drawing on collateral. In addition, Approved Vendors' program eligibility may be jeopardized by failure to address and cure deficiencies.

Each Approved Vendor will be able to change its point of contact for completing the Annual Report at any time if desired. The Agency will review the annual reports as well as utility-reported information on REC deliveries and community solar subscribers to assess compliance with the requirements of the Adjustable Block Program and, if there are underperformances, coordinate with the applicable utility on drawing on collateral. That process is described below.

B. Collateral and Performance Evaluation Mechanics

Following Commission approval of a batch, the Approved Vendor must post collateral for all systems in the batch within 30 business days. Initial collateral for any system is 5% of the total REC ~~contractual~~Contractual value for that system, based on the capacity factor and system size proposed in the Part I application, including any small subscriber commitment adders to the REC price. Collateral may be posted in the form of cash or a Letter of Credit. A Letter of Credit must use standard forms provided with the published REC ~~contract~~Contract; minor modifications may be allowed if approved by the counterparty utility.

For a system already energized at the time of ICC approval, as an alternative to posting collateral, the Approved Vendor may request that the 5% collateral requirement be withheld from the first REC payment. Should an Approved Vendor submitting an energized project seek to have its collateral withheld, that Approved Vendor must submit Part II of the project application at least four weeks prior to the collateral due date (which is 30 business days after the Trade Date) to allow the Program Administrator time to review and verify the Part II application (as evidenced by the issuance of Schedule B). The project's standing order for REC transfer to the contracting utility must be initiated in PJM-GATS or M-RETS by the collateral due date. Once the Approved Vendor receives Schedule B of the REC Contract, it should make the payment withholding request to the utility as soon as possible, and no later than the collateral deadline, with that request including all pertinent identifying information for the project (system ID, batch ID, contract ID, Trade Date, interconnection date, Approved Vendor). If the Program Administrator determines that it requires more than four weeks to verify the Part II project application, upon request it may recommend that the contracting utility extend the collateral posting deadline, though the final decision about whether to offer such a grace period belongs to the utility. If the Program Administrator requires additional information from the Approved Vendor to verify the Part II application, the Program Administrator may not be able to verify the application in time for collateral withholding and may be unable to recommend an extension.

Collateral and performance evaluation ~~will~~is generally ~~be~~ handled at a portfolio level, i.e~~.~~., pooled across all batches and systems for a given Approved Vendor. There ~~will be~~are two forms of annual evaluation, described further below: REC delivery performance (for all systems) and community solar system parameters. Underperformance by any system in either of those categories can trigger a collateral drawdown for a delivery year. In any delivery year where one or more systems under the REC ~~contract~~Contract have a collateral drawdown, the Approved Vendor may elect to pay the total drawdown as cash or have the drawdown taken from posted collateral. If two forms of collateral have been posted (cash and letter(s) of credit), the Approved Vendor may additionally choose which form of collateral shall be drawn upon.

Within 90 days after any collateral draw, the Approved Vendor will be required to post additional collateral to “top up” its total collateral, to equal 5% of total remaining contract value (where each system’s contractual value declines by 1/15 each contract year). The Approved Vendor can request the withholding of the next payment(s) due under the contract (if any) in lieu of “topping up” the collateral. When the last system within a batch reaches the end of its delivery term, an Approved Vendor may request a refund of the collateral associated with that batch.

Any failure to post collateral or pay for collateral drawdowns on a timely basis as required shall be an event of default under the REC ~~contract~~Contract.

If a system receives an interconnection cost estimate from the interconnecting utility prior to energization that exceeds 30 cents per watt AC ($300 per kW AC), then within 14 days of having received that estimate, the Approved Vendor shall have the option of withdrawing that system from the REC ~~contract~~Contract and receiving a refund of 75% of its previously posted collateral associated with that system.

REC Delivery Performance Annual Evaluation

At the time of energization, a schedule of annual REC deliveries over 15 years will be set, based on the system's approved capacity factor and a 0.5% annual reduction of delivery obligations.[27] Starting at the end of the third full delivery year after the date of energization, a 3-year rolling average of actual REC deliveries will be calculated each year, and that average performance will be deemed to be the system's performance for the recently completed delivery year. In the case of a system's annual surplus production, the "surplus RECs" will be applied to the Approved Vendor's "surplus REC account,"[28] which is a single surplus REC account for the entire contract. Surplus RECs can be "banked" forward indefinitely, if unused, until the end of the final delivery term in the REC ~~contract~~Contract.[29]

In the case of a system's annual REC underperformance, first, surplus RECs from the surplus REC account if available shall be used to address the deficit (starting, for a delivery year, with the lowest-valued underperforming system and then moving to higher-valued systems within the contract portfolio). If surplus RECs are not available to fill in the entire underperformance across all systems in the contract for a delivery year, the underperformances shall be valued at the respective REC prices and that total shortfall amount shall be remedied through a collateral drawdown for the delivery year.

