Response to the

Illinois Power Agency

Storage for All

Request for Information

Submitted by:

Viridi Parente, Inc. (“Viridi”)

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Contact:

Natalie Photiadis

Senior Manager, Strategic Programs & Proposals

Nphotiadis@viridiparente.com

716-968-8658 ext. 307

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Executive Summary

Viridi Parente, Inc. ("Viridi") appreciates the opportunity to provide feedback on the Illinois Power Agency's proposed Storage for All program. Storage for All has the potential to expand access to resilience, reliability, energy affordability, and disaster preparedness benefits for income-eligible households and community-serving organizations throughout Illinois. As the Agency develops the program, Viridi encourages a flexible and customer-focused approach that removes financial barriers, maximizes participation, and preserves the ability to adapt to evolving market conditions and technological innovation.

Guiding Principles

Viridi recommends that Storage for All be guided by the following principles:

- Expand equitable access to energy storage technologies and their benefits.
- Remove financial barriers to participation.
- Recognize resilience as a core program benefit alongside bill savings.
- Support a diverse range of project types and customer applications.
- Coordinate with complementary incentive programs.
- Maintain technology-neutral and performance-based program requirements.
- Leverage existing Illinois Solar for All processes where practical while preserving flexibility for storage-specific considerations.

Program Funding

Viridi recommends that the Agency initially allocate approximately **15% of eligible Illinois Solar for All funding** to the Storage for All program and reevaluate funding levels after the first year of deployment. A phased implementation approach will allow the Agency to validate project cost assumptions, customer demand, and program outcomes before committing the maximum allowable funding level.

Integration with Illinois Solar for All

Storage for All should leverage existing Illinois Solar for All processes wherever practical. Viridi recommends three participation pathways: (1) new solar-plus-storage projects, (2) storage retrofits for existing ILSFA participants, and (3) stand-alone storage projects where permitted by statute and Agency authority.

Program Focus

The primary objective of Storage for All should be expanding equitable access to energy storage. The Agency should recognize resilience, disaster preparedness, energy burden reduction, affordable housing support, and grid flexibility as complementary program objectives rather than selecting a single program focus.

Incentive Structure

Viridi supports a one-time incentive mechanism, such as a rebate or grant, rather than an ongoing REC adder. Because many of the primary benefits of storage, including resilience, reliability, backup power, and operational flexibility, are not directly tied to energy production, upfront incentives are better aligned with the value proposition of energy storage. The Agency should consider a gap-funding approach that accounts for other available incentives while avoiding duplicate compensation for the same project costs or benefits.

Removing Financial Barriers

The program should focus on removing financial barriers to participation rather than providing identical levels of support for every project. Incentive levels should consider participant need, available funding sources, resilience benefits, project scale, and the number of residents or customers served.

Eligible Project Costs

The Agency should evaluate projects using a total installed cost framework. Eligible costs should include not only storage equipment, but also engineering, permitting, installation,

interconnection, controls, monitoring, software, communications, commissioning, and other costs necessary to place a system into service.

Customer Benefits

Storage provides benefits beyond bill savings, including resilience, reliability, operational continuity, disaster preparedness, and protection of critical services. Program evaluation should recognize both financial and non-financial benefits.

Incentive Coordination

Projects should be permitted to leverage complementary incentives, including federal tax incentives, utility incentives, VPP revenues, and demand response opportunities where available. The focus should be on preventing duplicate compensation rather than prohibiting incentive coordination.

Program Implementation

The Agency should maintain technology-neutral, performance-based requirements focused on customer and community outcomes rather than specific technical approaches. Program implementation should support safe, code-compliant deployment while preserving flexibility for innovation, future technological advancements, and evolving customer needs.

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1. Program Funding

Viridi supports the Illinois Power Agency's efforts to expand access to energy storage technologies for income-eligible households, affordable housing providers, nonprofit organizations, and public-serving facilities through the Storage for All program. Energy storage can provide meaningful benefits beyond traditional electricity bill savings, including improved resilience, critical load support, emergency preparedness, and long-term energy affordability. As the program is implemented, funding decisions should balance the goal of maximizing participation with the need to ensure that deployed projects provide meaningful and lasting customer benefits.

Questions 1, 1.1, and 2

Viridi recommends that the Illinois Power Agency initially allocate approximately **15% of eligible Illinois Solar for All (ILSFA) funding** to the Storage for All program, rather than immediately utilizing the full 25% allocation authorized under the Climate and Equitable Jobs Act. An initial allocation of approximately 15% would allow the Agency to support

meaningful deployment activity while preserving sufficient flexibility within existing ILSFA budgets until actual Storage for All participation rates, project costs, customer demand, and realized customer benefits are better understood. This approach creates an opportunity to refine incentive structures and program requirements based on actual deployment experience before expanding funding levels.

