

Questions & Answers from March 6, 2024 Minimum Equity Standard Program Year 2023-24 Year-End Report Webinar



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Workforce Composition and Equity Eligible Person Eligibility

The presentation shared four qualifying criteria for Equity Eligible Persons. Must all four requirements be met?

- No; an Equity Eligible Person only needs to qualify under one of the four available qualifying options.

Regarding "Scope of Workforce", can you confirm that the count should only comprise workforce that is doing the work in Illinois? For instance, if a project company is not based in Illinois, and therefore all of their in-house development, engineering and planning roles are all done out of state, then the count that company would report WOULD NOT include any of these roles, correct?

- Correct; employees doing work outside of Illinois are not included in the project workforce for the MES, regardless of where they live. More information can be found in the FAQs under "Identifying the Project Workforce" <https://illinoisshines.com/vendor-faqs/>

The ICC recently approved a clarification of the "project workforce" that excludes small contractors (below 5% of REC contract value). Does that definition apply for the 2023-2024 MES compliance year?

- Yes. Employees, contractors and their employees, and subcontractors and their employees, whose job duties are directly required by or substantially related to the development, construction, and operation of a project that is participating in or intended to participate in the IPA-administered programs and procurements under Section 1-75(c) of the IPA Act. This shall include both project installation workforce and workforce in administrative, sales, marketing, and technical roles where those workers' duties are performed in Illinois. For purposes of this definition, 'directly required by or substantially related to' shall be construed to be any direct employee of the Approved Vendor, Designee, or any contractor and its employees whose contract exceeds 5% of the REC Contract value. Employees of contractors below that threshold may be counted on a voluntary basis, but if the Approved Vendor or Designee includes at least one such contractor whose contract is less than 5% of the REC Contract value, then all contractors below the threshold must be included.

Regarding project workforce totals for field personnel, I currently work outside Illinois but do travel to project sites that have been accepted into the Illinois Shines program. Since we work with Approved Vendors/Designees that will report their workforce, how do we account for 10% MES requirement when there were fewer than 10 people onsite from our standpoint?

- Individuals who do work in Illinois do count towards the project workforce, regardless of where they live.

If an AV or Designee's project workforce for a given Program Year is less than 10 people, they should aim to employ one Equity Eligible Person and provide a Compliance Plan that outlines how they will strive to recruit an EEP in the event that they hire during that year. If the company has not hired anyone during the Program Year, they will be able to submit an attestation stating so on the MES Year-End Report. They may also apply for a waiver. Please

reach out to the Program Administrator if there are questions with compliance and support/guidance can be provided.

What if your company has no employees, just an owner, and does not intend to hire employees?

- If an AV or Designee's project workforce for a given Program Year is less than 10 people, they should aim to employ one Equity Eligible Person and provide a Compliance Plan that outlines how they will strive to recruit an EEP in the event that they hire during that year. If the company has not hired anyone during the Program Year, they will be able to submit an attestation stating so on the MES Year-End Report. They may also apply for a waiver. Please reach out to the Program Administrator if there are questions with compliance and support/guidance can be provided.

Do employees who live outside of Illinois count for MES purposes, or only Illinois-based employees?

- Employees that do not work in Illinois are not considered part of the project workforce, regardless of where they live. Only workers whose duties are performed in Illinois are included in the IPA's "project workforce" definition.

Should an employee who is normally based outside of Illinois, but who will spend some of their work time on the ground in Illinois working on a project be counted for MES? It would be very helpful to clarify this detail.

- Employees that do not work in Illinois are not considered part of the project workforce, regardless of where they live. Only workers whose duties are performed in Illinois are included in the IPA's "project workforce" definition.

The questions on the MES Year-End Report are only for employees working in Illinois, correct?

- Yes, all of this only applies to your "project workforce" which is limited employees that work in Illinois. The definition of "project workforce" does not include functions performed outside of Illinois, regardless of where they live.

Regarding smaller companies that have less than 10 total people, can you expand on the language: "If an AV or Designee's project workforce for a given Program Year is less than 10 people, they should aim to employ one Equity Eligible Person and provide a Compliance Plan that outlines how they will strive to recruit an EEP in the event that they hire during that year." The term "aim" is confusing - will we be penalized if we don't have one yet? Will a Compliance Plan for the year ahead be sufficient or will we need to request a waiver?

- If an AV or Designee's project workforce for a given Program Year is less than 10 people, they should aim to employ one Equity Eligible Person and provide a Compliance Plan that outlines how they will strive to recruit an EEP in the event that they hire during that year. If the company has not hired anyone during the Program Year, they will be able to submit an attestation stating so on the MES Year-End Report. They may also apply for a waiver. Please reach out to the Program Administrator if there are questions with compliance and support/guidance can be provided.

