

## Section 2: Approved Vendors

### A. Approved Vendor Overview and Requirements

Participation in the Program 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 Contract is registered with and vetted by the Agency, and has met conditions predicate—it is possible to monitor compliance with Program requirements, 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 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 Vendor serves as the contractual counterparty with the utility, and thus 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~~ documentation to the Program Administrator (as the responsible party for the information contained in that ~~paperwork~~ documentation), maintaining collateral requirements, and providing ongoing information and reporting. As such, Approved Vendors will have to coordinate the downstream information from installers/developers as well as individual system owners (who may provide required information through the installer/developer). **As a result, Approved Vendors may not opt out of Program-related communications, including emails from the IPA or the Program Administrator. It is incumbent on the Approved Vendor to ensure that Program contact information for the AV is up-to-date and reliable.**

The Program does not require a specific delegation of duties between the Approved Vendor, installer/developer, 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 the Long-Term Plan, this Program Guidebook, the Consumer Protections Handbook, and of the Approved Vendor’s contract with the counterparty utility.

Approved Vendors must renew their approval once a year. In addition, an Approved Vendor must notify the Program Administrator and promptly submit a renewal application (regardless of when the Approved Vendor’s next annual renewal would normally be due) if any of the below occurs:

- There is a transfer of ownership of the Approved Vendor such that 50% or greater of the ownership of the Approved Vendor changes from what was disclosed in the original application or most recent renewal. For example, if an Approved Vendor is originally 100% owned by Corporation A, and Corporation A sells 50% of the ownership to Corporation B, this would trigger the renewal requirement. As another example, if the Approved Vendor is 20% owned each by 5 different individuals, and 3 of those individuals sell their ownership share to someone else, that would trigger the renewal reporting requirement.
- The Approved Vendor changes its name, including its legal name or its “doing business as” name.

- The Approved Vendor would now have to answer “yes” instead of “no” to any of the questions in the Company and Affiliate History section of the AV application.<sup>1</sup>
- The Approved Vendor previously answered “yes” to a question in the Company and Affiliate History section of the AV application, but there is now another independent set of facts or circumstances that would require the Approved Vendor answer “yes” to that question, which was not previously disclosed.

Failure by an Approved Vendor to follow the requirements of the Program could result in the entity having its status as an Approved Vendor suspended or revoked, thus losing the ability to bring new projects into the Program. Losing that status would not relieve an Approved Vendor of its obligations to ensure that REC's 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.

Registration as an Approved Vendor is a prerequisite to becoming an Illinois Solar for All Approved Vendor. Approved Vendors barred, suspended, revoked or otherwise limited in their participation with the Adjustable Block Program will immediately be barred, suspended, revoked or otherwise limited in their participation in the Illinois Solar for All Program, and vice versa.

The contact information provided to the Program Administrator through the Approved Vendor application is the primary contact used for all Program updates. In the initial Approved Vendor application, an applicant will have the opportunity to provide additional points of contact for contracting, extensions, REC delivery notifications, Annual Reports, and customer support. If the contact information provided in the Approved Vendor application or renewal has changed, it is incumbent on the Approved Vendor to notify the Program Administrator of this and update any and all contact information so that communications from the Program Administrator are not missed.

If an Approved Vendor no longer wishes to act as Approved Vendor for new projects, it may apply to change its Approved Vendor registration status to “Inactive.” An Approved Vendor may become “Inactive” only if:

- The Approved Vendor's Distributed Generation projects (if any) have been Part II approved; AND
- The Approved Vendor does not have any community solar projects currently under an Illinois Shines REC contract or that will in the future be under an Illinois Shines REC contract; AND
- The Approved Vendor will not serve as an Approved Vendor or submit Program applications for any additional projects.

Inactive Approved Vendors are responsible for ongoing obligations related to their existing REC contracts but are not authorized to otherwise participate in the Program as an Approved Vendor (for example, by marketing the Program to potential customers). Inactive Approved Vendors do not have to renew their Approved Vendor application each year, and will instead simply have to confirm basic contact information on an annual basis. Inactive Approved Vendors will not be required to file an MES Compliance Plan. An Inactive Approved Vendor will still be required to file an Annual Report if they had any projects generating REC payments under a REC Contract in the Program in the previous 12 months. An entity may become an “Inactive” Approved Vendor and still participate as an active Designee if it has properly registered as a Designee.