A phased implementation approach would allow the Agency to gain real-world experience with project demand, installation costs, customer participation levels, program administration, and realized customer benefits before committing the maximum allowable funding level. Following the first year of program implementation, the Agency should evaluate actual deployment data and determine whether funding should be increased, decreased, or otherwise adjusted based on demonstrated program performance.

Viridi believes the assumptions presented in Appendix A provide a useful starting point for evaluating potential program outcomes. However, those assumptions appear to be largely based on a representative residential storage system and may not fully reflect the diversity of projects that could participate in the Storage for All program.

For example, the Appendix A analysis assumes a residential storage system with an installed cost of approximately $15,000 and an incentive requirement of approximately $10,000 after accounting for utility rebates and Virtual Power Plant (VPP) participation revenues. While these assumptions may be representative of certain residential projects, actual project costs can vary significantly based on system size, customer type, resilience objectives, site conditions, permitting requirements, interconnection requirements, and existing electrical infrastructure.

In particular, multifamily affordable housing developments, nonprofit organizations, public facilities, and community-serving organizations may pursue larger or more complex storage deployments than the representative residential system used in the Agency's analysis. These projects may require additional engineering, electrical upgrades, controls and communications infrastructure, installation labor, permitting, interconnection work, commissioning activities, and resilience-focused system sizing. As a result, the actual cost to deploy storage systems for these customer classes may differ materially from the assumptions presented in Appendix A.

Viridi also encourages the Agency to recognize that the total cost of a successful energy storage deployment extends beyond battery equipment alone. Depending on the project, significant costs may be associated with:

- System engineering and design
- Permitting and code compliance

- Electrical upgrades
- Installation labor
- Interconnection
- Commissioning and testing
- Energy management and control systems
- Monitoring and communications infrastructure
- Customer-facing software platforms
- Training and operational support

These components are often necessary to ensure that energy storage systems operate safely, deliver intended customer benefits, and remain capable of supporting future grid-service or resilience applications.

The Agency should further recognize that Storage for All may serve a broader range of applications than traditional residential solar-plus-storage projects. Energy storage deployments in affordable housing developments, nonprofit organizations, public facilities, community-serving facilities, and other resilience-focused applications may require larger or more complex system designs than the representative residential installation reflected in Appendix A. As a result, project costs and funding requirements may differ materially from the assumptions used in the Agency's analysis.

Viridi supports designing the program to leverage complementary funding sources wherever possible. Available federal incentives, utility storage incentives, and future grid-service opportunities have the potential to reduce overall project costs and extend the reach of Storage for All funding. Program rules should encourage coordination with these programs while avoiding duplicate compensation for the same project benefits.

Because actual storage deployment costs and participation levels remain uncertain, Viridi believes a 15% initial allocation strikes an appropriate balance between launching the program at meaningful scale and preserving flexibility to refine program design based on real-world experience. This approach allows the Agency to establish a strong foundation for the program while minimizing the risk of over- or under-allocating funds during the initial years of implementation.

Key Recommendations

- Allocate approximately **15% of eligible ILSFA funding** to the initial Storage for All program.
- Conduct a formal program review after the first year of deployment to evaluate participation levels, project costs, customer benefits, and budget utilization.

- Recognize that Appendix A assumptions may not fully represent the cost and complexity of multifamily, nonprofit, public facility, and resilience-focused storage projects.
- Evaluate project costs based on **total installed system costs**, rather than battery equipment costs alone.
- Ensure program assumptions account for engineering, permitting, controls, monitoring, software, interconnection, commissioning, and other deployment-related costs.
- Coordinate Storage for All incentives with complementary federal, utility, and other funding sources to maximize program impact and stretch available program dollars.
- Utilize actual deployment experience and market data to inform future funding allocations and incentive structures.

2. Integration with the Illinois Solar for All Program

Questions 3, 3.1, and 3.2

Viridi recommends that the Storage for All program be integrated into existing Illinois Solar for All (ILSFA) processes wherever practical, while maintaining sufficient flexibility to accommodate the unique characteristics of energy storage projects. Leveraging established program infrastructure can reduce administrative burden for participants, Approved Vendors, and the Agency while accelerating deployment of energy storage benefits to eligible customers.

For projects that intend to install solar and storage simultaneously, storage should be identified and evaluated during the initial ILSFA application process. A unified application process would provide greater certainty for customers and project developers, streamline project review and approval, reduce administrative complexity, and allow storage to be incorporated into system design, permitting, financing, and installation activities from the outset.

However, Viridi does not believe that all Storage for All projects should be required to follow the same pathway. The Agency should establish multiple participation pathways to accommodate various customer circumstances and project types.

Recommended Participation Pathways

Pathway 1: New Solar + Storage Projects

Customers pursuing new ILSFA solar installations should be able to apply for both solar and storage incentives through a single, integrated application process. Storage eligibility, incentive amounts, and project approval should be evaluated concurrently with the associated solar project whenever possible.

