

ILLINOIS SOLAR FOR ALL
DESIGNATED SYSTEM REMOVAL NOTICE

(To be provided by Seller or Buyer or the IPA (as applicable) for the removal of a Designated System from this Agreement pursuant to but not limited to Section 2.2(a), Section 2.2(b), Section 2.2(c), Section 2.2(d), Section 2.4(b)(iii), Section 2.4(d), Section 2.4(f), Section 2.4(g), Section 2.5(b), Section 2.6(c), Section 2.7(a), Section 2.7(b), Section 2.7(c), Section 3.5, Section 3.6, Section 4.1(b), Section 4.2(g), Section 5.6(d), Section 7.2, and Section 10.1)

Notice Date: _____

Reference is made to Illinois Solar for All (“ILSFA”) Contract No. _____, including associated Product Orders (together, the “ILSFA Contract”) between the Buyer _____, and Seller, _____, each a “Party” (and, collectively, the “Parties”), who hereby acknowledge the following:

(Capitalized terms used but not defined herein shall have the meanings used in the ILSFA Contract.)

1. This Designated System Removal Notice memorializes the removal, in accordance with the provisions of this Agreement or the Illinois Commerce Commission’s Order in Docket No. 19-0995, of one (1) or more Designated Systems listed more fully on Attachment A to this Designated System Removal Notice (the “Removed Designated Systems”) from this Agreement as of the Effective Date for each respective removed Designated System written in Column H of Attachment A to this Designated System Removal Notice.
2. For each removed Designated System, the predicate event that gave rise to the removal of that Designated System under this Agreement is listed on Attachment A to this Designated System Removal Notice under Column D, “Reason for Removal.” (A guide to the alphabetic codes is shown below Attachment A to this Designated System Removal Notice.)
3. Each applicable Product Order(s) is being removed from this Agreement in its entirety if no Designated Systems then remain in such Product Order, as noted in Column B of Attachment A to this Designated System Removal Notice.
4. For each removed Designated System, any required payment by Seller to Buyer under this Agreement in connection with the removal of such Designated System is noted in Column F of Attachment A to this Designated System Removal Notice.
5. For each removed Designated System, if applicable, Seller is requested to indicate in Column G by what means it elects or has elected to make the payment listed in Column F: (i) cash or (ii) forfeiture of previously posted Performance Assurance. Seller is requested to promptly return this notice with those notations to Buyer and sign in the signature block below. In the absence of any such election, or if the election so made is unclear, or a copy of this Designated System Removal Notice (signed by Seller) is not received by Buyer within 7 Business Days of the Notice Date

stated above, Seller shall be deemed to have elected deduction of any associated Performance Assurance Amount.

6. The Collateral Requirement in relation to each of the removed Designated Systems shall be reduced to zero if Seller has paid Buyer for outstanding amounts, if any, including amounts that may be associated with the removal of such Designated System. Following the completion of all payments shown in Column F, all Performance Assurance Amount still held by Buyer (but not forfeited by Seller) in connection with the removed Designated Systems shall be promptly returned to Seller (including an allowance for a downward adjustment of a Letter of Credit, if applicable).

7. Following the removal of each removed Designated System, there is no remaining REC Delivery obligation by Seller, or REC purchase obligation by Buyer, in relation to such removed Designated System.

8. Contemporaneous with this Designated System Removal Notice, the SFA Program Administrator is furnishing an updated Schedule A or Schedule B (as applicable) reflecting the removal of each removed Designated System and a Schedule C for each implicated Product Order (in all cases, the schedules are with respect to Exhibit A) of this Agreement.

9. This notice is not, and is not intended to be, an amendment or interpretation of, or an admission with respect to, the Agreement or its provisions. It is solely intended to memorialize actions provided for in the existing provisions of the Agreement.

All removals are subject to the approval by Buyer and IPA.

Buyer's and IPA's Acknowledgement of Designated System Removal

For Buyer:

Signature: _____

Name: _____

Title: _____

Date: _____

For the Illinois Power Agency:

Signature: _____

Name: _____

Title: _____

Date: _____



Seller's Acknowledgement of Receipt

Signature: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT A

REMOVED SYSTEMS

[illegible]

Reasons for Removal: Alphabetic codes

A: The Designated System was determined to be noncompliant with the requirements under Section 2.2(a) of the Agreement, including after Seller had a period of twenty (20) Business Days after notice as provided in this Agreement to demonstrate that the event had not occurred, and the Designated System was thus automatically removed.

