



# Illinois Solar For All

## Responses to Comments on Approved Vendor Registration

January 22, 2019

The proposed Approved Vendor registration process was presented by the Illinois Power Agency through its Program Administrator, Elevate Energy, on December 19, 2018 with a request for comments due on January 7, 2019. Comments have been received and posted to the Illinois Solar for All (“ILSFA”) Program website ([www.illinoissfa.com](http://www.illinoissfa.com)). The following represents a summative response to comments and how those comments have been incorporated into the final Approved Vendor registration process and associated documents.

The content summarized here represents comments captured during the live stakeholder feedback session facilitated on December 19, 2018 via webinar, as well as individual comments submitted to the Program Administrator during the commenting period. Comments have been summarized and categorized into the following topics:

1. Approved Vendor Experience
2. Project Siting
3. Registration Process and Rubric
4. Community Engagement Requirements
5. Job Training Requirements
6. Partnerships and the Role of the Aggregator

### 1. Approved Vendor Experience

Comments captured at the live session and individually submitted during the comment period tended to support the idea that Approved Vendor candidate experience should be weighted as high or higher than planned future activity related to implementation of Illinois Solar for All projects. Comments pointed out the difficulty of measuring the probability of successfully executing future plans for specific program requirements, but generally supported that future planning is an important part of vendor evaluation.

The Program Administrator and the Illinois Power Agency recognize the difficulty in striking a balance between experience and planning. It is also recognized that in a newly emerging solar market and a new low-income solar market particularly, the likelihood that candidates have significant experience in all areas of solar development, community engagement, workforce development, and the unique requirements of working in the targeted communities, is not likely. As such, we believe it is important to balance experience with good planning.

- The Program Administrator and the Illinois Power Agency agree that the weighting should be adjusted so that robust experience and prudent planning be equally important in the evaluation process.
- The weighting will be adjusted in Section C of the rubric, Community Engagement Plan, to balance the overall impact of experience and planning on the final and minimum score requirements.
- The rubric will also be adjusted to require a minimum score for efforts taken prior to the application to conduct community outreach, education, and recruitment, consistent with Section 8.10 of the Long-Term Renewable Resources Procurement Plan (“Plan”).

## **2. Project Siting**

Comments submitted regarding communities where ILSFA projects will be sited were generally supportive of the current rubric scheme on this issue. Assigning greater points for vendors that have identified targeted communities at the time of registration and specifically requiring community solar Approved Vendor candidates to have at least a general idea of what communities will be targeted for project siting and customer acquisition is sound. Comments also supported assigning higher points for candidates who state a goal of working within environmental justice (“EJ”) communities.

The Program Administrator and the Illinois Power Agency recognize the difficulty in establishing accountability for specific stated goals for these aspects of vendor planning. The rubric and evaluation process place great emphasis on the need and ability to develop sound plans for siting, along with community engagement and other program requirement areas. It is the intention of the Administrator to manage against these specific goals and provide ongoing progress reporting and feedback towards these goals. However, we also recognize the need for these organizations to adapt to changes in market conditions and potential regulatory conditions that can impact specific plans.

As such, those responses to questions around project siting will remain as currently weighted. A robust project approval process will ensure all requirements are adequately met. But, adjustments to planning should be allowed, as long as requirements are met.

## **3. Registration Process and Rubric**

Comments were supportive of the proposed technical processes of registration and the two-stage registration process with the Adjustable Block Program. Several comments stated concern about the rubric approach generally, preferring a simpler Pass/Fail scheme.

The Illinois Solar for All Program introduces more complex requirements and intentions. As such, we believe a Pass/Fail scheme is less flexible and has the potential to restrict diversity in the cohort of vendors working on ILSFA projects and even give advantage to out of state firms.

For example, there are likely few or no Illinois firms with significant experience installing solar in low-income communities. Illinois is a newly emerging solar market, with less than 100 MW of total installed solar capacity across the state prior to the Future Energy Jobs Act. A Pass/Fail scheme with strict requirements for experience in solar development, low-income community engagement and workforce development would narrow the universe of qualified vendors, potentially to just those who have worked in those few other states where income eligible solar programs are currently implemented.

