

**ILLINOIS
FINANCE
AUTHORITY.**



**ILLINOIS
CLIMATE
BANK**

**Illinois Solar for All
Expansion Kickoff**
December 2, 2024

USEPA GREENHOUSE GAS REDUCTION FUND: SOLAR FOR ALL COMPETITION WINNING APPLICATION DESIGNED FROM STAKEHOLDER INPUT



\$156,000,000
federal funding



aligned
with CEJA and IL policy

INTERAGENCY COLLABORATION:

IFA, ICC, DCEO, IL EPA, IPA, IHDA, IDOT, DNR

STAKEHOLDER COLLABORATION

More than 150 different entities between Nov 2022 and Application

SOLAR FOR ALL EXPANSION PURPOSE

100% of Solar for All Expansion program funding must be used to enable low-income and disadvantaged communities to deploy or benefit from zero-emission technologies, such as solar energy.

Purpose

Each program seeks to fill a gap identified by stakeholder engagement beginning with CEJA and continuing until Illinois made the proposal in late 2023.

Each program is intended to enable low income and disadvantaged communities to deploy or benefit from zero-emission technologies, such as solar energy.

The entire purpose of the US EPA Solar for All program is to improve equitable access to zero-emission technologies and the clean energy economy.

Equity should be woven throughout these program designs. If you don't see it, or see provisions that are inequitable, Please Say Something!

OUR APPROACH

Illinois Climate Bank's initiatives will address several market gaps identified by stakeholders that are inhibiting effective clean energy deployment or the achievement of equitable outcomes in the State's solar, building, and EV initiatives.

Residential (low-income)