At the end of the 15-year delivery term for the last system under an Approved Vendor's REC ~~contract~~Contract, any unused balance of surplus RECs may be used to receive a refund for prior collateral drawdowns that related to REC underperformance.[30] The lowest-valued underdelivered RECs will first be refunded to the Approved Vendor, moving then to higher-valued underdelivered RECs, until no surplus RECs remain in the surplus REC account. If any surplus RECs remain in the surplus REC account after all prior collateral drawdowns have been refunded, ***no additional refund will be made*** for those leftover surplus RECs.

Community Solar System Parameters Annual Evaluation

After each delivery year, the Approved Vendor will be required to report subscriber information for each community solar system including subscription amounts, small subscriber status, and subscription start/end dates. The IPA will evaluate the system's share of physical capacity that is (i) subscribed and

[27] An Approved Vendor may request for a system's annual REC delivery obligations to be reduced in mid-contract. The Buyer and Seller would then seek to negotiate a settlement payment as part of the reduction in delivery obligations; the Buyer would not be required to ultimately accept the request.

[28] To be clear, surplus RECs and the Approved Vendor's surplus REC account are only a "virtual" concept used for purposes of performance evaluation and collateral issues. The actual RECs shall be delivered to the counterparty utility when generated and then retired.

[29] Following an assignment of a batch to another contractual party where the original Approved Vendor retains other batches in its contract, the original Approved Vendor will retain any surplus RECs that had been generated by systems in the transferred batch prior to the assignment.

[30] This refund procedure would not apply to prior collateral drawdowns based on annual community solar system parameters.

(ii) subscribed by small subscribers, based on daily averages over the course of the year. Based on the subscription share and the small subscriber mix actually realized for the delivery year, a REC price and REC quantity owed for that delivery year under the terms of the ABP will be calculated. This will be compared to the actual contractual payment previously made for that system corresponding to that delivery year, and any negative difference will become a collateral drawdown for that system for that delivery year. Any annual "overperformance" with regard to community solar system parameters will ***not*** result in any extra payment, "banking" for future delivery years, or carryback for prior delivery years.

Section 8: Invoicing and Payments

An Approved Vendor may submit an invoice for payment to the counterparty utility only for systems that have been energized~~.~~ and for which the Program Administrator has verified Part II of the project application. For distributed generation systems 10 kW or smaller, the REC ~~contract~~Contract provides for a one-time payment for the full 15 years of REC deliveries after the conclusion of the quarterly period during which the system is energized. For distributed generation systems over 10 kW, twenty percent (20%) of the total contract value is paid after the conclusion of the quarterly period during which the system is energized. The remaining balance (80%) is paid in equal installments over the following sixteen quarterly periods. Community solar projects are paid on the same schedule as larger distributed generation systems but are further subject to a payment adjustment each quarterly period during the first year of operations. If the Approved Vendor has elected for the 5% collateral under the REC ~~contract~~Contract to be withheld from the first REC payment for a system, this balance will be released at the end of the 15-year contractual period for the last system in that batch.

The formula for calculating the total REC payment of an energized system is as follows:

System (inverter) size in MW AC ***x*** *approved capacity factor* ***x*** *365 days/year* ***x*** *24 hours/day* ***x*** *15 years* ***x*** *1 REC/MWh* ***x*** *$/REC.*

For community solar projects, the system size in this formula is only the portion of the system's nameplate capacity that is subscribed.

Invoices for payment may be submitted to the counterparty utility on a quarterly basis. To facilitate invoicing and payment, at the end of each quarterly period, the IPA and Program Administrator will prepare a quarterly netting statement for each ~~Approved Vendor~~contracting utility applicable to each of its REC ~~contracts (up to three, as there are three potential counterparty utilities),~~Contracts which includes payment-related information. The IPA, through its Program Administrator, expects to issue quarterly netting statements by the following dates: June 1, September 1, December 1, March 1.

~~After the receipt of a quarterly netting statement, an~~The Program Administrator will make an invoice available to each Approved Vendor that has had projects Part II verified during the prior quarter. Previously energized projects with outstanding payments remaining will also have their payment due included on the invoice. An Approved Vendor may submit its invoice for payment to the applicable counterparty utility no later than the following invoice due dates: June 10, September 10, December 10, March 10.

