

Illinois Shines Program Overview Part 2

Presented by Energy Solutions

AGENDA Illinois Shines Program Overview Part 1

1 Program Participant Roles

Prevailing Wage Requirements

3 Program Block Categories





1. Program Participant Roles





Approved Vendors (AVs)

Many different types of entities can register as an Approved Vendor (AV); this designation may include a company that specializes in the aggregation and management of RECs; a for-profit project developer; an installer of photovoltaic systems; a municipality; a non-profit, public school, project-specific entity for a community solar system, etc.

*Failure by an Approved Vendor to follow Program requirements could result in disciplinary action, which could lead to the entity losing the ability to participate in the Program

Key AV Responsibilities:

- Serve as the contractual counterparty with the utility on the REC Contract, and thus the entity that receives payments from the utility for REC deliveries as contract obligations are met and will maintain collateral requirements
- Submit project applications to the Program Administrator
- Provide ongoing information and reporting (Minimum Equity Standard compliance, Designee Management plan, and Annual Reporting)
- Renew AV status annually





Ongoing Program Requirements for AVs

There are ongoing program requirements that must be met **regardless** of whether the AV has any active REC contracts or not:

Bi-Annual Report

Annual Report

Approved Vendor Renewal

Designee Management Plan

MES Compliance Plan

MES Compliance Mid-Year Report

MES Compliance End of Year Report



There are ongoing, REC contractspecific program requirements that must be met:



Community Solar Subscriber Verification



Project Inspections





Designees

Designee refers to entities that have direct interaction with end-use customers on behalf of the Approved Vendor or another Designee; this includes:

Designees of Designees are called Nested Designees and may hold only Marketing/Sales Designee or Installer Designee roles since only Approved Vendors can add Disclosure Form Designees and Community Solar Subscriber Agent Designees directly beneath their Approved Vendor account

- Disclosure Form Designees: An entity that the Approved Vendor has designated that is permitted to generate Disclosure Forms on behalf of the Approved Vendor
- Community Solar Subscriber Agent Designees: An entity that the Approved Vendor has designated that is permitted to manage the community solar subscription information for an Approved Vendor's community solar projects
- Marketing or Sales Designees: An entity that the Approved Vendor or Designee has designated to act as a marketing agent and/or customer acquisition agent on behalf of the Approved Vendor or Designee
- Installer Designees: An entity that the Approved Vendor or Designee has designated to install systems on the Approved Vendor's or Designee's behalf





Requirements Upon Registration as a Designee





Acknowledge business relationship with their AV



Identify categories of the consumer-facing services provided

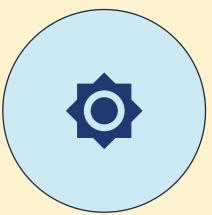


Submit an annual MES
Compliance Plan
(exception: EEC Designees)





Ongoing Program Requirements for Designees



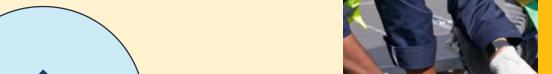








 MES Compliance End of Year Report







Equity Eligible Contractors (EECs)

Equity Eligible Contractors (EECs) are defined as an Approved Vendor or Designee Vendor that is majority-owned (at least 51%) by an Equity Eligible Person (EEP):

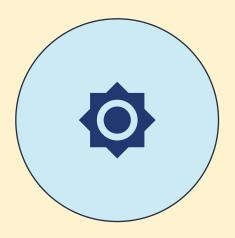
*If the Approved Vendor is organized as a corporation, general partnership, limited liability partnership, limited liability company, or limited partnership, the applicant will be asked to designate which owners, partners, or proprietors meet the EEC eligibility criteria and if organized as a non-profit, which board members meet the EEC eligibility criteria

- a) 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
- b) persons who are graduates of or currently enrolled in the foster care system
- c) persons who were formerly incarcerated
- d) persons whose primary residence is in an equity investment eligible community





Ongoing Program Requirements for EECs







In addition to the requirements for being either an Approved Vendor (EEC AV) or Designee (EEC Designee), EECs must also renew their EEC designation annually







Knowledge Check!





Q1. Which of the following is not an ongoing Program requirement for EECs?

