

To: Illinois Power Agency
From: MeLena Hessel and Participants in the Illinois Solar for All Working Group
Date: 2/28/2022
Re: Illinois Solar for All Working Group Comments on the IPA's Draft 2022 Renewables Plan

Dear Illinois Power Agency & Program Administration Team:

The Illinois Solar for All Working Group is pleased to deliver the enclosed comments in response to the release of your draft 2022 Long-Term Renewable Resources Procurement Plan. This memo describes an overview of the Illinois Solar for All Working Group.

Background: Illinois Solar for All Working Group

The Illinois Solar for All Working Group (the Working Group) formed from a subset of members of the Illinois Clean Jobs Coalition, who had comprised an Environmental Justice-Solar-Labor Caucus (the Caucus) during the negotiation of policies that would become the Future Energy Jobs Act (FEJA). The group formed in order to bring the best practices and policies to the Illinois energy landscape that would serve to maximize benefits to the economically disadvantaged households and communities that targeted programs are intended to serve. The group was co-facilitated by a representative of a solar company, Amy Heart of Sunrun, and a representative of an environmental justice group, Juliana Pino of the Little Village Environmental Justice Organization.

Following passage of FEJA in December 2016, the Caucus expanded into the Illinois Solar for All Working Group, an open membership group including experts on environmental justice, environmental advocacy, consumer protection, solar business, low-income solar policy, energy efficiency, job training, program design, and other areas, who have substantive research and experience to bring to bear on implementation of Illinois Solar for All. Currently, the Illinois Solar for All Working Group meets on a monthly basis and is co-facilitated by Juliana Pino of Little Village Environmental Justice Organization, MeLena Hessel of Environmental Law and Policy Center, and John Delurey of Vote Solar.

The following members of the Working Group are signatories to these comments (continues on next page):

Audubon Great Lakes	Nexamp
Central Illinois Healthy Community Alliance	ONE Northside
Central Road Energy LLC	Prairie Rivers Network
Citizens Utility Board	Renewable Energy Evolution
Environmental Law & Policy Center	Seven Generations Ahead
Faith Coalition for the Common Good	StraightUp Solar
GRID Alternatives	Sunrun, Inc.

GRNE Solar

SustainRockford Inc.

Illinois People's Action

Trajectory Energy Partners

Little Village Environmental Justice Organization

Vote Solar

Natural Resources Defense Council

Working Group Commenting and Engagement History for IL Solar for All

- A draft White Paper delivered to the IPA in May 2017 and [published](#) that July.
- [Responses](#) to IPA's June 2017 Request for Comments on the Long-Term Plan.
- The Working Group also submitted a response to the Draft Long-Term Renewable Resources Procurement Plan on November 13, 2017.¹
- Additionally, the group has engaged in stakeholder sessions and submitted comments on:
 - Community Solar Consumer Protection & Marketing Guidelines Draft Documents and Illinois Adjustable Block Program Draft Guidebook to InClimate on December 10, 2018;
 - Grassroots Education and Approved Vendor components on January 9, 2019;
 - Environmental Justice provisions on January 30, 2019;
 - Job Training provisions and Third-Party Evaluation provisions on February 7, 2019;
 - Project and Participant Eligibility and Verification Processes on March 13, 2019;
 - the Low-Income Community Solar REC contract on April 2, 2019;
 - Project Selection on April 15, 2019; and
 - Consumer Protection on April 19, 2019.
- Many Working Group participants also attended IPA's June 2019 workshops and helped develop the Working Group's response to IPA's July 3, 2019 Request for Comments on the Long-Term Plan Update.
- The Working Group continues to provide input to comment and stakeholder processes initiated this year to implement the Revised Long-Term Plan, including via May 2020 comments on project selection and July 2020 comments on Approved Vendor reporting.
- In early 2021 the Working Group submitted comments on the [DG subprogram referral](#) process and [project selection](#), as well as on the community solar pilot procurement.
- In summer 2021, the Working Group submitted multiple sets of comments following IPA workshops on the Long-Term Plan Update, specifically:
 - [Comments on strengthening MWBE participation in renewables programs/procurements.](#)
 - [Comments on the Solar for All and Adjustable Block Programs, generally.](#)
 - And [comments on REC pricing.](#)
- And following the passage of CEJA in fall 2021, the Working Group submitted additional comments regarding the forthcoming Long-Term Plan Update.
- Attendance by multiple Working Group participants at many (likely, all) IPA and Program Administrator public workshops and webinars related to the Solar for All Program, since 2017.

1

<https://www2.illinois.gov/sites/ipa/Documents/2018ProcurementPlan/2018-LTRenewable-Illinois-Solar-for-All-Working-Group-Comments.pdf>

Program Principles for Illinois Solar for All

During the negotiation of FEJA, the Caucus membership collectively agreed upon the following policy principles to guide our work moving forward. These principles were rooted in the *Low-Income Solar Policy Guide*² authored by GRID Alternatives, Vote Solar, and the Center for Social Inclusion; further adapted through iterative deliberations in the Caucus; and ultimately adopted by the Working Group. The principles include:

- **Affordability and Accessibility.** Offers opportunities for low-income residents to invest in solar through a combination of cost savings and support to overcome financial and access challenges. Creates economic opportunities through a job training pipeline. Supports skill development for family-supporting jobs, including national certification and apprenticeship programs.
- **Community Engagement.** Recognizes community partnerships are key to development and implementation, ensuring community needs and challenges are addressed. Strive to maximize projects located in, and serving, environmental justice (EJ) communities. Allows for flexibility for non-profit/volunteer models to participate, and strives to meet potential trainees where they are, with community-led trainings.
- **Sustainability and Flexibility.** Encourages long-term market development and will be flexible to best serve the unique low-income market segment over time and as conditions change. Program administrator ensures community engagement, statewide geographic equity, and flexibility to meet goals. Job training program includes all training partners in design and implementation. Training offerings should come through diverse channels including utilities, unions, tech schools, non-profits, government agencies, and existing community-based job training organizations.
- **Compatibility and Integration.** Low-income program adds to, and integrates with, existing renewable energy and energy efficiency programs, and supports piloting of financing tools such as PAYS (pay-as-you-save), on-bill financing, PACE or community-led group buy programs. Jobs training programs will strive to ensure low-income solar installations incorporate workforce development, including coordinating opportunities for job training partners and individual trainees from the same communities that the low-income solar program aims to serve.

The Working Group researched and prepared the enclosed comments to deliver high quality information and recommendations on considerations for the Illinois Solar for All Program and the Long-Term Renewable Resources Procurement Plan. The contents are not intended to reflect universal consensus on any point amongst working group members. These contents reflect extensive deliberation regarding aspects that the Working Group believes are important to the Program's success moving forward.

In closing, we make these recommendations and comments to ensure high-quality implementation for Illinois communities. Communities throughout Illinois need the opportunities and services the Illinois Solar for All Program will provide and the support of groups with substantive experience in the solar industry and low-income solar in particular. Please do not hesitate to contact us with questions or comments in regards to this matter.

² www.lowincomesolar.org

Illinois Solar for All Working Group Comments on the IPA's Draft 2022 Renewables Plan

Introduction

The Illinois Solar For All Working Group (“Working Group”) appreciates the opportunity to provide comments on the Illinois Power Agency’s (“IPA” or “Agency”) draft 2022 Long-Term Renewable Resources Procurement Plan (“Plan” or “LTRRPP”). Revising the Plan in the wake of the many changes to IPA programs and procurements in the Climate and Equitable Jobs Act (“CEJA”) involved significant work. We sincerely appreciate the effort the IPA put into this revision. The purpose of these comments is to highlight areas of the draft 2022 Plan that can be improved, respond to some of the Agency’s requests for feedback, and indicate support for several of the choices made.

As has been the case for the past 6-12 months, the Working Group remains focused on ramping up deployment of low-income rooftop residential solar (referred to as Distributed Generation or “DG”). Addressing challenges to DG subprograms and spending down the DG budget should be a key focus of both the Agency and its Program Administrator over the roughly two-year Plan period. The Working Group thus offers wide ranging recommendations as it relates to the DG subprograms. Given the importance of continued success and iterative improvement, we also provide a series of targeted recommendations for the Non-Profit and Public Facilities (“NP/PF”) and Low-Income Community Solar subprograms. Lastly, we devote attention to the important new Energy Sovereignty provisions before making several recommendations with regard to coordination with other programs.

Some of our key recommendations include:

- Create a pilot program for a REC adder for small DG projects that require building upgrades to enable solar installation.
- Create a pilot program to connect income-qualified energy efficiency customers to ILSFA DG subprogram Approved Vendors.
- Increase the frequency of ILSFA stakeholder sessions from quarterly to bimonthly.
- Review and adjust incentive levels for the ABP Public Schools category and take steps to track and ensure deployment at those schools that would have previously served by the NPPF subprogram.
- Enable income verification via self-attestation, not only for the LICS subprogram, but for households participating in DG incentive subprograms.
- Increase adder levels DG energy sovereignty project - and eliminate them for NPPF projects.

