To: Illinois Power Agency, IPA.Solar@illinois.gov
Date: June 11, 2025
From: Members of the Illinois Solar for All Working Group as listed below

Dear Illinois Power Agency:

The Illinois Solar for All Working Group is pleased to deliver the enclosed comments in response to the Requests for Feedback on the Chapter 8 of the Long-Term Renewable Resource Procurement Plan. Thank you for your consideration and ongoing efforts to improve the Illinois Solar for All Program.

Signatories include:
360 Electric Heating & Cooling, LLC
A Just Harvest
ARF Solar
BVRE Consulting & Advisory
Central Road Energy LLC
Citizens Utility Board
Coalition for Community Solar Access
Environmental Law & Policy Center
Faith in Place
Greenlink Energy Solutions, Inc.
Illinois Environmental Council
Little Village Environmental Justice Organization
Seven Generations Ahead
Sierra Club, Illinois Chapter
TdM Emerald Corp.
The Nature Conservancy
Vote Solar

TOPIC 1: Self-Attestation for Income-Eligible Communities in the Residential Solar (Small) Sub-program

Questions:

1. *Should the Agency expand its use of self-attestation and allow Residential Solar (Small) sub-program participants residing in income-eligible communities, defined as census tracts where at least 50% of residents earn no more than 80% of the AMI, to confirm their household income by attestation without the need of further documentation? Are there any challenges or concerns with this approach?*

   Yes, the Agency should expand its use of self-attestation for small resi customers in income-eligible communities. Current methods seem burdensome and off-putting, and

may be driving eligible households away. According to the 2024 Illume report, commissioned by the IPA, *Illinois Solar For All Mid-Year Report on Income Verification (the 2024 Illume Report)*, "One ILSFA Program staff member estimated that 35% - 40% of residents who start the process do not complete income verification because the residents become unresponsive."[1] Concerns with this approach include the danger of fraud, though the 2024 Illume Report noted that a similar program in Oregon found that fraud to be minimal.

2. *Should the IPA only expand self-attestation to residents in income-eligible communities or should the option be extended to environmental justice communities as well? Or should self-attestation only be offered in HUD Qualified Census Tracts, which represent fewer communities but a higher portion of residents meet income eligibility?*

   For this first round of change, we suggest the Agency limit self-attestation of income for Residential Solar (small) projects to those owning homes in income eligible areas as identified on the Illinois Solar for All Income Eligible Census Map.

3. *The Agency requests feedback on suggested parameters and structures for an income verification audit process. What policies, procedures, and guidelines should the Agency Consider when developing the criteria of the audit? What methodology should be employed when defining the number of households being randomly selected to audit?*

   We suggest the Agency forego an auditing process for self-attestation of income given the high potential of customer disaffection with the Program. Allowing people to self-attest and then coming back later for proof will likely sow confusion, resentment, and distrust. Providing clarification on what the Agency would do with an audit that revealed fraud would help us better respond to this question. Should an audit be conducted, we suggest very clear notice be provided by both the Approved Vendor and in writing on the self attestation form that the customer has the option of providing income documents or self attestation but that self-attestation may subject the customer to a later audit. Again, it is not clear to us, however, what the remedy would be should fraud be detected.

TOPIC 2: Residential Solar (Small) Sub-program – No-Cost Offers

Questions:

4. *Should the Residential Solar (Small) program be configured to require all offers to be "no cost?"*

[1]Illinois Solar For All Mid-Year Report on Income Verification, ILLUME Advising (the 2024 ILLUME Report), p. 16. https://www.illinoissfa.com/wp-content/uploads/2025/01/ILLUME-Advising-Illinois-Solar-for-All-2024-Mid-Year-Report-on-Income-Verification.pdf

a. *If so, what considerations are relevant for different financing models (i.e., no-cost leasing, participant ownership)? Should any adjustments to requirements be included for different financing models?*

Requiring all offers through the Residential Solar (Small) program to be "no cost" will likely help increase customer participation in the subprogram. Most AVs in the residential subprogram are offering no-cost systems by combining the REC payment, the utility rebate, energy sovereignty adder, and the federal Investment Tax Credit (ITC). Also, with the new net metering policy in place, and low-income discount (LIDR) and time of use (TOU) rates on the way, modeling savings under the current requirement is becoming increasingly difficult. Requiring no-cost systems would reduce confusion and complexity for AVs, customers, and grassroots educators that struggle to explain savings requirements under the current system.

Approved Vendors are currently providing no cost offers while utilizing PPAs, leases, rebates, (DG and battery) and the energy sovereignty option. We see no need for adjustments to financing models.

Are there any challenges or risks to this approach? Please explain.

There are some concerns. First, with the threat of the elimination of the ITC, we are unsure whether AVs can continue to offer no cost contracts. In addition, not all AVs have been able to offer no cost projects under the current incentive system. The Agency should examine what impact the loss of the ITC will have on the ILSFA Program and be ready to reexamine REC prices under different scenarios. Another concern is one we are already dealing with, and that is confusion among the populace between Illinois Solar for All and non-program offers, particularly from those companies with dishonest offers of "free" systems. The Agency should work to ensure that marketing requirements, outreach and training of grassroots educators address this problem head on.

5. *In disallowing ongoing payments (i.e., monthly, quarterly, annual), what one-time fees, if any, should be allowed or prohibited?*

No fees should be allowed, but the Agency will need to consider an increase in the REC price both with and without the federal ITC.

6. *Should no-cost offers be required for household subscribers in the Low-Income Community Solar sub-program?*

a. *Is a no cost ILSFA Community Solar offer an appropriate path to address concerns of participant trust and ease of participation, and negative experiences with current utility single billing?*

While some members of the ILSFA Working Group believe that no-cost community solar offers would be beneficial to households and eliminate the ongoing challenges with consolidated billing, we have a number of concerns. First, we do not believe that no cost community solar would be possible without an increase in the REC pricing, which raises the likelihood that fewer community solar projects could be developed without an increase in the budget. In addition, while the REC prices for Solar for All are certainly higher than in IL Shines, the delta is not enough to make up for the increased cost of customer acquisition and management, lost subscription revenue, and the likely loss of the Inflation Reduction Act tax benefits. Finally, the issues with net crediting are the utility's responsibility to address under the supervision of the Illinois Commerce Commission.

