



# CITIZENS UTILITY BOARD

## Fighting for Illinois Consumers

### Comments of the Citizens Utility Board

On the Illinois Power Agency's 2021 Long-Term Renewable Resources Procurement Plan  
Update Request for Comments #2: Adjustable Block Program and Illinois Solar for All Program

July 23, 2021

### **Adjustable Block Program**

#### Slide 12: Industry Structure and Business Models

3. Does the current Approved Vendor/Designee model appropriately address the roles and responsibilities of types of firms involved in solar projects? What alternative approaches could the IPA consider?

We agree with the provisions of Section 6.9.1 of the Current Plan regarding Designee registration. But while the requirement was created to promote transparency, consumer confusion persists regarding the role of each entity. As evident from calls to the CUB hotline, consumers often cannot tell whether the companies marketing to them are Approved Vendors or Designees. This is a problem if the consumer wants to confirm that the company is a registrant with the state program, or consult the complaint or disciplinary databases. For example, the “Find an Approved Vendor” and “Find a Designee” search tools on the Illinois Shines website only work if the consumer understands the difference between those terms, and which label applies to the company they’ve been contacted by. Further, the disclosure forms don’t define “Designee,” but instead list other terms like “System Installer” and “Community Solar Provider,” causing more confusion.

If the “Approved Vendor will ultimately be responsible with conformance with program guidelines,” the Approved Vendor should be fully responsible for Designee behavior. The Designee should be required to make their relationship with the Approved Vendor clear to the consumer, and the disclosure forms should be consistent with the other program materials. If a complaint is filed against a Designee, the Approved Vendor(s) responsible for that Designee should be disclosed in the Consumer Complaint Database and Disciplinary Actions Report.

We recommend that the Draft Plan specify in Section 6.9.1 that program materials will consistently and clearly delineate the distinct responsibilities of Approved Vendors and Designees. This includes the Standard Disclosure Forms, Marketing Guidelines, Community Solar Opt-in List, Consumer Complaint Database, and Disciplinary Actions Report.

Slide 13: Project Financing Models and Program Requirements

a. Should program requirements vary between Residential/Non-residential projects? If so, why and how?

We have heard from many Residential consumers who signed up for a DG Power Purchase Agreement through the Adjustable Block Program without realizing that there had been an ownership option (if not through their Approved Vendor, than with a different vendor). The Consumer Complaint Database seems to indicate that the Program Administrator has also heard similar complaints from some consumers.

A PPA is an acceptable financing model for a consumer who would prefer a PPA over ownership, but it is not acceptable for a consumer who would prefer ownership to be misled into a PPA. This is a particular problem for Residential systems, because for Non-residential projects, there is often greater scrutiny into the process, and generally less consumer vulnerability.

We recommend that Residential PPA projects be treated with greater scrutiny during the application process, which could include a process where the Program Administrator verifies that the consumer is intentionally choosing a PPA over ownership.

b. Should disclosure forms better reflect information most applicable to each system's financing model? If so, what information on disclosure forms should be modified?

The PV System PPA Disclosure Form should be modified to make clear to the consumer the full amount of public funds going to the system owner. The form currently contains fields for the "Name of Incentive/Rebate" and "Party Directly Realizing the Benefit of the Incentive," but this section of the form could be made much clearer, and the amount of the incentive should be included. The form could include a field explaining that the incentive goes to the system owner, which could be the homeowner. This would provide more transparency into the PPA process for the consumer, and help ensure that consumers signing up for a PPA are doing so intentionally.

The disclosure forms need to be much clearer about net metering rates. This is especially important for PPA and Community Solar agreements, because the consumer will be charged a per kWh rate that assumes a certain net metering credit, regardless of the actual rate the consumer received from their supplier. The current language on "Net Metering" in the forms does not explain that the net metering rate you receive can vary significantly depending on your retail electric supplier, or that when you switch suppliers, you lose any built-up net metering credits. The section should, at minimum, provide the link to the ICC's website on Alternative Retail Electric Suppliers.

c. Should REC pricing vary by financing model (including if/how REC payments are passed through to end-use customer)? If so, why and how?

To our understanding, there is no requirement for vendors using a PPA model to provide documentation of how public funds are contributing to a lower ongoing financial obligation for the consumer. Unless there are structural reforms to create transparency to prove direct consumer benefit, we recommend lower REC pricing for Residential PPA contracts.

Slide 16: System Design Standards and Consumer Disclosure

9. Non-optimally designed systems generally feature lower capacity factors and thus lower REC payments compared to a more-optimally designed system.

a. How should this be disclosed/conveyed to customers?

We recommend consumers be notified through both a written notice and phone call. The written notice will provide proof of communication, but the phone call will better ensure consumer understanding.

b. What else should be conveyed to the customer? For instance, should disclosure be required that a customer may receive decreased net metering benefits associated with reduced system production?

We agree that the possibility of less net metering benefits should be disclosed.

Slide 17: Consumer Protections

10. Should customer satisfaction surveys or other proactive means of gauging customer understanding/satisfaction be considered? If so, what questions would be most helpful to ask customers?