Pathway 2: Storage Additions to Existing ILSFA Projects

The Agency should establish a streamlined process for previously approved or installed ILSFA projects seeking to add storage at a later date. Many customers may not have been able to include storage when their original solar system was installed due to cost, technology availability, program limitations, or evolving resilience needs. These customers should not be excluded from participating in the Storage for All program simply because their solar installation occurred earlier.

While Viridi recognizes that the Agency is developing Storage for All within the context of the Illinois Solar for All program, the Agency should carefully consider whether limiting participation exclusively to solar-coupled storage would unintentionally exclude customers and communities that could derive significant resilience and reliability benefits from energy storage but are unable to install onsite solar.

To the extent permitted by the enabling legislation and the Agency's statutory authority, Viridi recommends that the Storage for All program maintain flexibility to support stand-alone storage installations where those projects can demonstrate meaningful customer, community, resilience, or energy burden reduction benefits. This flexibility would help ensure that participation is not unnecessarily limited by site-specific constraints, existing community solar participation, building characteristics, or other factors that may restrict opportunities for onsite solar deployment.

Pathway 3: Stand-Alone Storage Projects

Viridi strongly recommends that stand-alone storage systems be eligible for Storage for All incentives through a dedicated application pathway. While solar-plus-storage projects can provide significant benefits, energy storage can also deliver meaningful resilience, energy management, and customer protection benefits independent of onsite solar generation.

Stand-alone storage eligibility is particularly important for:

- Affordable housing developments with limited roof space.
- Buildings with structural or shading constraints.
- Facilities already participating in community solar programs.
- Community-serving facilities focused on resilience and emergency preparedness.

- Existing buildings undergoing electrification upgrades.
- Customers whose primary objective is backup power and critical load support.

Restricting eligibility exclusively to solar-coupled systems would unnecessarily limit participation and could exclude many of the customers the program is intended to serve.

Existing Program Processes

Viridi encourages the Agency to utilize existing ILSFA processes wherever possible, including application review, customer eligibility verification, contractor participation requirements, and project administration. At the same time, the Agency should recognize that storage projects may require additional considerations that are not present in traditional solar-only installations.

For example, storage projects may have unique design considerations related to resilience objectives, backup load selection, control and monitoring systems, interconnection requirements, and operational capabilities. Program processes should be flexible enough to accommodate these additional factors without creating unnecessary administrative burden.

Contracting and Payment Considerations

The Agency should also review whether existing contracting and payment structures developed for solar incentives remain appropriate for energy storage projects.

Unlike solar renewable energy credit (REC) structures, the primary benefits of storage are often delivered through resilience, reliability, operational flexibility, and customer energy management. As a result, Viridi recommends that storage incentives be administered through straightforward upfront incentive mechanisms tied to project installation and commissioning rather than through long-term production-based structures.

Where possible, incentive timing should support project financing and deployment. Delayed incentive recovery can create unnecessary financing challenges, particularly for affordable housing providers, nonprofit organizations, public facilities, and other mission-driven organizations seeking to deploy storage assets.

Program Design Principles

As the Agency integrates Storage for All into the existing ILSFA framework, Viridi recommends the following guiding principles:

- Utilize existing ILSFA processes wherever practical.
- Minimize duplicative applications, reviews, and contracting requirements.

- Allow participation by both existing and future ILSFA participants.
- Establish distinct pathways for solar-plus-storage, storage retrofits, and stand-alone storage.
- Streamline participation for affordable housing providers, nonprofit organizations, and community-serving facilities.
- Structure incentives in a manner that supports efficient project financing and deployment.
- Preserve flexibility to accommodate future storage technologies, ownership models, and customer use cases.

A flexible and integrated program structure will maximize customer participation while allowing the Agency to expand access to storage technologies across a broad range of residential, multifamily, nonprofit, public-sector, and community-serving applications.

3. Program Focus

Questions 4 and 5

Viridi believes the primary purpose of the Storage for All program should be to expand equitable access to energy storage technologies and the benefits they provide for income-eligible households, affordable housing providers, nonprofit organizations, public facilities, and community-serving organizations.

Rather than focusing exclusively on a single outcome, the Agency should recognize that energy storage can provide a broad range of customer and community benefits, including:

- Improved resilience and backup power capabilities;
- Enhanced disaster preparedness;
- Reduced energy burden and utility costs;
- Protection of critical building functions and services;
- Increased energy independence and reliability;
- Support for community-serving facilities and vulnerable populations; and
- Future opportunities for participation in grid-support and demand-management programs.

Viridi recommends that the Agency avoid designing the program around a single focus area. While resilience, disaster preparedness, and energy bill reductions are all important objectives, different customers may derive value from storage in different ways. A program structured around only one outcome could unintentionally limit participation and reduce the overall impact of the program.