TOPIC 3: Non-Profit and Public Facilities Sub-program Geographic Eligibility

Questions:

7. *Given the current sub-program utilization, should the Non-Profit and Public Facilities sub-program be expanded to allow participation from critical service providers outside of income-eligible and environmental justice communities?*

Yes, participation should be expanded to those critical service providers (CSP) that serve people housed in income eligible and or environmental justice communities, regardless of the location of the CSP. The current request for CSP designation can be used to qualify nonprofit and public facilities (NP/PF) located outside IE or EJC communities. Should the NP/PF subprogram become competitive again, we urge the Agency to apply a scoring protocol that awards points to NP/PFs located within LI and EJC geographic boundaries.

8. *If the Program allows critical service providers outside of environmental justice and income-eligible communities to participate, should the Agency limit the projects sited outside of environmental justice and income-eligible communities? If so, on what criteria should this be limited? E.g., limiting by number of projects, portion of incentives (a carveout), not allowing submission until later in the program year, adjacency to an environmental justice community*

No. We believe that CSPs outside of EJC and IE areas should participate fully in the program. We suggest that the scoring protocols be amended to increase the scores for projects located within EJC or IE areas. This would favor projects in those areas but only if the subprogram budget is filled during the program year window opening. Projects sited outside of environmental justice and income-eligible communities should also be accepted during the rolling submission window. The program guidelines already hold 25% of the funding up to a certain date to be spent in EJ communities, and this would not change those requirements.

9. *How does the fact that the Non-Profit and Public Facilities sub-program budget is continuously distributed close to or in its entirety impact this proposal?*

Due to other factors impacting the development of solar projects for non-profit and public facilities (i.e. declining REC prices, changes in net metering credits in 2025, and risk that the federal investment tax credit may be substantially more restrictive in 2026), we do not foresee that the expansion of participation having a negative impact to the sub-program, particularly if the Agency adopts a scoring protocol like that suggested above.

10. *Should the Critical Service Provider list be amended to include fewer categories?*

No, the Critical Service Provider list should not be amended at this time (except to add Tier 1 and Tier 2 public schools as we discuss below).

TOPIC 4: Collateral

Questions:

11. *Is there a concern that projects that are Part I approved without collateral will have less of an incentive to complete projects?*
    a. *Could there be resulting risks to the participant or Program?*
    b. *If there is a risk that there is less of an incentive to complete projects, are there alternative solutions that should be considered?*
    c. *If there is a risk that there is less of an incentive to complete projects, are there additional requirements or conditions that could be coupled with the change to drive projects to completion?*

We are supportive of this policy to increase participation of SEAVs but are concerned that a small and emerging AV (SEAV) could overreach, submitting more projects than it can complete in a timely manner, resulting in disappointed customers and adverse impacts on the program's reputation. If the ILSFA Project Dashboard is up to date, as of 6/9/25, the average REC payment per residential small project is currently $37,484. Five percent (5%) of that average is $1874. We advocate limiting an SEAV's ability to satisfy collateral requirements with a REC payment deduction to four small residential projects at any one time. This would equate to roughly $8000 of cash flow. For any additional projects beyond those four, the SE AV should be required to pay collateral with the Part 1 submission. Once the AV has completed the Part 2 submission for one of these projects then another new project could satisfy the collateral requirement via REC payment deduction, allowing for a four project limit at any one time.

12. *Should the option for Small and Emerging Businesses to utilize a portion of their REC incentive payment as collateral for a project also be allowed in other sub-programs aside from Residential (Small), or capped at certain amounts per project or Approved Vendor? If so, please provide reasoned suggestions of a cap level.*

For Nonprofit/Public Facility projects by small and emerging AVs, we suggest a cap of $25,000 of total avoided collateral for small and emerging AVs only and a limit of one project at a time. This cap amount is based on an adjustment to one ILSFA AV's average NP/PF project size of 150 kWac with an average collateral of $16,000. Given the complexity and development timeline of community solar, we do not recommend allowing an AV to satisfy the collateral requirement from the REC payment. Another reason to impose a cap is the concern that a small and emerging AV could be used by a third party (like a large developer or financier) to front a large community solar or NP/PF project allowing that third party to avoid a large collateral payment until the project is commissioned.

TOPIC 5: Environmental Justice Communities

Questions:

13. *Do stakeholders agree that updating the Environmental Justice Communities Map in 2026 with modified 2024 EJScreen data and proportioning EJC designations by RTO territory strikes an appropriate balance between achieving data integrity and extending the Agency's Timeline to make a methodology change in response to the uncertainty of federal data?*
    a. *If so, does changing the EJ designation methodology to organizing EJC designations by RTO territory represent the spirit of environmental justice?*
    b. *If not, should the Agency consider updating the EJC Map with only the first proposal to modify misrepresented variables in the recent 2024 dataset? This would result in a 4.7% loss/gain rate of total designations.*

The current maps do not accurately reflect EJ Communities in smaller and less urban settings, which are largely in the MISO territory, downstate. Making the maps work well for downstate and other rural communities is important and it is critical for the Agency to take steps in *this* plan cycle to make that happen. It is not possible to evaluate the value of organizing EJC designations by RTO without seeing what that map would look like. It is wholly unclear and perhaps even unlikely that simply changing the organization of EJC communities by RTO will address the significant inequities in the current designation model, as many rural communities facing environmental injustices will still not have a voice in helping the agency understand whether the mapping is working for them. Both making changes to mapping to address inequities and ensuring community input into the mapping is sorely needed.

