

# Intro to ILSFA for Small and Emerging Businesses

Chicago Urban League, 1/23/2024

## Agenda

- Team Introduction
- ILSFA overview
- ILSFA Project Types
- Program Benefits
- How the Program Works
- What the Approved Vendor Does
- Role of Approved Vendor
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## **About Illinois Solar for All (ILSFA)**

- Illinois Solar for All (ILSFA) is one of two flagship state solar programs, dating back to 2019
- ILSFA provides incentives to bring solar to income-eligible households
- ILSFA projects are driven by Approved Vendors (solar companies)



## **ILSFA Project Types**

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Small Residential Solar: (SFH)

Household must be income eligible (80% or less of AMI)

Costs / fees won't exceed 50% of value of electricity produced;

NO upfront cost to participants

#### **Two- to Four-Unit Properties**

At least 2 households must be income eligible



#### Large Residential Solar: (5+ units)

At least 50% of households must be income-eligible

Costs / fees won't exceed 50% of value of electricity produced

Upfront costs ARE allowed



#### Non-Profit and Public Facilities

Facilities serving and located in income-eligible or EJ communities

Costs / fees won't exceed 50% of value of electricity produced

Upfront costs ARE allowed



#### **Community Solar**

Income-eligible residents can subscribe

Costs / fees won't exceed 50% of value of electricity produced

NO upfront cost to participants UNLESS energy sovereignty (ownership model)



### **ILSFA Benefits**

- Statewide solar program
- Opens market to income-eligible and non-profit and public facility participants
- 15-year REC contract
- Aligns with mission-driven companies
- Support and resources for the duration of your participation, including assistance in identifying qualified job trainees



## **How the Program Works**



### Pre-qualified solar vendors

The program evaluates and approves vendors to meet program requirements and help protect consumers.

Technical requirements and installation inspections help ensure quality workmanship.



### **Equitable participation**

Income-eligible homeowners and renters, as well as non-profits and public facilities serving income-eligible or environmental justice communities, may be eligible for participation. Click here for more on income eligibility in Illinois.



### **Participant savings**

With Illinois Solar for All, income-eligible participants will see no upfront costs, and ongoing costs and fees will not exceed 50% of the value of the energy generated from the solar project.



## **What the Approved Vendor Does**

- Approved Vendors develop project pipelines
  - Find sites and customers
  - Assess site suitability
  - Complete ILSFA project applications
  - Resolve issues and move projects forward
  - Provide ongoing maintenance of their projects



### **Role of Approved Vendors**

 Approved Vendors are a critical component of the Illinois Solar for All program. They are responsible for all aspects of ILSFA projects.

#### Illinois Shines Program Registration **Community Engagement Job Training** All applicants, with the exception of the Approved Vendors must present a Approved Vendors must demonstrate that Approved Vendor Designee, must first community engagement plan during the a minimum number of hours performed qualify as Annroyed Vendors under the registration process. Additional during the installation process are Illinois Shines Program vendor's community engagement steps will be completed by qualified job trainees. The registration process before applying to be required during project development, registration process requires candidates to an Illinois Solar for All Approved Vendor. particularly for community solar projects. submit a plan for achieving these requirements over the first three years of the program. For more information on Illinois Solar for All job training Savings Requirements **Consumer Protections** requirements, visit the Job training page or download the Illinois Solar for All Illinois Solar for All requires that all eligible Approved Vendor Manual. Illinois Solar for All protects consumers by solar projects are offered to participants ensuring projects have no upfront costs with no upfront costs and any ongoing and that any ongoing costs and fees do costs and fees do not exceed 50% of the not exceed 50% of the value of energy value of energy generated by the system in generated by the system. Other the first year, regardless of whether the protections include standard disclosures, system is owned, leased, or financed no prepayment penalties, and the right for through a Power Purchase Agreement participants to cancel the contract with (PPA). vendors. Additionally, comprehensive marketing guidelines are established for all Approved Vendors.