In every case, our goal is for strong implementation of new CEJA provisions regarding job creation and wealth building, community engagement and integration with other programs, and solar access and deployment in low-income and Environmental Justice (“EJ”) communities across the state.

Distributed Generation Incentives

The Agency and Solar for All administration team’s top focus for this Plan as it relates to Solar for All over the coming two years must be to make residential rooftop solar deployment work for low-income families and environmental justice communities.

Residential rooftop solar deployment through the Low-Income Distributed Generation (DG) subprogram has struggled - and, by some measures, failed - to deliver on its promise to date. Given the successes seen in other markets, we know this struggle has to do with idiosyncrasies of the Illinois market and the Solar for All program implementation.

The Agency and administration team have taken a number of key steps in this Plan to make the Low-Income Distributed Generation (DG) incentives work better. The Working Group is encouraged by many of the updates to the DG subprograms in the Agency’s plan. We agree with the decision to increase REC prices and eliminate minimum batch requirements. Our hope is that both of these changes will increase participation in the subprogram. Similarly, we applaud changes that will simplify interactions between Approved Vendors (“AV”) and subprogram participants; in particular, that the Standard Disclosure Form and Contract can both be signed at the same time and that income verification now lasts for 12 months. The additional clarity around tangible economic benefits for residents of multi-family buildings (Section 8.5.4.3) is also welcome, as is more general thinking on the different approaches needed to encourage single-family vs. multi-family participation. We agree with and support this effort. Furthermore, we appreciate the Agency’s reaffirmation of its commitment to connect Illinois Solar for All with income-qualified energy efficiency programs. We urge the Agency to continue working with relevant Illinois state programs and agencies to strengthen these connections.

Nonetheless, we fear these changes alone will not be enough. Working Group members focused on the DG Incentives have become increasingly concerned that, in addition to barriers related to customer acquisition and income verification discussed in the past, the aggregate transaction costs of participating in the program may be too high for small projects. These transaction costs come from myriad different elements of the application process and requirements of the AV manual, many of which relate not directly to the Plan itself, but rather to *how* the Plan is implemented. For this reason, we strongly applaud the Agency’s proposals of regular stakeholder workshops¹ to discuss and address Solar for All Issues as well as the ability to pilot alternate solutions. We offer the following, additional recommendations to further address challenges facing the DG Incentives in the Plan and beyond.

¹ Referred to in the draft Plan as “general progress sessions.” (at 261)

1) Pilot a REC adder for Low-Income Single-Family and Small Multifamily Solar projects that require other building upgrades to enable solar installation

One of the numerous barriers to low-moderate income single family buildings is the lack of financial resources to address generic rehabilitation issues, especially, in the case of rooftop PV, a sound roof, preferably replaced, and a fully upgraded electricity system. In light of the ongoing accumulation of funds in the DG Incentives bucket and oft-reported incidents of would-be Solar for All customers being turned away due to the need for these prerequisite rehabs, the Agency should pilot a REC adder for small residential projects requiring upgrades to enable solar installation.

The Working Group does not take a position at this time regarding whether such an adder would be the best use of Solar for All funding over the long-term. Ideally, CEJA will create additional funding opportunities for such upgrades and the Single- and Small Multi-family subprogram could be coordinated with those opportunities rather than be reliant on REC sales to fund upgrades. Ultimately, we would like to see a paired rehab fund of up to \$10,000 be available as a grant/zero interest loan that may be forgivable, to finance those improvements. However, at the present, when the DG budget is growing faster than the Agency can spend it, this use of funds makes sense. And piloting an adder will enable the Agency, its program administration team, and other stakeholders to better understand and evaluate the value of such an adder and whether it should be continued for the long-term in the next plan proceeding.

The Working Group does not have a recommendation regarding either an adder level or how the adder should be set relative to either REC contract size or upgrade cost. Elevate Energy, the current Program Administrator, is likely better placed than the Working Group to understand the range of potential upgrades needed as well as the costs of those upgrades. Furthermore, it may be prudent to reserve flexibility to explore different adder levels.

With the above in mind, we recommend the following addition to 8.13 of the Plan, focused on incentive levels for the Single- and Small Multi-family subprogram:

[A pilot will be developed that allows a REC adder for projects that require additional building upgrades prior to a solar installation.](#)

The Working Group further urges the Agency to put consumer protections in place around any such pilot that would both ensure the upgrades are delivered and allow for creativity and flexibility in delivering those upgrades to pilot participants. In particular, we urge the Agency to explore opportunities for upfront payment of the adder portion of these RECs, similar to the advance of capital for Equity Eligible Contractors, to better facilitate delivery of the upgrades. .

2) Increase proposed workshop frequency and ensure focus on DG Incentive Issues

The Working Group is pleased to see the announcement of quarterly workshops to allow for exploration and discussion of complex and detailed challenges that arise in ILSFA

implementation. However, additional workshops are needed at this time to fix the problems and barriers in the DG subprogram. We recommend stakeholder meetings two times per month until working solutions are devised. Topics and agendas for workshops should be determined by the Agency and Elevate with the input and in coordination with the Illinois Solar for All Working Group, AVs, Grassroots Educators, and other stakeholders. Furthermore, effort should be made to ensure relevant participants actually join the workshops.

There is a critical need for an immediate focus on DG Incentive issues and should be recognized in the Plan. To achieve this, the Working Group recommends the following edits to Section 8.13 of the draft 2022 Plan:

Stakeholders have suggested a more collaborative stakeholder feedback process that is able to take deep dives on detailed topics, rather than issue- or point-in-time specific engagements. The Agency will work with the Program Administrator to create an ongoing stakeholder engagement process to gather feedback on ongoing program performance, changes, and progress and proactively encourage individuals who are likely to have relevant experience/input to join. An initial focus of these stakeholder sessions will be the array of challenges holding back the deployment of DG incentives, with the goal of beginning to identify and implement solutions to overcome those challenges. These more general progress sessions will be held at least quarterly monthly, with the goal of meeting twice a month until working solutions are devised.

3) Increase transparency in the project application process with a focus on identifying major friction points and lowering transaction costs

It is clear from numerous ILSFA Working Group meetings, interviews, Agency-convened stakeholder processes, and the APPRISE program evaluation that subprogram stakeholders believe that the application process itself serves as a stumbling block to subprogram success. Complaints are numerous and range from ongoing technical difficulties to criticisms of various consumer protection requirements to concerns that aspects of the application itself scare off would-be customers. However, at present, these complaints remain anecdotes and the Working Group is unable to discern between one-off complaints and ongoing, pervasive issues. In order to identify ongoing challenges with the project application process, the program administration team should track and share information on how the project application process is working. Specifically, the Working Group recommends the addition of the following language at the end of Section 8.5.3 Low-Income Single-Family and Small Multifamily Solar:

Although the Agency is hopeful that these changes will help to lower soft costs and encourage increased participation in the sub-program, it is noteworthy that one of the identified barriers to increasing participation is the complexity of the sub-program and confusion or mistrust from potential participants.

One effort to reduce complexity, confusion and mistrust, the Agency will expand the "Project Dashboard" located under "Project Information" on the Illinois Solar for All website to better

track the project application process for this subprogram. This expansion is made in response to the slower than expected uptake of the Distributed Generation subprogram and for the purpose of providing further information to the program administrator and stakeholders that will aid in improving the program. The goal is to provide a clearer picture of where projects are stalling.

The expansion will include, but not be limited to, the following:

- Timelines for project approval by program administrator (PA) after submission by AV, including overall amount of time and amount of time for intermediate steps, as well as average amount of time and the distribution of time taken for project approval.
- Average amount of time for when income verification is completed by program administrator.
- Number of touch points between AV and PA during project approval process, separated between instances when an AV is asked for further information and when an AV asks the PA for clarifying information.
- Identification of any points in the application process where progress slows and/or more information is commonly needed from AVs
- The current number of projects at each of the following points:
 - Number of projects waiting for income verification from program administrator
 - Number of projects in between income verification and Standard Disclosure Form step
 - Number of projects waiting for approval after submission of Standard Disclosure Form

Additionally, the Agency shall set transparent and expeditious turnaround times for each stage of the project approval process, so that the applicant will know when they can expect to advance to the next stage of project approval, and the Administration team can know in what cases they are failing to meet expectations for an expeditious process.

Furthermore, as it relates to the project application process, the Working Group has become concerned that the Illinois Solar for All program portal is more prone to errors difficult to interface with, and more challenging to submit data and projects on than the Adjustable Block Program portal. In other words, we are concerned that the portal for projects serving low- and moderate-income customers is not operating as effectively as the portal serving the general market, which raises questions of equitable access. As with the other project application issues discussed, all issues reported with the portal are anecdotal, and it is possible that one-off incidents are being incorrectly misinterpreted as a pattern or over-emphasized. These issues must be investigated more fully and, if found to be credible despite years of investment into the ILSFA portal, the portal may well need to be scrapped and rebuilt to better reflect and align with the ABP portal. Ultimately, we recommend that AV experience with the portal be prioritized as one of the first workshop topics.