GRANTS

Enabling Upgrades for Solar



Energy Storage



Bright Neighborhoods Pilot



FINANCE

Standard Offer Lease-to-Own



Energy Sovereignty Loan



OTHER

Community Outreach



Public / Non-Profit



GRANTS

Community Resilience Hubs



SolarAPP+



Grid Resilience



Community Charging



FINANCE

Federal Tax Credit / REC Bridge Loans



Fleet Electrification



Carbon Free Schools



Commercial



FINANCE

C-PACE



Fleet Electrification



Building Electrification



DBE Businesses



FINANCE

Working Capital



Contractor Portal



Community-Driven Community Solar



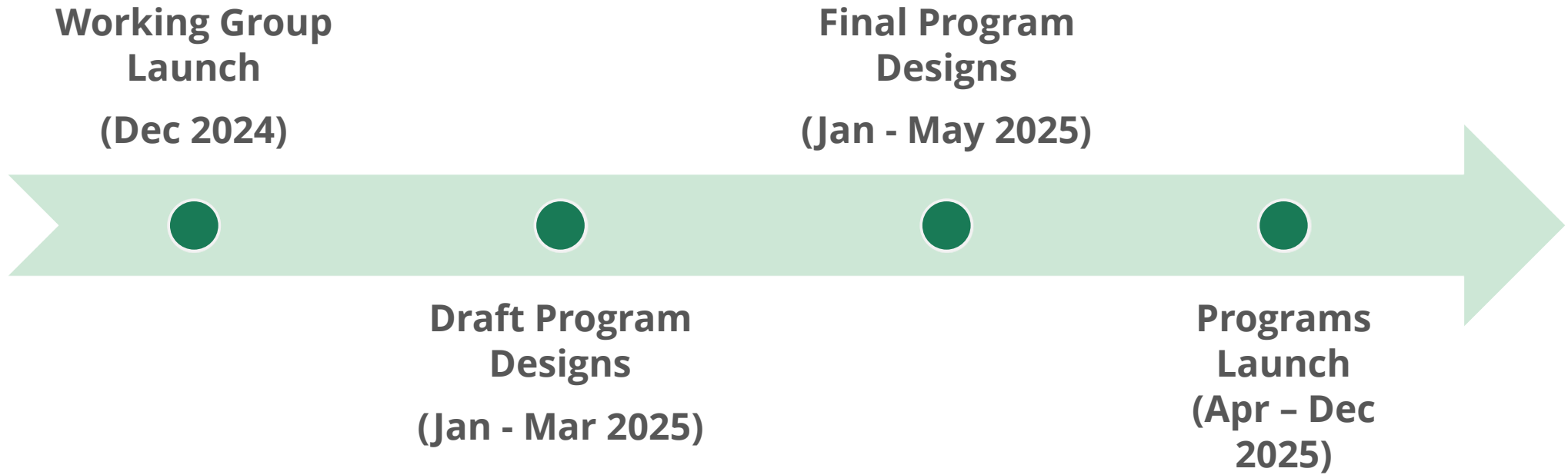
SSBCI



TIMELINE

Illinois Climate Bank will convene working groups to assist in designing the Illinois Solar for All Expansion Programs.

All SFA Expansion Programs will be launched by EOY 2025.



WORKING GROUPS

Illinois Climate Bank will convene working groups to assist in designing the Illinois Solar for All Expansion Programs.

Purpose

Working groups will provide input into program designs to ensure programs work together and effectively deliver a package of financing and incentives to the target customers.

Process



Working group members will have the **opportunity to give input.**

Format

Webinar, online meeting, in person meeting, and/or written comments.
TBD based on the number of participants, logistical needs, and type of input required.

WORKING GROUPS

Illinois Climate Bank will convene working groups to assist in designing the Illinois Solar for All Expansion Programs.

Working Group Structure

IPA Logistics: Covering the programmatic logistics of expanding the existing Illinois Solar for All Low-Income Community Solar and Residential Solar programs and a residential outreach pilot.

Lending: Covering a Standard Offer PPA/Lease program, a Revolving Loan Fund for tax credit bridge loans to the nonprofit and public sector, Community-Driven Community Solar Loans, and a Working Capital Loan program for small and underserved contractors.

Storage and Home Enabling Upgrades: Covering grant programs for energy storage and decarbonization-enabling home upgrades.

Municipal: Covering a grant program to help municipalities implement SolarApp+.

Program Intake Portal: Covering a Contractor Portal to ease application and reporting requirements.

OUR APPROACH

Illinois Climate Bank's initiatives will address several market gaps identified by stakeholders that are inhibiting effective clean energy deployment or the achievement of equitable outcomes in the State's solar, building, and EV initiatives.

Residential (low-income)



GRANTS

Enabling Upgrades for Solar



Energy Storage



Bright Neighborhoods Pilot



FINANCE

Standard Offer Lease-to-Own



Energy Sovereignty Loan



OTHER

Community Outreach



Public / Non-Profit



GRANTS

Community Resilience Hubs



SolarAPP+



Grid Resilience



Community Charging



FINANCE

EERLF

Federal Tax Credit / REC Bridge Loans



Fleet Electrification



Carbon Free Schools



Commercial



FINANCE

C-PACE



Fleet Electrification



Building Electrification



DBE Businesses



FINANCE

Working Capital



Contractor Portal



Community-Driven Community Solar



SSBCI





SUMMARY

The Illinois Climate Bank will work with the Illinois Power Agency to expand Illinois' Solar for All low-income Community Solar Program to meet unmet demand for community solar projects serving low-income and disadvantaged communities.

The expansion of the budget of the Community Solar subprogram will need to be designed to ensure additional funding can be allocated to one subprogram without needing to allocate funds to other subprograms that are already not meeting their deployment goals at existing levels.

The Illinois Solar for All Community Solar Program provides REC contracts for projects that provide 50% savings to low-income subscribers, which already exceeds the benefit required in the USEPA Solar for All program.