Updating the EJC Maps using the most current data that was available in EJScreen makes sense. Alternatively, using a combination of the most current EJScreen data and the most current US Census data, as opposed to the American Community Survey data from 2011-2015 that is currently listed as being used, would get more accurate data. Seeing the maps that result from this would be important in determining if this approach results in more accurate and equitable EJ maps. It is also important to know just what missing or misreported data was discovered in the latest internal review, and how that impacted the 2023 designations. This is a cautious way forward that may result in the least disruption of the program.

It is worth noting that key demographic data should be expected to be missing going forward (e.g. immigrant or multi-generational or multi-national families will under-report). We urge the Agency to plan and account for what is missing, and not take an absence of data as gospel for the current populations of a community. In addition, maps and tools should be designed with these expected gaps in mind, rather than requiring exhaustive documentation for absences that are predictable and understandable.

Going forward, mapping should allow for more rigorous community feedback on lived experience (e.g. cumulative and acute health impacts wildfire days, water scarcity, PM2.5) that will hit and accumulate faster than current mapping methods can keep up with. In rural areas especially, limited data infrastructure means mapping efforts may fail to accurately capture on-the-ground economic realities. To this end, we recommend data acquisition processes involve new opportunities for advocate and community participation in order to identify where and how federal data is falling short, and how mapping processes should adapt as circumstances change.

As such, we recommend the Agency establish a process by which communities and regions known to be underrepresented in mapping , such as the aforementioned communities largely located in the MISO territory, be given opportunities to provide input into the mapping process. Input such as this can provide on-the-ground context and be an avenue for community members to provide recommendations on the community self-designation process, which has been hampered by a lack of local knowledge.

14. *The update schedule established in the 2024 Long-Term Plan was based on the cadence of EJScreen and US Census data. Do stakeholders recommend maintaining this 5-year cycle even though updates following this proposal cannot anticipate the continuation of EJScreen?*

The 5 year schedule should continue in an effort to use up-to-date and accurate data. There should be consideration of disruptions to the 2020 Census data that occurred due to the pandemic and its impacts. For instance, energy costs changed dramatically between 2020 and 2022, which has resulted in inaccurate accounts of energy burden

when only considering 2020 numbers. See CUB's historic electric price tracker and historic gas price tracker. Additionally, where possible, we recommend the proactive acquisition of available data on a biannual basis, at minimum. Doing so more frequently than the update cycle will help mitigate risks that historical data will not be available at a future date coincident with the update cycle. Further, target data within EJScreen should be identified in the event that the aggregation functions within the EJScreen tool disappear, but the source data in EJScreen is still available from sources in other parts of the federal government.

Energy costs are going to continue to rise and be more variable as more large energy users come online. Administrative stakeholders need to be proactive to track and forecast these impacts.

15. *What disruptions might an update to the Environmental Justice Communities Map in 2026 that proportions EJC designations by RTO territory create, assuming a year of overlap in which both Map versions will be accepted?*

In the past, changes to the EJC and IE maps created confusion. As census tract boundaries changed, even the lines used to mark eligible and ineligible areas moved. It can take a year or more from the first contact with a potential participant in the NP/PF program to the point where a contract is signed. GEs and AVs hesitated to do outreach in areas that were going to lose designation as EJ or IE. This hesitation can undermine the success of the program and cause unneeded and burdensome uncertainty. It is important for there to be clarity on the maps, and it is also important to encourage participation in the program broadly. Communities that are EJ and IE did not get that way in a single 5 year span, and it is unrealistic to assume that those issues will vanish in a 5 year span. Moving those communities to a legacy list that maintains eligibility for the next 5 year window would be a more equitable approach. In advance of reaching the close of the 5 year window on a legacy list, engagement in these areas will be crucial to minimize service disruption and preserve critical projects.

In addition, consider these timelines and their effects on EEC participation. If a geography changes eligibility for EECs, EECs should have a means to extend their eligibility if they have not been able to get going due to structural inertia. A simple timeline cannot and should not account for resource allocation. Administrators must create channels for extensions and appeals that are non-burdensome while still upholding the spirit and letter of CEJA.

It is worth administrators considering the Matthew Effect[2], where success begets future success, making it harder for Small & Emerging Businesses to break through against

[2] https://en.wikipedia.org/wiki/Matthew_effect

entrenched players. This further underscores the importance of accurate, but flexible mapping.

16. *What are alternative recommendations for updates to the EJC data or methodology following discontinuation of the US EPA's EJScreen?*

There are a number of other sources of data. The IEPA uses EJ Start which defines Environmental Justice as follows:
"Environmental Justice" is based on the principle that all people should be protected from environmental pollution and have the right to a clean and healthy environment. Environmental justice is:

- Protecting the environment of Illinois and the health of its residents
- Equity in the administration of the State's environmental programs
- Opportunities for meaningful involvement of all people with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.

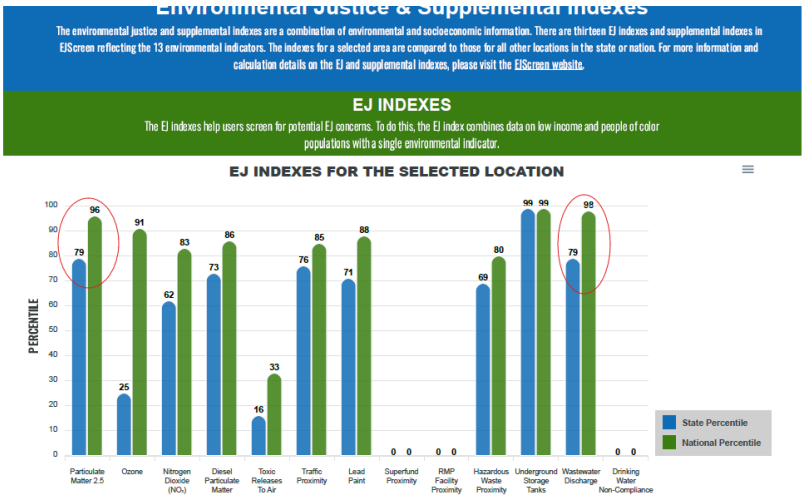
Some federal data has been preserved and can be found at https://screening-tools.com/archived-data. This archived data, which includes EJScreen and the CEJST tool, could be used in the intervening time period. Additionally, there is a need for adjustments in the self-designation process as identified below. Members of disadvantaged communities will certainly struggle to find the data that has been removed and may be unable to successfully complete a self-designation application.