~~Payments from the utility to the Approved Vendor will be made (for the Approved Vendor's first contractual payment) at the end of the month before which an invoice is submitted, or (for an Approved Vendor's payments after its first contractual payment) at the end of the month in which an invoice is submitted, provided that the utility receives the invoice by the relevant due date.~~

All timely submitted invoices under a given REC contract shall be payable and due on the last business day of the month in which the invoice is rendered, or the last business day of the following month if the payment is the first payment made under a given REC contract.

Each quarterly invoice submitted to the counterparty utility must include the following:

- ~~most recent quarterly netting statement provided by the Program Administrator to the Approved Vendor~~
- invoice amount;
- cumulative amount already received by the Approved Vendor under the REC ~~contract~~Contract;
- maximum allowable payment~~, as indicated in the most recent quarterly netting statement~~; and
- the PJM-GATS or M-RETS Unit ID of each system included in the invoice.

In order to allow the Program Administrator sufficient time to verify the application, Approved Vendors should submit distributed generation Part II applications no later than four weeks prior to the opening of an invoicing window. For community solar projects, because of the more complex verification process that includes validating subscriber data, Approved Vendors should submit Part II applications no later than six weeks prior to the opening of an invoicing window.

The Program Administrator will endeavor to review and verify Part II applications that follow this guidance prior to the opening of the relevant invoicing window. Should the Program Administrator have questions and request additional information as part of the review process, Part II verification may be delayed beyond the upcoming invoicing window depending on how long it takes to resolve any open issues an application may have after a preliminary review.

Section 9: Guidebook Update Process

The Guidebook will be periodically updated both as the program changes and as additional questions and issues arise. Minor updates to the Guidebook will be made by the IPA in consultation with the Program Administrator on a regular basis. Such changes will be announced on the www.illinoisabp.com website; the version of the Guidebook published there will always be the latest version.

The Agency may also contemplate more significant changes to the Guidebook that would benefit from stakeholder input. In these cases, a notice of the stakeholder process and a copy of the draft change will be published on the www.illinoisabp.com website. Stakeholders will be provided the opportunity to read the draft changes, attend a stakeholder meeting and/or webinar, and provide written comments on the proposed changes. Those comments will be reviewed by the Agency and its program Administrator prior to adopting more significant changes to the Program Guidebook.

Program Guidebook Version History

Program Guidebook Draft for Stakeholder Comment (November 28, 2018)

Program Guidebook (December 31, 2018)

Program Guidebook (January 31, 2019)

Program Guidebook (April 3, 2019)

Program Guidebook (May 31, 2019)

Program Guidebook (DATE TBD)

Section 10: Glossary

Agency: The Illinois Power Agency (see 20 ILCS 3855)

Ameren Illinois: Ameren Illinois Company

Approved Vendor: An entity approved by the Program Administrator to submit project applications to the Adjustable Block Program and act as counterparty to the ABP contracts with the utilities.

Batch: The minimum size of a submission to the Adjustable Block Program, normally 100 kW with exceptions for the first submission of certain Approved Vendors.

Block: A defined size of program capacity with a defined level of incentives that declines at a rate of 4% per each new block as capacity is enrolled.

Category: A classification based on a system size and type. The program has three categories: Small Distributed Generation (DG) for DG systems 10 kW and below, Large Distributed Generation for DG systems above 10 kW up to 2 MW in size, and Community Solar for community solar projects regardless of size.

Co-located: A term related to community solar projects only, defined as:

- Two projects, of up to 2 MW each, on one parcel; or
- One project, of up to 2 MW, on each of two contiguous parcels.

ComEd: Commonwealth Edison Company

Community Solar: A solar project which (1) is interconnected to an electric utility, a municipal utility, or a rural electric cooperative, (2) allows subscribers to pay for shares or some other "interest" in the project, receiving bill credits in exchange; and (3) does not exceed 2,000 kW AC in size. Also known as a "photovoltaic community renewable generation project."

Designee: Third-party (i.e., non-Approved Vendor) entities that have direct interaction with end-use customers. This includes installers, marketing firms, lead generators, and sales organizations. The Agency reserves the right to add additional categories of market activities as needed.

Distributed Generation: A system which is located on-site, behind a customer's meter, and used primarily to offset a single customer's load; it cannot exceed 2,000 kW AC in size.

Energized System: A system which is complete, has received a utility permission to operate, and has completed and received approval of Part II of the program application, including having initiated an irrevocable standing order for its RECs to the applicable utility buyer in either PJM-GATS or M-RETS.