OPEN QUESTIONS

- Program structure and process
- Compatibility with federal low income and disadvantaged community definitions
- Compatibility with federal definition of residential serving community solar

REC PROGRAM

\$70 / REC average

for the Low-income Community Solar Sub-program

key elements

- Projects must provide 50% savings to subscribers
- Expands on IL Solar for All incentives for low-income community solar sub-program



SUMMARY

The Illinois Climate Bank will work with the Illinois Power Agency to expand Illinois' Solar for All Low-income Residential subprograms.

The expansion of the budget of the Low Income Residential subprogram will need to be designed in conjunction with outreach and other program efforts to increase enrollment in the program.

OPEN QUESTIONS

- Program structure and process
- Compatibility with federal low income and disadvantaged community definitions

REC PROGRAM

\$120 - \$180 / REC

for the Low-income Residential Solar sub-program

key elements

- Projects must provide 50% savings to subscribers
- Expands on IL Solar for All incentives for low-income residential solar sub-program



SUMMARY

The Illinois Climate Bank will work with the Illinois Power Agency to deploy a Solar for All Enabling Upgrades grant program. The Enabling Upgrades grant program will provide up to \$12,000 per household to address necessary deferred maintenance, health & safety repairs, or electrical panel upgrades necessary to install a solar photovoltaic system and, optionally, an energy storage system at a household in a low-income or disadvantaged community.

The Enabling Upgrades grant program will be offered alongside Illinois Solar for All RECS.

The program will work to ensure projects maximize all available incentives offered by utilities or as a result of the Inflation Reduction Act.

OPEN QUESTIONS

- Interaction with other programs
- Program structure and process
- What upgrades will it fund

up to \$12,000

grants for enabling upgrades for residential solar

key elements

- Enabling upgrades must support the deployment of solar for households in low-income or disadvantaged communities
- Projects supported could be electrical panel upgrades, roof repairs, mold and asbestos abatement, or other investments necessary to enable the deployment of the solar project
- Leverages IL Solar for All incentives for residential sub-program

Energy Storage



SUMMARY

The Illinois Climate Bank will work with the Illinois Power Agency to deploy a Solar for All Energy Storage grant program. The Energy Storage grant program will provide up to \$7,500 per household to add energy storage to solar photovoltaic systems for households located in low-income or disadvantaged communities.

Energy storage systems will be encouraged to be designed to work in concert with a solar array to provide a resilient source of power for the residence for 12 hours during an extreme heat or cold event or other grid outage.

The amount of the incentive will be dependent on the size of the energy storage system (in kW and kWh) and will coordinate with any distributed generation rebate incentives offered utilities and accepted by customers.

Priority will be given to eligible households with residents reliant on electricity-dependent durable medical and assistive equipment (DME) and devices.

OPEN QUESTIONS

- How to address multifamily?
- Data to target program
- Eligible equipment

GRANT PROGRAM

up to \$7,500

grants for enabling energy storage additions to residential Solar for All

key elements

- Energy storage must be paired with the deployment of solar for households in low-income or disadvantaged communities
- Leverages IL Solar for All incentives for residential sub-program



SUMMARY

The Illinois Climate Bank will collaborate with community-based organizations to develop a loan products that enable the growth of Community-Driven Community Solar projects that are organized by and designed to benefits communities.

Under CEJA, such community solar projects compete for incentives under the Illinois Solar for All program, and are required to provide defined community benefit, such as community ownership or wealth-building opportunities.

The Illinois Climate Bank will help fill in the gaps of access to low-cost capital for these projects to allow them to compete with traditional community solar projects and enable innovative financing structures to support long-term ownership and wealth-building.

OPEN QUESTIONS

- Unique barriers faced by CDCS projects
- Finance needs at different project stages
- Process needed for Davis-Bacon reporting
- Reconciling with federal residential-serving community solar definition

LOAN PROGRAM

\$500,000 – \$3,000,000

loans for community-driven community solar projects incentivized under Illinois Solar for All

key elements

- Projects must be selected for funding under Illinois Solar for All
- Projects must include a community ownership or wealth-building structure
- Enables community-driven community solar projects to compete with more traditional community solar
- Loan terms designed to work seamlessly with Illinois solar incentives and federal tax credits



SUMMARY

The Illinois Climate Bank will launch a standard-offer Power Purchase Agreement / Lease product that would provide simple, easy-to-access financing for smaller and new solar contractors to offer to residential solar customers.