If we have employees who do not live in Illinois but do administrative/operational work on our projects in Illinois, would they count towards our project workforce?

- The relevant location is where the work is being performed, for both installation workers and those doing support and business services, as that is the location of the economic opportunity. Only workers whose duties are performed in Illinois are included in the IPA's "project workforce" definition. Employees who perform duties in Illinois that are related to developing projects or educating consumers about program options should be included in the project workforce. While the IPA understands that project labor crews and locations vary, applicants do not need to include office workers who live and work outside of Illinois in their project workforce. Such an outcome would not serve the purpose the MES, which is intended to increase access to clean energy jobs for Illinois workers.

Should the employees in both of these scenarios be counted in the project workforce? 1) You are temporarily located in or travel to Illinois to work on Illinois Shines projects (ex. Contractors who live out of state or managers visiting for site walks). 2) If you are temporarily located in Illinois to conduct project work that is NOT onsite, such as attend a county meeting to discuss the project (you are in Illinois but never go to the project site).

- Yes, in both of these scenarios the employees would be counted as part of the project workforce, as their job duties are directly required by or substantially related to the development, construction, and operation of the project. Employees that do not work in Illinois are not considered part of the project workforce, regardless of where they live. Only workers whose duties are performed in Illinois are included in the IPA's "project workforce" definition.

I am a developer that lives outside Illinois but does travel to project sites. We have recently contracted an EPC to help out with our MES total percentage and is included in the contract. Since they are a registered designee, their MES total cannot count towards our project workforce totals, even if we contracted them at a higher MES total?

- The Agency will count Equity Eligible Persons employed by an EEC-certified subcontractor, including the Equity Eligible Person majority owner, 1.5 times in calculating compliance with the MES. Additionally, the IPA has determined that an entity that subcontracts with an EEC on a project and yet is unable to meet the MES will receive additional points towards the waiver request for the project.

The MES requirement applies to the full project workforce for an AV's entire portfolio of Illinois Shines projects (Distributed Generation and Community solar) correct? We are under the impression that each project does not need to meet the 10% requirement, it applies to the full workforce of the AV.

- That is correct; the MES applies at the portfolio level. However, waivers for community solar projects must be submitted on a per-project basis. Waivers may be requested for a portfolio made up of distributed generation projects.

Are there any changes to the Equity Investment Eligible Community map since the initial submission last year?

- The map was updated in September, 2023. The IPA is utilizing both the old version of the map as well as the update version of the map to make sure that no EEPs that were previously qualifying lost their qualification with the new map update. Please see this announcement for more information <https://illinoisshines.com/equity-investment-eligible-community-eiec-map-updated/>.

Is there any per project requirement for community solar projects or is it only a total requirement for the Approved Vendor/Designee for the plan year? In other words, if one project falls below 10% but another is higher, I assume that is ok.

- Yes, that is acceptable. The MES for Program Year 2023-24 has a 10% percentage requirement across the year for the AV. However, if a waiver is needed, waivers for community solar projects must be submitted on a per-project basis. Waivers may be requested for a portfolio made up of distributed generation projects.

Workforce Development and Recruitment

Upon research, it seems that many of the workforce training programs are still under development or are still in the funding process, which is limiting ability to enroll to meet compliance. Has this been considered by the Agency?

- Yes, the Agency is aware of the current status of the workforce training programs and is in close communication with the Illinois Department of Commerce and Economic Opportunity (DCEO). However, the MES requirement of 10% EEPs is a legal requirement for all participating entities.

Has the program been modified to address issues for companies that hire through union halls and do no outside recruiting?

- The 10% MES requirement applies to all participating entities. If a waiver is needed, there is a union-specific waiver available - see pg. 4-6 of the waiver document found here <https://illinoisshines.com/wp-content/uploads/2024/02/MES-Waiver-Request-and-Scoring-22-March-2023.pdf>.

Do you have resources for job training that will comply with requirements of MES?

- IPA is working with DCEO to clarify which Programs are currently available and which future Programs will count. Currently, Persons who graduated from or are current or former participants in the Clean Jobs Workforce Network Program, the Clean Energy Contractor Incubator Program, the Illinois Climate Works Preapprenticeship Program, Returning Residents Clean Jobs Training Program, or the Clean Energy Primes Contractor Accelerator Program, and the solar training pipeline and multi-cultural jobs program created in paragraphs (a)(1) and (a)(3) of Section 16-108.21 of the Public Utilities Act are eligible.