For example, some projects may deliver significant utility bill savings but provide limited backup power capabilities, while other projects may be primarily designed to maintain critical building operations during utility outages. Both project types can provide meaningful benefits to participating customers and communities.

This consideration is particularly important for affordable housing developments, nonprofit organizations, public facilities, and community-serving organizations. In many cases, the greatest value of an energy storage system may be the ability to maintain critical services during grid disruptions. These benefits may not be fully captured through traditional economic analyses but can have substantial value for residents, building operators, and the communities they serve.

Accordingly, Viridi recommends that the Agency view the following objectives as complementary:

1. Community resilience and emergency preparedness;
2. Energy burden reduction and customer savings;
3. Support for affordable housing and community-serving facilities;
4. Protection of vulnerable populations;
5. Increased reliability and energy security; and
6. Future grid flexibility and grid-service opportunities.

Evaluation Criteria and Project Selection

If the Agency elects to identify focus areas, Viridi recommends that those focus areas be incorporated as evaluation factors rather than minimum eligibility requirements or rigid project-selection thresholds.

A flexible evaluation framework would allow the Agency to recognize the differing benefits provided by various project types while avoiding unintended exclusion of otherwise valuable projects.

Potential evaluation criteria could include:

- Expected customer benefits;
- Resilience and emergency preparedness benefits;
- Benefits to low-income and environmental justice communities;
- Support for affordable housing residents;
- Benefits provided to community-serving or critical-service facilities;

- Reduction in customer energy burden;
- Geographic diversity;
- Project readiness and likelihood of successful completion; and
- Opportunities to leverage complementary funding sources.

The Agency should avoid prescriptive requirements that prioritize a single use case, technology configuration, ownership model, or customer class. Energy storage applications vary significantly depending on customer needs, site characteristics, and resilience objectives. A flexible, technology-neutral evaluation framework will encourage broader participation and allow the program to support the widest range of beneficial projects.

Viridi further recommends that customer benefits remain the primary consideration when evaluating projects. While future participation in virtual power plants, demand response programs, and other grid-service opportunities may provide additional value, these opportunities should enhance, rather than replace, the program's core objective of delivering meaningful benefits to participating customers and communities.

Key Recommendations

- Establish equitable access to energy storage as the primary program objective.
- Recognize resilience, disaster preparedness, energy burden reduction, and community benefits as complementary program outcomes.
- Avoid limiting the program to a single focus area or use case.
- Incorporate focus areas as evaluation considerations rather than strict eligibility thresholds.
- Maintain flexibility to accommodate different project types, customer classes, ownership structures, and technology configurations.
- Prioritize customer and community benefits while preserving opportunities for future grid-service participation.
- Ensure evaluation criteria remain transparent, equitable, and technology-neutral.

4. Rebate, Grant, or Other Incentive Mechanism

Questions 6, 7, 7.1, and 8

Viridi supports the use of a one-time incentive mechanism, such as a rebate or grant, rather than an ongoing REC adder for the Storage for All program.

While Renewable Energy Credit (REC) incentives are well suited to solar generation projects because they are tied directly to renewable energy production, energy storage systems provide a different set of customer and community benefits. Many of the primary benefits of energy storage, including resilience, outage protection, backup power, emergency preparedness, reliability, and operational flexibility, are not directly tied to ongoing energy production. As a result, a one-time incentive structure is generally better aligned with the value proposition of energy storage than a production-based incentive mechanism.

An upfront incentive provides greater transparency, administrative simplicity, and financing certainty for customers, project developers, affordable housing providers, nonprofit organizations, and public facilities. It also aligns more closely with the goal of minimizing financial barriers to participation and ensuring that customers are able to realize storage benefits immediately upon project deployment.

Viridi recommends that the Agency structure incentives around the installed cost of a complete energy storage solution, including equipment, engineering, permitting, installation, interconnection, commissioning, controls, monitoring, communications systems, and other components necessary to deliver intended customer benefits.

Preferred Incentive Structure

Viridi recommends that the Agency consider a gap-funding approach that accounts for other available sources of project funding and incentives.

Under this model:

Total Eligible Project Cost

Less:

- Utility storage incentives
- Federal incentives, where applicable
- Other available funding sources

Equals:

Storage for All Incentive Requirement

This approach would help maximize the impact of available program funding while allowing customers to benefit from complementary programs and incentives.

The Agency should avoid structures that unintentionally create overcompensation while still allowing participants to stack incentives where appropriate. Coordinating multiple

funding sources will enable the program to support a broader range of projects and customers with limited program resources.

Treatment of Solar and Storage Components

Viridi expects there will be situations in which a customer initially proposes a solar-plus-storage project but ultimately elects to proceed with only the solar portion of the project.

