

# REC Price Adder for Stranded Customer Solar Projects (DG)

Illinois Shines & ILSFA

## Categories of Stranded Customers and Considerations for REC Adder Pricing

**DRAFT FOR PUBLIC COMMENT**  
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**Commented [IPA1]: Summary of the primary changes to this document from the 2025 version:**

1. Combined construction phases to only include whether completely unbuilt, partially built, or fully built since the result was the same (1-2, 14-15)
2. Combined "low" adders within Tables 1 and 2 since the result was the same (5-9, 17-21)
3. Combined >75% and 100% REC incentive paid categories within individual tables since the result was the same (10d-11, 22d-23)
4. Clarified some language based on internal discussions

### TABLE 1: AGGREGATOR MODEL

- **For the Aggregator Model reflected here, the customer contracts with the Designee for the solar project. The customer may have a separate contract to sell RECs to the Approved Vendor ("AV"), but the customer's installation contract is not with the AV.**
  - Blue rows represent situations where the Designee with whom the customer contracted becomes unavailable – i.e., goes out of business, becomes entirely unresponsive, is not permitted to continue with the project due to disciplinary action, etc.
  - Green rows represent situations where the AV becomes unavailable – i.e., goes out of business, becomes entirely unresponsive, is not permitted to continue with the project due to disciplinary action, etc.
  - If five years have elapsed from the first invoice submission, the REC adder value level will be reduced by one level (e.g., from "very high" to "high," or from "high" to "medium"). If ten years have elapsed, the REC adder value will be reduced by two levels. The REC adder value will not be reduced further than the "low" value.

**Table 1: Aggregator Model**

	Stranded Customer Situation	Notes	Considerations for REC Adder Pricing	REC Adder Group
	<ul style="list-style-type: none"> <li>Designee becomes unavailable <u>after beginning but prior to completing installation</u> (substantive install or electrical work needs to be completed) <u>but installation is not complete or additional work is still required, including permit or interconnection approvals</u></li> <li>Could be <u>prior to before</u> or after Part I application submission</li> </ul>	<ul style="list-style-type: none"> <li>These are all situations where the Designee becomes unavailable – either goes out of business, becomes entirely unresponsive, is not permitted to continue with the project due to disciplinary action, etc.</li> <li>Aggregator AV would be eligible for REC adder; however the Agency expects that most of the REC adder value would be passed through to the new Designee</li> <li>If customer lost money by already making payments to the original Designee, that would not be compensated through the REC Adder adder, but could be eligible for later phases of the Solar Restitution Program</li> <li>Customer would likely have already entered into contract to sell RECs to <u>Aggregator aggregator</u> AV (in which case they may wish to stay with that a Aggregator AV, who would be eligible for REC adder to add value to encourage Designee installer to take it on)</li> <li><u>If construction is complete but documentation is missing, the AV applying for the REC adder must indicate that it is missing documentation needed for the Illinois Shines application process</u></li> <li><b>NOTE:</b> if the Approved Vendor for the customer is not changing, the Approved Vendor must apply and be approved for the stranded customer REC adder prior to invoicing the utility for the associated REC incentive payment</li> </ul>	<ul style="list-style-type: none"> <li><u>Taking over a partially completed project could be difficult technically and involve higher risk</u></li> <li>Value of adder is not to cover the actual <u>installation</u> work required of the new <u>Designee installer</u>, but to encourage <u>Designee installer</u> to take on these projects</li> <li>New <u>Designee installer</u> may need to review / double-check prior installer's work and/or familiarize themselves with equipment they don't normally use</li> <li>New <u>Designee installer</u> would also need to collect application documentation</li> </ul>	HIGH
1	<ul style="list-style-type: none"> <li><u>Designee becomes unavailable after beginning but prior to completing installation</u> (substantive install or electrical work needs to be completed)</li> </ul>		<ul style="list-style-type: none"> <li><u>Taking over a partially completed project could be difficult technically and involve higher risk</u></li> </ul>	HIGH
2	<ul style="list-style-type: none"> <li><u>Designee becomes unavailable after installation is substantively complete but minor work, interconnection, or approvals still needed</u></li> </ul>			HIGH