Many new or small disadvantaged businesses lack the ability to compete with larger solar developers due to their inability offer an in-house PPA or Lease product that can provide customers with a contract for no-upfront cost solar installations or guaranteed savings.

OPEN QUESTIONS

- Transition to a Lease-to-Own structure
- Customer protections
- Interaction with other programs
- Developer technical assistance needs

LOAN PROGRAM

\$5,000 – \$50,000

finance arrangements per customer

key elements

- Projects must be eligible for the Illinois Solar for All residential program, or otherwise eligible for Illinois Shines incentives and benefit a household in a low-income or disadvantaged community
- Loan terms designed to work seamlessly with Illinois solar incentives and federal tax credits



SUMMARY

The Illinois Climate Bank will launch a standard-offer Energy Sovereignty loan product that would provide very low-cost, debt financing for residential solar customers that is simple and easy-to-access.

The new energy sovereignty provisions in CEJA support ownership and wealth-building opportunities for low-income and disadvantaged community households by encouraging and incentivizing long-term ownership of systems. Such households, however, often lack sufficient credit to qualify for loans.

Climate banks across the country have developed similar consumer finance tools (for example, the SMART-E loan program in Connecticut), that have been successful at expanding equitable access to solar and support the growth of quality jobs and businesses.

OPEN QUESTIONS

- Is there a need beyond that served by PPA / lease?
- What costs would this cover for households already using IL Solar for All incentives?
- Are there other sectors, such as nonprofits serving low income and disadvantaged communities, that should be addressed by a product like this?

LOAN PROGRAM

\$5,000 – \$50,000

finance arrangements per customer

key elements

- Projects must be eligible for the energy sovereignty category of the Illinois Solar for All residential program, or otherwise eligible for Illinois Shines incentives and benefit a household in a low-income or disadvantaged community
- Loan terms designed to work seamlessly with Illinois solar incentives and federal tax credits
- Loan repayments would recycle back into the fund to be leveraged for future projects

Working Capital



SUMMARY

The Illinois Climate Bank will deploy a new working capital product to help accelerate the Jobs and Justice goals of CEJA by focusing on building the capacity of these businesses and to cover finance gaps in clean energy projects.

The working capital loan product will provide low-cost loans to small contractors engaged in the Solar for All program to enable them to grow beyond the limitations of a cash business and support organizational development.

Eligible contractors will be required to be approved vendors under Illinois Shines, or similar vendor programs, and involved in the installation of solar photovoltaic systems, energy storage systems, electrical panel upgrades, or other residential enabling upgrades.

OPEN QUESTIONS

- Eligibility definitions
- Range of loans
- Simple eligibility checks
- Collateral requirements?
- Interaction with workforce development and contractor incubator programs

LOAN PROGRAM

\$50,000 – \$1,000,000

loans for working capital to disadvantaged small businesses

key elements

- Businesses must be supporting the deployment of Solar for All projects, including solar installation, energy storage installation, and enabling upgrades.
- Enables contractors to expand beyond cash-flow constraints.
- Supports project development costs as well as back-office needs.



SUMMARY

The Illinois Climate Bank is implementing a new bridge loan product in cooperation with Illinois EPA to help nonprofits and public sector entities that serve low income and disadvantaged communities and are eligible for direct pay tax credits to weather the timing gap between project payments and receiving the credits.

OPEN QUESTIONS

- Processes for interacting with other incentive programs, particularly in light of federal energy efficiency assessment requirements
- Reconciling with federal definitions

LOAN PROGRAM

\$50,000 – \$1,000,000

loans to bridge tax credit incentives for the public sector

key elements

- Enables nonprofits and public sector entities to more effectively take advantage of direct pay tax credits. S
- Smooth integration with other incentive programs for energy efficiency and renewable projects.