This may occur for a variety of reasons, including:

- Changes in customer needs or project scope;
- Changes in building conditions;
- Space constraints or permitting considerations;
- Financing considerations;
- Interconnection challenges; or
- Project scheduling and construction constraints.

These situations should be anticipated as part of normal program administration and should not automatically jeopardize participation in either program.

Relationship Between Solar and Storage Incentives

While solar and storage incentives may be evaluated together, Viridi does not recommend linking them so closely that the viability of one incentive is entirely dependent on completion of the other project component.

If a project approved for solar and storage ultimately proceeds as a solar-only installation, the Agency should retain flexibility to modify the storage incentive while preserving the solar incentive if all applicable solar program requirements continue to be satisfied.

Similarly, if a storage component is removed prior to installation, any consequences should be proportional to the circumstances and should focus on maintaining program integrity rather than imposing punitive measures.

A solar-only project that continues to meet all Illinois Solar for All requirements should not automatically lose eligibility solely because the storage component was not ultimately installed.

Program Flexibility

Storage projects often involve considerations that differ from traditional solar installations, including resilience planning, backup load selection, controls integration, communications systems, monitoring platforms, and utility coordination. As a result, project scopes may evolve as customers better understand their needs and site conditions.

Allowing reasonable flexibility during project development will encourage participation while reducing the risk that potentially beneficial projects are abandoned due to changing circumstances.

Opportunities and Challenges

Opportunities associated with an upfront rebate or grant approach include:

- Greater project financing certainty;
- Reduced administrative burden;
- Simpler program administration;
- Faster deployment;
- Improved accessibility for low-income participants;
- Better alignment with resilience-focused project benefits;
- Easier integration with affordable housing and community-serving facility projects.

Potential challenges include:

- Determining appropriate incentive levels across diverse project types;
- Preventing overcompensation when other incentives are available;
- Accommodating a wide range of project sizes and customer classes;
- Balancing simplicity with flexibility.

These challenges can be effectively addressed through clear eligibility rules, transparent cost accounting, periodic program review, and coordination with complementary funding opportunities.

Key Recommendations

- Utilize an upfront rebate, grant, or similar incentive structure rather than an ongoing REC adder.
- Structure incentives around total installed project costs rather than equipment costs alone.
- Permit coordination with utility incentives, federal incentives, and other funding programs.
- Consider a gap-funding approach to maximize the impact of available program dollars.
- Allow reasonable flexibility when project scopes change during development.
- Avoid automatic loss of solar incentives if the storage component of a project is not ultimately installed.

- Apply proportional and practical remedies when approved project configurations change.
- Maintain a straightforward and accessible incentive structure that supports deployment across residential, multifamily, nonprofit, public-sector, and community-serving applications.

5. Ensuring No Upfront Costs and Understanding Customer Benefits

Questions 9, 10, 11, 11.1, 12, 13, and 13.1

Question 9: Ensuring No Upfront Costs

Viridi supports the Agency's goal of ensuring that Storage for All participants are not prevented from participating due to financial barriers. The program should be designed to minimize or eliminate upfront costs that would otherwise make energy storage inaccessible to eligible customers and communities.

At the same time, the Agency should recognize that project sponsors may have varying financial capabilities and access to complementary funding sources. A program structure that provides flexibility while prioritizing equitable access may ultimately enable the Agency to support more projects and deliver greater overall program benefits.

Rather than focusing exclusively on covering 100% of project costs in all circumstances, the Agency should focus on removing financial barriers to participation. Program incentives should be designed so that qualifying customers and communities can deploy storage without unreasonable upfront financial obligations, while preserving flexibility to leverage other available funding sources where appropriate.

The availability of other incentives should be considered when determining appropriate program support levels; however, the Agency should recognize that incentive availability, timing, and participant eligibility vary considerably across project types. Program design should focus on removing financial barriers to participation rather than assuming that complementary funding sources will be available or sufficient in every circumstance.

To support broad participation, the Agency should consider project funding approaches that account for:

- Participant financial need;
- Availability of other incentives and funding sources;
- Project type and customer class;

- Community and resilience benefits provided;
- Ability of project sponsors to leverage complementary funding; and
- The number of customers or residents served by a project.

This approach would allow the Agency to direct the highest levels of support toward projects where financial barriers are greatest while stretching available program dollars across a broader range of beneficial projects.

The Agency should also recognize that energy storage project costs extend beyond battery equipment alone. A storage system can only provide customer benefits when it is properly designed, permitted, installed, commissioned, monitored, and maintained. As a result, eligible project costs should include the components necessary to deploy a complete and functional storage solution.

Eligible costs should include:

- Energy storage equipment;
- Inverters and power electronics;
- Engineering and design services;
- Permitting and inspections;
- Installation labor;
- Electrical upgrades;
- Interconnection costs;
- Commissioning and testing;
- Control and communications systems;
- Monitoring and software platforms;
- Customer-facing system management tools; and
- Other costs necessary to place the system into service.

