

Illinois Shines (Adjustable Block Program) and Illinois Solar for All Program Proposed Renewable Energy Credit Prices for the 2023-2024 Program Year

March 1, 2023

Section 7.5 of the Illinois Power Agency's [2022 Long-Term Renewable Resources Procurement Plan](#) provides that for the 2023-2024 program year¹ the Agency would "conduct an annual refresh of the REC Pricing Model" and that "this will include refreshing inputs from known sources and seeking stakeholder feedback on preliminary prices."²

The Agency has reviewed inputs into the REC Pricing Model and has updated the following inputs to the proposed REC Prices for the 2023-2024 program year:

1. The level of the Investment Tax Credit updated to 30%.
2. NREL cost data updated to use NREL's September 2022 Benchmark Report.³ For projects over 25 kW AC in size, costs are scaled from a 500 kW project using historical cost differentials from the August 2022 REC pricing model which utilized NREL's January 2021 Benchmark Report.⁴
3. Capacity factors and DC/AC ratios updated to utilize additional project data from systems energized as of January 2023.
4. Net metering rates updated to reflect utility tariffs as of January 2023.
5. Historical Locational Marginal Prices used for determining over 25 kW net metering values updated to include 2022 prices.

Based on those updated inputs to the REC Pricing Model, **proposed 2023-2024 REC prices for the Illinois Shines (Adjustable Block Program) and the Illinois Solar for All Program are listed below, and the [full model is available for download](#). The Agency seeks stakeholder feedback on the updates to the REC Pricing Model and the proposed REC Prices for 2023-2024. Comments are due by March 24, 2023 and should be submitted to IPA.Contactus@illinois.gov.**

Responses will be published on the Agency's website. However, should a commenter seek to designate any portion of its response as confidential, that commenter should provide both public and redacted versions and the Agency will only post the redacted version. Independent of that designation, if the IPA determines that a response contains confidential information that should not be disclosed, it reserves the right to provide its own redactions.

¹ The term "program year" refers to the period of June 1 through May 31 of the following year and is interchangeable with the term "delivery year" as is commonly used in the energy industry.

² 2022 Long-Term Plan at 183-4. The methodology of the REC Pricing Model is described in detail in [Appendix D](#) of the 2022 Long-Term Plan, and model used to set REC prices for the 2022-2023 program year is contained in [Appendix E](#).

³ <https://www.nrel.gov/docs/fy22osti/83586.pdf>.

⁴ <https://www.nrel.gov/docs/fy21osti/77324.pdf>.

The Agency will review stakeholder feedback and expects to publish final REC prices for the 2023-2024 program year by April 17, 2023, but no later than May 1, 2023. Prices for subsequent program years will be established through a methodology established in the next Long-Term Plan.⁵

The Agency cautions stakeholders that the prices listed below are preliminary prices and are subject to change as required based upon stakeholder feedback or other information. Accordingly, Approved Vendors and Designees should not make representations or commitments to customers that these prices will be the prices for projects that submit applications during the 2023-20234 program year.

⁵ The next Long-Term Plan will be released for stakeholder feedback in August 2023 and is expected to be approved by the Illinois Commerce Commission in February 2024. The Agency has engaged Sustainable Energy Advantage (“SEA”) to conduct an independent review of the REC pricing methodology, and SEA is concurrently conducting a stakeholder feedback process as part of that review. The results of that process will inform changes to the REC pricing methodology contained in that next Long-Term Plan.

Illinois Shines (Adjustable Block Program)

Distributed Generation

	2022-2023 Prices		Proposed 2023-2024 Prices		Proposed Change (\$)		Proposed Change (%)	
	Group A	Group B	Group A	Group B	Group A	Group B	Group A	Group B
0 - 10 kW	\$78.51	\$82.28	\$73.42	\$84.07	(\$5.09)	\$1.79	-6.49%	2.18%
10 - 25 kW	\$66.39	\$71.89	\$59.41	\$70.72	(\$6.98)	(\$1.17)	-10.51%	-1.63%
25 - 100 kW	\$57.94	\$62.23	\$50.22	\$58.35	(\$7.72)	(\$3.88)	-13.33%	-6.24%
100 - 200 kW	\$58.85	\$59.02	\$53.64	\$57.67	(\$5.21)	(\$1.35)	-8.85%	-2.29%
200 - 500 kW	\$52.35	\$53.11	\$50.55	\$54.00	(\$1.80)	\$0.89	-3.43%	1.68%
500 - 2000 kW	\$50.42	\$47.63	\$49.15	\$49.68	(\$1.27)	\$2.05	-2.51%	4.30%
2000- 5000 kW	\$40.90	\$33.31	\$38.72	\$36.59	(\$2.18)	\$3.28	-5.33%	9.85%