Resulting payment: Seller pays the sum of (i) the Collateral Requirement with respect to such Designated System and (ii) one hundred ten percent (110%) of the total payments Seller has received from Buyer associated with RECs from such Designated System.

B: The Designated System was determined to be noncompliant with the requirements under Section 2.2(b), including after Seller had a period of twenty (20) Business Days after notice as provided in this Agreement to demonstrate that the event had not occurred, and the Designated System was thus automatically removed.

Resulting payment: Seller pays the sum of (i) the Collateral Requirement with respect to such Designated System and (ii) one hundred percent (100%) of the total payments Seller has received from Buyer associated with RECs from such Designated System.

C: The Designated System was determined to be noncompliant with the requirements under Section 2.2(c), including after Seller had a period of twenty (20) Business Days after notice as provided in this Agreement to demonstrate that the event had not occurred, and the Designated System was thus automatically removed.

Resulting payment: Seller pays the sum of (i) the Collateral Requirement with respect to such Designated System and (ii) one hundred percent (100%) of the total payments Seller has received from Buyer associated with RECs from such Designated System.

D: The Designated System experienced delays resulting from (i) documented delays associated with processing of permit requests or addressing regulatory requirements provided such delays are not primarily caused by Seller's actions, (ii) delays in receiving interconnection approval provided that Seller's interconnection approval request was made to the interconnecting utility within thirty (30) days of such Designated System being electrically complete (ready to start generation), and (iii) delays in receiving the interconnecting utility's estimate of costs to construct the interconnection facilities, and to complete required distribution upgrades, necessary for the interconnection of a Designated System. After extensions to the Scheduled Energized Date had been granted multiple times and the Designated System was not yet Energized by the date that is seven hundred thirty (730) days from the initial Scheduled Energized Date, Seller exercised its right to remove the Designated System by providing written notice to Buyer and the IPA pursuant to Section 2.4(b)(iii).

Resulting payment: Seller owes \$0 to Buyer. Buyer provides to Seller a refund of any extension fees that have been paid by Seller and a refund of previously posted Performance Assurance in the amount of the Collateral Requirement associated with such Designated System.

E: The Designated System was not Energized by the Scheduled Energized Date (plus any extension granted under Section 2.4(b)), so was automatically removed pursuant to Section 2.4(d).

Resulting payment: Seller pays to Buyer the Collateral Requirement associated with the Designated System plus any extension fees associated with such Designated System that have been paid by Seller to Buyer.

F: The Designated System's Actual Nameplate Capacity is larger than the Proposed Nameplate Capacity and the difference is within the greater of: +5kW or +25% of the Proposed Nameplate Capacity, and Seller exercised its right to remove the Designated System by providing written notice to the IPA pursuant to Section 2.5(b).

Resulting payment: Seller forfeits the portion of previously posted Performance Assurance equal to the Collateral Requirement associated with the Designated System. This forfeited amount may be re-credited to Seller as Performance Assurance (and refunded to Seller to the extent in excess of required Performance Assurance Requirement) if a new SFA application of the Designated System is approved by the ICC for inclusion in this Agreement or an agreement between Buyer and Seller under the SFA within three hundred sixty five (365) days of the date of the written notice from Seller requesting removal and the IPA so notifies Buyer.

G: Seller exercised its right to remove the Designated System for the purpose of re-applying to the SFA under a different Class of Resource, by providing written notice to the IPA pursuant to Section 2.4(g). *Resulting payment: Seller forfeits the portion of previously posted Performance Assurance equal to the Collateral Requirement associated with the Designated System.*

H: The Designated System's Actual Nameplate Capacity differs from the Proposed Nameplate Capacity by more than the greater of 5kW or 25% of the Proposed Nameplate Capacity, so the Designated System was automatically removed pursuant to Section 2.5(b).