- The American Community Survey (ACS) reports (if still being used as listed) are from 2012-2017 and are now 8 years out of date. Given the tremendous changes in the world since then, this data needs to be updated.
- The Cancer (p_cancr) and Air Toxin Respiratory hazard (p_resp) indexes are not found in current EJScreen downloads as of December 2024.
- t_ptraf, p_resp, p_dslpm, and p_pm25, p_cancr, and p_resp all count similar data related to air pollution.
- Asthma reporting from EJSCREEN is not included even though the presence of asthma (and cancer) are likely strong indicators of environmental injustice.
- Including the number of vehicles is inherently biased against smaller and more rural communities.
- EPA and Illinois sites do not cover many rural areas, making it difficult to obtain accurate data or track changes in environmental conditions over time.[3] For instance, Marion, IL just added a new Fedex distribution site, which likely

[3] https://epa.maps.arcgis.com/apps/webappviewer/index.html?id=5f239fd3e72f424f98ef3d5def547eb5&extent=-146.2334,13.1913,-46.3896,56.5319.
https://gispub.epa.gov/airnow/?showtempmonitors=false&monitors=ozonepm&xmin=-10106751.572431684&xmax=-9796875.859763462&ymin=4535163.892197146&ymax=4687120.704428135

increases diesel emissions and PM2.5 levels.[4] Without monitoring infrastructure in place, these impacts cannot be adequately measured or incorporated into environmental justice assessments.

- There is no inclusion of past National Priorities List (NPL) sites. The damage done to the environment by such sites lasts long after remediation, living in soil, water, and the body of the residents. Past sites should be included in these calculations.
    - Similarly, there is no way to account for sites that have not been accorded NPL status, despite the efforts of the community. This may again be biased against smaller sites with lower cleanup costs, which may have a very significant impact in smaller communities.
- Ages of population under 5 and over 64 are calculated but lower life expectancy is not considered, which can have a direct impact on the amount of population over the age of 64. This lack of calculation ignores the direct health impacts in EJ communities that result in early deaths.
- Illinois has a long history of pollution. In many cases, there are communities that score in a higher percentile on the national scale than the state scale for environmental justice indices as reported on EJScreen.
    - The fact that Illinois is a polluted state in general should not further punish communities who have suffered from that very pollution by excluding them from EJ Community designation.
    - For example, NE Carbondale (block group 170770109003) and Sauget (blockgroups 171635023002,171635023004,171635026021) are examples of communities that are in the top 3% of wastewater discharge nationally and yet are only in the top 21% in the state of Illinois, showing the concentrated number of communities in Illinois that face rampant pollution in relation to the country as a whole.



[4] https://www.wsiltv.com/news/fed-ex-confirms-distribution-center-coming-to-marion/article_1ef8dbf6-ee57-11ec-a4d8-773af285510b.html

TOPIC 6: Home Repairs and Upgrades Pilot

Questions:

17. *Do stakeholders agree that continuing the Home Repairs and Upgrades Pilot and offering incentives enabling repairs and upgrades through REC adders is meeting the spirit of the program, as outlined in Section 1-56(b)(2) of the IPA Act?*

Yes, the Pilot is beginning to successfully address barriers to entry for income-eligible homeowners, though the REC adder approach is likely keeping additional AVs out of the pilot. We are heartened to learn that the Illinois Climate Bank has received enough funds to follow through on the Illinois Solar for All Expansion and provide Enabling Upgrades grants.

18. *What adjustments can be made to the Home Repairs and Upgrades Pilot to reinforce the equity and access goals which it is meant to address?*

It may be time to reexamine the roof and electrical improvement funding limits given potential impacts on prices from tariff uncertainties and other price changes. The allowable maximum reimbursements are too low in certain circumstances, even before the tariff mess. An older home with old circuits may require a lot more work than a newer home or even a whole new panel. These are likely the households most in need of financial assistance and the project most likely to not be undertaken.

As mentioned, the requirement to carry the cost and wait for reimbursement remains a problem for some AVs. For small and emerging companies, carrying a $12,000 roof repair cost until REC payment is not feasible. Moving the REC payment up in time and allowing for increases to the maximum reimbursement amount under special case-by-case circumstances could help address these issues.

Finally, allowing participating AVs to apply up to $3000 of the roof repair allowance towards plywood costs without requiring photographs in advance would be very helpful. Assessment of plywood needs cannot be done until part of the roof is removed, making it impossible to know in advance what the precise need is. Should the funds not be needed, the approved amount could be reduced or fully deducted from the final REC payment based on the actual need.

19. *Should the Home Repairs and Upgrades Pilot support additional repairs and upgrades beyond electric and roof repairs that help in installing solar photovoltaic systems? If so,what type of work should be included?*

In some cases, an Approved Vendor's contractor may encounter unexpected and niche electrical safety issues that are not covered by the Program Administrator's list. For

instance, a subcontractor found sporadically functioning light switches and outlets. Loose connections such as these can be a fire hazard and render a solar system a potential safety hazard if not addressed. In another case, an electrician discovered a wire running from the home to the garage that was periodically sparking and causing the power in the garage to work only 75% of the time. Again, electrical problems such as these, though not currently covered by the pilot, can render a solar system unsafe. We suggest allowing up to $1000 for these unexpected issues on a case-by-case basis.