**Table 1: Aggregator Model**

	Stranded Customer Situation	Notes	Considerations for REC Adder Pricing	REC Adder Group
32	<ul style="list-style-type: none"> <li>Designee becomes unavailable <u>after installation is complete</u> but before all necessary <del>application</del> documentation for Part I or Part II application was provided to an AV (or to the customer)</li> </ul>		<ul style="list-style-type: none"> <li>May not need new <del>Designee</del> installer at all, just need to work with customer to collect necessary documentation</li> <li>AV may need to review materials/system to ensure it was installed correctly and generating as expected</li> </ul>	MEDIUM
43	<ul style="list-style-type: none"> <li>Intended AV aggregator becomes unavailable <del>prior to before starting</del> Part I application submission, <u>Designee still available</u></li> </ul>	<ul style="list-style-type: none"> <li>If there's no Part I application, the customer in a sense is not stranded in the Program <u>by the unavailability of the original AV</u></li> </ul>	<ul style="list-style-type: none"> <li>No REC adder because the process is not different for <del>the</del> new aggregator AV than a regular new customer</li> </ul>	---
54	<ul style="list-style-type: none"> <li>AV becomes unavailable <u>after Part I at any time in the application has been process (Part I started through Part II approved) after installation is complete, but it is incomplete and/or not fully reviewed by the Program Administrator (may before any REC incentives have pending Need Info requests) (Designee still available) been paid out</u></li> </ul>	<ul style="list-style-type: none"> <li>Customer can choose to have project reapplied with a new AV without original AV agreeing to transfer (from Program perspective; note that the customer may have a contract with original AV to use that AV)</li> <li>If original AV agrees, Program Admin can transfer Part I application to new AV ("AV Switch")</li> <li><u>After REC contract is executed, u</u>navailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>If customer starts over with new AV, no REC adder because that's not different for the AV than a regular new customer</li> <li>If Part I application is transferred to a new AV, may be <del>minimal</del> little or no additional work <u>to complete from customer's stranding</u></li> <li><u>If post-Part I verification and the project is on a REC contract, AV will have to process AV Assignment but otherwise not a lot of additional work</u></li> </ul>	<p>LOW</p> <p>(No REC adder if customer starts application process over with new AV)</p>
6	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part I application has been fully reviewed or verified but prior to REC Contract execution (Designee still available)</li> </ul>	<ul style="list-style-type: none"> <li>Customer can choose to have project reapplied without original AV agreeing to transfer (from Program perspective; note that the customer may have a contract with original AV to use that AV)</li> <li>If original AV agrees, Program Admin can transfer Part I application to new AV</li> </ul>	<ul style="list-style-type: none"> <li>If customer starts over with new AV, no REC adder because that's not different for the AV than a regular new customer</li> <li>If Part I application is transferred to a new AV, may be little or no additional work due to customer <u>having been stranded</u></li> </ul>	<p>LOW</p> <p>(No REC adder if customer starts application process over with new AV)</p>
7	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part I verification and after REC contract execution, but prior to Part II application submission (Designee still available)</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>AV will have to process AV Assignment but otherwise not a lot of additional work</li> </ul>	LOW
8	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part II application has been started but application is incomplete and/or not</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>AV will have to process AV Assignment but otherwise not a lot of additional work</li> </ul>	LOW

**Table 1: Aggregator Model**

	Stranded Customer Situation	Notes	Considerations for REC Adder Pricing	REC Adder Group
	fully reviewed by the Program Administrator (may have pending Need Info requests) (Designee still available)			
9	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part II application has been fully reviewed or verified, prior to any REC incentive payments</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>AV will have to process AV Assignment but otherwise not a lot of additional work</li> </ul>	LOW
105	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part II verification, and the project has multiple at least one REC incentive payments, which have started but there are still remaining payments payment has been made</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> <li>Project must still be under REC contract</li> </ul>	<ul style="list-style-type: none"> <li>Ability for AV to be compensated by retaining a portion of the REC incentive payments depends on how many of the REC incentive payments remain</li> <li>If all or almost all of the REC incentive payments have been made, AV taking on risk obligations with little to no reward incentive</li> </ul>	
	a. 25% or less of the total REC incentive amount has already been made to the original AV			LOW
	b. More than 25% and up to 50% of the total REC incentive amount has already been made to the original AV			MEDIUM
	c. More than 50% and up to 75% of the total REC incentive amount has already been made to the original AV			HIGH
	d. More than 75% and up to 100% of the total REC incentive amount have has been made to the original AV			VERY HIGH
11	<ul style="list-style-type: none"> <li>AV becomes unavailable after all REC incentive payments made, but still under REC contract</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>AV taking on risk with little to no reward</li> </ul>	VERY HIGH