The Agency should further recognize that project cost structures vary considerably across customer segments. Residential installations, affordable housing developments, nonprofit organizations, public facilities, and community-serving facilities may require different system configurations, resilience capabilities, and supporting infrastructure. A total installed cost framework provides a more accurate representation of the financial barriers facing participants than equipment costs alone.

Question 10: Identifying, Quantifying, and Prioritizing Customer Benefits

Viridi recommends that the Agency evaluate storage benefits using a framework that recognizes both economic and non-economic customer value.

Many storage benefits can be quantified directly through utility bill savings and other financial metrics. Others, particularly resilience and disaster preparedness benefits, are equally important but may be more difficult to capture through traditional cost-benefit analyses.

The Agency should consider evaluating storage benefits in the following categories:

Energy and Financial Benefits

- Utility bill savings;
- Energy burden reduction;
- Peak demand management;
- Participation in utility and grid-service programs;
- Protection against future utility rate increases.

Resilience and Reliability Benefits

- Backup power during outages;
- Critical load support;
- Duration of backup capability;
- Building operational continuity;
- Reduced disruption to residents and facility occupants.

Operational Benefits

- Support for building electrification initiatives;
- Improved load management and operational flexibility;
- Peak demand reduction;
- Maintenance of critical building systems;
- Improved continuity of operations during utility disruptions;
- Enhanced energy management capabilities.

Community Benefits

- Support for affordable housing residents;
- Protection of vulnerable populations;
- Community resilience and disaster preparedness;
- Support for community-serving facilities during emergencies;
- Reduced burden on local emergency response resources.

Viridi recommends that resilience and reliability benefits be explicitly recognized as program benefits even when they do not translate directly into measurable utility bill savings.

For many affordable housing developments, nonprofit organizations, public facilities, and community-serving organizations, resilience may represent one of the most significant benefits provided by a storage system. The ability to maintain critical building functions and services during grid disruptions can provide substantial value to residents and communities even when that value is difficult to quantify using traditional financial metrics.

For multifamily affordable housing projects, storage benefits may accrue both directly and indirectly through reduced operating costs, improved building resilience, maintenance of critical services, and protection of residents during utility outages. Program design should recognize that building owners and operators are often implementing projects on behalf of residents and that customer benefits may be realized through multiple pathways.

In addition to resilience benefits, many commercial, multifamily, nonprofit, and community-serving applications may realize significant operational benefits from energy storage. Storage can support building electrification, improve operational continuity, and provide greater flexibility in managing facility energy use and critical loads.

Rather than prioritizing a single category of customer benefit, the Agency should recognize that the relative importance of bill savings, resilience, reliability, operational benefits, and community benefits may vary by customer type and project application.

Questions 11 and 11.1: Maintaining the ILSFA 50% Savings Requirement

Viridi recommends that the Agency maintain the existing Illinois Solar for All savings requirements while recognizing that storage can provide additional customer value beyond traditional bill savings.

Storage should not diminish the savings provided through participating ILSFA solar projects. To the extent possible, storage deployments should either preserve or enhance the customer benefits already delivered by the ILSFA program.

For customers participating through no-cost ownership, lease, subscription, or third-party financing models, storage should be structured as a complementary customer benefit rather than a mechanism that increases participant costs or financial obligations.

The Agency should preserve flexibility for customer-owned, third-party-owned, leased, financed, and energy-as-a-service models, provided that program benefits are ultimately delivered to participating customers and communities. Limiting participation to a single

ownership structure could unnecessarily reduce participation and limit deployment opportunities.

The Agency should also recognize that some storage benefits may not be reflected directly in the calculation of energy savings. Resilience, outage protection, reliability improvements, and critical-load support provide meaningful customer value even when those benefits are not fully captured through standard utility bill analyses.

As a result, the overall value proposition of storage should not be evaluated exclusively through energy savings calculations.

For residential customers participating through no-cost lease structures, the Agency should seek to preserve the simplicity and accessibility that have contributed to participation in the existing ILSFA program. Any storage-specific requirements should avoid creating additional complexity or financial obligations for participating households.

Question 12: Storage Project Costs

Viridi recommends that the Agency evaluate storage project costs using a total installed cost framework rather than focusing solely on battery equipment pricing.

Project costs may vary significantly based on:

- Customer type;
- Building characteristics;
- Project size;
- Site constraints;
- Resilience objectives;
- Existing electrical infrastructure;
- Utility requirements; and
- Interconnection requirements.

In Viridi's experience, project cost categories typically include:

- Battery equipment;
- Power conversion equipment;
- Controls and communications systems;
- Monitoring and software platforms;
- Engineering and design;
- Permitting and code compliance;
- Installation labor;
- Electrical upgrades;

- Interconnection;
- Commissioning and testing; and
- Training and operational support.