We recommend customer satisfaction surveys be conducted, not only to measure consumer satisfaction and correct for vendor miscommunication, but also to help future consumers select a vendor. Because the surveys would only be sent to verified consumers of the program(s), the results could be used to inform a published ratings system on the program website(s). If the Approved Vendor is working with a Designee(s), the consumer should be sent separate surveys for each company.

Our most frequent solar question from consumers is how to choose a vendor. The “Find an AV” page on the IL Shines website has 171 AVs listed, making the decision of picking an AV daunting for consumers. Currently, consumers can do their own research on private websites, use personal networks, or consult the ABP Consumer Complaint Database. The Complaint Database is an insufficient tool for vendor selection, both

because there is minimal information disclosed, and also because the tool was not designed to provide positive feedback. Consumers want to know companies that have left positive impressions, not just those that have violated program guidelines.

Having a star rating tool would guide consumers to make better informed decisions based on the AV's or Designee's customer satisfaction reviews. While there are many examples of private ratings websites, there are also examples of performance rating/evaluating platforms from government entities, including the [Contractor Performance Assessment Reporting System](#) and [Medicare provider data](#) from the Centers for Medicare and Medicaid Services.

The surveys should be administered by the Program Administrator. While this may result in fewer surveys submitted (because the consumers have a relationship with the Approved Vendor/Designee, and not the Program Administrator), it is important to maintain the credibility and accuracy of the results. The Program Administrator reaching out to the consumer also provides an important opportunity to correct any misinformation the consumer might have received.

We are unsure of the appropriate timeline for these surveys at this time. Ideally, consumers would receive the surveys after the project has been completed, i.e. after Part 2 of the application has been approved. However, CUB has encountered numerous consumers who did not know there were two parts to the application, because this information was not communicated to them by the vendor. A separate process for the Program Administrator to reach out to DG consumers whose Part 1 application has been approved may be appropriate.

The surveys should include scaled questions, to inform the ratings system, as well as qualitative questions. Questions may include:

- Did your solar provider give you clear information about the program?
- How would you rate the response time of your solar provider?
- Which parts of the application process were the most enjoyable? Least enjoyable?
- What parts of the process could be more transparent?

11. What other tools should be considered to help ensure that Illinois residents and businesses are properly served by the solar marketplace?

While the Consumer Complaint Database and Disciplinary Actions Reports have been critically helpful documents for consumers considering the Adjustable Block Program, no such resources exist for potential Illinois Solar for All consumers. The Illinois Solar for All website does not appear to even link to these documents, which are housed in the Illinois Shines website.

Therefore, we also recommend that the Draft Plan include a Consumer Protections section in Section 8 Illinois Solar for All which details the creation of a

Consumer Complaint Database housed in the Illinois Solar for All website. It can mirror the provisions concerning the Adjustable Block Program in Section 6.13.3: “The Agency will work with its Program Administrator to maintain a public database of complaints (with any confidential or particularly sensitive information redacted from public entries), as well as a database of any disciplinary determinations issued (including the written notices and explanations of discipline) due to a violation of Program requirements.” If there is a complaint concerning an Illinois Solar for All Designee, this database should likewise include the Approved Vendor associated with the Designee, along with clear definitions of “Approved Vendor” and “Designee” visible on the page.

The “Project Status” tool on the Illinois Shines website is an important tool for DG consumers to track whether their project has progressed. Better consumer education is needed to promote this tool, including explaining it on the standard disclosure forms and/or brochure. We’d also recommend clear messaging on the tool [webpage](#) which explains how to contact the Program Administrator if the consumer is unsatisfied with their project’s progression or suspects vendor miscommunication.

#### Slide 20: Consumer Education/Program Information

12. Has the Illinois Shines branding (and dedicated website) for the Adjustable Block Program been helpful for consumers? If so, how and why?

We have heard from some consumers that the ABP and Illinois Shines names have been confusing. One small change could be including this disclaimer on the Adjustable Block Program website homepage: “The Adjustable Block Program, also called Illinois Shines, is a program developed and managed by the Illinois Power Agency that supports the development of solar in Illinois.”

More often than consumers, we have also heard from many stakeholders and service providers who are confused about the two names for the same program. This may ease if the program continues to be funded and becomes more well-known.

The Illinois Shines website should add a search function (the ABP and ILSFA websites already have this).

13. What additional educational resources could the program develop to aid consumers?

Consumers interested in signing up for either program are confronted with a large amount of highly technical information. It is critical they understand certain concepts in order to ensure they are receiving the full value of their solar agreement. There continues to be confusion around net metering, SRECs, and the project application process. Although the Illinois Shines website includes information on these topics, consumers who are just starting to look into the ABP are often overwhelmed. Graphics or videos

would be helpful educational tools. The “Illinois Shines Program Timeline” graphic provided clarity for consumers confused about the application process.

The Agency has considered educational videos in the past, and we recommend using short, simple videos if the programs are funded. These videos can explain net metering, the billing process for a PPA, SRECs, and other difficult concepts.

