

Distributed Generation with Illinois Shines

on-site solar serving the energy needs of your home or business



What Is Illinois Shines?

Illinois Shines is a state-administered incentive program to support the development of new solar projects. Through the program, Illinois electric utilities provide payments to Approved Vendors in exchange for 15 or 20 years of Renewable Energy Credits (RECs) generated by new solar projects. Approved Vendors are solar companies that are vetted and approved to participate in Illinois Shines. Approved Vendors may use Designees, who are also registered with the program, to help with sales, marketing, and installation work.

What Is Distributed Generation?

A distributed generation solar project generates electricity that is used on-site. It can be installed on a roof or built on the ground at a home or business.

What Are RECs?

RECs represent the environmental attributes of the electricity generated from solar panels, but not the electricity itself. Whoever owns the RECs has the right to say they used that solar power. By participating in Illinois Shines, the RECs from your solar project will be transferred to an Illinois electric utility. The sale of your RECs will not affect your solar project's production or your ability to use the electricity generated by your solar project. Utilities purchase RECs to meet their obligation to supply a certain amount of power from renewable energy.

For more information on RECs, see a video at [vimeo.com/113250210](https://www.youtube.com/watch?v=113250210)

Will I Be Paid Directly For the RECs My Solar Project Generates?

Your Approved Vendor will receive an incentive payment from the electric utility for the RECs your project will generate over time. Your Approved Vendor may pass along a portion of the incentive payment to you, or they may use the payment to reduce the amount you pay for your solar project (such as a lower purchase price or lower lease rate). **If your Approved Vendor passes along part of the incentive payment to you, this may happen several months after your project is installed.** Illinois Shines is not a rebate program, and the State of Illinois **does not** make direct payments to customers.



You can view an ADA accessible version of this document at www.illinoisshines.com/accessible.



What Are the Ownership and Financing Options When Installing Solar?

The most common options are 1) **PURCHASE**: buy the project outright or finance with a loan 2) **LEASE**: make regular payments to the project owner, or 3) **POWER PURCHASE AGREEMENT (PPA)**: pay the project owner for the electricity generated by the project at an agreed upon per kilowatt-hour rate. If you lease or sign a PPA, you don't own the solar project, but you get to use the electricity generated by the solar project.

When deciding on the best option for you, consider:

- If you're buying the project, how much will it cost? Will you take out a loan to pay for it? How do the loan payments compare to projected reductions in your monthly electric bill?
- If you're leasing the project, how much is your monthly lease payment? How does that compare to projected reductions in your monthly electric bill? Do you have to put money down at the start?
- If you're signing a PPA for the project, how much is the per kilowatt-hour price for the energy produced? How does that compare to your current electricity rate? Do you have to put money down at the start?
- Does your lease or PPA include an escalation clause that increases the amount of payments over time? If so, by how much do payments increase?

Going solar is a significant financial commitment, so exercise the same caution you would when making other major consumer decisions. It is good practice to get quotes from at least three companies and to check references.

You should take the time you need to compare offers and to fully understand the contract before signing.

How Do I Know If I Will Save Money By Going Solar?

You are not guaranteed to save money unless your contract includes an explicit guarantee. The questions below will affect whether you save money. You can answer some questions yourself, while others can be answered by your installer or sales agent.

What per kilowatt-hour rate am I currently paying for electricity?

The higher the electricity rate before you go solar, the more money you can potentially save.

Is my roof good for solar?

The direction your roof faces and how much shade it gets will affect how much electricity a roof-mounted solar project will generate. The roof's condition should also be considered.

How much electricity will the solar project generate?

If your solar project produces more electricity than you use over an annual period, you may not receive value for all the electricity generated.

Will I receive any money for the RECs?

The Approved Vendor will be paid by a utility for your solar project's RECs. The Approved Vendor may pass along a portion of this payment or may use the payment to reduce your cost of going solar.

Can I use the federal Investment Tax Credit?

If you buy your project, you may qualify for a substantial federal income tax credit. Consult your tax adviser.

How long do I expect to stay in my home or business location?

If you lease or sign a PPA, you may be required to buy out the contract if you move. Read your contract closely to understand what happens if you move.

What Is Net Metering and How Do I Enroll?

Net metering measures extra electricity your solar project produces and sends to the electric grid, and credits you for it on your electric bill. To participate in net metering, an application must be submitted to your electric utility.

Make sure you understand if your solar provider will submit a net metering application on your behalf for the solar project. Failure to enroll may significantly decrease the financial value you receive from your solar project.

Consumer Protection

Your solar provider is required to provide you with this informational brochure and a standard Disclosure Form. Review your Disclosure Form carefully and use it to compare offers from other Illinois Shines Approved Vendors. You must receive and sign the Disclosure Form before you sign an installation contract. Other Illinois Shines consumer protections include:

- If you sign a contract for a solar project 25 kW or smaller, you can cancel without penalty within the period allowed by your contract or law, which cannot be less than three calendar days.
- Illinois Shines sets out requirements for what information and terms must be included in your installation contract.
- Only Approved Vendors may submit solar project applications to Illinois Shines; these companies are vetted by the Program Administrator.
- Dedicated Program Administrator staff answer questions and assist in resolving customer complaints.

Complaint Procedures

If you have a problem related to your solar project or the sales process, first try to resolve it with your installer or the Approved Vendor. If you can't agree about how to solve the problem, you may contact the **Illinois Shines Program Administrator** by emailing complaints@illinoisshines.com or by calling 877-783-1820.

If you have been subject to fraudulent or deceptive sales practices, the Illinois Attorney General's Consumer Protection Division may be able to help.

CHICAGO: 800-386-5438 | TTY: 800-964-3013

SPRINGFIELD: 800-243-0618 | TTY: 877-844-5461

CARBONDALE: 800-243-0607 | TTY: 877-675-9339

SPANISH LANGUAGE: 866-310-8398

For more information, go to www.illinoisshines.com

Illinois Solar for All, another incentive program, is available for income-eligible customers and includes savings guarantees. Learn more at www.IllinoisSFA.com.