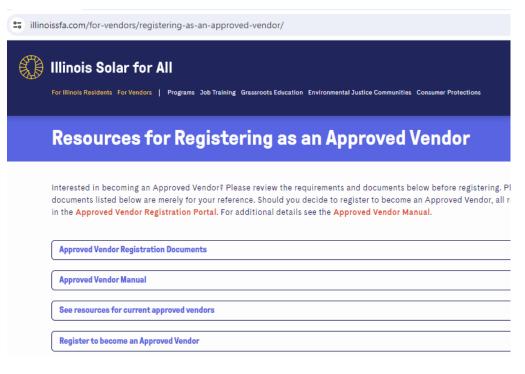
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## **Approved Vendors Classifications**

- Approved Vendor
- Aggregator Approved Vendor & Approved Vendor Designee
- Single Project Approved Vendor
- Subcontractors



### **Approved Vendor Requirements and Registration**



- Download and read the Approved Vendor manual
- Register with the Illinois Shines Program (if applicable)
- 3. Prepare and submit your responses and request documents
- 4. Sign attestations (e-signature)
- Program Administrator evaluation with revisions as needed
- Program Administrator will attempt to return an approval determination within 14 business days



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### **Program Requirements**

- All work under ILSFA is expected to meet industry technical and ethical standards, and meet all relevant codes and regulations (municipal, state and federal)
- Issues and disputes are to be resolved promptly, constructively and toward participant satisfaction
- The Approved Vendor must submit accurate documentation to the Program Administrator and meet prevailing wage and trainee work requirements.
- Maintain collateral requirements and provide ongoing information and reporting, and coordinate information from installers/developers and system owners.
- Maintain ongoing REC reporting requirements

Note: Grassroots Educators cannot refer customers to specific AVs and there cannot be any financial or legal relationships between Approved Vendors and Grassroots Educators.



### **ILSFA and Renewable Energy Credits (RECs)**



07.28.2023

### **Approved Vendor Manual**

VERSION 6.1

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## Illinois Solar for All Program and RECs (AV Manual Pg 80)

- ILSFA provides payments in exchange for 15 years of Renewable Energy Credits (RECs) generated by the solar systems. ILSFA enables the sale of RECs produced by qualified systems to Illinois utilities or the Illinois Power Agency (IPA). Payments vary based on the project type, system size, and where it is located.
- What Are RECs & Why Are They Valuable? (AV Manual Pg. 80-82) RECs are created when renewable energy generation systems (solar panels) generate electricity. RECs represent the environmental attributes of that electricity.



### **ILSFA Renewable Energy Credits Residential - 2023 - 2024**

#### Illinois Solar for All 2023-2024 REC Prices

2023-2024 Prices

Change from 2022-2023 Prices (\$) Change from 2022-2023 Prices (%)

2022-2023 Prices

Residential Solar (Small) (1-4 Unit)

	Group A	Group B	Group A	Group B	Group A	Group B
0 - 10 kW	\$179.30	\$179.37	(\$1.37)	\$4.14	-0.76%	2.36%
10 - 25 kW	\$148.92	\$152.23	\$6.76	\$10.48	4.75%	7.39%
25 - 100 kW	\$123.60	\$125.48	\$16.50	\$16.97	15.41%	15.64%

Group A	Group B
\$180.67	\$175.23
\$142.16	\$141.75
\$107.10	\$108.51

#### **Residential Solar Pilot**

	Group A	Group B
0 - 10 kW	\$ 175.63	\$166.98
10 - 25 kW	\$ 146.17	\$142.60
25 - 100 kW	\$ 121.78	\$118.83

Residential Solar (Large) (5+ Unit Multifamily)

			,				
	Group A	Group B		Group A	Group B	Group A	Group B
0 - 10 kW	\$108.06	\$120.17		\$1.19	\$4.67	1.12%	4.04%
10 - 25 kW	\$90.77	\$104.23		\$2.46	\$7.18	2.79%	7.40%
25 - 100 kW	\$78.62	\$88.96		\$5.36	\$9.60	7.31%	12.10%
100 - 200 kW	\$80.07	\$85.97		\$6.03	\$9.57	8.14%	12.52%
200 - 500 kW	\$73.55	\$78.98		\$5.60	\$8.16	8.24%	11.52%
500 - 2000 kW	\$70.53	\$72.75		\$4.13	\$7.24	6.22%	11.06%
2000- 5000 kW	\$58.68	\$58.17		\$2.14	\$6.86	3.79%	13.38%

	Group
Group A	В
\$106.87	\$115.50
\$88.31	\$97.05
\$73.26	\$79.36
\$74.04	\$76.40
\$67.95	\$70.82
\$66.40	\$65.51
\$56.54	\$51.31