Resulting payment: Seller forfeits the portion of previously posted Performance Assurance equal to the Collateral Requirement associated with the Designated System. This forfeited amount may be re-credited to Seller as Performance Assurance (and refunded to Seller to the extent in excess of required Performance Assurance Requirement) if a new SFA application of the Designated System is approved by the ICC for inclusion in this Agreement or an agreement between Buyer and Seller under the SFA within three hundred sixty five (365) days of the date of the written notice from the IPA requesting the removal, and the IPA so notifies Buyer.

I: The IPA determined in its reasonable discretion that the Designated System is in material non-conformance with requirements of the SFA; or is materially non-conforming with the information previously submitted by Seller to the IPA about that Designated System, and Seller did not cure the deficiency within twenty (20) Business Days (plus any extensions for good cause granted by the IPA); the IPA then exercised its right to remove the Designated System, pursuant to Section 2.4(f) and so notified Buyer and Seller.

Resulting payment: Seller pays the sum of (i) the Collateral Requirement with respect to such Designated System and (ii) one hundred percent (100%) of the total payments Seller has received from Buyer associated with RECs from such Designated System.

J: The Designated System was Energized but failed to Deliver at least 1 REC within 90 days after Energization (for an Actual Nameplate Capacity > 5 kW) or within 180 days after Energization (for an Actual Nameplate Capacity ≤ 5 kW), and Seller failed to remedy such deficiency in a timely manner pursuant to Section 4.1(b); the Designated System was thus automatically removed, pursuant to Section 4.1(b).

Resulting payment: Seller pays the sum of (i) the Collateral Requirement with respect to such Designated System and (ii) one hundred percent (100%) of the total payments Seller has received from Buyer associated with RECs from such Designated System.

K: Seller exercised its right to remove the Designated System by making its request to Buyer and the IPA pursuant to Section 7.2 within 30 days following the Designated System's Interconnection Customer (as defined in Section 466.30 of Title 83 of the Illinois Administrative Code) receiving from the interconnecting utility a non-binding estimate of costs to construct the interconnection facilities and any required distribution upgrades for that Designated System in an amount exceeding 30 cents per watt AC of the Designated System's Proposed Nameplate Capacity (or by sending notification to Buyer within 30 days of having received the subject interconnection cost estimate that it is disputing such interconnection cost estimate and by making the refund request within 14 days of having received a final estimate as the result of an interconnection cost dispute), and Buyer recognized and substantiated the request as described in Section 7.2.

Resulting payment: Seller forfeits 25% of the Performance Assurance Amount previously posted in connection with the Designated System; the remaining 75% of Performance Assurance Amount is returned by Buyer to Seller. It is possible that this Reason for System Removal occurs prior to Seller's posting of Seller's Performance Assurance. In such a case, Seller shall pay Buyer an amount equal to 25% of the Collateral Requirement associated with such Designated System.

L: A Suspension Period (as defined in Article 10) has arisen with respect to a Designated System due to a Force Majeure event, and the Suspension Period lasted at least 730 days; the Designated System was thus automatically removed pursuant to the same Article 10.

Resulting payment: If payments have been made to Seller with respect to the Designated System, Seller shall return the amount of payment based on the applicable Contract Price and on the difference between the number of RECs used to calculate payment and the number of RECs Delivered from such Designated System (not to exceed the Designated System Contract Maximum REC Quantity). Upon the resulting payment by Seller, Seller may request for the reduction of a portion of the Performance Assurance Amount attributable to such Designated System.

M: Seller exercised its option to remove the Designated System pursuant to Section 2.4(d) of this Agreement.

Resulting payment: Seller pays Buyer the Collateral Requirement associated with the Designated System plus any extension fees associated with such Designated System that have been paid by Seller to Buyer.

N: Force Majeure (as defined in Article 10) is adversely affecting the operability of the Designated System and Seller has determined that the damage to the Designated System is irreparable. Seller provided a written notice of such determination and request for removal of the Designated System to Buyer and the IPA; the IPA granted the request, and the Designated System was removed pursuant to the same Article 10.

Resulting payment: If payments have been made to Seller with respect to the Designated System, Seller shall return the amount of payment based on the applicable Contract Price and on the difference between the number of RECs used to calculate payment and the number of RECs Delivered from such Designated System (not to exceed the Designated System Contract Maximum REC Quantity). Upon the resulting payment by Seller, Seller may request for the reduction of a portion of the Performance Assurance Amount attributable to such Designated System.