In addition to just making the portal work well for users, the Working Group also urges changes to be made to the portal and, potentially, the project application process writ large to make it as easy as possible for AVs that are already familiar with the Adjustable Block Program to transition that experience to Solar for All. The Working Group currently understands that this transition is confusing and involves a long and steep learning curve. Ultimately, the ILSFA portal should be modified to mimic the ABP portal as much as possible in accordance with the recommendations set forth in 20 ILCS 3855/1-56(b)(2) and (b)(2)(A)(ii).

Finally, the Working Group wishes to underscore the critical importance of consumer protections *and* the importance of figuring out how to implement those consumer protections in a way that is not creating a barrier to the creation of a "long-term, low-income solar marketplace throughout this State." (20 ILCS 3855/1-56(b)(2)). While some anecdotes regarding an overly burdensome project application process relate back to consumer protection, plenty do not. And both need to be further investigated. Connecticut, Massachusetts, and California have all figured out how to thread the needle to set up application processes, provide meaningful and necessary consumer protections, and still drive small solar deployment for low-income households. Illinois can too.

4) Allow bundled low-income solar + energy efficiency projects to include energy efficiency savings when calculating household savings

As currently in effect, Approved Vendors for the Low-Income Distributed Generation subprogram must demonstrate that any ongoing costs and fees paid by the participant will not exceed 50% of the value of energy generated by the participant's share of the PV system. Given that the stated intent of this requirement is to create "tangible economic benefits" at a "reasonable" level, the Working Group recommends that the Agency clarify that the value of energy calculation is not restricted to the value of energy generated by the participant's PV system and may also consider any energy demand reductions and attendant energy cost savings created by energy efficiency improvements or upgrades that are included with the installation of a PV system. Demand reduction savings estimates should utilize nationally accepted energy modeling and improvement protocols such as Building Performance Institute (BPI) or DOE's Home Energy Score program and align with Illinois existing energy efficiency programs' energy savings calculation protocols.

In order to implement this recommendation, we offer the following language for Section 8.2.2 of the draft Plan:

For this draft 2022 Plan, the Agency clarifies that the 50% reduction in first-year energy cost requirement may include savings from modeled energy demand reduction related to energy efficiency improvements installed in concert with the Solar for All eligible solar project.

The Working Group does not take a position at this time as to whether this clarification should be made only for the Low-Income Single-Family and Small Multi-Family subprogram or should be applied more broadly.

In other states, solar companies have demonstrated exceptional net economic benefits to customers by utilizing both rooftop solar production and BPI-certified energy efficiency audits and upgrades at no upfront cost to their customers. An independent audit in Connecticut found that customers of a solar developer offering combined rooftop PV and energy efficiency benefitted more than \$1300 per year.² Thanks to the additional efficiency investment at no upfront cost, participating low income customers enjoy not just tangible economic benefits but also the additional co-benefits of carbon monoxide testing in homes with fossil fuel heating/hot water, improved indoor air quality, increased comfort, reduced drafts, building envelope maintenance, and noise and vector reductions. Further, it creates an incentive to deliver energy efficiency first.

5) Explore opportunities to improve onboarding experience for Approved Vendors

The ILSFA DG subprogram will not function until AVs can fully understand and navigate this complex program. While the Working Group has heard positive reports about working with AV managers, we are also aware of reports of AVs feeling lost at first. We recommend the Plan include additional language to further improve relationships between the Program Administrator and AVs.

The Working Group recommends amending the obligations of the Program Administrator on Page 236 as follows:

Provide Program Manual and related materials for use by Illinois Solar for All Approved Vendors. [Answer questions regarding the Program Manual and provide direct mentorship and support to Approved Vendors, particularly those new to the program.](#)

This is separate and in addition to the support for small and emerging businesses described on Page 207 of the Plan. This proposed adjustment to the relationship between AVs and Program Administrator should apply to all AVs and is for the betterment of the program overall.

6) The ILSFA disclosure forms should be updated to more effectively facilitate the goals of the program's consumer protection requirements and provisions of Public Act 102-0662 (p. 294 request for feedback)

Similar to the Agency, the Working Group has heard a number of complaints that the current disclosure forms are too long to be effective. We have heard that many customers have one of two reactions: either they stop paying attention to the form because it is too extensive or the sheer volume of information scares them away from the program. Both outcomes frustrate the intent of the ILSFA program and its consumer protection goals. As such we urge the Agency to streamline the standard disclosure form for the ABP and ILSFA.

²<https://www.veic.org/clients-results/case-studies/closing-the-energy-affordability-gap-for-low-and-moderate-income-households-through-clean-energy-and-transportation-programs?org=1787&lvl=100&ite=202&lea=46097&ctr=0&par=1&trk=a0U6T00000SuptwUAB>

As to *how* to update the form, the Working Group is in favor of updating the form with the ABP forms for the following reasons:

- 1) When ABP issues are dealt with first and then ILSFA issues are dealt with separately, later, it means that ILSFA improvements get delayed and, sometimes, receive less attention than ABP issues.
- 2) ILSFA sometimes benefits when a broader range of solar stakeholders are engaged in trying to solve issues. When ILSFA is dealt with alone, fewer knowledgeable individuals attend and even some stakeholders in both the ABP and ILSFA programs may choose to prioritize engagement with the higher-volume program when time is scarce.
- 3) While the ABP and ILSFA forms will need to be different in some places, the Agency and Administration Team should try to make them similar where possible to make it easier for AVs to work across the two programs. When decisions are made about ABP program issues without consideration of ILSFA, it is more likely to inadvertently choose a path that requires differential treatment, even when a path that allows similar treatment may be available.

If the ILSFA disclosure forms are dealt with through ABP workshops, the Agency should not hold additional, separate workshops on ILSFA during that month.

- 7) The Agency and the Program Administrator should propose additional pilot programs in this Plan in addition to seeking authority to propose pilots at a future date**

The Working Group believes that the DG subprogram is overdue for large course corrections. These larger adjustments can be explored and better understood via pilot programs, as suggested by the Agency in Section 8.13. In that section, the Agency proposes a hypothetical pilot regarding connecting low-income energy efficiency and weatherization beneficiaries to the ILSFA DG subprogram. This hypothetical pilot should be made into a concrete proposal and additional pilot opportunities should be indicated.

With this in mind, the Working Group proposes amending pages 261-262 as follows:

Further, the Agency and Program Administrator ~~may consider piloting~~ will pilot program or process changes on a limited scale to better understand and measure those changes' effectiveness before making long term changes to the Illinois Solar for All Program.

~~For example, a pilot may~~ One such pilot will involve coordination with a third-party energy efficiency program administrator or Community Action Agency to develop a process that would facilitate connecting participants in energy efficiency programs with Illinois Solar for All Approved Vendors or provide initial site suitability screening. This pilot, called the Energy Burden Reduction Pilot, will involve the Program Administrator:

- Working with Community Action Agencies and other entities offering Weatherization Assistance Program services to create a list of beneficiaries who

- have already received income-qualified energy efficiency or income-qualifying health and safety repairs;
- Communicating directly with qualifying households on that list of beneficiaries to confirm 1) their interest in solar energy, 2) their permission to share their information with Approved Vendors, 3) their income qualification, and 4) their roof's approximate age and site suitability; and
 - Providing this list to all Approved Vendors who have existing DG offers that match the customer's geographic range and interest.

This suggestion from the Working Group is also responsive to the Agency's request for feedback on page 241 regarding further connectivity between low-income energy efficiency programs and the Illinois Solar for All program.

Additional pilots may include, but are not limited to:

- Creating an incentive for Approved Vendors and Designees in the Adjustable Block Program to refer potential customers that might qualify for the DG subprogram to the ILSFA Program Administrator; and
- Designing a marketing, branding, and outreach campaign to raise awareness of the ILSFA subprogram. Customer skepticism will decrease as awareness increases. The program should utilize additional Grassroots Education funding to explore options of directly advertising the program (e.g. bus stop ads, digital ads, etc.) and sending interested customers to a consolidated onboarding portal that will then be passed along to Approved Vendors.
- A community solar energy sovereignty pilot.

(This last pilot will be discussed in comments further below.)

- 8) The Working Group supports the Agency's proposal around budget allocation for the Distributed Generation subprograms in Section 8.5.3.1.** The Agency's proposal represents a reasonable initial approach to allocation and rollover. The Working Group looks forward to learning from this approach over the coming two years and may suggest modifications based on what we learn in subsequent plan development processes.