If an Approved Vendor no longer wishes to participate at all in Illinois Shines, it may apply to change its Approved Vendor registration status to “Withdrawn.” An Approved Vendor may withdraw only if:

- The Approved Vendor never submitted any project applications OR

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<sup>1</sup> See Appendix G for a copy of the AV application.

- The Approved Vendor no longer has any projects under an active REC Contract and does not plan to submit any additional projects to the Program.

Approved Vendors who withdraw no longer have any authorization to act as an Approved Vendor in Illinois Shines. Withdrawn Approved Vendors will not have to renew their Approved Vendor application each year, comply with the MES, or submit an Annual Report. An entity may withdraw as an Approved Vendor and still participate as an active Designee if it has properly registered as a Designee.

An Approved Vendor may **not** simply fail to renew its application. If it wishes to become inactive or withdraw, it must affirmatively apply for the new status. Failure to renew (or, in the alternative, to apply to become inactive or withdrawn) may lead to disciplinary action, **which may also apply to the entity's participation in Illinois Shines as a Designee, if applicable.**

The Program Administrator maintains a public list of Approved Vendors that appears on the Program website. This list is designed to show prospective customers the Approved Vendors that are active in the Program, as well as to provide public transparency into companies participating in the state-administered Program. If an Approved Vendor confirms with the Program Administrator that it is no longer submitting applications to the Program, the Program Administrator reserves the right to remove the Approved Vendor's name from the public list of Approved Vendors. Changes in company name and business status, such as bankruptcy or suspension, will be noted on the Approved Vendors list. If an entity changes its registration status to "Inactive" or "Withdrawn," this will also be noted on the public list. This will ensure that prospective customers are able to reference an up-to-date and transparent list of Program participants. Approved Vendors cannot opt out of being included on the public list of Approved Vendors.

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The information noted in Appendix G will be collected from prospective Approved Vendors and evaluated by the Program Administrator.

## B. Equity Eligible Contractor Application

Approved Vendors that would like to submit projects into the Equity Eligible Contractor ("EEC") category must first apply to be approved as an EEC. They may do so in conjunction with their Approved Vendor application or at any time after submitting their initial Approved Vendor registration. The following information is required for EEC registration:

1. If the Approved Vendor is organized as a corporation, general partnership, limited liability partnership, limited liability company, or limited partnership, the applicant will be asked to designate which owners, partners, or proprietors meet the EEC eligibility criteria.
2. If the Approved Vendor is organized as a non-profit, the applicant will be asked to provide the board membership of the non-profit and designate which board members meet the EEC eligibility criteria.
3. If the Approved Vendor is a sole proprietor, no additional designations are required.

The applicant will be prompted to select the category(ies) under which the entity qualifies for EEC certification:

- a. persons who graduated from or are current or former participants in the Clean Jobs Workforce Network Program, the Clean Energy Contractor Incubator Program, the Illinois Climate Works Preapprenticeship Program, Returning Residents Clean Jobs Training Program, or the Clean Energy Primes Contractor Accelerator Program, and the solar training pipeline and multi-

cultural jobs program created in paragraphs (a)(1) and (a)(3) of Section 16-108.21 of the Public Utilities Act;

- b. persons who are graduates of or currently enrolled in the foster care system;
- c. persons who were formerly incarcerated;
- d. persons whose primary residence is in an equity investment eligible community.<sup>11</sup>

Persons selecting option 'a' or 'd' above will be required to upload documentation demonstrating qualifying status. The Program Administrator may request documentation for any/all claimed qualifying statuses listed above. All applicants will be required to attest to their answer. If more than one person was selected in the ownership section, the steps will be repeated for each person. Note that qualification as an EEC based on residence in an equity investment eligible community requires residency at the time of Part I application submittal and is not required to be maintained through the Part II verification.

The applicant will be asked if it would like to be identified as an Equity Eligible Contractor on the public list of Approved Vendors on the [illinoisabp.com](http://illinoisabp.com) and [illinoisshines.com](http://illinoisshines.com) web sites; willingness to be publicly identified as an Equity Eligible Contractor on those sites is not required for maintaining EEC status.