TOPIC 7: Multifamily Buildings

Questions:

20. *How often have Approved Vendors encountered vacant units in multi-unit buildings being considered for ILSFA? What portion of vacancy is common in buildings of various sizes?*

Vacancy rates in Chicago's multifamily housing market stand at 5.5%, the highest since 2021.[5] Some AVs have found that vacancy is typical in multifamily housing. According to an ILSFA Working Group member with extensive experience in multifamily rental housing, industry standards suggest a healthy vacancy rate is around 5%. More specifically:

- Buildings with 5–20 units often see 5–10% vacancy.
- Those with 20–100 units typically operate with 5-10% vacancy.
- Properties with 100+ units may maintain stabilized vacancy rates of 5–8%.

Higher vacancy, sometimes exceeding 15%, can also occur during periods of significant upgrades or redevelopment. Additionally, seasonal and market-driven factors can cause temporary fluctuations.

21. *How should the Program distinguish between "household" or "tenant" and "unit" for the purposes of building eligibility verification?*

From the Stakeholder Feedback Request, the IPA did not specify whether the issue of eligibility for buildings with vacant units is arising in the context of solar projects for affordable housing properties or market-rate buildings occupied by income-eligible households/tenants. We provide separate suggestions for each instance.

<u>Affordable Housing Properties</u>

[5] Chicago Multifamily Market- Trends and 2025 Projections (January 27, 2025). https://creconsult.net/chicago-multi-family-market-trends/

For the Residential Solar (Large) Subprogram, when considering affordable multi-unit buildings, we recommend the use of "units" over "households" when determining Whole Building eligibility. This aligns with how other affordable housing programs establish and enforce income restrictions.

For instance, with the Low Income Housing Tax Credit (LIHTC) building eligibility is based on set-aside percentages applied to units, regardless of current occupancy. For example, a 100% LIHTC building must reserve all units for eligible households, but those units do not have to be continuously occupied. Also, in Section 8 Project Based Rental Assistance (PBRA), HUD applies affordability standards to units via Housing Assistance Payment (HAP) contracts, even if temporarily vacant. This unit-based approach provides a more predictable, enforceable, and administratively feasible standard and does not require vendors to determine which units are vacant.

Non-Income-Restricted Properties

For multifamily properties that are not governed by property-level affordability restrictions (e.g., LIHTC, Section 8, or a local housing covenant), the ILSFA program must rely on household-level income verification. However, for practical implementation, especially with vacant units, we suggest that income verification proceed based on the number of households occupying units at the property where vacancy rates are less than or equal to a ten percent (10%) threshold level, and where actual vacancy is greater than 10%, the Program should assume a 10% vacancy rate. Additionally, the Agency could consider increasing that threshold vacancy level above 10% if market vacancy is higher than 10%.

Caution Against Using "Units" for Market-Rate Properties Without Restrictions

Asking an existing market rate property owner to agree to these restrictions beyond the time of ILSFA application will likely not be fruitful. If ILSFA shifts to a unit-based standard for these properties without any underlying affordability controls, it could create a loophole for market-rate landlords to qualify based on theoretical eligibility—without actual income screening or protections. That would reduce the program's impact on low-income households. Thus, unit-based eligibility should only apply where there is legal, contractual, or programmatic evidence of affordability. Otherwise, use household-level verification with practical tools to accommodate vacancy. Lastly, ongoing household level verification of non-restricted properties will not be widely accepted in the market due to the ongoing limitations and administrative burden.

22. *Have other relevant programs addressed the issue of vacant units? If so, what approach is used in the context of determining building eligibility for services?*

As mentioned above, other affordable housing programs account for vacancies while preserving eligibility:

LIHTC (IRS Section 42): Income certification occurs at move-in. Once a unit is determined to be rent-restricted and income-qualified, the unit maintains its status regardless of turnover or temporary vacancy.

HUD Programs: Project-Based Section 8, Public Housing, and Rental Assistance Demonstration (RAD) also treat the unit, not the transient occupancy status, as the basis for eligibility and subsidy qualification.

For Affordable Housing Whole Building Certification, ILSFA should adopt a similar posture by focusing on unit-level affordability commitments rather than fluctuating household presence. This approach is consistent with at least one other program related to multifamily solar, which uses the term "deed restricted low-income residential housing [units]" paired with either 1) geographic location as a disadvantaged community or 2) a set percentage of households that meet an income restriction[6].

23. *Would making the change from "households" to "units" lead to potential gaming situations, in which otherwise ineligible buildings would participate in ILSFA? If so, what process can the IPA adopt to prevent this?*

While we understand the concern about potential misuse should this change be adopted for Whole Building Verification, we believe the following safeguards will minimize gaming:

- Require documentation that units are legally or contractually restricted to income-eligible households (e.g., LIHTC LURA, regulatory agreement, HAP contract, ILSFA compliance affidavit).
- Institute a reasonable verification method for vacant units (e.g., unit rent roll, affordability covenant, prior tenant income records).
- Consider allowing a grace period (e.g., up to 12 months) for temporarily vacant units, mirroring HUD and IRS practices.

Adopting a units-based eligibility standard with documentation requirements in the Whole Building verification process ensures the integrity of the program without penalizing buildings experiencing normal vacancy fluctuations.

[6] See the Implementation Framework for California's Solar on Multifamily Affordable Housing Program, pp. 10-11, available at https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M201/K940/201940057.pdf

TOPIC 8: Master-Metered Multifamily Buildings in the Community Solar Sub-program

Questions:

24. What are the benefits and challenges of allowing master-metered buildings to subscribe to a community solar project as anything other than an anchor tenant with the current anchor tenant REC price?

a. *Is there an alternative way that master-metered residential buildings and their residents could access benefits through ILSFA Community Solar?*
b. *Should the Agency adopt an adjusted REC price for an eligible master-metered anchor tenant portion based on the ILSFA Community Solar REC price that takes into account* the *simplified acquisition costs?*

We appreciate the Agency's effort to strike a balance here and support the effort. Master-metered arrangements are common for HUD and LIHEAP-subsidized housing developments, and occupants should be permitted to access ILSFA benefits. Such households may in fact, be the most in need, particularly now, while the federal government is drastically reducing and perhaps eliminating LIHEAP and other federal programs. ILSFA community solar for master-metered low-income housing is an important tool to help lower the energy burdens for low-income renters when the federal government is keen on increasing their financial burdens. We believe the REC price should fall somewhere between the current IL Shines and the ILSFA community solar REC prices.