**TABLE 2: AV IS THE MARKETING/SALES AND INSTALLATION COMPANY OR AV HIRES/SUBCONTRACTS WITH DESIGNEE MARKETING/SALES/INSTALLATION COMPANIES**

- **For the model reflected here, the customer contracts for installation with the AV, and pays the AV for the solar project.**
  - Blue rows represent situations where a Designee (such as installer Designee) becomes unavailable – i.e., goes out of business, becomes entirely unresponsive, is not permitted to continue with the project due to disciplinary action, etc.
  - Green rows represent situations where the AV becomes unavailable – i.e., goes out of business, becomes entirely unresponsive, is not permitted to continue with the project due to disciplinary action, etc.
    - Designees may or may not be available.
  - If five years have elapsed from the first invoice submission, the REC adder value level will be reduced by one level (e.g., from “very high” to “high,” or from “high” to “medium”). If ten years have elapsed, the REC adder value will be reduced by two levels. The REC adder value will not be reduced further than the “low” value.

**Table 2: AV Is the Marketing/Sales and Installation Company or AV Hires/Subcontracts with Designee Marketing/Sales/Installation Companies**

	<b>Stranded Customer Situation</b>	<b>Notes</b>	<b>Considerations for REC Adder Pricing</b>	<b>REC Adder Group</b>
146	<ul style="list-style-type: none"> <li>• Customer had installation contract with <b>Approved Vendor</b> and Designee (such as installer Designee) becomes unavailable</li> </ul>	<ul style="list-style-type: none"> <li>• <b>NOT eligible for REC adder</b>, because Approved Vendor is responsible for finding a new Designee to complete the project</li> </ul>		---
137	<ul style="list-style-type: none"> <li>• AV becomes unavailable <u>prior to before beginning installation</u> but after Part I application submission</li> </ul>	<ul style="list-style-type: none"> <li>• If customer lost money by already making payments to the original AV, that would not be compensated through the REC Adder, but could be eligible for later phases of the Solar Restitution Program</li> <li>• Customer could have already entered into contract to sell RECs to AV (in which case the customer needs to determine any ongoing contractual obligations)</li> </ul>	<ul style="list-style-type: none"> <li>• Taking on these projects shouldn't have significantly more work or risk as compared to typical customer</li> </ul>	LOW
14	<ul style="list-style-type: none"> <li>• <del>AV becomes unavailable after beginning but prior to completing installation (substantive install or electrical work needs to be completed)</del></li> <li>• <del>Could be prior to or after Part I application submission</del></li> </ul>		<ul style="list-style-type: none"> <li>• <del>Taking over a partially completed project could be difficult technically and involve higher risk</del></li> </ul>	HIGH

**Table 2: AV Is the Marketing/Sales and Installation Company or AV Hires/Subcontracts with Designee Marketing/Sales/Installation Companies**

	<b>Stranded Customer Situation</b>	<b>Notes</b>	<b>Considerations for REC Adder Pricing</b>	<b>REC Adder Group</b>
158	<ul style="list-style-type: none"> <li>Approved Vendor AV becomes unavailable after beginning installation but installation is substantively not complete but minor or additional work is required, including permits or interconnection, or approvals still needed</li> <li>Could be prior to before or after Part I application submission</li> </ul>	<ul style="list-style-type: none"> <li>If the installation is completed by a Designee (that is still available), there may be fewer complications with a partially-installed project (as opposed to if the installation work was to be done by AV that is now unavailable)</li> </ul>	<ul style="list-style-type: none"> <li>Taking over a partially completed project could be difficult technically and involve higher risk</li> <li>Value of adder is not to cover the actual installation work required of the new installer, but to encourage AVAVs to take on these projects</li> <li>New AV may need to review / double-check prior installer's work and/or familiarize themselves with equipment they don't normally use</li> <li>New AV also needs to collect application documentation from original AV (or from Designee)</li> </ul>	HIGH
149	<ul style="list-style-type: none"> <li>AV becomes unavailable after installation is complete but before submission of starting the Part I application</li> </ul>	<ul style="list-style-type: none"> <li>AV must provide evidence that the project was intended to be applied to the Program</li> </ul>	<ul style="list-style-type: none"> <li>May not be much more cost or risk than normal for an AV aggregator to take on the application, but AV may need to review materials/system to ensure it was installed correctly and generating as expected</li> </ul>	MEDIUM
1710	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part I at any time in the application has been process (Part I started, through Part II approved) after installation is complete, but it is incomplete and/or not fully reviewed by the Program Administrator (may before any REC incentives have pending Need-Info requests) been paid out</li> </ul>	<ul style="list-style-type: none"> <li>Customer can choose to have project reapplied with a new AV without original AV agreeing to transfer (from Program perspective; note that the customer may have a contract with original AV to use that AV)</li> <li>If original AV agrees, Program Admin can transfer Part I application to new AV</li> <li>After REC contract is executed, unavailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>If customer starts over with new AV, no REC adder because that is not different for the AV than a regular new customer</li> <li>If Part I application is transferred to a new AV, there may not be much more cost or risk than normal for an AV aggregator to take on the application, especially if the installation was done by a Designee that is still available and/or an entity the AV is comfortable working with</li> <li>If post-Part I verification and the project is on a REC contract, AV will have to process AV Assignment but otherwise not a lot of additional work</li> </ul>	LOW  (No REC adder if customer starts application process over with new AV)
18	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part I application has been fully reviewed or verified but prior to REC Contract execution</li> </ul>	<ul style="list-style-type: none"> <li>Customer can choose to have project reapplied with a new AV without original AV agreeing to transfer (from Program perspective; note that the</li> </ul>	<ul style="list-style-type: none"> <li>If customer starts over with new AV, no REC adder because that's not any different for the AV than a new customer</li> </ul>	LOW  (No REC adder if customer starts