Nonprofit and Public Facilities (NPPF)

In contrast to the Low-Income Distributed Generation Incentives, the Nonprofit and Public Facilities (NPPF) Subprogram of Illinois Solar for All is working well and has facilitated solar deployment at community organizations across a number of low-income and environmental justice communities. However, with the passage of CEJA, this subprogram is only one of a suite of solar programs that together serve low-income and EJ community partners, including the Public Schools category of the Adjustable Block Program and the Low-Income Large Multifamily Solar Subprogram. The Working Group has a keen interest in ensuring this suite of solar

programs works to effectively serve all community partners and to maximize solar deployment in low-income and EJ communities.

As it stands now, the REC price differential amongst the three programs serving community partners in low-income and EJ communities is significant. Given the substantial similarity in project economics for many community partners across the three programs, we are concerned that some segments of the market will be left behind under the current Plan. Therefore, **our key recommendation to the Agency as it relates to solar deployment at nonprofits and public facilities to benefit low-income and EJ communities is to get the REC price right in the NPPF subprogram, the Public School category of the ABP, and the Low-Income Large Multifamily Solar subprogram.** The bulk of our comments will address this issue.

Additionally, we offer a handful of additional feedback and recommendations to improve the Nonprofit and Public Facilities Subprogram, directly. These include:

- Feedback on the proposed changes around the definition of critical service provider.
- The creation of a limited exemption process for the no upfront payment requirement.
- Improvements to the proposed project selection process (with implications for the Low-Income Community Solar subprogram as well).

Solar on Schools

The Working Group believes that the proposed Public Schools program is structurally unsound and will actively disadvantage schools interested in pursuing solar. As proposed, the Plan bars schools from participating in other programs while not creating a high enough REC price for the new program to succeed on its own. We request that the Agency:

- Increase the Public Schools program REC prices for Tier 1 and 2 schools and schools in environmental justice communities (“EJ”);
- Establish safeguards to ensure savings enabled by higher REC prices for Tier 1, Tier 2, and EJ schools get passed along to public school customers;
- Create a grace period for public schools that may have already started working on an ILSFA application to remain eligible for the ILSFA NPPF subprogram; and
- Facilitate the connection between the Carbon-Free Schools Initiative and the Public Schools program.

We provide further detail on our recommendation around REC prices below.

The Working Group was looking forward to schools having a program targeted to their unique needs and a budget to match. With this ABP program in place, we hoped that schools that wanted DG projects and were located in low-income and EJ communities would no longer need to participate in the Illinois Solar for All's NPPF subprogram. The vast majority of these schools are Tier 1, Tier 2, and EJ schools, which the ABP Public Schools program appropriately targets. DG projects at schools would not need to compete with other worthy NPPF candidates for

funding available in the NPPF subprogram. Thus, we requested that the Plan remove public schools from qualifying for ILSFA REC contracts.

However, we were disappointed to learn from the Draft Plan that the Agency is proposing identical REC prices for both community solar and DG with no recognition of the obstacles that Tier 1, Tier 2, and EJ schools face versus their better funded sister schools in Tiers 3 and 4.

In addition, the ABP REC price for a school DG project is significantly lower than that of the ILSFA NPPF subprogram. For example, the ABP School's program REC price for a DG system sized between 200 and 500 kWac for a school located in Cook County is \$42.53/REC. That same system in the ILSFA NPPF subprogram would receive \$98.65/REC, more than double that of ABP REC value.

Further making the NPPF subprogram more favorable over the Public School option, ILSFA pays the entire value of the 15-year REC contract up front while projects in the ABP Schools Program are paid as the RECs are delivered. This appears to be somewhat offset by the fact that the ABP Schools Program provides a 20-year REC contract. However, upon analysis, this makes little difference. For a 300 kW DG system (with generation estimates from a Helioscope model) at a discount rate of 5.5%, the Net Present Value (NPV) of the ABP Schools Program REC is roughly a third of the value of the ILSFA REC contract as shown in the following table.

NPV Rate	5.50%									
kWac	300									
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
kWh sent to grid from model	426,982	424,847	422,723	420,609	418,506	416,414	414,332	412,260	410,199	408,148
RECs generated	426	424	422	420	418	416	414	412	410	408
GRP B Schools REC Price	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53
REC payment	\$18,118	\$18,033	\$17,948	\$17,863	\$17,778	\$17,692	\$17,607	\$17,522	\$17,437	\$17,352
	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
kWh sent to grid from model	406,107	404,076	402,056	400,046	398,045	396,055	394,075	392,105	390,144	388,193
RECs generated	406	404	402	400	398	396	394	392	390	388
GRP B Schools REC Price	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53
REC payment	\$17,267	\$17,182	\$17,097	\$17,012	\$16,927	\$16,842	\$16,757	\$16,672	\$16,587	\$16,502
Schools NPV REC	\$208,634									
Sum of 15 yrs of RECs	6,180									
ILSFA NP/PF REC Price	\$98.65									
NP/PF NPV REC Payment	\$609,657									

Another discrepancy between the programs is that a project under the ILSFA program must pass on at least 50% of the value of the energy savings to the school. There is no such requirement in the ABP Schools Program. Using our 300 kW scenario and assuming that a school will pay on the order of \$0.09/kWh as a large electrical user, the maximum that an ILSFA project could charge under a PPA would be \$0.045/kWh. Assuming a ABP Schools Program DG project would need to pass on some savings to make it worthwhile for the school, we think it would be reasonable to assume a maximum PPA rate of \$0.08/kWh. If we look at the value of

this \$0.035/kWh difference to the two program projects of our example, there is now over \$230,000 difference in value between the two options.

NPV Rate	5.50%										
Electrical Value	\$0.035 Difference between what can be charged by a NP/PF Project and a ABP project										
kWac	300										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
kWh sent to grid from model	426,982	424,847	422,723	420,609	418,506	416,414	414,332	412,260	410,199	408,148	
RECs generated	426	424	422	420	418	416	414	412	410	408	
GRP B Schools REC Price	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	
REC payment	\$18,118	\$18,033	\$17,948	\$17,863	\$17,778	\$17,692	\$17,607	\$17,522	\$17,437	\$17,352	
Value of Electrical	\$14,944	\$14,870	\$14,795	\$14,721	\$14,648	\$14,574	\$14,502	\$14,429	\$14,357	\$14,285	
Rec + Energy Payment	\$33,062	\$32,902	\$32,743	\$32,584	\$32,425	\$32,267	\$32,109	\$31,951	\$31,794	\$31,637	
	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	
kWh sent to grid from model	406,107	404,076	402,056	400,046	398,045	396,055	394,075	392,105	390,144	388,193	
RECs generated	406	404	402	400	398	396	394	392	390	388	
GRP B Schools REC Price	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	\$42.53	
REC payment	\$17,267	\$17,182	\$17,097	\$17,012	\$16,927	\$16,842	\$16,757	\$16,672	\$16,587	\$16,502	
Value of Electrical	\$14,213.74	\$14,142.67	\$14,071.96	\$14,001.60	\$13,931.59	\$13,861.93	\$13,792.62	\$13,723.66	\$13,655.04	\$13,586.77	
Rec + Energy Payment	\$31,480.92	\$31,324.79	\$31,169.02	\$31,013.60	\$30,858.53	\$30,703.81	\$30,549.44	\$30,395.42	\$30,241.74	\$30,088.41	
Schools NPV REC + Energy Payment	\$380,485										
Sum of 15 yrs of RECs	6,180										
ILSfA NP/PF REC Price	\$98.65										
NP/PF NPV REC Payment	\$609,657										

By increasing the ABP REC payment to \$89.25, the NPV to the project of the two programs would be equivalent.

While the math is relatively straightforward, we are not taking into account some of the financing risks associated with the much longer deals associated with the 20-year payout of the ABP and the uncertainty around the discount rate. Consequently, we ask that the calculated return be increased by 15% over the return expected for an ILSFA project. For our example, this results in a REC price of \$107.89, which is just over a 150% increase in the current ABP REC price.

We have performed the same calculations for projects of different sizes. The calculations can be found at [this link](#).

While our suggested REC price increases are large compared to the Draft Plan's suggested REC prices, this is what is necessary for Tier 1, Tier 2, and EJ schools to get the program off on the right foot. Should the program become wildly popular, the Agency can (and should) reduce this initial REC price in the next Plan, which is only two years off.

In summary, we request that the draft Plan establish a separate, higher REC price for DG projects at Tier 1, Tier 2 and EJ schools in the ABP Schools Program alternatively using:

- A value for the electricity above what a comparable NP/PF DG project would be allowed to charge in the ILSFA Program under a Power Purchase Agreement;
- A reasonable Discount Rate for the NPV calculation; and,

- A premium over the equivalent return to reflect the longer payback in the Schools Program.