25. How would a carveout within the Community Solar sub-program that is solely dedicated to community solar projects that serve master-metered buildings compare to the above option?

a. *Are there advantages, or disadvantages, to pursuing a carveout within the Community Solar sub-program? Please explain.*
b. *What would be a reasonable carveout be to ensure the community solar project is primarily benefiting individual households?*

The Working Group has not had time to fully deliberate around this idea and thus is not prepared to take a position , but will continue to evaluate internally.

TOPIC 9: Job Training Requirements

Questions:

26. If the current 36- or 24-month requirement is proving to be a challenge to satisfy the job training requirement, should the Agency increase the length of time a "trainee" would be considered as such? If so, for how long?

The current Illinois Solar for All Approved Vendor Manual permits eligible trainees' hours to be counted for 48 months after the trainee meets the eligibility requirements. We

think this is generally a sufficient amount of time. However, the Working Group is also aware of concerns from AVs that the training requirement could cause them to fire existing workers in order to hire new trainees once an employee has "aged out" of being a trainee. This would be a perverse outcome. We support the Agency investigating this concern and experimenting with approaches to ensure that the Program upholds the intent of the law, which is to support avenues of employment entry into the income-qualified solar industry.

27. *Are there any recommendations for how the definition of "trainee" could be further improved?*
The Agency should ensure that all graduates of the CEJA Workforce Hubs, the Climate Works Pre Apprenticeship Program, the Clean Energy Contractor Incubator, and the Returning Residents Clean Jobs Program qualify as "trainees" in ILSFA.
"Job Trainee" should be expanded to include "equity eligible persons."

28. *How have Approved Vendors handled the aging out of trainees to date?*
Please see response to Question 26.

29. How could the job training portfolio requirements be improved to both maximize the use of trainees and support long-term employment of trainees?

Job trainee hours worked on projects that fail to energize should be counted towards the job trainee requirements. Regardless of the final outcome of a project, job trainees can receive valuable experience from the work they perform on these projects. In fact, doing the tasks that existing employees do and on both successful and unsuccessful projects is invaluable experience for any employee, and is also a reality of the industry that should be understood by job trainees.

30. What levels of trainee utilization across the ILSFA portfolio seems realistic and maintainable while simultaneously supporting job trainees in a significant portion of portfolios?

We strongly recommend that projects must either meet the minimum equity standards as outlined in subsection (c-10) of Section 1-75 of the Illinois Power Agency Act *or* meet the current job training requirements set forth in the 2024 Long Term Renewable Resources Procurement Plan.

31. A*re there currently challenges with elements of the job training programs and their ability to properly prepare trainees for work that requires reconsideration or enhancement for qualifying trainees? If yes, please explain.*

One challenge Approved Vendors and their Designees face is the restriction against using existing, but newly hired employees to meet job training requirements. For example, if an employer wished to promote a new entry-level employee into a solar technician, electrician, sales, or system design trainee role by sending them to an eligible training program *while still employed*, their subsequent OJT hours would not count as eligible trainee hours. Instead, under the current rules, for that new employee to be counted as a "trainee," they would have to be terminated in order to attend training, and then rehired subsequent to training. Although recent CEJA training programs are now more widely available and the trainee can receive some payment through DCEO while in training, the training compensation is typically less than their employment pay and employer-provided benefits.

TOPIC 10: Residential (Small) Participant Referral Pilot
Questions:

32. *How effective might a Pilot initiative offering stipends for successful referrals of households to the Residential (Small) be in improving the sub-program participation? Is energization of a referred participant's Residential (Small) project the appropriate milestone to prompt the referral stipend to the referring participant?*

A referral fee should be awarded at Part I approval. Anything less than this will likely discourage participation.

33. W*ould a multi-level stipend for the referred participant meeting certain milestones be more effective? What other milestone(s) should be considered?*

We don't recommend complicating this idea with a multi-level stipend. We should award a full stipend at one specified time.

34. *What additional Pilots could be explored by the Agency to enhance participation in the Residential (Small) sub-program?*

In terms of pilot programs, we support the implementation of a pilot Very Small Business (VSB) Adder. REC prices are declining at a time of high inflation and ongoing federal policy uncertainty, creating challenging market conditions. These dynamics disproportionately benefit large, vertically integrated companies while threatening the viability of smaller firms. A pilot VSB adder is a timely and targeted approach to help level the playing field. We recommend setting the adder at $10 to $15 per REC, potentially tiered by system size, such as $15 per REC for projects under 25 kW AC and $10 per REC for projects between 25 and 60 kW AC, to reflect the heightened cost pressures facing the smallest developers. Eligibility should be limited to firms that meet a clear definition of a VSB; we propose: 10 or fewer employees (including owners), less

than $1 million in annual revenue, and independent ownership (not controlled by a larger firm). The pilot could include a capacity or budget cap to evaluate effectiveness. Without such support, many small businesses may soon find it financially unfeasible to continue developing projects.

The Working Group would also support allowing all Small and Emerging Businesses access to this program, but offer an even smaller subset of businesses, above, in case the Agency prefers a more limited pilot.

Additional areas of concern for the IPA to consider in drafting the 2026 Long Term Plan

Additional Multifamily Issues

Underperformance

The Large Residential (5+ Unit) sub-program continues to underperform in uptake, despite significant potential for climate and equity impact. Barriers include:

- High soft costs for system design and review
- Uncertainty around benefit-sharing requirements
- Tenant engagement and participation complexity
- Limited tools for ensuring transparent allocation
- Lack of support for smaller or mission-aligned building owners
- Logistical challenges related to installation, workforce development, and resident disruption

These challenges are compounded by the lack of flexible policy pathways to accommodate innovation in multifamily solar—particularly technologies that can verifiably deliver solar to multiple units without separate systems or meters.

