

EXPANDED CONSUMER PROTECTION WORKING GROUP AGENDA

Friday, October 1, 2023

Poll Question Series 1:

Which marketplace participant best describes you?		32 participated
Approved Vendor	34% (11/32)	
Designee/Nested Designee	19% (6/32)	
Consumer	3% (1/32)	
Government Agency	28% (9/32)	
Non-Profit Advocacy/Community Group	16% (5/32)	
Prospective Approved Vendor/Designee	0% (0/32)	
Other	0% (0/32)	

Note from the Illinois Power Agency (IPA)	Comments on the Draft 2024 Long-Term Renewable Resources Procurement Plan (found here) are being reviewed and considered by the IPA. The IPA will file its draft with the Illinois Commerce Commission (ICC) on October 20, 2023.
--	--

TOPIC 1	Market use of referral incentives and sign-up bonuses
BACKGROUND	<p>Approved Vendors and Designees employ a variety of models and incentives to encourage potential customers to sign installation contracts (for distributed generation) and subscription agreements (for community solar) with their company. One such incentive provides Approved Vendors’ or Designees’ customers with a financial incentive for referring that Approved Vendor or Designee to other new customers. Others offer sign-up bonuses when customers enroll with community solar.</p> <p>Over the past few months, the Program Administrator has received a few customer complaints regarding certain registered entities’ use of referral incentives, specifically questioning whether some entities are clearly communicating the requirements, payment structure, and timing of payment related to referral incentives.</p> <p>The Program Administrator is interested in learning more about the market’s use of such incentives and sign-up bonuses, how companies communicate the incentive and bonus offers to customers, what proof is required to take advantage of the incentive or bonus, and what issues</p>

	customers have raised with such processes.
ISSUES/ QUESTIONS TO DISCUSS	<ul style="list-style-type: none"> • <i>How do market participants who offer referral incentives to customers communicate that incentive to its customers?</i> <ul style="list-style-type: none"> • <i>Is the referral incentive included in the customer's installation contract, a separate contract, or memorialized in some other way?</i> • <i>At what point in the sales process is the referral incentive communicated to the customer?</i> • <i>What are the requirements for taking advantage of the referral incentive?</i> • <i>How are customers paid the referral incentive?</i> <ul style="list-style-type: none"> • <i>Are customers provided with a check for the referral incentive amount?</i> • <i>Is the incentive amount deducted instead from any remaining costs owed by the customer to the company?</i> • <i>Are customers provided with a gift debit card?</i> • <i>How long does it take to process a customer's referral incentive?</i> • <i>What customer concerns have market participants and community groups heard related to referral incentive offers and payments?</i> • <i>Should companies be required to include referral incentives (if they have any) in the customer's contract?</i>
MEETING MINUTES	<p>Stakeholder feedback included:</p> <ul style="list-style-type: none"> • One community solar subscriber agent noted that referrals account for a small portion of their company's community solar subscription signups. • One distributed generation Designee noted its referral incentive is not included in the installation contract; rather, the company explains the incentive to customers after the installation process. The participant noted its customers were highly satisfied with the availability of its referral incentive. • One non-profit advocacy group noted guidelines from the Program on the use and timing of incentives may help protect consumers. • One consumer expressed concern that referral incentives provided at the end of an installation will only be offered to customers who have had positive installation experiences.

TOPIC 2	Approved Vendor and Designee processes for ensuring registration of Designees and Nested Designees
BACKGROUND	<p>As relayed in the September 15, 2023, Program announcement, the Program Administrator has seen an increase in the number of unregistered entities conducting marketing, sales, and other work on behalf of registered Approved Vendors and Designees. Every third-party entity that has direct interaction with end-use customers is required to register as a Designee. This includes solar installers, marketing firms, lead generators, and sales organizations.</p> <p>Further Approved Vendors must ensure that both their Designees and Designees of their Designees (“Nested Designees”) register with the Program, prior to working with any Approved Vendor or its Designee.</p> <p>Designees and Nested Designees must clarify in their registration under which Approved Vendor and Designee they are registering.</p> <p>As an additional reminder, per Section 2.G of the Program Guidebook, “Nested Designee[s] may hold only Marketing or Sales Designee or Installer Designee roles. Nested Designees may not hold Disclosure Form Designee or Community Solar Subscriber Agent Designee roles. This requirement exists to prevent a Designee from giving another Designee the ability to generate Disclosure Forms or manage community solar subscribers on behalf of the parent Designee’s Approved Vendor. Only Approved Vendors can add Disclosure Form Designees and Community Solar Subscriber Agent Designees directly beneath their Approved Vendor account.”</p> <p>Related to the new requirement for Approved Vendors to create and maintain Designee Management Plans, the Program Administrator is interested in learning about Approved Vendors’ and Designees’ processes to ensure compliance with the above registration requirements of their Designees and Nested Designees.</p>
ISSUES/ QUESTIONS TO DISCUSS	<ul style="list-style-type: none"> • <i>What procedures do Approved Vendors and Designees use to ensure that any entity with whom they are working is already registered with the Program?</i> • <i>How do Approved Vendors ensure any Nested Designees are registered with the Program?</i> • <i>How do Approved Vendors and Designees ensure that Nested Designees are only performing roles and functions permitted in the Program Guidebook?</i>

	<ul style="list-style-type: none">• <i>How often do Approved Vendors and Designees review the names of any Designees or Nested Designees registered under them in the Program to ensure that such information is accurate?</i>
MEETING MINUTES	Stakeholder feedback included: <ul style="list-style-type: none">• Several participants agreed that including Approved Vendor, Designee, and Nested Designee relationships on the Illinois Shines portal would better allow entities to monitor their relationships and remain compliant.• One participant proposed that Approved Vendors only be permitted to include properly linked/registered Designees and Nested Designees on their Disclosure Forms. For example, if a Designee/Nested Designee was not properly registered under an Approved Vendor, that Approved Vendor would not be able to include that Designee/Nested Designee as the installer or seller on a Disclosure Form. This would allow an Approved Vendor to ensure proper links have been made when generating new Disclosure Forms.