We ask that the Agency perform a more rigorous analysis of the current REC prices based on our suggested assumptions and methodology and increase the REC prices significantly for these types of school projects. In accordance with the IPA's request for specific changes to the plan, we ask that Table 7-4 be changed to read as follows:

	Group A		Group B	
	Tier 1,2,EJC DG	CS & Tier 3,4	Tier 1,2,EJC DG	CS & Tier 3,4
Public Schools (20 Years)	TBD	\$56.83	TBD	\$66.87
	TBD	\$50.27	TBD	\$57.30
	TBD	\$41.30	TBD	\$45.30
	TBD	\$36.40	TBD	\$39.70
	TBD	\$34.72	TBD	\$34.72
	TBD	\$23.69	TBD	\$21.53

TBD - To be determined

With the new REC prices calculated in accordance with our suggested assumptions in place of the TBDs.

Low-Income Large Multifamily Solar

In the past program year, we noted that projects that qualified for both the 5+ Unit Buildings category, which is effectively supplanted by the Low-Income Large Multifamily Solar program in the Draft Plan, and the NPPF subprogram chose to apply to the more competitive NPPF subprogram. We believe this choice was made based primarily on REC price. For example, in program year four, the REC value for a project located in Group B and sized between 25 and 100 kWac was \$88.28/REC for the 5+ Unit Buildings category and \$119.28/REC for the NP/PF subprogram, a 35% difference in value. In the Draft LTRRPP, this discrepancy continues with a \$99.31/REC for the Low-Income Large Multifamily Solar program and a \$128.69/REC for the NP/PF subprogram.

While we realize that some of that discrepancy in the REC price is related to the assumption that a non-profit or public entity would not be able to take advantage of the Investment Tax Credit, we believe that the real success of any program is ultimately determined by the results of the program. The Working Group considers the NPPF subprogram a success, because it is competitive enough that developers and owners are incentivized to respond to the scoring protocols while not being so competitive that applicants become discouraged from applying. The scoring protocols provide an effective nuanced approach to attaining the mix of projects that best satisfy the many and varied goals of the ILSFA program. Even with the limited budgets of the first four program years, the NP/PF subprogram has produced a large number of geographically diverse projects of varying sizes and ownership models serving a number of different non-profits and public facilities, supported Qualified Trainees in real jobs, increased MWBE involvement in solar, and effectively passed on the benefits of solar to the low income community.

We request that the REC prices for the Low-Income Large Multifamily Solar program be increased to levels nearer those of the NP/PF subprogram. We believe that the value proposition of Large Multifamily and Non-Profit and Public Facility solar are very similar from the customer perspective and, therefore, the REC prices, too, should be similar. Furthermore, increasing the REC price will go a long way to encouraging development of new Low-Income Large Multifamily Solar projects. As with the Schools program, the Agency can reduce the REC price in the next Plan should the program become oversubscribed.

We ask that Table 8-4 be updated to reflect the increased REC prices:

Table 8-4: Incentives for the Low-Income Large Multifamily Solar Program(\$/REC)

System Size	Group A	Group A Change from Initial and First Revised Plan Prices	Group B	Group B Change from Initial and First Revised Plan Prices
≤10 kW	TBD\$117.30	0%	TBD\$125.83	6%
>10 - 25 kW	TBD\$108.05	1%	TBD\$119.87	11%
>25 - 100 kW	TBD\$88.57	1%	TBD\$99.31	12%
>100 - 200 kW	TBD\$75.14	1%	TBD\$81.70	9%
>200 - 500 kW	TBD\$68.58	0%	TBD\$74.04	7%
>500 - 2,000 kW	TBD\$66.32	2%	TBD\$67.12	2%
2,000 kW - 5,000 kW ⁴⁰⁵	TBD\$50.14	N/A	TBD\$48.01	N/A

Additional NP/PF Recommendations

While the Working Group supports efforts to better target projects to low-income communities, it is critical that the process for qualifying as a critical service provider is not overly burdensome.

The Draft Plan no longer includes a Critical Service Provider (CSP) list. In its place, there is now a requirement that the AV demonstrate that the people the NPPF serves are at least 50% low-income. The list of CSPs contained in the previous Approved Vendor Manual was developed through a process that included extensive stakeholder deliberation and effort on the part of the ILSFA Working Group and others. The list was intended to be a comprehensive list of appropriate organizational types. We are concerned that this new requirement unnecessarily abandons that effort and is both overly burdensome and more difficult to demonstrate than it appears. For example, how would a house of worship demonstrate that 50% of the people that it serves are low income? No church that we are aware of collects income information from its parishioners. Would it be based on where the parishioners live? How often must one attend a church to be considered a parishioner? These very same complications and concerns would likely apply to daycare centers, after school providers, childcare centers, community centers,

and domestic violence centers, all of which provide critical services to low-income communities. Consequently, we ask that the list of CSPs from the previous Plan be re-incorporated into this Plan.

We recognize that there can be non-profit or public facilities that are not on this list but should be able to qualify for the program because they provide a critical service to low-income communities. Consequently, we support retaining the CSP review process. However, the previous criteria used to approve these reviews were somewhat vague. It was often a struggle for parties to understand their chances of getting approval before applying and, if they decided to proceed, to know how much detail needed to be included in their request. Clearer guidelines for CSP request approvals would be beneficial both to the program and to the requesters. The idea of a demonstration that the people the NP/PF serves are at least 50% low income, while challenging, is a much clearer guideline for parties that want to request CSP status. We feel this more specific criteria is worth incorporating into the previous language as an alternative to the previous requirements for CSP Requests and, if adequately demonstrated, should provide automatic approval of the request.

We ask the the LTRRPP be modified as follows:

~~For this draft 2022 Plan, the Agency proposes defining a Critical Service Provider as a non-profit or public entity that offers critical services to low-income or environmental justice communities and can demonstrate that at least half of their service recipients are considered low income. The Agency welcomes stakeholder feedback on this proposal.~~

We further ask that the LTRRPP include a process by which an applicant can petition for qualifying a project that exceeds the 50% savings requirement in the first year. Working Group members have encountered more than one idiosyncratic situation where the 50% savings requirement in the first year became an inappropriate barrier to entry, including:

- In the case of projects where the AV - not the customer - violated ILSFA program requirement, disqualifying a project from the ILSFA and therefore leaving the customer with no path to partner with a different, program compliant AV to complete the project.
- In the case of a customer who has won a grant for solar but needs to spend the grant down quickly, rather than over time.

While these are just two cases, the Working Group imagines more could follow and thus suggest the Agency include a petition process in its draft Plan. To ensure such a petition process is not abused, the Agency and its Program Administrator should require that a petitioner provide detailed documentation to justify the grant of such a petition.

Consequently, we ask that the following language be added to the LTRRPP in section 2.9.3:

The Program Administrator will consider exemptions to the requirement that 50% savings must be passed on in the first year. An exemption request will be reviewed by the Program Administrator on a case-by-case basis. Those considering submitting an exemption request are advised to submit their requests as early as possible to the Program Administrator; these requests will be reviewed carefully and may not be granted.

Further, while likely a level of detail beyond what the Agency would put in the Plan, the Working Group offers the following suggestions for the requirements for exemption requests:

REQUIREMENTS FOR EXEMPTION REQUESTS

If a prospective non-profit or public facility program participant believes the circumstances surrounding their project warrant an exemption from the requirement that 50% of the first year savings, the Approved Vendor or that entity may submit a request for exemption. That request should be in the form of a letter to be reviewed by the Program Administrator on a case-by-case basis. Please note that these requests will only be approved under exceptional circumstances and thus require detailed documentation. Approval of a request by the Program Administrator must be received prior to an Approved Vendor submitting a project application for that entity or the application will be deemed ineligible for consideration.

Letters requesting exemption from the 50% first year savings rule for non-profits and public entities must include all of the following:

1. A description of the reason an exemption should be granted. For example:
 - The non-profit or public entity was a victim of fraudulent representation of the program by a third party
 - The non-profit or public entity has received a grant or other award of funds that can be used to pay for the solar array.
2. Supporting documentation. For example:
 - A formal complaint filing with the program.
 - A determination of culpability by the Program Administrator against a third party
 - Documentation establishing the source of the money and that solar is an acceptable use of this money]
3. A discussion of expected customer savings over the remainder of the REC contract.

In order to determine if an exemption is warranted, the Program Administrator will review information provided in the request letter and accompanying materials. The Program Administrator's determination will be based on the circumstances of the request and the adequacy of the documentation provided. Where there are gaps in the information provided or questions about the request, the Program Administrator will send a written request for clarification.

The letter should be submitted on the letterhead of the non-profit/public entity and signed by an officer of the organization. It may be submitted directly by the entity or by an Approved Vendor the entity is working with. Please submit the letter to the Program Administrator at least 15 business days in advance of a project submittal to allow for adequate review time. Once a letter is received, the Program Administrator will either approve the application or will communicate any deficiencies to the requesting entity. If the exemption request is denied, an appeal of that determination may be made to the IPA.

Lastly, we ask that the program establish a minimum standard for Operations and Maintenance (O&M) for ILSFA solar projects through the stakeholder workshops discussed above. The ILSFA program requires that the installer provide 15 years of O&M but does not define what the O&M should include. We are concerned that installers could be providing sub-optimal O&M services. Greater transparency as to what should be expected for O&M efforts will prevent future conflict between the many parties involved in these projects should actual generation fall short of the generation estimates that were used to establish ILSFA's upfront REC payments.