- a) Approved Vendor Renewal
- b) Designee Renewal
- c) MES Compliance Plan
- d) **EEC** Renewal





Q1. Which of the following is not an ongoing Program requirement for EECs?

- a) Approved Vendor Renewal
- b) Designee Renewal
- c) MES Compliance Plan
- d) **EEC Renewal**



2. Prevailing Wage Requirements





Prevailing Wage Requirements

Prevailing wage is a minimum compensation level by county set by the Illinois Department of Labor for construction activities related to public works. The Climate and Equitable Jobs Act (CEJA) expanded the prevailing wage requirement to individuals engaged in the construction of applicable projects submitted to the Program; the Illinois Department of Labor (IDOL) oversees the implementation and enforcement of the Prevailing Wage Act (PWA)





How do I demonstrate compliance with Prevailing Wage?

To demonstrate Prevailing Wage (PW) has been correctly paid for eligible construction work, each contractor and subcontractor under contract for construction activities for an Illinois Shines applicable project must submit a Certified Transcript of Payroll (CTP) to the Program Administrator via the Part II application. The Approved Vendor (AV) must generate the CTP from the IDOL website monthly throughout construction activities





3. Program Block Categories







Program Block Categories

Capacity is allocated each Program Year by program category and by Group (A or B)

Group A: For projects located in the service territories of Ameren Illinois Company ("Ameren Illinois"), MidAmerican Energy Company ("MidAmerican"), Mt. Carmel Public Utility, and rural electric cooperatives and municipal utilities located in the Midcontinent Independent System Operator ("MISO") service area

Group B: For projects located in the service territories of Commonwealth Edison Company ("ComEd"), and rural electric cooperatives and municipal utilities located in the PJM Interconnection ("PJM") service area















Small Distributed Generation

Distributed Generation projects up to and including 25 kW in size

- Behind-the-meter systems on residential or commercial properties
- Small DG capacity for a given program year accounts for 20% of total program capacity
- Each project that is constructed in this category will be subject to prevailing wage requirements included in the Prevailing Wage Act except the following types of projects:
 - Residential DG projects
 - DG Projects that serve a house of worship and do not exceed
 100 kW AC







Large Distributed Generation

Distributed Generation projects greater than 25 kW in size up to and including 5 MW

- The location of these projects are typically on locations with large energy demand including businesses, factories, and farms
- Comprise at least 20% of the Illinois Shines capacity generally.
- Each project that is constructed in this category will be subject to the prevailing wage requirements included in the Prevailing Wage Act with the exception the following types of projects:
 - Projects (greater than 25 kW AC) that were on a waitlist as of the Program's reopening on December 14, 2021
 - Projects that serve a single-family or multi-family residential building
 - Projects that serve a house of worship and are not greater than 100 kW AC
 - Projects for which construction can be demonstrated to have been completed before September 15, 2021, the effective date of Public Act 102-0662



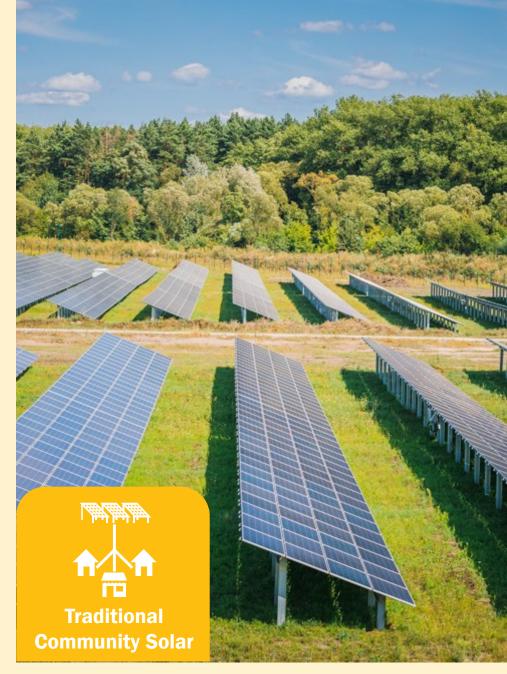




Traditional Community Solar (TCS)