SUMMARY

The Illinois Climate Bank will offer grants to municipalities working to implement SolarAPP+. SolarAPP+ is a no-cost permitting software developed by National Renewable Energy Laboratory (NREL) to streamline permitting processes for standardized residential solar systems. The software works as either a standalone service or can be integrated with existing permitting software (Accela, EnerGov, E-TRAKiT). SolarAPP+ automates rooftop solar plan reviews and produces instant compliance approvals. SolarAPP+ reduces permitting staff workload and streamlines approval.

OPEN QUESTIONS

- Municipal scope of work
- Demand for technical assistance
- Defining eligible communities at the municipal level
- Application and grant process

GRANT PROGRAM

up to \$20,000

grants for implementing SolarAPP+

key elements

- Grants must support the deployment of SolarAPP+.
- Grants can fund software implementation and personnel training, including staff time.
- Illinois Climate Bank will also engage a statewide entity to provide technical assistance, respond to information requests, and facilitate regional training.

Residential Solar Outreach Pilot



SUMMARY

The Illinois Climate Bank will work with the Illinois Power Agency on a Residential Solar Outreach Pilot to increase participation in the Illinois Solar for All: Residential Solar (Small) sub-program.

Low-income and disadvantaged community households and companies have reported several barriers to participation in this sub-program, including unfamiliarity with solar power, distrust in marketers, language barriers, and a complex administrative process. The Residential Solar Pilot will be designed to reduce these barriers and to test a more vertically-integrated model for facilitating uptake of Residential Solar in 1-4 unit residential buildings.

OPEN QUESTIONS

- Interaction with other residential outreach efforts
- Lessons learned from other residential outreach efforts

GRANT PROGRAM

up to \$500,000/yr

grants per target community for engagement and coordination efforts

key elements

- Engaging local, trusted, entities to coordinate solar outreach activities for a targeted geographical area
- Marketing, outreach, income verification, and site suitability assessments
- Build long-term trust



SUMMARY

The Illinois Climate Bank will work with Illinois Department of Commerce and Economic Opportunity, the State agency administering CEJA's workforce and contractor development initiatives, to support the development of a single portal targeted at supporting new and emerging disadvantaged businesses' ability to access various support opportunities. The contractor portal will be designed to share information across agencies to streamline application processes and reduce administrative burdens in accessing grant and loan offerings.

A non-exhaustive list of coordinated processes includes:

- Illinois Climate Bank Loans
- Equitable Energy Future Grant Program
- Contractor Incubator and Primes Accelerator Opportunities

OPEN QUESTIONS

- What systems must this portal integrate with?
- Customer privacy requirements

single portal/application

to help coordinate disparate efforts supporting new and emerging disadvantaged businesses involved in low-income and disadvantaged community solar

key elements

- Share application and credential information across state agencies
- Track contractor support from various sources
- Contractor education, engagement, and recruitment

**PROGRAM
DESIGN
WORKING
GROUP -
PROCESS**

Brief

- Brief Working Group participants on program goals and requirements

Ideate

- Identify open program design questions
- Identify options for addressing open questions

Vet

- Vet options for addressing open program design questions

Draft

- Publish draft program design for final comments

Launch

- Finalize program design, implement, and launch by EOY 2025

**NEXT STEPS –
SIGN UP FOR
WORKING
GROUPS**

Join working groups by completing [this form](#).

Working groups will be organized by subject and meeting times will be sent to all interested participants by **THIS Friday, 12/6**.

Working groups will begin work immediately. Members will be briefed in writing before the first meeting. Please come to working group meetings prepared. Together, we can build valuable and effective programs for Illinois.

NEXT STEPS

Contact Information:

For more information or further questions, please contact the Illinois Climate Bank at:

SFA@il-fa.com