Community Solar

As is the case for the Nonprofit and Public Facilities subprogram, the Low-Income Community Solar (LICS) subprogram is generally working well and has facilitated the deployment of numerous offsite, shared solar facilities that will benefit low-income households across the state. However, as more and more of these low-income community solar projects move from the construction to the operations phase, there have been some problems related to customer acquisition. These comments will make recommendations to address those issues in an effort to improve experiences and outcomes for low-income households.

One minor point, while we already discussed the need for additional evolution in the ILSFA Standard Disclosure Form ("SDF") above, we will highlight one community solar-specific issue here. In addition to being too complicated, the SDF needs to include a line that provides the Total First Year Credits so that the Estimated Total First-Year's Savings amount is clearly understandable for would-be community solar customers. While not an issue that is appropriate for redline recommendations, we nonetheless recommend the Agency advise the Program Administrator to include this on the SDF.

More importantly, CEJA addressed the most significant barrier to low-income customer participation in community solar through creating a route for net billing in ComEd and Ameren territory, eliminating the need for two bills. However, net billing - or alternative approaches to eliminate dual bills - are not required and are only provided at the discretion of the community solar provider. The Plan should require that household-level low-income community solar participants not receive only one bill going forward. Community solar providers should have discretion as to how to meet this requirement and exemptions should be available for good cause, but one bill should be the standard for this subprogram. The Working Group suggests the Agency implement this through the Plan by adding the following paragraph to Section 8.5.5 (perhaps after the first paragraph on page 231):

Until recently, most community solar customers in Illinois received credit on their electricity bills for their community subscriptions, but paid a separate, second bill to their community solar providers to pay for those subscriptions. However, with the passage of P.A. 102-0662, most community solar projects in Illinois will have the option to work with utilities to utilize "net crediting," such that the cost of the community solar subscription is added directly to

participants' utility bills, eliminating the need for a second bill. This is an extremely positive evolution for the Low-Income Community Solar Initiative, in particular. The practice of "dual billing" can be off-putting to any customer but serves as a significant barrier for low-income customers considering community solar. In many ways, requiring low-income customers to pay an additional bill (even when the cost of that bill is more than offset by bill credits) runs counter to the spirit of the ILSFA program. In light of this, the Agency will require future applicants to this subprogram *not* to use dual billing¹.

¹The Agency's Program Administrator will consider exemptions to this requirement for projects that can demonstrate that dual billing is the most beneficial approach for low-income customers given the unique design and context of an individual project.

In the alternative, should the Agency not want to implement this requirement, eliminating two bills should be incentivized through community solar project selection.

After dual billing, the income verification process is now the most often cited stumbling block for would-be low-income community solar customers. Income verification is obviously a critical component of the LICS subprogram and we applaud the steps the Agency and its Approved Vendor have already taken to make this process smoother. However, with customers now being signed up for LICS at meaningful volumes and lessons learned from other states regarding low-income qualification for solar, more can and should be done to improve the income verification process. The remainder of our community solar specific-comments will focus on this issue.

Income Verification

Access to the Solar for All program involves an extensive income verification process and accompanying paperwork. As such, qualifying a household consumes an inordinate amount of time and private information, resulting in a high barrier to participation for low-income households and potentially deterring these customers from participating in the first place. Flexibility in how income is verified would lead to a greater uptake and participation in the Solar for All program. Specifically, allowing households the option of verifying their income through self-attestation would reduce the paperwork burden, simplify the verification process for customers, and increase program uptake. The Illinois Department of Human Services and Department of Healthcare and Family Services have been accepting self-attestation to verify income since 2020, and it has proven successful in increasing Medicaid participation. We would encourage the Agency to realize this potential for self-attestation in the energy sector as well.

Ultimately, **the Working Group strongly recommends the Agency begin to utilize income self-attestation to verify households' income eligibility.** While the Working Group initially discussed this recommendation in the context of the LICS subprogram, we ultimately concluded that the recommendation applies equally across the Solar for All Program, whenever the income qualification of a low-income household is required. Self-attestation could be paired with audits to provide the administration team assurance that it is an effective tool. In the event the Agency

is not yet open to this approach, the Program Administrator should be allowed to pilot income self-attestation or use it in a subset of the hardest-to-verify cases. Further, we offer an array of additional suggestions for improving the current income verification process, in the event elements of this process are retained, as detailed below.

Finally, the Working Group wishes to emphasize that we understand that the below recommendations involve tradeoffs, but we believe that the benefits these measures will provide will far outweigh any potential detriments to the program.

1) Option 1: Adopt self-attestation + an audit for income verification

Suggested Language - Add to the bullets list regarding income eligibility on page 251 of the Draft Plan:

Self-attestation. Participants who use self-attestation as a verification method may be subject to having their income levels audited, requiring the submission of further information.

One approach to actually implementing self-attestation would be to use a combined and, ideally, streamlined version of the various Basic Information Forms ("BIF") that currently exist (streamlining the BIFs as discussed further below). Customers would still answer the questions on these forms but attest to the veracity of that information rather than submit additional documentation, as they must now. Ideally, this attestation and related forms would be rolled into the Standard Disclosure Form process, thereby eliminating the separate BIF paperwork. The IPA could require Approved Vendors or the program administration team to audit a percentage of customers who qualify through self attestation (e.g. 10% of the projects) to ensure that self attestation is effectively screening customers in the vast majority (e.g. 95%) of cases.

2) Option 2: Make self-attestation an option of last resort for income verification for customers that are unable to qualify through third-party qualifying programs or through qualified census tracts, rather than utilizing customers' tax information.

Suggested Language - Add to the end of the list of bullets regarding income eligibility on page 251 of the draft plan:

A participant that cannot be verified through participation in another income-qualified program or through the qualified census tract approach may use self-attestation to be verified. Subscribers who use self-attestation as a verification method may be subject to having their income levels audited, requiring the submission of further information.

3) Option 3: Pilot self-attestation + an audit for income verification, to learn whether it can effectively screen households for income eligibility

Suggested Language - Add after the bulleted list regarding income eligibility on page 251 of the draft plan:

Additionally the Program Administrator will pilot the use of self-attestation, paired with audits, to verify customer eligibility for low-income community solar projects. If self-attestation proves an effective means of screening and qualifying would-be subscribers, it will be made available as an option for household income-verification program-wide.

- 4) Additional improvements: Should elements of the current income verification process be retained, either in concert with or in lieu of self-attestation, other improvements to that process should be made.**

In particular, the Basic Information Forms (“BIF”) should be simplified and the more flexible income verification pathways should be added. Redesigning and streamlining forms like the BIF will prove to be a topic of fruitful conversation during the stakeholder engagement sessions recommended by the Agency. Some of the Working Group’s specific recommendations for now include:

- Create a consolidated BIF form for each subprogram such that every subprogram participant could use the same form, if that process works better for a given customer or AV. At present, participants need to use different BIF form types depending on the type of income qualification they use. While this allows for slightly shorter forms, it can actually have the perverse effect of creating more complex BIF interactions, and even necessitate an extra touchpoint due to confusion over which income qualification method a customer will use. Creating a consolidated form would eliminate this issue.
- Review BIFs and eliminate questions for which information is provided elsewhere and any questions with answers not required by statute or the Plan.
- Expand the use of census tract qualification beyond the low-income community solar subprogram and beyond households in HUD-qualified census tracts to all qualified low-income communities in Illinois. The Working Group *is not* suggesting that residency in a qualified census tract or low-income community should automatically qualify one for the ILSFA subprogram. Rather, we are suggesting that residency in such an area should enable the resident to qualify using self-attestation without the need for further documentation.

While not all of these suggestions would require or benefit from changes to the language in the Plan, some would. To that end, the Working Group urges the Agency to adopt the following edits:

Page 250:

Springfield, which has 15 QCTs, is shown in Figure 8-2 as an example. Additionally, the Agency has used the concept of “Qualified Low-Income Communities” to qualify community solar and non-profit and public facilities for the ILSFA program since its inception. Qualified Low-Income Communities (“QLIC”) are census tracts where at least half of the households earn an income of 80% or less of the Area Median Income (and therefore qualify as income eligible for ILSFA).

The Agency will use QCTs and QLICs, (along paired with subscriber affidavits,) as a streamlined method for determining eligibility for low-income community solar subscribers, as discussed in the next section.

Move from bulleted list on page 252 to bulleted list on page 251 and amend:

A ~~subscriber~~ participant can be verified as low-income if that ~~subscriber~~ participant resides in a HUD Qualified Census Tract or an Agency-designated Qualified Low-Income Community and provides a signed affidavit that they meet the income qualification level.

