



Illinois Opens Doors to Community Solar

Recently-passed energy legislation to enable everyone to share in the benefits of solar energy – even without a rooftop to put it on

Illinois' improved Renewable Portfolio Standard (RPS) calls for the creation of a Community Solar program that will significantly expand access to solar energy for Illinois residents, businesses, and community groups. The RPS requires the Illinois Power Agency (IPA) to purchase Renewable Energy Credits (RECs) from an estimated 400 MW of Community Solar to be developed by 2030, enough to power tens of thousands of homes. Funding set aside for low-income Community Solar will ensure that the new projects serve *all* Illinois residents.

Community Solar in the RPS

The IPA is required to create a new Community Renewable Generation program for Illinois as part of recently-passed energy legislation. While many details are left to the IPA, the legislation outlines basic project requirements and bill crediting for subscribers. The law removes the 5% net metering cap for community solar bill credits, creates a rebate for which Community Solar projects are eligible, and sets up an incentive for low-income Community Solar projects through the Illinois Solar For All program.

What is Community Solar?

A Community Solar installation allows multiple community members to share in the benefits of a single solar installation – regardless of where it is installed. Subscribers purchase or lease solar panels and receive a credit on their monthly electric bill for the energy produced by their share of the installation.

Apartment dwellers, homeowners, businesses, and community organizations can all participate. Subscribers will receive credits on their electric bill while helping new clean energy projects get built.





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Community Solar Requirements

The legislation outlines a number of rules and requirements for Community Solar projects:

- Subscribers must be located in the same utility territory as the project
- Subscriptions must be transferable and portable within the same utility territory
- Maximum project size: 2 MW
- No subscriber may own or lease more than 40% of a single project
- Minimum subscription size: 200 W
- Utilities must purchase unsubscribed energy at avoided cost rate

Bill Credits for Subscribers

Community Solar subscribers will get credit on their electric bills at the energy supply rate for each kWh their subscription produces (called virtual net metering). This portion of the customers' bill pays for electricity generation, as opposed to distribution, and usually accounts for about half of the electricity rate paid by residential customers in Illinois.

Community Solar Incentives

In addition to bill credits, Community Solar projects will have access to several other value streams:

- 1) The IPA will purchase RECs from Community Solar projects at set prices through its Adjustable Block Program to meet the state's RPS compliance requirements.
- 2) Utilities will offer a rebate to Community Solar projects that interconnect through a smart inverter. The up-front rebate will initially be set at \$250/kW, to be replaced in the future with a more sophisticated "locational value" formula.
- 3) There will be additional REC-purchase programs for Community Solar projects that serve low-income and environmental justice communities through the Solar For All program.

Implementation Timeline

The law modernizing Illinois' RPS and establishing the new Community Solar program will go into effect in summer 2017. It will take a number of months for the IPA to develop a plan to implement the RPS, for the Illinois Commerce Commission to approve that plan, and for the IPA to begin procuring RECs. The Adjustable Block Program for the purchase of Community Solar RECs is currently expected to be up and running in the first half of 2018. Utility bill credit tariffs should be in place in fall 2017.

Additional Resources

- Elevate Energy's Cook County Community Solar Map: <http://www.elevateenergy.org/cook-county-solar-map/home/>
- NREL Guide to Community Shared Solar: <http://www.nrel.gov/docs/fy12osti/54570.pdf>