O: With respect to a Designated System that is a Community Renewable Energy Generation Project, the percent of Non-Anchor Nameplate Capacity Subscribed by End Use Customers was less than fifty percent (50%) for the period reported in the fourth (4th) Community Solar Quarterly Report, and Seller (i) failed to provide an addendum to the fourth (4th) Community Solar Quarterly Report or (ii) the percent of Non-Anchor Nameplate Capacity Subscribed by End Use Customers remained less than fifty percent (50%) for the additional Quarterly Period or extended cure period reported in the addendum to the fourth (4th) Community Solar Quarterly Report. Thus, the Designated System was automatically removed pursuant to Section 2.6(c).

Resulting payment: Seller pays (i) the Collateral Requirement calculated at the time of the issuance of the fourth (4th) Community Solar Quarterly Report and (ii) if payments have been made to Seller with respect to the Designated System, Seller shall make a payment adjustment to Buyer based on the Contract Price recorded at Energization and on the difference between the number of RECs used to calculate payment and the number of RECs Delivered from such Designated System. Buyer may draw on Seller's Performance Assurance for purposes of the aforementioned payment adjustment.

P: With respect to a Designated System that received additional points in the SFA project selection process on the basis of MWBE factors described in Section 2.7(a), either (i) Seller failed to demonstrate at the SFA Part II Application stage, and the IPA was unable to verify, fulfillment of MWBE subcontractor utilization equal to or greater than 50% of the REC contract value, or (ii) Seller assigned (under Section 13.1) the Product Order containing the Designated System prior to SFA Part II Application verification to an assignee that is not an SFA Approved Vendor and certified MWBE; in either case the Designated System was automatically removed pursuant to Section 2.7(a).

Resulting payment: Seller pays to Buyer the Collateral Requirement associated with the Designated System.

Q: With respect to a Designated System that received additional points in the SFA project selection process on the basis of attributes of the Designated System and such attributes are not maintained, and the Designated System is removed pursuant to Section 2.7(b).

Resulting payment: Seller pays to Buyer the Collateral Requirement associated with the Designated System.

R: With respect to a Designated System for which Energy Sovereignty is applicable and either: the Designated System was removed pursuant to Section 2.7(c) or: the IPA was unable to verify the occurrence of a transfer of ownership during the Delivery Term, and the Designated System is removed pursuant to Section 2.7(c).

Resulting payment: Seller pays the sum of (i) the Collateral Requirement with respect to such Designated System and (ii) one hundred percent (100%) of the total payments Seller has received from Buyer associated with RECs from such Designated System.

S: The Designated System was removed pursuant to Section 4.2(g) due to Seller's request or Seller's failure to Deliver RECs from such Designated System for a period of twelve (12) months for a reason that is not due to Force Majeure and such failure is not remedied.

Resulting payment: Seller pays to Buyer the Collateral Requirement with respect to such Designated System. If payments have been made to Seller with respect to the Designated System, Seller shall return the amount of payment based on the applicable Contract Price and on the difference between the number of RECs used to calculate payment and the number of RECs Delivered from such Designated System (not to exceed the Designated System Contract Maximum REC Quantity).

T: The Designated System was determined to be noncompliant with the requirements under Section 2.2(d), including after Seller had a period of twenty (20) Business Days after notice as provided in this Agreement to demonstrate that the event had not occurred, and the Designated System was thus automatically removed.

Resulting payment: Seller pays the sum of (i) the Collateral Requirement with respect to such Designated System and (ii) one hundred percent (100%) of the total payments Seller has received from Buyer associated with RECs from such Designated System.

U: The Designated System was removed pursuant to Section 3.5 due to consumer protection concerns and shall be reassigned to another Product Order.

Resulting payment: N/A

V: The Designated System was removed pursuant to Section 3.6 to correct error made by the IPA or Buyer for documentation purposes.

Resulting payment: Buyer and Seller shall make or return payment that have been made in error pursuant to Section 3.6. Seller may request for the reduction of a portion of the Performance Assurance Amount attributable to such Designated System in accordance with Section 7.1(e)(ii).