From: Strong, Michael
To: IPA.Solar
Cc: Andrew Linhares; EXT Passera, Laurel; Stephanie Burgos-Veras; EXT McCain, Lesley; Regina McCormack; Erffmeyer, Jacques
Subject: [External] Joint Solar Parties 2026 REC Contract Feedback
Date: Friday, May 1, 2026 4:57:30 PM

Good afternoon,

On behalf of the Joint Solar Parties (SEIA, CCSA, and ISE&SA), please find below limited comments by email regarding the draft 2026 REC Contracts.

In both the 15-Year and 20-Year Draft Contracts, new Sections 6.5 and 6.4 (respectively) state in part: "Seller's material violation of the terms of such Project Labor Agreements and amendments shall be deemed non-compliant with Section 2.2(f) and subject to the provisions in Section 2.2 for such non-compliance." Section 2.2 provides that if the IPA determines that a Designated System does not comply with any subsections of Section 2.2 including Section 2.2(f), Seller has 20 Business Days to prove "that such event has not occurred" to the satisfaction of the IPA or that Designated System shall be removed from the REC Contract, collateral will be taken, and all payments to date will be lost. While there are rights available to Seller to cure deficiencies in Section 2.4(f) and 9.2, the language of Sections 6.5, 2.2, and 2.2(f) do not make clear that timely cure of a "material violation" of a PLA extinguishes the risk of termination of a Designated System.

The Joint Solar Parties note that there is preexisting robust process available for labor organizations or individual workers that allege a violation of a PLA. Often, such allegations are subject to good-faith dispute and (in many cases) successful resolution. Worksites can be complex with many subcontractors; inadvertent non-compliance with PLAs is certainly possible but the general contractor or subcontractors should have an opportunity to investigate a dispute over the PLA, make good-faith attempts at resolution, and ultimately fix any actual non-conformances. In addition, the IPA should only find "material" violations when the violation is not only uncured but also subject to a finding by the proper administrative, agency, or court.

To this end, the Joint Solar Parties urge the IPA to revise the final paragraph of Section 6.4/6.5 as follows:

> Seller's failure to provide such Project Labor Agreements and amendments in a timely manner or Seller's material violation of the terms of such Project Labor Agreements **<u>that remains uncured after notice by the IPA and a cure period of not less than 20 Business Days (or such longer time reasonably required to investigate and correct such material violation)</u>** and amendments shall be deemed non-compliant with Section 2.2(f) and subject to the provisions in Section 2.2 for such non-compliance.

The Joint Solar Parties also understand the co-location terms added to the 15-Year and 20-Year REC Contracts are consistent with the 2026-27 Program Guidebook dated April 17, 2026 but—as

described by the Joint Solar Parties in comments on the Draft 2026-27 Program Guidebook—respectfully disagree that projects outside of the ABP should be considered “co-located” with projects applied to the ABP.

Please reach out to me or any of the individuals on the cc: line with any questions.

Thank you.

Michael