Traditional Community Solar

	2022-2023 Prices		Proposed 2023-2024 Prices		Proposed Change (\$)		Proposed Change (%)	
	Group A	Group B	Group A	Group B	Group A	Group B	Group A	Group B
0 - 25 kW	\$56.23	\$61.54	\$48.55	\$55.17	(\$7.68)	(\$6.37)	-13.66%	-10.36%
25 - 100 kW	\$59.19	\$64.39	\$52.20	\$63.19	(\$6.99)	(\$1.20)	-11.81%	-1.87%
100 - 200 kW	\$60.85	\$65.23	\$55.65	\$66.31	(\$5.20)	\$1.08	-8.54%	1.66%
200 - 500 kW	\$57.22	\$62.09	\$54.54	\$61.45	(\$2.68)	(\$0.64)	-4.68%	-1.04%
500 - 2000 kW	\$51.32	\$55.50	\$48.89	\$53.69	(\$2.43)	(\$1.81)	-4.73%	-3.26%
2000- 5000 kW	\$45.50	\$47.78	\$38.23	\$40.46	(\$7.27)	(\$7.32)	-15.98%	-15.32%

Community-Driven Community Solar

	2022-2023 Prices		Proposed 2023-2024 Prices		Proposed Change (\$)		Proposed Change (%)	
	Group A	Group B	Group A	Group B	Group A	Group B	Group A	Group B
0 - 25 kW	\$71.60	\$78.27	\$62.50	\$71.00	(\$9.10)	(\$7.27)	-12.71%	-9.29%
25 - 100 kW	\$75.34	\$82.16	\$67.31	\$81.74	(\$8.03)	(\$0.42)	-10.65%	-0.51%
100 - 200 kW	\$77.27	\$83.42	\$71.63	\$85.95	(\$5.64)	\$2.53	-7.30%	3.03%
200 - 500 kW	\$72.47	\$79.19	\$69.78	\$79.44	(\$2.69)	\$0.25	-3.72%	0.31%
500 - 2000 kW	\$64.76	\$70.12	\$62.35	\$69.00	(\$2.41)	(\$1.12)	-3.72%	-1.59%
2000- 5000 kW	\$56.85	\$59.44	\$48.24	\$50.51	(\$8.61)	(\$8.93)	-15.15%	-15.03%

Public Schools

	2022-2023 Prices		Proposed 2023-2024 Prices		Proposed Change (\$)		Proposed Change (%)	
	Group A	Group B	Group A	Group B	Group A	Group B	Group A	Group B
0 - 25 kW	\$74.95	\$81.16	\$67.26	\$80.06	(\$7.69)	(\$1.10)	-10.26%	-1.36%
25 - 100 kW	\$65.57	\$70.42	\$57.03	\$66.26	(\$8.54)	(\$4.16)	-13.03%	-5.91%
100 - 200 kW	\$66.40	\$66.59	\$60.82	\$65.39	(\$5.58)	(\$1.20)	-8.40%	-1.81%
200 - 500 kW	\$58.94	\$59.81	\$57.27	\$61.18	(\$1.67)	\$1.37	-2.84%	2.28%
500 - 2000 kW	\$56.73	\$53.59	\$55.66	\$56.26	(\$1.07)	\$2.67	-1.88%	4.97%
2000- 5000 kW	\$45.72	\$37.23	\$43.62	\$41.23	(\$2.10)	\$4.00	-4.59%	10.73%

Illinois Solar for All Program

Single and Small Multifamily (1-4 Unit)

