

# **ILLINOIS SOLAR FOR ALL PROGRAM**

## Overview

The Future Energy Jobs Act (FEJA), passed in December of 2016, included the creation of an "Illinois Solar for All Program" that was intended to buy Renewable Energy Credits (RECs) from new solar projects serving **low-income and environmental justice communities.** Incentives will be in exchange for RECs, with the REC prices specified up-front. The program has a number of different components and sub-programs.

## Low-income households

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Defined in the legislation as households "whose income does not exceed 80% of area median income."



## **Environmental Justice Community**

The Illinois Power Agency (IPA) has proposed a definition for Environmental Justice (EJ) community that would use a range of environmental and demographic indicators, including National-Scale Air Toxics Assessment data; particulate matter, ozone, and traffic indicators; and low-income and minority status. Once the Plan is approved in April 2018, the IPA will work with stakeholders to finalize the definition and publish maps.



## Coordination with Job Training Programs

Projects participating in the Illinois Solar for All Program are required to coordinate with job training programs, if available. Job training is an important component of the vision many low-income, environmental justice, and community advocates have for this program.

In its plan, the IPA proposes to meet the requirement for coordination with job training programs by requiring that 33% of Low-Income Distributed Generation projects use job trainees. This requirement would be implemented on an individual developer basis by counting the hours worked by trainees vs non-trainee workers on a given project. Developers would be able to obtain waivers to this requirement if trainees are not available for an install.



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## Sub-Programs

There are four distinct sub-programs within the Illinois Solar for All Program. Each program buys RECs from low-income distributed generation and community solar projects. Energy and economic benefits from these projects must be passed through to low-income customers. Solar projects financed must coordinate with job training programs, if available. Funding from there projects will initially come from the Renewable Energy Resources Fund or RERF (~150 million in uncommited funds), and will be supplemented by annual allocations from utility RPS funds (minimum \$10 million/year).

In the case of the first three of these sub-programs, incentives will be paid through a one-time, up-front payment in exchange for a 15-year REC contract. Additionally, the first three of these sub-programs have a goal that a quarter of program incentives be allocated to projects in environmental justice communities.



## Low-Income Solar Distributed Generation Incentive

#### (22.5% of RERF funds)

Incentives for on-site distributed generation serving low-income households. Developers in this program must hire job trainees for a portion of their installs. This program will allow participation by both single- and multi-family buildings.



## Low-Income Community Solar Project Initiative

#### (37.5% of RERF funds)

Provides incentives to increase the participation of low-income subscribers in community solar projects. Projects developed under this program are required to partner with community stakeholders. The program will also offer incentives for projects that are 100% owned by low-income subscribers.



### Incentives for Non-Profits and Public Facilities

#### (15.0% of RERF funds)

Incentives for on-site solar for non-profits and public facilities. For at least the first year of program operation, participants in this sub-program will have to serve low-income and environmental justice communities in order to qualify.



## Low-Income Community Solar Pilot Projects

(25.0% of RERF funds capped at \$50 million total and \$20 million per project) A pilot program for community solar projects that (1) provide economic benefits to members of the community in which the project is located and (2) include a partnership with a community organization. Projects in this pilot will be competitively bid and may exceed the 2 MW project size limit applied to regular community solar projects. Additionally, utilities may bid into the program so long as any project developed is not included in the utilities' ratebase.

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