- The Program Administrator and the Illinois Power Agency values this feedback but has chosen to keep the rubric approach. It is believed that the proposed adjustments to the rubric, based on stakeholder feedback, optimizes this approach and provides a thoughtful and effective mechanism for vetting candidates for the Illinois Solar for All Program.
- It is also the intention of the Administrator to provide feedback and support to applicants if the initial submission is found to be insufficient, allowing an opportunity for resubmission and revised scoring.

#### **4. Community Engagement Requirements**

Related to comments supportive of greater weight for demonstrated candidate experience, comments also supported greater weight for specific community engagement efforts prior to registration. Comments also suggested that targeting environmental justice communities or generally defining which communities are of greatest importance in this context would be valuable.

The Program Administrator and the Illinois Power Agency agree that efforts to engage communities for ILSFA prior to registration is important and consistent with Section 8.10 of the Plan, as stated above. We also recognize the importance of evaluating environmental justice and community planning in general within the rubric.

In terms of defining which communities are most important for ILSFA project implementation, providing a clear methodology and tools for identifying environmental justice communities has been proposed separately.<sup>1</sup> This will allow Approved Vendors to target areas and site accordingly. With a program goal of 25% of all incentives going to EJ communities, these tools are important to helping vendors plan and the rubric will provide higher scores for those candidates that do. However, there are no specific program requirements at vendor or project level to site within EJ communities. So, no specific minimum score requirements will be placed on candidates at registration.

Similarly, the program does not place specific requirement on vendors or projects to site within low-income communities, but rather defines eligibility by the household level. The exception is with community solar, where households can qualify based on (i) residing within HUD Qualified Census Tracts (QCTs) or (ii) income. The Program Administrator will provide similar tools that will map both QCTs and low-income communities across the state, providing maps and address look-up tools to help vendors establish eligibility and plan their siting and customer acquisition. Efforts in all of these various and overlapping geographies will be tracked over time. But, no specific requirements will be placed on vendors at registration.

- As stated previously, the rubric will be adjusted to require a minimum score for efforts taken prior to the application to conduct community outreach, education, and recruitment, consistent with Section 8.10 of the Plan.
- The weighting incorporating plans for siting in environmental justice communities will remain.
- The weighting and requirement of having identified specific communities for community solar siting and customer acquisition will remain.
- Tools for mapping addressing look-ups for EJ communities, QCTs and low-income communities generally will be developed and released by the Program Administrator prior to program launch.

#### **5. Job Training Requirements**

Comments submitted regarding job training expressed a concern that candidates may not be able to provide detailed plans for meeting job training requirements at the time of registration. At the same time, comments did not suggest any concern about the relatively high weighting of job training planning in the rubric. Other comments suggested combining the three years of job training planning into one question and placing emphasis on planning over whether the candidate would provide installation service themselves or subcontract.

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<sup>1</sup> A stakeholder event was held in the Bronzeville neighborhood of Chicago on January 17, 2019 related to designating Environmental Justice Communities for the ILSFA Program. More information can be found at <https://www.illinoisfa.com>.

The Program Administrator and the Illinois Power Agency believe that the emphasis on detailed plans to meet job training requirements is important. We also recognize that market conditions, availability of qualified candidates, and other factors may require these plans to change for candidates to effectively manage their business. As such, we believe the current approach is the right approach; i.e. requiring detailed plans, but not requiring Approved Vendors follow these specific plans, if the requirements are being met. The Program Administrator will provide information on qualified job training programs prior to the opening of vendor registration. These will include job training programs funded by the Future Energy Jobs Act, as well as other programs that provide training that leads to the Qualified Person designation under the Part 461 ICC rule.

Finally, there was an emphasis from several commenters that job training requirements must be monitored and managed effectively by the Administrator using a robust and stringent evaluation process during the project approval stage. The Program Administrator and the Illinois Power Agency agree with this and will ensure these robust mechanisms are part of the proposed project approval process across many areas of program requirements.

- The rubric will be adjusted so that the three-year job training planning will be combined into a single question and placed at the beginning of that section.
- The overall weight of the job training planning section will be adjusted so that the single planning question is relative to the overall weight of the rubric prior to this change.
- Like other aspects of Approved Vendor planning submitted as part of the registration process, job training plans will be monitored and reported back to Approved Vendors. But they will not be held to specific plans, if requirements are met.