Can you publish a list of upcoming enrollment deadlines for active workforce development programs that qualify for MES?

- IPA is working with DCEO to clarify which Programs are currently available and which future Programs will count. Currently, Persons who graduated from or are current or former participants in the Clean Jobs Workforce Network Program, the Clean Energy Contractor Incubator Program, the Illinois Climate Works Preapprenticeship Program, Returning Residents Clean Jobs Training Program, or the Clean Energy Primes Contractor Accelerator Program, and the solar training pipeline and multi-cultural jobs program created in paragraphs (a)(1) and (a)(3) of Section 16-108.21 of the Public Utilities Act are eligible.

MES Compliance and Waiver

What are the consequences if the plan for the 2023-2024 Program Year was not achieved? Specifically, if the 10% requirement is not met. Is there a grace period? Are there exceptions?

- If, despite significant efforts, your organization determines that prior to June 1, 2024 it will not achieve the 10% MES goal for Program Year 2023-24, your organization is encouraged to request a waiver. In order to qualify for a waiver, your organization must demonstrate the outreach activities and efforts it conducted to connect with and attempt to recruit EEPs, and to detail why those efforts were not successful, ultimately resulting in noncompliance with the MES.

If the Approved Vendor/Designee has not met the MES for the Program Year, the Approved Vendor/Designee will be suspended and unable to continue to participate in the Program. The Approved Vendor/Designee may be required to enter into a corrective action plan to get into compliance. An Approved Vendor/Designee may have their suspension lifted and may participate in the Program once they have achieved the requirements in their corrective action plan and achieved compliance with the MES.

Are there any exceptions to the requirements for small organizations? What if the organization has fewer than 10 employees?

- If an AV or Designee's project workforce for a given Program Year is less than 10 people, they should aim to employ one Equity Eligible Person and provide a Compliance Plan that outlines how they will strive to recruit an EEP in the event that they hire during that year. If the company has not hired anyone during the Program Year, they will be able to submit an attestation stating so on the MES Year-End Report. They may also apply for a waiver. Please reach out to the Program Administrator if there are questions with compliance and support/guidance can be provided.

Will the work done for projects that are still on the waitlist count for the MES compliance?

- Maintaining a project on the waitlist does qualify as participating in the Program for this year, therefore those entities are required to meet the MES.

Is there an online form to use for the MES waiver or is it typed up as a document and submitted. Any examples of a MES Waiver form that would be acceptable?

- There is no online submission form for the MES waiver. Please use the waiver template form, located here <https://illinoisshines.com/equity-accountability-system/> and submit your waiver request in a PDF or Word format.

Are we required to comply with MES even though we do not have any new projects?

- There are specific outlines on what participation in the Program Year means for MES compliance. If any entity (Approved Vendor or Designee) has done any of the following items is considered participation in this Program Year, which means the MES does apply to you and you must comply with it.
 - Submitting projects to Illinois Shines
 - Performing construction on any project intended on being submitted to Illinois Shines
 - Conducting any sales or marketing activity for projects that have been or will be submitted to the Program
 - Maintaining subscriptions for a Community Solar project that holds a Renewable Energy Credit (REC) contract (including projects approved prior to the passage of CEJA)
 - Maintaining a project on a waitlist
 - Otherwise conducting business on a project seeking or that holds a REC contract

If the first project is not submitted until May 31, 2024, is an MES Year End Compliance Plan still due for the Program Year 2023-24 Program Year?

- Yes, while that timing likely isn't ideal, that would be considered participation in the Program Year, so by law your organization needs to comply with the MES for that Program Year.

Given the discrepancy in the number of EEPs looking for work in different areas of the state, is there any plan to have waiver request forms that are unique to different areas of the state? For example, we are in a very small town in central Illinois, and despite our efforts, it is much harder for us to find EEPs, because it would require people to move.

- There are currently two waivers available - one union specific waiver and one non-union specific waiver. Those waivers were drafted and published last year through a stakeholder feedback process, so the waivers are final for this Program Year. If you are working on a waiver and are struggling to be able to answer any of the questions there, please reach out to the MES@illinoisshines.com email.

Do we need to capture numbers related to projects we submitted in 2022? Or just projects submitted in the program year (June 1, 2023 - May 31, 2024)?

- The MES Year-End Report only pertains to work done in Program Year 2023-24, which is June 1, 2023 through May 31st, 2024, regardless of when the related project is submitted to the program. So workers on a project submitted in 2022 that requires ongoing subscriber management would be included, as would workers on a project being developed that might not be submitted until PY 24-25.

Have any waivers been approved yet?

- None have been approved as of this webinar.

