

**Illinois Power Agency
18-RFP-02
Responses to Offeror Questions**

April 11, 2018

1. On page 11, Section I-19, can you please provide further clarification of “the identification and/or selection of any Vendor direct sub-contractor entities qualified and compliant with BEP requirements is at the discretion of the Offeror responding to this RFP solicitation.” Does this mean that the IPA will not direct the Offeror to choose particular diverse Vendors, or does it mean something else?

That is correct, the Agency is not directing the Offerors towards any specific BEP Vendors for sub-contracting. It is up to each Offeror to identify and select BEP Vendors, or to otherwise demonstrate a good faith effort to meet the stated BEP goal.

2. Can you please clarify and provide more detail regarding the division of responsibilities related to ISFA applications between the ISFA Program Administrator and the Adjustable Block Program Administrator? The responsibilities for the ISFA Program Administrator are fairly clear in the RFP, but the AB Program Administrators are not, yet the two are required to cooperate.

The responsibilities of the Adjustable Block Program Administrator are outlined in Section 6.10 of the Long-Term Renewable Resources Procurement Plan (“Plan”) and in 18-RFP-01 (see: <https://www2.illinois.gov/sites/ipa/Documents/2018ProcurementPlan/IPA-ABP-Program-Administrator-18-RFP-01-20180312.PDF>). Generally speaking, the Agency expects that the Adjustable Block Program Administrator will be responsible for technical components of Approved Vendor applications and project applications, while the Illinois Solar for All Program Administrator will be responsible for the review of the aspects of applications that are specific to Illinois Solar for All (e.g., income verification, community engagement, utilization of job trainees). The Agency expects that the Adjustable Block Program Administrator will be selected prior to the selection of the Illinois Solar for All Program Administrator, and the Agency will work to coordinate the efforts of the two entities.

3. Have any Environmental Justice Communities already been identified as of the timing of this RFP; if so, can the IPA share this list?

No. Environmental Justice Communities will be determined through the process outlined in Section 8.15 of the Plan, which is based upon an analysis of data primarily from US EPA EJ SCREEN database.

4. Can the program administrator help drive demand and better project execution by helping the low-income clients develop, if required, bid documents to access financing and solar installation services? Are these additional services a conflict of interest for the program administrator, even though they help the clients and program, and do not cost the IPA any more funds?

As proposed in the Plan, the Program Administrator would not work directly with “clients,” but rather would interface with the Illinois Solar for All Program’s Approved Vendors, with the Program Administrator potentially providing technical assistance to Approved Vendors related to accessing other financing opportunities. That technical assistance should be limited to “guidance and education” and acting as a “liaison” rather than providing direct support in developing documents to solicit bids from vendors or to

seek other financing opportunities. Additionally, the Illinois Solar for All Program Administrator will need to review project applications from Illinois Solar for All Approved Vendors. As a result, it would be inappropriate for the Program Administrator to assist Approved Vendors (or other entities, or individuals) in preparing, completing, or participating in the completion of application documents for specific projects, as the Illinois Solar for All Program Administrator is also responsible for conducting an objective, unbiased review of those applications.

5. What is the outlook for SREC incentive increases over the next few years?

The Agency's expectation is that incentives will decrease over time as the solar industry in Illinois grows, and efficiencies and economies of scales are realized. That being said, the Agency is aware that tariffs and other externalities could cause costs to increase in the short term.

6. Does the IPA have an established assumption for this pricing proposal with regards the ratio of applications to completed projects or should Offeror's use their own assumptions?

For the purposes of the pricing proposal, in order to score competing Offeror responses on a level playing field, the Offeror should assume that projects are all completed.

7. The estimate used for the number of applications received implies a full year of projects to be completed based on the value of associated RECs and average system size (assuming a high conversion rate). However, during the first contract year, the first six to seven months are dedicated to program development before projects are approved and begin development. This may not be representative of the first contract year, especially with the development cycle for larger installations being nine months or longer. If the goal is to ensure like comparisons of costs across Offeror's this may not make a difference. If the goal is to get as close to an accurate first year cost as possible, this approach may inflate costs. Should we move forward with these estimates assuming completed projects at these levels and 100% of applications turning into developed projects?

The primary goal is to ensure like comparisons between proposals for the purpose of evaluating and scoring RFP responses. As described in response to Question 6, the Offeror should assume that all projects are completed.

The Agency also notes that as stated in Section 3 of the RFP, for the purpose of the final contract entered into with the selected Offeror, "Offeror's Fixed Price Quote and Price Components, at the discretion of the Agency, may or may not serve as the basis for compensation terms of any resulting contract. The resulting contract may contain both the Fixed Price Quote, as well as the Price Components listed in Section 3.3 to account for actual levels of realized program activity."

8. For the Alternative Pricing Proposal can offerors present costs based on different assumptions; i.e. 6 to 7 months of program development, 5 to 6 months of project development with commensurate tasks/unit costs, larger projects with longer development cycles being only partially completed in the first contract year, etc.?

The purpose of allowing for an Alternative Pricing Proposal is to allow for the Offeror to structure their pricing differently than specified in the RFP. The Alternative Pricing Proposal is not used for scoring RFP responses, but rather for allowing flexibility in the final contract terms subject to negotiation between the Agency and the Offeror. For that reason, the assumptions included in the Pricing Proposal if applied to the compensation structure of the Alternative Pricing Proposal must result in the same price.

9. Is it required that we type all answers into the boxes marked "Click here to enter text"? (Especially concerned about the ones with page count specifications)?

No. Answers may be entered into the boxes, or provided on a separate document.

10. [Offeror] has partnered with a solar PV manufacturer/installer and has expressed interest in being a Solar for All Manufacturer/Installer (Vendor). Would this conflict with the role of the Solar for All Program Administrator?

The Illinois Solar for All Program Administrator may not enter into a partnership with an Approved Vendor for the Program. As the Program Administrator will be required to fairly and objectively administer the Illinois Solar for All Program, including Approved Vendor registration and project submission approval, and any such partnership with an Approved Vendor would constitute an impermissible conflict of interest.