Page 251:

The Agency does acknowledge that improving processes and overall participant experience will be beneficial, and will work with the Program Administrator and stakeholders to identify ways to simplify the income verification process. At minimum, the Agency intends to:

- Work with utilities to establish a process to easily confirm customers' enrollment in LIHEAP or PIPP as a form of income-qualification;
- Work to expand other avenues by which third parties can confirm a customer's enrollment in qualifying program (an approach proved effective with Community Action Agencies);
- Explore the appropriateness of making "individual" third party qualifying programs (i.e. Medicaid) "household" qualifying, when paired with an affidavit on household qualification.
- Pilot the use of web forms, including AV-designed web forms, to conduct the income verification process, where appropriate in light of data security issues;
- Allow the Program Administrator to come to preliminary decisions on income qualification issues not spelled out in the Approved Vendor Manual in order to advance project applications in the event that guidance from the Agency is not available within an expeditious timeframe (e.g. one day) - if the Agency's guidance runs counter to the Program Administrator's preliminary decision, that guidance would only apply on a going-forward basis;

Additionally, should the Agency choose at this time to apply some of these recommendations to the LICS subprogram, but not the DG subprogram, it should commit to exploring the appropriateness of expanding any such improvements made to LICS income verification to household-level income verification in the DG subprograms.

Energy sovereignty

Energy sovereignty is a deeply important element of the Illinois Solar for All Program. The Working Group offers the following answers to the Agency's requests for feedback on energy sovereignty in an effort to support and enhance this element of the program.

Page 205: The Agency is interested in stakeholder feedback on these exceptions, whether there should be a cap on up-front costs, and if so, at what amount.

Response: We support the exceptions to the prohibition on no upfront costs and agree that a cap on cooperative membership makes sense. Our preliminary recommendation would be for a cap at \$25, however we would also support the IPA being able to build in some flexibility around this cap without requiring a full Plan update.

Page 209: The Agency welcomes comment on the definition of energy sovereignty.

Response: We support this definition with one amendment recognizing that energy sovereignty should strive for 100% ownership by eligible entities.

The Agency proposes to define “energy sovereignty” as the low-income household or community organization having or being on a defined path to majority, and preferably full, ownership of the photovoltaic facility.

Page 220. The Agency proposes to reserve one-quarter (25%) of the funds in each of the four sub-program budgets for projects that promote energy sovereignty

Response:

We support a reservation of 25% of the funds in each of the four subprograms.

For future Plan revisions, we request the Agency compile and provide data on the number and types of energy sovereignty projects installed, including those that do not fall within the specifically reserved budget as we know this transfer is already happening within the NPPF subprogram and having data on that would help us respond to future inquiries and gauge whether and how much of a reservation is needed.

On page 221:

The Agency proposes to reserve one-quarter (25%) of the funds in each of the four sub-program budgets for projects that promote energy sovereignty. DG 1-4 and DG 5+ projects that feature or facilitate ownership of projects by low-income households or other entities listed in Section 1-56(b)(2)(A)(i) meet this requirement and would be eligible for an energy sovereignty bonus adder to the REC price. Projects where the low-income household or eligible entity holds majority ownership of the installation from the time of project application will automatically qualify as promoting energy sovereignty. For projects claiming to “facilitate” energy sovereignty, the Agency will examine the project ownership model, as discussed below.

The Agency shall compile and make public data on the number and types of energy sovereignty projects installed, including those that do not fall within the specifically reserved budget.

Pages 221-222. The Agency welcomes comments on the workability, financial implications, and risks and benefits of these two options [use adder to cover FMV buyout or retained by TPO who sells at commensurately lower value]. There are many permutations of customer types, building ownership structures, and solar business models. The Agency's goal is to enable ownership for the greatest number of potential beneficiaries in a financially efficient manner, and is seeking comments on how the proposed program models might or might not work for each permutation, and what could be done to solve barriers.

Response:

Sovereignty in the DG subprogram. Based on some quick calculations we did, we found that energy sovereignty in DG 1 to 4 and 5+ could be achieved by foregoing the ITC and granting ownership in year 1 if the energy sovereignty adder is approximately \$38. This approach would greatly simplify development efforts by eliminating the need for a third party investor and could help spur much needed interest in the DG subprogram. We suggest an adder of this magnitude be piloted. This pilot could be limited to a subset of Approved Vendors, such as Small and Emerging Businesses (SEBs) or Equity Eligible Contractors (EECs) to serve the three purposes of supporting their ILSFA onboarding, unlocking new possibilities for businesses that don't have access to tax equity investors, and encouraging energy sovereignty.

In addition, we recommend an energy sovereignty adder in the neighborhood of \$10 for DG 1-4 or DG 5+ projects that include a transfer of ownership after realization of the ITC benefit by the TPO.

Energy Sovereignty in NPPF. We recommend elimination of the adder for NPPF as the program is already highly competitive. With a 25% set aside, we do not believe an adder is needed.

On page 221:

For the Low-Income Distributed Generation 1 to 4 and 5+ on-site systems, the Agency proposes to offer an adder of \$x per REC for projects that facilitate ownership through a transfer of ownership after project energization. As with all Illinois Solar for All REC contract payments, full payment will be due upon energization. The REC contract for such projects will feature additional contract terms that require a transfer of ownership at a certain date, such as five to seven years after energization. The Program Administrator would review and approve the terms of the contract. The Agency envisions that the TPO would have a contract for a lease or power purchase agreement with the customer that featured an early buyout clause at a given time.

For DG 1-4 and DG 5+ systems that are developed by Approved Vendors who are Equity Eligible Contractors or Small and Emerging Businesses and that provide ownership at the time of energization, the Agency will consider piloting an adder of \$38.

Another model for DG 1-4 and 5+ that we find interesting from Appendix G is a partnership with a public interest tax equity partner (PITEP). As noted in the appendix,

A PITEP would be a financial institution or corporation with a significant tax appetite and a commitment to Environmental, Social, and Governance (ESG) principles. The PITEP would serve as a flip partner but transfer ownership on favorable terms, or even “front load” the deal so the community partner would start capturing benefits before transfer of ownership happens. The PITEP’s main financial benefit would be from tax and depreciation incentives, which it could pass along a portion of to the community partner. For example, the PITEP could donate the system to the community partner rather than selling it at “fair market value,” and take a tax deduction for that charitable contribution.

Although the Appendix notes that further research is required, we request the Agency explore the feasibility of this model for the Illinois Solar for All Program via the Agency’s proposed Solar for All workshops.

P. 222. The IPA welcomes comments on the workability, financial implications, and risks and benefits of these community solar ownership options. We are especially interested in comments on how the proposed program models might affect business practices, and what could be done to solve barriers.

Energy Sovereignty in Community Solar. We support both of the models put forth by the Agency but believe an adder is not necessary to incent community solar projects that promote energy sovereignty, particularly in lieu of the changes to net energy metering that include transmission credits, the requirement for net crediting by the utilities (should the developer so request), and the ability of ARES customers to receive NEM credits. Each of these developments make community solar more attractive to customers and reduce the burdens and costs on community solar developers. We already know anecdotally of community solar developers exploring CDCS projects and have heard that an adder is not needed and that ownership by a nonprofit organization in conjunction with a third party investor is the model that will likely be pursued (at current proposed REC levels). Given the highly competitive nature of the community solar subprogram, we believe the 25% set aside is sufficient incentive. Given how new this concept is in Illinois (and even in the country) we believe the Agency should remain flexible and allow the market to demonstrate which models will work best.

On page 222:

8.5.1.2. Community Solar

Given the highly competitive state of the IL Solar for All community solar subprogram, the Agency believes the reservation of 25% of program funds for projects that promote energy sovereignty is sufficient incentive to overcome any barriers. The Agency will collect and make public data on the number of energy sovereignty projects developed in each subprogram and reassess whether additional incentives are needed in the next Long Term Plan revision. Promoting ownership of off-site community solar projects by low-income households would require a different approach than on-site systems. As noted above in

~~Section 8.2.2, community solar installations are eligible for different tax incentives and use different business models than on-site systems. To encourage energy sovereignty for community solar, the Agency could take the following actions:~~

~~1. Energy sovereignty adder payments could be used to pay for ownership shares in a community solar cooperative on behalf of eligible customers. These shares would entitle the customer/owner to receive dividends and to subscribe to electricity from the project at a discounted rate, sufficient to meet bill savings requirements.~~

~~2. As with on-site solar, energy sovereignty adder payments could be used to promote ownership of individual panels located at the community solar project. The bonus could be used to transfer ownership to an eligible customer after tax benefits have been fully captured, such as through an early buyout of a lease or PPA. Bonus payments would be paid upfront, and either held in escrow to pay for the buyout or taken by the TPO and reflected in contract terms relating to an early buyout. Community solar projects that result in ownership by subscribers would be given a REC adder of \$5 per REC.~~

Page 221 Handling of RECs/\$5 ADDER DG 1-4 & 5+ Unit

Response

With the suggested \$5 adder we fail to see how the adder incentive could cover the costs in either of these two options. For instance, the adder for a 7 kw system generating 120 RECs is just \$600. Based on some system size modeling and using a flip model like those described above, a 1 to 4 unit DG project would require an adder in the neighborhood of \$40 if the intent is to replace the Investment Tax Credit while the larger 5+ Unit would be around \$30.