MES Year-End Report Submission and 2024-25 Compliance Plans

Can the Program Administrator create a standardized Excel spreadsheet that can be used for submission of MES report and compliance data?

- The Program will continue to use Microsoft Forms for MES data collection which facilitates review of submitted data. Please reach out to us at mes@illinoisshines.com if your organization needs support to complete the form.

Our company is in the midst of being bought out by another company that is not currently participating in Illinois Shines program but plans to. Will the former company still have to file a year-end MES report.

- This requirement will remain even if the company is acquired prior to the deadline for the report. There is a formal process for updating Approved Vendor information when a company is acquired. Please contact the Program Administrator at admin@illinoisshines.com to update AV information. This process should be followed and then either your current company or the acquiring company will need to submit an MES Year-End Report. We will need to hear from one entity or the other based on the participation in the Program and this requirement during the 23-24 Program Year.

Why is Middle Eastern not listed as a race/demographic category?

- The race/demographic categories utilized for the MES reports are the same as those used for the U.S. Federal-level census.

Will there be a "prefer not to answer" slot for all the demographic info?

- Entities must report on all required questions. There will be an option for employees who do not wish to disclose demographic information, but entities must report on all employees they do have data for.

Does the Year-End Report include projects in the Indexed REC program? I know that program requires an MES report as well, but wanted to confirm if there is overlap, or if they're reported separately.

- The MES reports for Illinois Shines and Indexed REC projects will be done separately if an entity participates in both Programs. Please see <https://www.ipa-energyrfp.com/indexed-renewables/> for more information on the Indexed REC Program.

Is the Program Year 2024-25 MES Compliance Plan the same template as last year?

- The Program Year 2024-25 MES Compliance Plan format is planned to be generally the same as last year. However, it is not yet final, so please watch for further information. If there are any changes, we plan for them to be minimal.

What options are available to AVs if subcontractors do not provide this level detail on their employees?

- As the MES requirement comes from the law, this is a requirement for all participating entities. AVs should endeavor to be in compliance with the MES, including gathering data from their subcontractors.

When and how do AVs report which Designees they're working with?

- There is a question on the MES Year-End Report asking which Designees the submitting AV works with, and vice versa. The questions can be found on page 4 <https://illinoisshines.com/wp-content/uploads/2024/02/MES-Year-End-Report-Draft-Template-Program-Year-2023-24-27February2024-1.pdf>.

For EEPs who are registered through the portal, will their AV or Designee just have to provide the names of the EEPs, or will the company have to collect a confirmation sent to the EEP by the IPA after registering through the portal?

- Yes, their AV or Designee will just have to provide the full name of the EEP. The Program Administrator will then check those names against EEPs registered in the Energy Workforce Equity Portal to ensure they are registered.

Can we access our Program Year 2023-24 Compliance Plan submission to assist us with the Year-End Report?

- If you would like to see your 2023-24 MES Compliance Plan, please email mes@illinoisshines.com and the Program can provide you a copy.

When will the new year site open for the 24/25 submission due on June 3

- The MES Compliance Plan for Program Year 2024-25 will open up for submission in April 2024 and are due June 3, 2024. MES Year-End Reports for Program Year 2023-24 will open up for submission on May 1, 2024 and due July 15, 2024. More information on submission due dates can be found here: <https://illinoisshines.com/minimum-equity-standard-mes-year-end-report-guidance/>.

It appears that you require additional documentation for EEP's for training programs and for the residency requirements, but not for foster care and incarceration. Is that correct (likely due to the sensitivity of that data)?

- Yes, required documentation depends on the criteria in which the EEP qualifies. The EEP attestation can be found here https://illinoisshines.com/wp-content/uploads/2023/07/ABP_Attestation_for_Eligible_Persons-1.pdf.

EEPs are encouraged to register on the Energy Equity Portal, as this information is shared directly with the IPA so the employee will not need to share this sensitive info with the employer.

When one of our subcontractors submits EEP verification through the portal, their return confirmation email doesn't include any identifying information. I have to separately reach out to Energy Solutions and confirm they are certified. Can your approval emails include a name so we can skip the separate verification step?

- The IPA will look into this request. For further questions regarding the Energy Equity Portal, please contact IPA.EnergyEquity@illinois.gov.

Where can stakeholders access a recording of this webinar and its slides?

- All Program webinars, as well as a copy of the presentation slides, and Q&A generated, can be found at <https://illinoisshines.com/webinars/>. In addition, the questions and answers from this webinar will be integrated into the MES FAQs found at <https://illinoisshines.com/equity-accountability-system/> as well as <https://illinoisshines.com/vendor-faqs/>.