The Agency should be cautious about relying on battery equipment costs alone when establishing incentive levels, as non-equipment costs can represent a substantial portion of total project expenditures depending on project characteristics and customer needs.

In Viridi's experience, battery equipment frequently represents only one component of total project cost. Depending on project type, installation labor, engineering, permitting, interconnection, electrical upgrades, controls, communications infrastructure, monitoring platforms, and commissioning activities can represent a substantial portion of total project expenditures. Program assumptions that focus primarily on equipment cost may understate the funding required to successfully deploy fully functional storage systems.

Specific project cost data can vary significantly by project type and should be evaluated within the context of actual deployment conditions.

Viridi is prepared to provide representative cost ranges and cost-category information separately, as appropriate, to assist the Agency in developing reasonable incentive assumptions while protecting commercially sensitive information.

Questions 13 and 13.1: Ongoing Customer Benefits

Viridi recommends that Storage for All evaluate customer benefits using both quantitative and qualitative measures.

Potential metrics include:

Quantifiable Metrics

- Utility bill savings;
- Energy burden reduction;
- Peak demand reduction;
- Hours of backup capability;
- Critical loads supported during outages;
- Participation in utility or demand-response programs;
- Frequency and duration of outages mitigated by storage.

Community and Resilience Metrics

- Continuity of critical services;
- Protection of vulnerable residents;

- Community emergency preparedness;
- Ability of facilities to remain operational during grid disruptions;
- Support for emergency response and recovery efforts.

The Agency should recognize that many resilience benefits are highly site-specific and may not be fully captured through a standardized financial metric. A flexible evaluation framework will allow projects to demonstrate customer and community value in a manner appropriate to their specific application.

The Agency should avoid relying on a single quantitative metric when evaluating project benefits. A balanced evaluation framework that considers economic, resilience, operational, and community benefits will better capture the diverse value propositions offered by energy storage deployments across different customer classes and project types.

Question 13.1: Interaction with Low-Income Distributed Renewable Generation (LIDR)

Viridi does not view reductions in energy burden achieved through Low-Income Distributed Renewable Generation (LIDR) participation as diminishing the value of storage. Rather, solar and storage provide complementary benefits.

Solar generation can reduce energy costs and energy burden, while storage can provide:

- Resilience during outages;
- Improved reliability;
- Energy management flexibility;
- Backup power for critical loads; and
- Additional opportunities to participate in future grid-service programs.

As a result, customer savings achieved through LIDR should not be viewed as reducing the justification for storage deployment. Instead, solar and storage should be considered complementary technologies that work together to improve affordability, resilience, and energy security for participating customers.

Key Recommendations

- Focus program design on removing financial barriers to participation and expanding equitable access to energy storage.
- Utilize flexible funding structures that account for participant need, project characteristics, community benefits, and available funding sources.
- Evaluate projects using a total installed cost framework that includes equipment, engineering, permitting, installation, interconnection, controls, monitoring, communications, and commissioning.

- Recognize resilience, reliability, disaster preparedness, and energy burden reduction as core customer benefits alongside bill savings.
- Maintain existing ILSFA savings protections while allowing storage to provide additional customer and community value.
- Treat solar and storage as complementary technologies that jointly improve affordability, reliability, and resilience.
- Use practical and flexible methods to evaluate customer and community benefits without creating unnecessary administrative burden.

6. Avoiding Double Counting of Incentives

Questions 14 and 15

Question 14: Avoiding Double Counting of Incentives

Viridi supports the Agency's goal of ensuring that public funding is utilized efficiently and that project incentives are not duplicated in a manner that results in overcompensation. At the same time, the Agency should distinguish between inappropriate double counting and the appropriate coordination of complementary incentive programs.

Energy storage projects often rely on multiple funding sources because different incentives support different project objectives and benefit streams. A storage project may simultaneously provide customer savings, resilience benefits, grid services, environmental benefits, and community benefits. As a result, it is reasonable for projects to participate in multiple programs when each program supports a distinct public policy objective.

The Agency should avoid program rules that prohibit participation in other incentive programs solely because those programs are associated with the same project. Instead, the focus should be on ensuring that customers are not compensated multiple times for the same benefit or project cost.

For example, it may be appropriate for a project to combine:

- Storage for All incentives;
- Utility storage incentives;
- Federal tax incentives;
- Demand response revenues;
- Virtual Power Plant (VPP) revenues; and
- Other complementary funding sources.

These programs generally serve different purposes and may compensate different aspects of project deployment or operation.

Viridi recommends that the Agency evaluate project funding within the context of total project economics rather than imposing broad restrictions on incentive stacking. This approach will maximize customer participation while making efficient use of available public funds.

Question 15: Assumptions Regarding Other Sources of Funding

Viridi recommends that the Agency assume that many Storage for All projects will pursue multiple funding sources where available and appropriate.

