

Illinois Solar for All Community Solar Contract Requirements

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COMPLIANCE REQUIRED BY JUNE 1, 2025¹

All contracts with subscribers to ILSFA Community Solar projects (including agreements for loans to finance the purchase of shares or panels of a community solar project) must contain the required terms stated in this document. In some cases, the requirements listed herein prescribe the content of specific terms, while other requirements prescribe only the scope of contractual terms to be covered.

Note that the Illinois Solar for All program does not necessarily require the submission of a signed subscription contract (or a contract amendment bringing a previously signed contract into compliance with the below requirements) for every subscription upon application; however, Approved Vendors must provide documentation to the Program Administrator explaining how the community solar subscription will meet the savings requirements as detailed in the Approved Vendor Manual. The Program Administrator may require the submission of a copy of the contract, or some other statement of customer savings estimates, including assumed parameters.

Contracts may not prohibit or limit the customer's ability to make complaints to the Program Administrator or Agency or to cooperate with investigations into potential Program violations.

All customer contracts must be executed by customer signature (which may be by electronic means) and include the date of customer signature (which may be recorded manually or automatically).

The Approved Vendor will attest to compliance with the contract requirements herein in Part II of the project application.

- a) A plain language disclosure of the subscription, including:

¹ This document was published at least 45 days in advance of the date by which compliance is required, in accordance with the Final Order in ICC Docket No. 19-0995 at 56, 62.

- i. The terms under which the pricing will be calculated over the life of the contract and a good faith estimate of the subscription price expressed as a monthly rate or on a per kilowatt-hour basis; and
 - ii. Whether any charges may increase during the course of service, and, if so, how much advance notice is provided to the subscriber.
- b) Contract provisions regulating the disposition or transfer of a subscription, as well as the costs or potential costs associated with such a disposition or transfer;
- c) All nonrecurring (one-time) charges;
- d) All recurring (monthly, yearly) charges;
- e) A statement of contract duration, including the initial time period and any rollover provision;
- f) Terms and conditions for early termination, including:
 - i. Any penalties that may be charged to the subscriber; and
 - ii. The process for unsubscribing and any associated costs.
- g) A description of any fee or charge and the circumstances under which a customer may incur a fee or charge;
 - i. Any late payment fee must not apply unless the payment is more than seven calendar days late.
- h) A statement explaining any conditions under which the Community Solar Provider may terminate the contract early, including:
 - i. Circumstances under which early cancellation by the Community Solar Provider may occur;
 - ii. Manner in which the Community Solar Provider shall notify the customer of the early cancellation of the contract;
 - iii. Duration of the notice period before early cancellation; and
 - iv. Remedies available to the customer if early cancellation occurs.
- i) A statement that the customer may terminate the contract early, including:
 - i. Amount of any early cancellation fee.
- j) A statement describing contract renewal procedures, if any;
- k) A dispute procedure;
- l) The Agency's and Commission's phone number and Internet address;
- m) A billing procedure description;
- n) The data privacy policies of the Community Solar Provider;
- o) A description of any compensation to be paid for underperformance;
- p) Current production projections and a description of the methodology used to develop production projections;

- q) Contact information for the Community Solar Provider for questions and complaints;
- r) A statement that the Community Solar Provider does not make representations or warranties concerning the tax implications of any bill credits provided to the subscriber;
- s) The method of providing notice to the subscribers when the project is out of service for more than three business days, including notice of:
 - i. The estimated duration of the outage; and
 - ii. The estimated production that will be lost due to the outage.
- t) Any other terms and conditions of service;
- u) Once energization begins, any ongoing subscription payments must comply with the savings requirements as detailed in Chapter 5 of the Approved Vendor Manual;
- v) The contract must be in a language in which the customer is able to understand and communicate;
- w) Financing amounts, terms, and conditions for a purchase of a system share must be based on an assessment of the program participant's ability to repay the debt, as defined by Regulation Z, which is a federal rule that implements aspects of the Truth in Lending Act and the Dodd-Frank Act;²
- x) Right of rescission within three days after contract execution;
- y) The subscriber cannot be required to provide an upfront payment prior to energization;
- z) No prepayment penalties (for a lease or a loan for purchasing a project share) are allowed;
- aa) Contracts that include ongoing payments must offer terms that include forbearance. If an ILSFA customer can show good cause in a request for forbearance, and/or a residential income-eligible customer defaults on payment for a subscription contract, financiers and project owners must offer at least one of the following options, as applicable: a) suspension of total payments for up to three months, b) a suspension of interest payments for up to six months, or c) a reduction in interest rates for up to twelve months. Missed revenues may be recovered later in the stage of the contract, but no interest may be applied;
- bb) For situations where an income-eligible residential customer is taking a loan to finance purchase of particular panels or a share of the community solar project:
 - i. Loan may not be secured by home or home equity;
 - ii. Loan documents must indicate the following:
 - 1. Principal loan amount;

² See Consumer Financial Protection Bureau, April 10, 2013. *Ability-to-Repay and Qualified Mortgage Rule, Small Entity Compliance Guide*, http://files.consumerfinance.gov/f/201304_cfpb_compliance-guide_atr-qm-rule.pdf. Under the regulation (12 C.F.R. § 1026.43, issued under authority of 15 U.S.C. § 1639c), creditors generally must consider eight underwriting factors: (1) current or reasonably expected income or assets; (2) current employment status; (3) the monthly payment on the covered transaction; (4) the monthly payment on any simultaneous loan; (5) the monthly payment for mortgage-related obligations; (6) current debt obligations, alimony, and child support; (7) the monthly debt-to-income ratio or residual income; and (8) credit history.

2. Schedule of loan disbursements;
3. Schedule and due dates of repayments;
4. Order of allocating payments (to principal, interest, fees, etc.);
5. Interest rate;
6. Borrower(s), lender, servicer;
7. Nature of lender's security interest (e.g. UCC-1 financing statement);
8. Events of default and lender's remed(ies) upon default (including forbearance as discussed above); and
9. All fees and penalties.

cc) If the customer signs a "To Be Determined" Disclosure Form, which does not specify the community solar project to which the customer will be subscribed, the contract must include terms that allow the customer to cancel the contract without penalty if the customer is not subscribed to a specific community solar project within 180 days of the date the Disclosure Form is signed, or 210 days if an extension has been obtained in the manner specified in Section V.B.2 of the Consumer Protection Handbook.

PORTABILITY AND TRANSFERABILITY OF COMMUNITY SOLAR SUBSCRIPTIONS

To ensure portability and transferability of subscription contracts, as required by Section 1-75(c)(1)(N) of the Illinois Power Agency Act, any such contract should provide that the subscriber (i) may retain the subscription (or at least a downsized version of the subscription relative to the subscriber's new load) as long as the subscriber changes addresses for utility service within the same utility service territory, and (ii) may assign or sell the subscription to another person within the same utility service territory, without any fee owed to the subscription counterparty, subject to reasonable terms and conditions.

For subscription transfers to a new customer, a community solar provider may apply any subscriber eligibility requirements that are applicable *to a new subscriber at the time of the transfer*, such as a minimum credit score or execution of an automatic payment agreement, to the assignee. A community solar provider may not apply stricter eligibility requirements to an assignee than it would apply to a new customer at the time of the assignment. A community solar provider may require that community solar subscription assignments retain the original subscription size and may reject an assignment that would require the subscription size to be adjusted. A community solar provider may also reject a community solar subscription assignment if the original customer was a small subscriber and the new subscriber would not be a small subscriber.