With an increased adder for these two subprograms, we suggest allowing the developer and customer to choose the method of payment for the DG adder. The REC contract could be easily modified to choose payment terms for the adder, perhaps with check boxes specifying that the payment be upfront or that the payment be made after some period of time.

On page 221:

The incentives paid for energy sovereignty ~~can would~~ be managed in ~~one of~~ two ways: they ~~can could~~ be held back and used at the time of transfer to cover the cost of the buyout at fair market value, the cost of ongoing monitoring and maintenance after transfer of ownership, and the cost of equipment replacement for a certain period (perhaps up to 25 years); or they ~~can could~~ be retained by the TPO with the contract featuring a buyout value at a commensurately lower price, and the TPO agreeing to provide services after transfer.

P. 222. The Agency also seeks stakeholder feedback on an option whereby eligible low-income or non-taxed customers could use Illinois Solar for All funds to take ownership of panels at a community solar project outright, foregoing federal tax incentives. Ground-mounted solar projects are typically cheaper per Watt than rooftop systems, and single-axis tracking systems deliver lower cost of energy. It's possible that Illinois Solar for All REC values that are set high enough to cover the full cost of

co-owned community solar panels and would be lower than incentives needed to support rooftop solar installations, offering a more cost-effective path to ownership.

Response: The new value stream for CS subscribers afforded by CEJA makes this suggestion intriguing. However, small DG installation is much more labor intensive than community solar installation. With one of the major goals of the small DG subprogram to be a driver for jobs for Qualified Trainees (QTs), the Working Group has historically been opposed to re-allocation of DG funds to the other subprograms. We feel there are many questions that should be explored with stakeholders before proposing a program such as:

- Is there a concern that this program will impact QT jobs? Are there ways to mitigate the potential impact on jobs?
- Is it necessary and appropriate to allocate a portion of the already much in demand Community Solar (CS) subprogram for this type of program?
- If necessary and appropriate, how much of the CS budget should be allocated to the program?
- Would it be possible to use Small DG Subprogram funds for a subscriber to purchase their panels?
- What is the appropriate amount of the small DG budget that should be allocated?
- What is an appropriate level of subsidy to replace the ITC and how is this money allocated amongst the many parties involved?
- How is a CS project developed through this model managed?

We advocate that this suggestion be explored in the stakeholder meetings suggested above. We look forward to working with the Program Administrator and Agency to further explore this worthwhile suggestion.

Finally, we find the suggestions of incorporating ownership training into DCEO workforce programs and the need for ongoing education in energy sovereignty and cooperative ownership in Appendix G to be brilliant ones and strongly urge the Agency to not only coordinate with DCEO to this end but to engage in ongoing education and dialogue with stakeholders (in our bi-monthly meetings).

On page 237:

While these programs are to be designed and implemented under the guidance of DCEO, they have a number of implications for the Illinois Solar For All program, as the source of trainees required for program job training requirements, as detailed in Section 8.9.1., [and a place where much needed education on ownership models and energy sovereignty can be provided.](#)

[The Agency shall provide DCEO with consultation and materials to assist the agency in incorporating ownership training, energy sovereignty and cooperative ownership into DCEO workforce programs.](#)

Collaboration with Other Programs

The Working Group views coordination between ILSFA and other existing related programs as a great opportunity to maximize efficiency and participation as well as job training and placement. Coordinating between programs removes hurdles for participants who may be eligible for other programs and minimizes administrative costs. Given that a lot of these programs to coordinate with are still in the development process, the Working Group would recommend that the Agency solicit feedback on coordination via the regular stakeholder workshops outlined in the “general process sessions” section of the 2022 Plan (p261). To achieve this, the Working Group recommends the following addition to Section 8.8. of the draft 2022 Plan:

To maximize efficiencies through coordination with similar initiatives, the Agency will work with the ILSFA Program Administrator to utilize ongoing stakeholder engagement processes to gather feedback on program coordination. For stakeholder workshops regarding program coordination, the Agency will strive to include entities related to relevant programs with similar initiatives (e.g. DCEO, advocates, AVs, Designees, utilities, etc.).

Job Training and Placement

As a method of recruiting trainees, the Working Group supports efforts to get solar into the areas that we want to recruit trainees from. This could also mean targeting ILSFA projects or other solar projects in potential job trainee recruitment areas. Proximity to solar projects and re-emphasizing solar showing up in these neighborhoods could really highlight the importance and benefits for participants and job training in ILSFA. It would also be great to find ways to enroll trainees who qualify into ILSFA. This would allow those trainees to essentially become “double ambassadors” of the program. Being able to speak to ILSFA as a participant as well as a job trainee is a very compelling and unique story that could motivate others to seek similar career interests and participate in ILSFA. These stories could really showcase the benefits and opportunities available through the program.

As the changeover from ComEd to DCEO regarding job trainee and placement responsibilities occurs, there is a major opportunity for the improvement of data collection. The Working Group recommends a formal review and evaluation of the shortcomings of the current job training and placement situation. Companies take all these steps to hire trainees, but there is no data on how that is working all across the board. Compiling and synthesizing the job training and placement data from the last four years would allow the Agency and DCEO to better learn from the previous system. This report should also analyze the barriers that trainees face (transportation, child care, etc.) to better understand how to overcome those hurdles.

Energy Efficiency Programs and Community Action Agencies

Given the robust outreach mechanisms of different low income energy efficiency and assistance programs throughout the state, coordination and customer referrals present opportunities for low-income individuals to take advantage of all the potential benefits available to them. Because CEJA allows electric utilities to now offer electrification measures (25% of those savings must come from income qualified programs), incorporating and coordinating solar opportunities with

ILSFA is going to be even more important. As a part of the Energy Efficiency Stipulation Agreement with ComEd, there is language stating that ComEd will have a point of contact for collaboration with ILSFA. This point of contact would be available to provide energy efficiency information and materials designed for customers to solar companies and customers that contact ComEd for such information. Being in coordination with that point of contact can help facilitate customer referrals between ComEd income qualified energy efficiency program and ILSFA. When coordinating with DCEO and local community action agencies (CAAs), the Working Group recommends that the Agency have printed materials housed at CAAs. These CAAs deal with an influx of people seeking either weatherization, utility, or other forms of assistance and can serve as a great place to introduce ILSFA. The Working Group also recommends setting aside funds for CAAs and their weatherization contractors to do solar site assessments when performing work under IHWAP or utility income eligible energy efficiency programming, possibly out of the Grassroots Education funding. There are a number of implementation contractors who work on the investor-owned utility energy efficiency programs. It may make sense to provide funding for these entities to do solar site assessments as well. Another way to educate ILSFA participants about other programs would be to include the [ILSFA Resource Guide](#) in the verification email that applicants receive when verifying their income eligibility.

Miscellaneous Issues

- 1) Environmental Justice (EJ) Community definition.** The Illinois Solar for All Working Group supports regular updates of the EJ community definition and, in particular, supports the Agency's proposal to accommodate project development cycles that straddle EJC definitions with a grace period (p. 260).

More generally, the Working Group urges the Agency to continue prioritizing the voices of environmental justice groups and impacted individuals, themselves, as it considers its ongoing approach to defining EJ Communities.

With this in mind, the Working Group notes that it has heard varying reports as to the tradeoff between ease of use and rigor of review of the EJ Community Self-Designation process. Specifically some Working Group participants have suggested the process may work well for projects with a community in mind but not for community members without the sophistication of an AV. While not as high a priority as several of those discussed thus far in these comments, the Working Group recommends this be a focus of deeper review and, potentially, a topic of a stakeholder workshop.

- 2) Small and Emerging Business (SEBs) definition.** The Working Group was pleased to see the legislature prioritize the consideration of SEBs within the Illinois Solar for All Program. We have long been concerned that the program may be too complex and require too sophisticated a financing model for these businesses to participate. While we are not offering specific recommendations around SEBs at this time, we hope this is

a continued area of focus for the Agency and that whatever gets approved on this front in the Plan leaves the Agency the flexibility to continue innovating to support SEBs.

- 3) **Job trainees.** In developing our recommendations for this draft Plan, one area of concern that arose was how long Qualified Trainees ("QT") retain the qualification, and whether three years is enough. The Working Group does not take a position on this point, but we would not want to see large volumes of trainees hired for three years and then without work. Theoretically we would not expect that to happen given the presumed demand for experienced solar workers in response to P.A. 102-0662. However, we request that the Agency collect data on outcomes for workers that graduate out of the QT designation to better understand this issue.

Conclusion

The Working Group appreciates the Agency's review and consideration of these comments and all comments received on the Draft 2022 Long-Term Renewable Resources Procurement Plan. Please do not hesitate to reach out to the Working Group with any questions about the comments and suggestions contained herein.