



Q&A: ILSFA Small and Emerging Business Team Helps ADL Solutions Break into Solar Development



Joseph Smith
ADL Solutions CEO

The Illinois Power Agency (“IPA”) recognizes the crucial role that Small and Emerging Businesses (“SEBs”) play in Illinois’ clean energy economy. The Illinois Solar for All Small and Emerging Business Team aims to provide individualized and relevant support to SEBs in order to help them successfully navigate the clean energy sector. The Agency spoke with Joseph Smith, founder of ADL Solutions, to learn more about his experience.

Can you tell us how ADL Solutions got started and how you first became interested in solar development?

I’ve been an electrician for the last 30 years, building hospitals and large buildings. During the pandemic, I decided to start my company and jumped into the landscape of Justice40 and Climate and Equitable Jobs Act. That passion came from when I was an environmental science major in college, before I got into electrical.

As a relatively new business, how has it been navigating the complexities of the solar development space?

I would say that access to information, real-time information, has been a barrier. If I had to narrow that down, it would be understanding the interconnection queue, how to submit a project, and how to interact with the utility. It’s tough to navigate for the first time as someone new. Large companies may have teams of people that can work on this, but I am that team of people.

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How has the Illinois Solar for All Small and Emerging Business Team helped you navigate the market and address information gaps?

They’ve done a good job bringing people together. I appreciate that the last gathering they organized was in Southern Illinois, which led partnerships with people downstate. As a small and emerging business, another small business can help increase my access to information by sharing resources amongst each other.

I've been keyed in on bigger developments, but when a 1–4 unit project came up, I was able to call some of the other Equity Eligible Contractors and SEBs to get real-time information and resources. We share resources with each other, whether that be an insurance guide, equipment manufacturer, or a connection with an inspector in a certain municipality. Meeting other EEC businesses, whether in Chicago or downstate, has been impactful. It's been a network where we can call on each other.

What is the biggest challenge facing small and emerging businesses entering the solar development market?

I'm working on financing right now. I'm thinking through where the construction capital will come from which will be my biggest hurdle as a small and emerging business. Even though my project is a rather small community solar system, 800 kilowatts, it's a big lift being new in that arena and not having established financial partners or an already energized project. I'm a bit risky all around the board to investors.

How has your status as a Small and Emerging Business and an Equity Eligible Contractor in Illinois Shines helped you with access to capital?

For the project in Chicago that I'm focused on now, I've applied for advance of capital as an EEC in Illinois Shines. Lack of capital can keep anybody out of development, especially in the start of projects. Larger developers can gamble on feasibility and pre-development money. As an emerging business, I don't have money to gamble.

Beyond the advance of capital, state incentives are huge because that's part of the capital stack. Being an Approved Vendor and able to add incentives to the capital stack is a benefit for businesses that are trying to be part of this clean energy sector. I'm hopeful that we can settle with the construction financing in a way that doesn't take all the sovereignty out of the project, meaning I don't give control of the project to someone else just to get it to construction.

Through your work on Community Solar projects in Pembroke and Chicago, what have you learned about developing projects that are rooted in local communities?

Training and jobs are important. We're hoping when we build, people from those communities will be involved. We chose communities we were familiar with. Pembroke is a historically black farming town that's just outside of Chicago. I know some of the farmers and used to take my children there on the weekends to get away from the city.

This is really about all of Illinois. We are looking to connect with training centers in the inner city so that students can get experience on projects like the one in Pembroke, which is not that far. But it'll feel tremendously far for them in terms of adjusting to new environments and building soft skills, which they're going to need to be able to survive in the clean energy sector because these bigger projects are going to be scattered throughout the state. They have a chance to travel as Illinoisans throughout the state and be part of all these projects. We feel like that'll be great, to start people's career in this clean energy sector, to keep them motivated and help them get over some financial hurdles.

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