

EXPANDED CONSUMER PROTECTION WORKING GROUP AGENDA

Friday, November 3, 2023

Poll Question Series 1:

Which marketplace participant best describes you?	
Approved Vendor	
Designee/Nested Designee	
Consumer	
Government Agency	
Non-Profit Advocacy/Community Group	
Prospective Approved Vendor/Designee	
Other	

TOPIC 1	Market communication to customers on impact of purchase or sale of home with an energized system
BACKGROUND	<p>The Program Guidebook explains what is required when a property owner with a system intends to sell that property and system. Section 5.A of the Program Guidebook explains that selling a distributed generation project to a new system owner is permitted prior to that project being selected for a Renewable Energy Credit (REC) Contract with the utility, if the Approved Vendor informs the Program Administrator of the sale so the new ownership data can be updated in the portal. Section 5.B of the Program Guidebook explains that projects may also be sold while they are waitlisted, without penalty or impact on the project’s position on the waitlist, if the Approved Vendor notifies the Program Administrator of the sale.</p> <p>While the Guidebook does not contain directions regarding the sale of a home or business after energization and REC incentive payment, to encourage market participants to provide more clarity on the implications of a customer selling their home (including its distributed generation system), the Illinois Power Agency included a section on the Disclosure Form titled “If You Move.” In this section, the Approved Vendor or Designee is instructed to identify any “requirements for including the transfer of [the customer’s] solar project as part of a real estate transaction if you sell your home or business.”</p> <p>The Program Administrator has received an increasing number of customer and market entity inquiries and complaints regarding the sale of energized systems. The Program Administrator is interested in learning more about the market’s approach to communicating the consequences and required steps when a customer intends to sell their home.</p>
ISSUES/ QUESTIONS TO DISCUSS	<ul style="list-style-type: none"> • <i>How do market participants communicate to customers the steps that will be required prior to selling their house and system?</i> <ul style="list-style-type: none"> • <i>What documents do market participants use to communicate these</i>

	<p><i>requirements?</i></p> <ul style="list-style-type: none"> • <i>How do these communications differ when the system is leased or subject to a power purchase agreement, rather than purchased?</i> • <i>What questions or concerns have market participants received from customers about moving/sale-related issues?</i> <ul style="list-style-type: none"> • <i>Have consumer protection groups received complaints from customers related to confusion on the requirements surrounding the sale/purchase of a home with an energized system?</i> • <i>What entities do market participants work with (e.g., real estate companies) to help educate homeowners and potential homebuyers on what considerations need to be made when buying or selling a home that is registered with the Program?</i> • <i>Are there differences in how this is communicated to ILSFA customers?</i> • <i>What additional guidance do Program participants believe the Program Administrators and Illinois Power Agency should offer customers and market participants about these issues?</i>
MEETING MINUTES	<p>Stakeholder feedback included:</p> <ul style="list-style-type: none"> • Some Approved Vendors noted that the REC contract transfer process is outlined in their contract with customers as follows: For customer-owned systems, customers have the option to transfer REC obligations to the new homeowner or pay the remaining REC obligations back to the Approved Vendor. For Approved Vendor/Designee-owned systems, customers can transfer the system to the new homeowner or buy out the remaining REC or lease/PPA payments. • Some Approved Vendors and Designees noted that, per their contracts with customers, it is the customer’s responsibility to notify them before the home is sold to go through the proper transfer process. Some participants noted instances of customers moving without notifying their Approved Vendor, which causes complications to this process. • Attendees acknowledged home sales without following the required transfer process may become a larger issue as systems age and more system owners sell their property.

TOPIC 2	Market approaches to communicating impacts on REC pricing for customers when blocks close during a Program year
BACKGROUND	<p>On September 6, 2023, the Illinois Power Agency announced the status of Program capacity for Small Distributed Generation projects in Group A, generally the territory served by Ameren. Subsequently, on October 6, 2023, the Program Administrator announced that the block had been closed and that later submitted applications for this block would be put on the waitlist until June 1, 2024, when the next Program year begins. Earlier Program announcements in July 2023 communicated Group A Large Distributed Generation block closing.</p>

	<p>Likely due to the Small Distributed Generation Group A block capacity close, the Program Administrator has seen an increase in customer complaints regarding delays in customers receiving their pass-through REC incentives on account of their projects being waitlisted due to the exhaustion of block capacity. Accordingly, the Program Administrator is interested in how market entities communicate block capacity-related issues to current and potential customers.</p>
<p>ISSUES/ QUESTIONS TO DISCUSS</p>	<ul style="list-style-type: none"> • <i>What are market entities' approaches to communicating with existing customers – for both system purchases and leases - when the block for which their project is eligible nears or reaches capacity prior to the entity submitting the application to the Program?</i> • <i>What are market entities' strategies for informing potential customers of existing block capacity and the likelihood of their project being waitlisted until the next Program year?</i> <ul style="list-style-type: none"> ▪ <i>When do these conversations/communications take place?</i> ▪ <i>How do these strategies differ when discussing the pros/cons of a customer choosing to purchase or lease their system when the customer's block is already at capacity?</i> • <i>What kinds of questions do market participants receive from customers about block capacity and/or Program funding? How do entities respond to those questions?</i>
<p>MEETING MINUTES</p>	<p>Stakeholder feedback included:</p> <ul style="list-style-type: none"> • Some Approved Vendors and Designees noted that they have disclaimers in their paperwork explaining that a customer's project may be applied to a future Program year if capacity becomes filled for the current year. • Stakeholders suggested that it would be beneficial for the Block Capacity Dashboard to be updated more regularly. • Some stakeholders suggested approving block prices two or three years in advance to provide transparency around the impact on the incentive if a project is submitted in a future Program year.