Potential funding sources may include:

- Federal Investment Tax Credit (ITC) benefits;
- Illinois utility solar and storage incentives;
- Virtual Power Plant (VPP) program revenues;
- Demand response participation revenues;
- Local, state, or federal grant programs;
- Affordable housing financing programs; and
- Other public or private funding opportunities.

However, the Agency should recognize that access to these funding sources will vary significantly based on customer type, project ownership structure, geographic location, organizational structure, and program eligibility requirements.

In particular, federal tax incentives should not be assumed to eliminate upfront funding needs. While tax incentives can improve overall project economics, they are typically realized after project completion and therefore do not remove the upfront capital requirements associated with project development, procurement, installation, and commissioning.

Similarly, participation in VPP or demand response programs should not be assumed for all projects. Program availability, customer eligibility, utility service territory, system capabilities, customer preferences, and future market conditions may all affect participation levels and realized revenues.

For these reasons, Viridi recommends that incentive assumptions remain conservative and that project eligibility not depend on participation in any specific external incentive or revenue-generating program.

The Agency should instead design Storage for All to function effectively as a standalone program while allowing participants to pursue complementary funding opportunities when available.

Program assumptions should also recognize that access to external incentives and revenue streams will vary significantly across customer classes, ownership structures, and project types. Incentive structures should remain flexible enough to accommodate projects that may not qualify for all available external funding opportunities without creating unintended participation barriers.

Incentive Coordination Principles

Viridi recommends the following principles to guide program design:

- Allow incentive stacking where programs support different project benefits or policy objectives.
- Prevent duplicate compensation for the same project costs or customer benefits.
- Recognize that federal tax incentives improve project economics but generally do not reduce upfront funding requirements.
- Avoid assumptions that all projects will participate in VPP, demand response, or other performance-based programs.
- Preserve flexibility for projects to pursue future aggregation and grid-service opportunities.
- Coordinate funding sources in a manner that maximizes deployment while maintaining responsible stewardship of program funds.
- Evaluate projects based on total project economics rather than restricting participation in complementary programs.

Storage for All should be designed to complement, rather than replace, other available funding and revenue opportunities. Allowing projects to leverage multiple sources of support will help expand deployment, reduce financial barriers, improve resilience outcomes, and maximize the impact of limited program funding.

7. Program Implementation Considerations

Viridi encourages the Agency to maintain a technology-neutral approach to program implementation while ensuring that supported projects comply with all applicable codes, standards, permitting requirements, and authority having jurisdiction (AHJ) determinations.

As energy storage deployment expands into affordable housing developments, nonprofit facilities, public facilities, and other occupied buildings, program requirements should focus on demonstrated safety outcomes rather than prescribing specific technical approaches. The Agency should recognize the value of safety strategies that prioritize

incident prevention, early fault isolation, and minimizing risk to building occupants and surrounding communities.

Viridi also recommends that any warranty requirements align with commercially available manufacturer warranties and support structures. Requirements that substantially exceed standard industry practices may increase project costs and reduce participation without providing commensurate customer benefits.

Conclusion

Viridi appreciates the Illinois Power Agency's efforts to develop the Storage for All program and expand access to energy storage technologies for income-eligible households, affordable housing providers, nonprofit organizations, public facilities, and community-serving organizations throughout Illinois.

As the Agency develops the program, we encourage a framework that prioritizes equitable access to storage benefits while maintaining flexibility to accommodate diverse customer needs, project types, ownership structures, and evolving technologies. Energy storage can provide significant value through improved resilience, disaster preparedness, reliability, operational flexibility, energy burden reduction, and customer savings. The relative importance of these benefits will vary by customer and application, and program design should recognize this diversity rather than focusing narrowly on a single outcome or use case.

Viridi encourages the Agency to structure the program in a manner that removes financial barriers to participation while making efficient use of available funding resources. This includes recognizing the full range of costs associated with successfully deploying storage systems, coordinating with complementary funding sources where appropriate, and allowing flexibility in project financing and ownership structures.

The Agency should also preserve opportunities for innovation by maintaining technology-neutral requirements and focusing on customer and community outcomes rather than prescribing specific technical approaches. Flexible program design will allow Storage for All to adapt alongside rapidly evolving storage technologies, utility programs, and customer needs.

Finally, Viridi encourages the Agency to recognize that resilience benefits are often among the most valuable outcomes provided by energy storage systems, particularly for affordable housing developments, public facilities, nonprofit organizations, and other

community-serving sites. While these benefits may not always be fully reflected in traditional bill-savings calculations, they can provide meaningful protection for residents, maintain critical services during grid disruptions, and strengthen community preparedness.

By emphasizing equitable access, flexibility, resilience, and practical deployment considerations, the Storage for All program can create lasting customer and community benefits while maximizing the impact of available program funding.