## **6. Partnerships and the Role of the Aggregator**

Comments from the ILSFA Working Group pointed out that the role of a REC Aggregator was not clearly accounted for in the initially proposed registration process or rubric. The initially proposed process accounted for partnerships of various kinds by simply placing accountability for compliance with program requirements squarely on the Approved Vendor candidate and would use the rubric in the same way for any candidate. The Program Administrator and the Illinois Power Agency believe the registration process and rubric can be adapted to better account for Aggregators by clearly stating their more limited responsibilities in the Program and how the roles of all partnering entities must be represented during registration.

It is recognized that Aggregators will play an important role in the emerging solar market in Illinois, especially to supplement the capacity of smaller vendors and potentially for vendors in those communities ILSFA is intended to serve. As such, the registration process should reflect more tailored evaluation of Aggregators specifically, as well as better methods for vetting the partners they will work with. Difficulty arises in that it is assumed Aggregators will not have specific experience with low-income engagement, workforce development, or other areas unique to ILSFA.

The ILSFA Working Group has suggested using Designees, similar to the approach taken by the Adjustable Block Program, for executing disclosures with individual customers. This is a viable method and has been considered in the following way.

Two general approaches have been identified to better account for the role of the Aggregator:

1. Aggregator Representing a Partnership: This method would be similar to the approach currently used but would be developed more fully. Accountability for vetting partner entities and managing the requirements of the program fall to the Aggregator as Approved Vendor, requiring the Aggregator

candidate to establish partnerships prior to registration and submit responses and qualification based on partner experience and intent. The rubric and registration process would provide more clarity around how to submit responses and better define distinct roles and accountability.

2. Aggregator using Designees: Accountability for vetting partner entities rests with the Program Administrator using a Designee process. The Aggregator as Approved Vendor would manage program requirements for each partner during project implementation and be accountable for all aspects of meeting program requirements. However, this method would allow the Program Administrator to initially evaluate the Aggregator as Approved Vendor using a more limited set of criteria that do not expect the Aggregator to have plans for community involvement, hiring of job trainees, and other ILSFA-specific requirements., Under this model, the Administrator would later vet proposed Designee partners before or during project implementation; Designees are the entities who are expected to have the experience and conduct the activities associated with meeting program requirements.

The Program Administrator and the Illinois Power Agency believe that both approaches have their merits and can work effectively to ensure that the entities approved for the Program can meet requirements. However, we believe that the Designee process offers additional assurances that the entities involved in implementing projects for ILSFA can meet program requirements and be better assessed up front.

For example: with the Aggregator Representing a Partnership approach, it would be incumbent on the Aggregator to vet partners or risk losing its ILSFA Approved Vendor status. However, this method only allows the Administrator to evaluate development partners at the point of registration as represented by the Aggregator's submitted responses. This could mean that some partners meet some requirements, but no partners meet them all. It also means that once approved, additional solar developers or other entity types can begin implementing ILSFA projects with no vetting or assurances they can meet the requirements – other than the ability of the Aggregator to manage those expectations. This latter aspect is problematic because Aggregators are not likely to have experience in low-income community outreach and engagement, workforce development, or other areas relevant to ILSFA.

With the Aggregator using Designees approach, Aggregators can be evaluated on a separate set of criteria more relevant to their business model. Designees can be evaluated based on the same criteria as any other (non-Aggregator) Approved Vendor, ensuring that Designees – who will do the work on engagement, outreach, customer acquisition, workforce development, and solar installation – are well vetted by the Administrator prior to engaging in ILSFA project implementation and tracked individually moving forward.

- The registration process will be adapted to account for a distinct set of questions for Aggregators specific to their business model.
- Aggregators can assign Designees at any time. Designees would then be required to register with the ILSFA program individually like any Approved Vendor.
- The Aggregator as Approved Vendor will be responsible for working only with Designees that have been approved by the Program Administrator, or risk losing Approved Vendor status.
- Designees will also be measured in similar ways as Approved Vendors; i.e. similar performance metrics around quality of work, meeting program requirements, etc. This will help the Aggregator better manage their Designees and give clear insight into individual performance by the Program Administrator.