The Residential (Large) sub-program also suffers from low tenant engagement due to:

- Lack of tailored outreach resources,
- Uncertainty over co-location rules,
- Financing mechanisms not adjusted to support tenant-centric systems,
- REC payback periods that are too long (7–10+ years), especially as net metering sunsets and federal tax incentives may diminish.

This combination creates market friction: building owners hesitate, tenants are left out, and small innovators (like Allume Energy's SolShare model) struggle to gain traction.Co-Location at Individually-Metered Multifamily Buildings

The Working Group seeks clarity on the co-location rules and the method by which Residential Solar (Large) REC contracts will be valued at individually-metered multifamily buildings (i.e. a building where shares of a project are assigned to each unit and each tenant receives all of the net metering benefits for that allocated share).

The ILSFA Vendor Manual currently states that "... a system location is considered a single building, (i.e., multiple projects at a single building would be considered a single system). Exceptions may be granted for locations on the same roof where it can be demonstrated that the projects serve different, unaffiliated tenants," p.26. We ask the Agency to confirm that each unit's allocated portion of a Residential Solar (Large) project at an individually metered building is a standard exception to the co-location rules.

REC Values/Contracts

In ComEd territory, Working Group members understand that each tenant's meter will require an interconnection application and a net metering agreement. As a result, we believe that a separate REC contract will be required for each unit. We also seek clarification that the REC contractual counterparties will pay the Residential (large) REC value for the pricing tier of the kWac for each individual unit application submitted rather than the pricing tier of the aggregate kWac of all the units. For example, one project for a six-unit building with 36kW AC allocated equally across the six units (six ILSFA applications), will receive the Residential (large) REC value for the allocated system share (6 kW AC in this example) for each of the six units.

Alternative Capacity Factor

The use of the Alternate Capacity Factor (ACF) as the contract basis for the determination of Part 2 RECs should be eliminated from the program. The ACF is calculated based on the estimated first year generation of the Part 1 system, which factors in both AC and DC system size but when applied to a revised system in the Part 2 application, only factors in the AC system size. While it works for most situations, there are some scenarios where the REC payment is unfairly reduced. In the case where the AC system size is reduced and the DC system size increased between Part 1 and Part 2 resulting in a first-year generation estimate that remains the same (or even increases) over the Part 1 estimate, the REC payment is reduced because the ACF calculation only takes into account the final AC system size. We suggest that, for systems that change between Parts 1 and 2, the AVD should calculate the estimated number of RECs to be produced by the Part 2 system using the current Part 1 methodology. The REC contract, issued at the Part 1, should specify the maximum number of RECs that the final system is eligible to receive (rather than the ACF). If the Part 2 REC calculation results in more RECs than the Part 1, the AV is paid for the number of RECs determined in the Part 1. If the Part 2 REC calculation results in fewer RECs than the Part 1, the AV is paid for the number of RECs determined in the Part 2.

Energy Sovereignty

The ILSFA Working Group has been an advocate for Energy Sovereignty (ES) in the NP/PF program. We believe system ownership can be a path towards wealth-building and energy independence for many nonprofits. We were delighted when the direct pay program of the Inflation Reduction Act came into existence, reducing the need for NP/PFs to take on complicated business structures and investment partners to monetize the Investment Tax Credit. Each of these tools play important roles in making solar installations financially feasible. The ES adder should continue to be applied to purchase agreements that result in the NP/PF owning the system. However, we do not understand the use of the Energy Sovereignty form for purchases. The ES form is designed to document the transfer of the system from an investor to the NP/PF. The final installer invoice, which is required to be submitted with the Part 2 Application, demonstrates that the NP/PF has assumed ownership. We ask that the LTRRPP be clarified to eliminate the use of the ES form for purchases.

Adding a Part 3 Application Option

The program should establish a REC application process for projects that are already constructed. It is redundant and a waste of everyone's resources to require a Part I application for an already constructed project, which involves waiting for the Part 1 to be reviewed and approved, then waiting for the ICC to sign the REC contract, submitting a Part 2 (which, in this case, consists of much of the same information as the Part 1), waiting for the Part 2 to get reviewed and approved (and the project may be inspected), getting on the next month's netting statement and then waiting another 30 days to be paid. This results in a six -eight-month long process.

We advocate that the LTRRPP include an "already-constructed" REC application process (a "Part 3" application). The AV would submit documentation that satisfies the requirements of the Part 1 and Part 2 applications but eliminates the redundancy of submitting things twice. The administrator would review, inspect, and approve the application, and the ICC would issue the contract. Once all parties have signed the REC contract, the administrator would prepare and submit the netting statement, followed by payment to the AV. This approach could eliminate 2-3 months from the current process and cut down on program administration review time.

Public Schools

Due to low REC prices and an unattractive REC payment schedule, the IL Shines category for Public Schools has been woefully underutilized. The underutilization of both the Public Schools category and ILSFA's NP/PF subprogram budget leads us to believe that returning specified public schools to the NP/PF subprogram would be a helpful move. We suggest the Agency allow Tier 1 and Tier 2 public schools to be designated as Critical Service Providers in the ILSfA NP/PF subprogram and remove these schools from the Public Schools category of IL Shines.

Additional Collateral Consideration

The LTRRPP should provide an avenue for collateral relief for AVs that lose projects through no fault of their own between the Part 1 and Part 2 submissions. One of the Working Group's members had a client back out of a project due to concern with the 15 year REC commitment , after Part 1 approval and collateral payment. The AV, laudably, was not willing to enforce the contract with the nonprofit, but was forced to withdraw the project from ILSfA, losing significant collateral. The LTRRPP should create a mechanism allowing an AV to petition the program to have lost collateral applied to a new project. A letter of support for collateral return from the client that withdrew from the project should, in most cases, serve as adequate demonstration of the AV's entitlement to this relief. For those cases where the client is unable or unwilling to write a letter of explanation, we advocate for an alternative process similar to the Critical Service Provider Request and/or EJC self-designation applications.