**Table 2: AV Is the Marketing/Sales and Installation Company or AV Hires/Subcontracts with Designee Marketing/Sales/Installation Companies**

	Stranded Customer Situation	Notes	Considerations for REC Adder Pricing	REC Adder Group
		<ul style="list-style-type: none"> <li>customer may have a contract with original AV to use that AV)</li> <li>If original AV agrees, Program Admin can transfer Part I application to new AV</li> </ul>	<ul style="list-style-type: none"> <li>If Part I application is transferred to a new AV, may not be much more cost or risk than normal for an AV aggregator to take on the application, especially if the installation was done by a Designee that is still available and/or an entity the AV is comfortable working with</li> </ul>	application process over with new AV)
19	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part I verification and after REC contract, but prior to Part II application submission</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>AV will have to process AV Assignment but otherwise not a lot of additional work</li> </ul>	LOW
20	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part II application has been started but application is incomplete and/or not fully reviewed by the Program Administrator (may have pending Need Info requests)</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>AV will have to process AV Assignment but otherwise not a lot of additional work</li> </ul>	LOW
21	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part II application has been fully reviewed or verified, prior to any REC incentive payments</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> </ul>	<ul style="list-style-type: none"> <li>AV will have to process AV Assignment but otherwise not a lot of additional work</li> </ul>	LOW
2211	<ul style="list-style-type: none"> <li>AV becomes unavailable after Part II verification, and the project has multiple at least one REC incentive payments, which have started but there are still remaining payments payment has been made</li> </ul>	<ul style="list-style-type: none"> <li>Unavailable AV has to agree to "AV Assignment"</li> <li>Project must still be under REC contract</li> </ul>	<ul style="list-style-type: none"> <li>Ability for AV to be compensated by retaining a portion of the REC incentive payments depends on how many of the REC incentive payments remain</li> <li>If all or almost all REC incentive payments have been made, AV taking on risk obligations with little to no reward incentive</li> </ul>	
	<ul style="list-style-type: none"> <li>a. 25% or less of the total REC incentive amount has already been made to the original AV</li> </ul>			LOW
	<ul style="list-style-type: none"> <li>b. More than 25% and up to 50% of the total REC incentive amount has already been made to the original AV</li> </ul>			MEDIUM
	<ul style="list-style-type: none"> <li>c. More than 50% and up to 75% of the total REC incentive amount has already been made to the original AV</li> </ul>			HIGH

**Table 2: AV Is the Marketing/Sales and Installation Company or AV Hires/Subcontracts with Designee Marketing/Sales/Installation Companies**

	<b>Stranded Customer Situation</b>	<b>Notes</b>	<b>Considerations for REC Adder Pricing</b>	<b>REC Adder Group</b>
	<b>d.</b> More than 75% <u>and up to 100%</u> of the total REC incentive amount <u>havehas</u> been made to the original AV			VERY HIGH
23	• AV becomes unavailable after all REC incentive payments made, but still under REC contract	• Unavailable AV has to agree to "AV Assignment"	• AV taking on risk with little to no reward	<del>VERY HIGH</del>