Group: One of the two Block Groups used to classify a system based on location. The Groups are:

- Group A – Ameren Illinois, MidAmerican, Mt. Carmel, Rural Electric Cooperatives and Municipal Utilities located in MISO
- Group B – ComEd, and Rural Electric Cooperatives and Municipal Utilities located in PJM

ICC: Illinois Commerce Commission (see 220 ILCS 5); the State Agency charged with regulating public utilities in Illinois, as well as approving aspects of the Adjustable Block Program.

IPA: Illinois Power Agency; the State Agency charged with administering the procurement of renewable energy resources to meet Illinois' renewable energy portfolio standard, in addition to procuring electric power supply for eligible retail customers of electric utilities and other responsibilities.

Interconnection Agreement: An agreement with the utility to interconnect the photovoltaic community solar or distributed generation system to the utility's distribution system.

Large DG: A distributed generation system larger than ~~10kW~~10 kW, up to ~~2MW~~2 MW

M-RETS: The Midwest Renewable Energy Tracking System. This is an independent entity from the State of Illinois, the IPA, and the Adjustable Block Program. It is one of two tracking registries, which along with PJM-GATS can be used to track creation, transfer, and retirement of RECs. More information can be found at the M-RETS website at https://www.mrets.org/

MidAmerican: MidAmerican Energy Company

Mt. Carmel: Mt. Carmel Public Utility

Net Metering: A provision in an electric utility's tariff that allows for crediting a customer's bill for all or some of the production of a distributed generation or community solar facility which has been exported to the distribution grid.

~~**Non-ministerial Permit**: A non-ministerial permits is a permit in which one or more officials consider various factors and exercise some discretion in deciding whether to issue (typically with conditions) or deny the permit.~~

Part I: The initial application into the program which contains detailed information on the system and its location. Part I approval results in an ICC approved contract with one of the distribution utilities. A system must be energized within 12 months (18 months for community solar projects) after this contract is approved.

Part II: The second part of the application completed after energization, demonstrating completion of the project in accordance with the Part I parameters approved.

PJM-GATS: The PJM Environmental Information Service generation attribute tracking system. This is an independent entity from the State of Illinois, the IPA, and the Adjustable Block Program. It is one of two tracking registries, which along with M-RETS can be used to track creation, transfer, and retirement of RECs. More information can be found at the PJM-GATS website at https://www.pjm-eis.com.

Program Administrator: The IPA's designee responsible for running day to day operations of the Adjustable Block Program. InClime has been designated the Program Administrator.

Project: A solar photovoltaic array and all associated equipment necessary for its generation of electricity and connection to the distribution grid. (Same as "System")

Qualified Person: "Qualified person" means a person who performs installations on behalf of the certificate holder and who has either satisfactorily completed at least five installations of a specific distributed generation technology or has completed at least one of the following programs requiring lab or field work and received a certification of satisfactory completion: an apprenticeship as a journeyman electrician from a DOL registered electrical apprenticeship and training program; a North American Board of Certified Energy Practitioners (NABCEP) distributed generation technology certification program; an Underwriters Laboratories (UL) distributed generation technology certification program; an Electronics Technicians Association (ETA) distributed generation technology certification program; or an Associate in Applied Science degree from an Illinois Community College Board approved community college program in the appropriate distributed generation technology. To be considered a "qualified person", the experience and/or training relied upon must be with the same type of distributed generation technology for which the qualification status is sought.

Renewable Energy Credit: The environmental attributes represented by 1 MWh of electricity generated by a renewable generator.

Renewable Portfolio Standard: A law which requires a certain portion of the electricity served by investor owned utilities in a state comes from renewable generation.

Small DG: A distributed generation system less than or equal to 10 kW in size.

Small Subscriber: A residential or small commercial customer with a subscription below 25 kW. Eligible small commercial rate classes for the investor owned utilities are:

- Commonwealth Edison: "watt-hour delivery class" and "small load delivery class"
- Ameren Illinois: "DS-2"
- MidAmerican: "GE", "GD", "GET", "GDT", "GER", and "GDR"

Standard Test Conditions (STC): The solar irradiation of one kilowatt (kW) per square meter, a module temperature of 25 degrees Celsius, and an air mass 1.5.

Community Solar Subscriber: A person who (i) takes delivery service from an electric utility, municipal utility, or rural electric cooperative, and (ii) has a subscription of no less than 200 watts to a community renewable generation project that is located in the utility's service area.

Community Solar Subscription: An interest in a community renewable generation project expressed in kilowatts, which is sized primarily to offset part or all of the subscriber's electricity usage.

System: A solar photovoltaic array and all associated equipment necessary for its generation of electricity and connection to the distribution grid. (Same as “Project”)

~~Section 11: Lottery Process Flowchart~~