In addition, resources or information on ARES and how they present a critical issue for consumer value would help consumers get the most out of the ABP. Currently, there is little to no information pertaining to the ARES and their impact on net metering credits.

The ILSFA Program Administrator created a Program Resources Guide for vendors/designees that includes important information on supplemental programs for customers, including energy efficiency programs. We recommend that a similar guide be developed for ABP vendors and consumers.

14. What additional reporting/analysis of program data would benefit consumers and other program participants?

Consumers researching community solar subscriptions on the Illinois Shines website cannot tell which projects are currently accepting subscribers. Timely data on community solar projects subscription capacity posted to the Illinois Shines website in a more accessible way would help consumers in choosing an offer.

We recommend making the “Find a Community Solar Project” tool more accessible. Clicking the button at <https://illinoisshines.com/find-a-community-solar-project/> prompts the immediate download of an Excel file, meaning those without Excel cannot open the file. The information is also not up to date, as it shows only those vendors who have actively opted in to this list. The file is also organized by Project Name and Location, which is not how most consumers learn about the offers. Many Vendors/Designees are working on multiple projects, in multiple locations, but with the same subscription terms across all projects. The offers should be organized according to the company managing subscribers. Finally, the information is not visually appealing. Having a more visual chart detailing this information on the IL Shines website would make this information easier to understand for consumers.

## Illinois Solar for All

### Slide 24: Low-Income Distributed Generation Sub-Program

#### 1. What barriers are impeding participation?

There are many known barriers to DG participation, including limited availability of vendors, deferred maintenance issues, difficulty explaining a complicated program, lack of connection with other income-qualified programs, and preventing Grassroots Educators from connecting interested consumers with specific vendors.

There are additional barriers to participation for energy insecure consumers. We are aware of only one current ILSFA offer which allows consolidated billing, where the consumer is only responsible for one bill. Most offers require a separate utility bill and solar provider bill. As a result, the solar provider bill is not subject to the 83 Ill. Adm. Code 280 consumer protections that apply to a utility bill. A consumer with an arrearage who is eligible for a Deferred Payment Arrangement on their utility bill is not necessarily afforded the same process on their solar bill. Also, a consumer receiving Low Income Home Energy Assistance Program assistance cannot have their grant applied to their separate solar provider bill.

#### a. Would adjusting REC prices be sufficient, or do other barriers still need to be Addressed?

We believe REC prices should not be adjusted. Many barriers are related to program design, and increasing REC prices would result in fewer projects being funded. More streamlined design will more directly address the barriers and provide more consumer benefit.

### Slides 26/27: Low-Income Community Solar Sub-Program

#### 6. Have you observed market confusion with community-solar projects participating in the Adjustable Block Program? If so, how?

Some community solar vendors actively market products under both programs, which can be confusing for consumers. It should be noted that just because ILSFA exists to benefit low-income households, not all low-income households interested in solar will be made aware of the ILSFA program. Marketers for the ABP are likely only incentivized to promote ABP offerings, not the offering that the consumer might prefer. The ABP does not check for income, so we do not know how many customers participating in the ABP may have qualified for or been interested in ILSFA. We have even heard from consumers who signed up for the ABP, only to not be able to afford

ongoing payments. These customers likely would have been good candidates for the ILSFA program.

### Slide 31: Grassroots Education

16. How can we increase Illinois Solar for All customer participation stemming from grassroots education efforts?

We recommend that a portion of the Grassroots Education budget be reserved for Community Action Agencies and their weatherization contractors to do solar site assessments when performing work under the Illinois Home Weatherization Assistance Program. These entities are well-positioned to pre-qualify homeowners for the LIDG program:

- IHWAP participants must meet strict income eligibility requirements (below 200% Federal Poverty Level).
- Agencies are located throughout the state, and already have robust outreach operations as part of LIHEAP and IHWAP administration.
- IHWAP implementers already perform a thorough site assessment of the home.
- The federal Consolidated Appropriations Act of 2021 [included renewable energy systems](#) as a measure that would qualify for the Weatherization Assistance Program.
- We have heard from agencies who would like to administer solar site assessments for ILSFA, but say that funding is a barrier.

There are a number of implementation contractors who work on the investor-owned utility income-qualified energy efficiency programs. It may make sense to provide funding for these entities to do solar site assessments as well.

17. What adjustments could be considered to allow for smoother coordination efforts between grassroots education and Approved Vendors that don't compromise the educational goals of the program (e.g., ensuring competitive neutrality by grassroots educators not marketing offers from specific Approved Vendors)?

In our experience, requiring Grassroots Educators to invite all Approved Vendors to events can be counterproductive. CUB staff attended one ILSFA event where the Grassroots Educator had invited multiple vendors, only to have one vendor attempt to sabotage the other vendors' business. At the time of this writing, that vendor is currently [suspended](#) from the ABP. We recommend allowing Grassroots Educators greater discretion when inviting Approved Vendors to community events. Educators may compromise trust in their communities if they implicitly endorse a company that does not meet their standards.



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