The Approved Vendor will be asked if it considers any of the information provided to certify as EEC as confidential. A checkbox will be provided for the applicant to acknowledge that it will be listed as an EEC on public project application reports and potential other public reports.<sup>12</sup>

The Program Administrator may follow up with the applicant with additional questions to clarify EEC eligibility and reserves the right to seek additional information or other documents to confirm EEC eligibility.

EEC certified Approved Vendors may also submit projects into other program categories that are not limited to the EEC category.

### C. General AV Attestation and EEC Certification

All Approved Vendors must attest to the attestation in Appendix H of this Guidebook. Approved Vendors that act out of compliance with this attestation could face disciplinary action from the Program Administrator, including possible suspension from the Program.

#### ***Equity Eligible Contractor Certification***

Equity Eligible Contractor applicants will be required to complete the certification in Appendix B of this Guidebook in addition to the Approved Vendor attestation in Appendix H. This document must be completed by each owner or board member in the organization used to establish EEC status. Each certification must be signed by both the certifying owner or board member, and an authorized representative of the Approved Vendor.

### D. Evaluation Criteria for Approved Vendors

~~Below is a list of evaluation criteria for Approved Vendor applications submitted to the Program.~~

- ~~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 may have been:
  - ~~a. Sanctioned or proposed for sanction relative to any business or professional permit or license;~~
  - ~~b. Under suspension, debarment, voluntary exclusion or determined ineligible under any federal or state statutes;~~
  - ~~c. Proposed for suspension or debarment;~~
  - ~~d. 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. 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. Suspended, cancelled, terminated or found non-responsible on any contract, or had a surety called upon to complete an awarded contract 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 Program Administrator 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. The company must demonstrate either GATS aggregator account or M-RETS account ownership.~~
- ~~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.~~
- ~~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.<sup>13</sup>~~

An entity that is applying to become an Approved Vendor or applying to renew its Approved Vendor status must complete the applicable Approved Vendor application in full and submit it to the Program Administrator. Failure to provide required information, providing inaccurate information, or failing to respond to requests for additional information within two weeks, may result in a denial of the application. As part of the application, the Approved Vendor must submit the following:

- Illinois Secretary of State Statement of Good Standing dated within the past 12 months;
- Distributed Generation Installer Certification from the Illinois Commerce Commission (if the Approved Vendor will be installing Distributed Generation solar projects)
- Documentation of either PJM-GATS aggregator account or M-RETS account
- A representative sample of the applicant's marketing resources; and
- Equity Eligible Contractor (EEC) Attestation (if applicable).

The Program Administrator reviews each Approved Vendor application on an individual basis to determine, based on the entirety of the available information, whether the applicant's participation in the Program would pose an unreasonable risk to consumers or the success of the Program as a whole. The Program Administrator may consider any information presented in the application, as well as information from independent investigation, when determining if the entity's application should be approved. This may include the company's history of consumer complaints and/or consumer protection issues in other states, as well as other issues. The Program Administrator may also consider connections, such as common ownership or managers, to Approved Vendors or Designees in the Illinois Shines program that have had Program violations. The Program Administrator may deny an application if it determines that the applicant provided false information. Affirmative answers to questions set out in the section titled "Company and Affiliate History" do not automatically disqualify an applicant. Rather, the Program Administrator will review the facts, may request additional information, and will make a holistic determination.

The Program Administrator will review renewal applications similarly to initial Approved Vendor applications and may deny a renewal for the same bases that it may deny an initial application. However, in making its determination on a renewal, the Program Administrator will consider the Approved Vendor's history and record with the Program.

## E. Approved Vendor Application Review and Appeal Procedure

### ***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. If an Approved Vendor's dishonesty in its application is not discovered until after the Approved Vendor application is approved, this may be grounds for revocation of the Approved Vendor status.

### ***Application Rejection and Appeal***

Any Approved Vendor applications that are rejected will be provided a written explanation with the reasons for the rejection. 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 an appeal 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 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.

### ***Conditional Application Approval***

The IPA and the Program Administrator reserve the right to conditionally approve applications from prospective or renewing Approved Vendors that have areas of concern. If conditional approval is warranted, the Program Administrator will develop conditions appropriate to address the concerns that the prospective or renewing Approved Vendor must meet. For example, a conditional approval may require an Approved Vendor to renew their application every six months instead of every year, or may include reporting requirements or regular check-ins with the Program Administrator.