	2022-2023 Prices		Proposed 2023-2024 Prices		Proposed Change (\$)		Proposed Change (%)	
	Group A	Group B	Group A	Group B	Group A	Group B	Group A	Group B
0 - 10 kW	\$180.67	\$175.23	\$173.79	\$173.86	(\$6.88)	(\$1.37)	-3.81%	-0.78%
10 - 25 kW	\$142.16	\$141.75	\$143.09	\$146.15	\$0.93	\$4.40	0.66%	3.11%
25 - 100 kW	\$107.10	\$108.51	\$117.23	\$118.85	\$10.13	\$10.34	9.46%	9.53%
100 - 200 kW	\$107.44	\$104.86	\$117.98	\$115.17	\$10.54	\$10.31	9.81%	9.83%
200 - 500 kW	\$100.28	\$98.93	\$110.41	\$107.58	\$10.13	\$8.65	10.10%	8.74%
500 - 2000 kW	\$98.32	\$93.22	\$106.99	\$100.94	\$8.67	\$7.72	8.81%	8.29%
2000- 5000 kW	\$86.65	\$77.18	\$92.86	\$85.48	\$6.21	\$8.30	7.17%	10.76%

Large Multifamily (5+ Unit)

	2022-2023 Prices		Proposed 2023-2024 Prices		Proposed Change (\$)		Proposed Change (%)	
	Group A	Group B	Group A	Group B	Group A	Group B	Group A	Group B
0 - 10 kW	\$106.87	\$115.50	\$106.73	\$119.96	(\$0.14)	\$4.46	-0.13%	3.86%
10 - 25 kW	\$88.31	\$97.05	\$89.61	\$102.88	\$1.30	\$5.83	1.47%	6.01%
25 - 100 kW	\$73.26	\$79.36	\$77.38	\$86.73	\$4.12	\$7.37	5.62%	9.29%
100 - 200 kW	\$74.04	\$76.40	\$78.58	\$83.74	\$4.54	\$7.34	6.14%	9.60%
200 - 500 kW	\$67.95	\$70.82	\$72.06	\$76.74	\$4.11	\$5.92	6.05%	8.36%
500 - 2000 kW	\$66.40	\$65.51	\$69.29	\$70.76	\$2.89	\$5.25	4.35%	8.01%
2000- 5000 kW	\$56.54	\$51.31	\$57.67	\$56.65	\$1.13	\$5.34	2.00%	10.41%

Low-Income Community Solar

	2022-2023 Prices		Proposed 2023-2024 Prices		Proposed Change (\$)		Proposed Change (%)	
	Group A	Group B	Group A	Group B	Group A	Group B	Group A	Group B
0 - 25 kW	\$94.50	\$104.81	\$97.18	\$108.92	\$2.68	\$4.11	2.84%	3.93%
25 - 100 kW	\$98.75	\$109.13	\$102.67	\$121.01	\$3.92	\$11.88	3.97%	10.89%
100 - 200 kW	\$101.09	\$110.76	\$105.47	\$122.88	\$4.38	\$12.12	4.34%	10.94%
200 - 500 kW	\$96.10	\$106.32	\$100.01	\$111.46	\$3.91	\$5.14	4.07%	4.84%
500 - 2000 kW	\$87.49	\$96.43	\$89.92	\$98.00	\$2.43	\$1.57	2.78%	1.63%
2000- 5000 kW	\$78.01	\$83.80	\$72.62	\$76.28	(\$5.39)	(\$7.52)	-6.91%	-8.98%

Non-profit and Public Facilities

	2022-2023 Prices		Proposed 2023-2024 Prices		Proposed Change (\$)		Proposed Change (%)	
	Group A	Group B	Group A	Group B	Group A	Group B	Group A	Group B
0 - 25 kW	\$100.76	\$114.60	\$101.02	\$119.61	\$0.26	\$5.01	0.26%	4.38%
25 - 100 kW	\$104.21	\$114.05	\$106.07	\$119.01	\$1.86	\$4.96	1.79%	4.35%
100 - 200 kW	\$104.82	\$109.82	\$107.45	\$114.18	\$2.63	\$4.36	2.51%	3.97%
200 - 500 kW	\$98.15	\$104.03	\$100.26	\$106.17	\$2.11	\$2.14	2.15%	2.06%
500 - 2000 kW	\$96.39	\$97.71	\$96.80	\$98.77	\$0.41	\$1.06	0.43%	1.09%
2000- 5000 kW	\$85.22	\$80.19	\$81.85	\$80.13	(\$3.37)	(\$0.06)	-3.95%	-0.07%