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## **ILSFA Renewable Energy Credits Non-Residential 2023 - 2024**

#### (ILSFA) Community Solar

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	Group A	Group B		Group A	Group B		Group A	Group B
0 - 25 kW	\$99.14	\$112.08		\$4.64	\$7.27		4.91%	6.93%
25 - 100 kW	\$104.89	\$124.67		\$6.14	\$15.54		6.21%	14.24%
100 - 200 kW	\$107.95	\$126.79		\$6.86	\$16.03		6.78%	14.47%
200 - 500 kW	\$102.49	\$115.12		\$6.39	\$8.80		6.65%	8.28%
500 - 2000 kW	\$92.14	\$101.15		\$4.65	\$4.72		5.32%	4.89%
2000- 5000 kW	\$74.60	\$78.93		(\$3.41)	(\$4.87)		-4.38%	-5.81%

Group A	Group B
\$94.50	\$104.81
\$98.75	\$109.13
\$101.09	\$110.76
\$96.10	\$106.32
\$87.49	\$96.43
\$78.01	\$83.80

#### **Non-Profit and Public Facilities**

	Group A	Group B	Group A	Group B	Group A	Group B
0 - 25 kW	\$100.48	\$119.64	(\$0.28)	\$5.04	-0.28%	4.40%
25 - 100 kW	\$105.53	\$119.04	\$1.32	\$4.99	1.27%	4.37%
100 - 200 kW	\$106.91	\$114.21	\$2.09	\$4.39	1.99%	4.00%
200 - 500 kW	\$99.72	\$106.20	\$1.57	\$2.17	1.60%	2.09%
500 - 2000 kW	\$96.26	\$98.80	(\$0.13)	\$1.09	-0.13%	1.12%
2000- 5000 kW	\$81.31	\$80.16	(\$3.91)	(\$0.03)	-4.59%	-0.03%

Group A	Group B
\$100.76	\$114.60
\$104.21	\$114.05
\$104.82	\$109.82
\$98.15	\$104.03
\$96.39	\$97.71
\$85.22	\$80.19



## **Calculating REC Quantities**

- The Renewable Energy Credit (REC) generation a project will produce over the 15-year REC contract term can be calculated by the following equation:
   REC Quantity = System (inverter) size in MW AC x approved capacity factor x 365 days/year
  - REC Quantity = System (inverter) size in MW AC x approved capacity factor x 365 days/year x 24 hours/day x 15 years {Equation 1}
- An equivalent equation can be used for system sizes rated in kW AC. (The ILSFA AV Portal uses kW AC)
  - REC Quantity = 15 \* (Total AC System Size[kW]) \* 8760 \* (CF)/1000 {Equation 1.1}
  - Where:
  - o 15 is the number of years of the REC contract
  - o AC System Size, in kW, is the sum of all rated inverter maximum AC outputs
  - o CF is the chosen Capacity Factor (PVWatts or Alternate)
  - o 8760 is the number of hours in a year
  - o 1000 is the conversion from kWh to REC (1 REC = 1000 kWh)
- Note: Please see the <u>Calculating REC Quantities and Capacity Factors</u> sheet for details

## **Example**

### 6kW AC system, produces 8000 kWh first year

- 1. Obtain system's first year production from solar design software (Aurora, Helioscope, PVSyst, etc.)
- 2. Calculate Alternate Capacity Factor (ACF) ((0. 9657) \* (8000kWh)) / ((6 kW) \* (8760))= 0.146986
- 3. Plug-in ACF into Equation 1.1

  REC Quantity = 15 \* (Total AC System Size[kW]) \* 8760 \* (CF)/1000

  ((Alternate Capacity Factor) x (# Years) x (System Size) x (8760)) \* /1000
- 4. (0.146986 x 15 x 6 x 8760)/1000 = 115.8838 (Round down to 115)
- 5. 115 RECS x applicable REC price = \$20,627.55 projected REC incentive payment

Note: Please see the Calculating REC Quantities and Capacity Factors sheet for details



### **ILSFA Small and Emerging Business Initiative**

• The Small & Emerging Business initiative supports Approved Vendors and prospective Approved Vendors through 1:1 meetings, workshops, webinars, partnerships and information and resources.



## **Questions?**





## **Contact Us**

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