Earlier REC Payments

We support the inclusion of earlier partial REC payments to small and emerging AVs for the Residential Subprograms (small and large) and for smaller NP/PF subprojects (i.e., NP/PF less than 60 kWac). The current payment schedule creates significant financial strain for small and emerging developers, many of whom lack access to upfront capital. Allowing REC payments to be made earlier in the project cycle, such as after REC contract execution or substantial project milestones, would reduce barriers to entry and help more diverse and community-based developers participate successfully in the program. In these cases of early partial REC payment, the Agency should require satisfaction of the collateral up front.

Portal/application issues

The Approved Vendor portal remains a persistent source of frustration for our Approved Vendors. These frustrations include issues like document labeling that is not consistent with the AV manual, duplicative data entry, and nonsensical questions and phrasing.

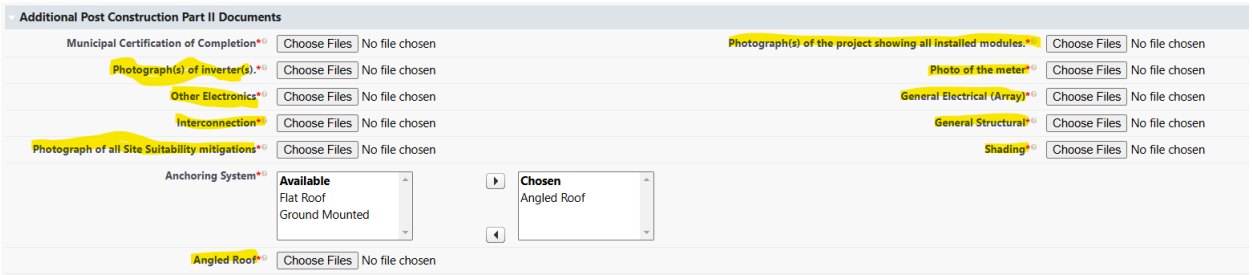
Examples include:

- The photo documentation required in the AV manual does not match the requested photo documentation in the AV portal (see screenshots below);
- The AV manual requires safety-labeling photos for electrical components but the AV portal provides nowhere to upload this document;
- At Part 2 application in the AV portal, the AV portal asks "Complete work specified in Site Report?" with a yes or no drop down memo. How does an AV answer that question if the site suitability assessment submitted with the Part 1 application specifies that no site mitigation is required for the solar installation? If the AV chooses "no'"because no work was required, the portal rejects the Part 2 submittal, forcing a Yes answer The portal then requires a "final site documentation" be provided regardless of the answer about required work (Our AVs have told us they upload either the Part 1 site suitability report or a placeholder saying "none required"); and
- For each of the areas reviewed in the site suitability report, the AV portal requires an entry of "none" for each area (this is after the AV has already specified that no

mitigation is required in the portal). With the Part 2 Application, the AV must go back and edit each of these portal entries with a "no" for "mitigation completed?". So "yes" the AV completed mitigation in the bullet above and "no" the mitigation was not completed five times just below that in the portal.

We suggest that the LTRRPP include a requirement for the program administrator to engage a small working group of "power users", individuals that enter information into the AV portal for the different subprograms for a substantial number of projects, to review the portal and implement corrections to these errata.

Screen shot from AV Portal:



AV manual requirements for photo docs:

ELECTRICAL PHOTO DOCUMENTATION REQUIREMENTS FOR PART II PROJECT APPLICATION

INVERTERS[62]

- ✓ Inverter Information (one photo for each model, must show model number)
- ✓ DC Disconnect (one photo must show wiring within enclosure, either within inverter or isolated)
- ✓ DC Combiner Box (one photo, must show wiring within enclosure behind panel)
- ✓ AC Combiner Panel (one photo, must show wiring within enclosure behind panel)

GENERAL ELECTRICAL (ARRAY)[64]

- ✓ Grounding (one photo showing panel frame is grounded and bonded)
- ✓ Exposed Wire Management (one photo demonstrating proper wiring securing methods)

SAFETY LABELING

- ✓ Photos showing clear and accurate labeling as necessary on inverters, disconnects, conduits, Main Service panel, and other electronics.

OTHER ELECTRONICS[63]

- ✓ Project (photo(s) showing all installed modules)
- ✓ Module Information (one photo for each model, must show model number)
- ✓ Revenue Grade Meter (one photo of revenue grade meter location and generation reading)
- ✓ Battery Storage (three photos, if installed)

INTERCONNECTION

- ✓ Load-Side Connection (one photo of wiring connection in breaker panel)
- ✓ Supply Side Connection (one photo of wire tap or connection to switchboard)
- ✓ Main Distribution Panel (one photo that captures full overview)

STRUCTURAL PHOTO DOCUMENTATION REQUIREMENTS FOR PART II PROJECT APPLICATION

ANGLED ROOF

- ✓ Mounting System Anchoring (one photo showing flashing techniques)

FLAT ROOF

- ✓ Mounting System Anchoring (one photo showing flashing techniques, if installed)
- ✓ Tilt angle (one photo)

GROUND MOUNT

- ✓ Tilt angle (one photo)

GENERAL STRUCTURAL

- ✓ Mounting System Anchoring (one photo showing system BEFORE panels placed)

SHADING AND MITIGATED BARRIERS PHOTO DOCUMENTATION REQUIREMENTS FOR PART II PROJECT APPLICATION

SHADING

- ✓ Array Clear of Obstructions (one photo to show array design of clear arrays matches as-built conditions)
- ✓ Obstructed Array Sections (one photo to show array design of obstructed arrays matches as-built conditions)

MITIGATED BARRIERS (IF APPLICABLE)

- ✓ Photos as needed to show completion of mitigation plan