Community Solar projects up to and including 5 MW in size

- Subject to a 20% developer cap of MWs awarded for any AV and their affiliates, determined separately for Group A and Group B each Program Year
- Subject to TCS Scoring Criteria should submitted capacity on the first year of the program year surpass the total capacity of the category for the Program Year; there are four scoring criteria categories:
 - 1. Built Environment
 - 2. Siting
 - 3. Equity Eligible Contractors
 - 4. Interconnection Status
- A minimum of 5 points must be achieved to be placed on the waitlist
- If submitted capacity on day one of the Program Year is below the total capacity of the category for the Program Year, then all applicant projects will be deemed acceptable and may qualify for a REC Delivery Contract







Community-Driven Community Solar (CDCS)

Community Solar projects up to and including 5MW that meet the criteria to be classified as community-driven

- 90-day application window starting at the beginning of each Program Year
- Unlike TCS, CDCS projects are automatically subject to a scoring criteria; the CDCS Scoring Criteria includes two scoring criteria categories:
 - 1. Primary Criteria
 - 2. Secondary Criteria
- A minimum 6 points must be achieved to be eligible for a REC contract
- A minimum 10 points must be achieved to be placed on the waitlist







Public Schools

Small and Large Distributed Generation projects, as well as community solar projects which serve a public school in Illinois

- Distributed generation projects submitted to the Public Schools category must be located at the public school (or school district facility) the project is serving
- For this category, public schools are K-12 schools under the jurisdiction of/governed by the Illinois State Board of Education
- Community solar projects submitted to the Public Schools category must be sited on district- or school-owned land
 - The school or school district must serve as anchor tenant with a minimum of 10% share of the project's capacity, without exceeding 40% of the project's capacity
 - The subscription mix must include at least 50% small subscribers
- Public Schools projects will be allocated by group, tier, location, and project size

Group	School Type	≤ 250 KW	>250- 1,000 KW	>1,000 - 5,000 KW
Group A	Tier 1, Tier 2, or schools located within Environmental Justice Communities	5.25 MW	10.5 MW	5.25 MW
	Tier 3 and Tier 4 schools that are not located within Environmental Justice Communities	2.25 MW	4.5 MW	2.25 MW
Group B	Tier 3 and Tier 4 schools that are not located within Environmental Justice Communities	12.25 MW	24.5 MW	12.25 MW
	Tier 3 and Tier 4 schools that are not located within Environmental Justice Communities	5.25 MW	10.5 MW	5.25 MW
Total 10	D MW	25 MW	50 MW	25 MW







Equity Eligible Contractor

Distributed generation projects or community solar projects that are submitted to the Program by an Equity Eligible Contractor certified Approved Vendor

- Only Equity Eligible Contractors (EECs) can participate in the Equity Eligible Contractor category, no non-EECs can submit a project in this category
- EECs may submit with their Part I project application a request for Advance of Capital in which <u>up to</u> 50% of contract value may be advanced to an EEC-certified Approved Vendor upon Part I application verification and approval by the Illinois Commerce Commission (ICC)
- A 20% Developer Cap, in which the AV cannot submit a total project capacity above 20% of the category capacity for the given program year, will be triggered if any of the 4 subcategories in the EEC category are oversubscribed on Day 1 of the Program Year
- EECs may submit projects in other categories







Program Category REC Prices for 2023-24 Program Year

The REC price for a project depends on the: Category, Group (A or B), and Size (kW AC system capacity)

Distributed
Generation

Size	Group A	Group B
0-10 kW	\$75.21	\$83.75
>10-25 kW	\$64.71	\$76.27
>25-100 kW	\$59.28	\$69.47
>100-200 kW	\$60.44	\$65.96
>200-500 kW	\$53.39	\$58.36
>500 kW-2 MW	\$50.01	\$52.06
>2-5 MW	\$40.16	\$39.56

Traditional
Community
Solar (TCS)

Size	Group A	Group B
0-25 kW	\$55.08	\$63.48
>25-100 kW	\$58.94	\$71.92
>100-200 kW	\$60.79	\$73.22
>200-500 kW	\$56.96	\$65.20
>500 kW-2 MW	\$49.94	\$56.08
>2-5 MW	\$39.27	\$42.39



Program Category REC Prices for 2023-24 Program Year

	Size	Group A	Group B
	0-25 kW	\$71.10	\$82.37
	>25-100 kW	\$76.16	\$93.61
Community- Driven	>100-200 kW	\$78.33	\$95.12
Community Solar	>200-500 kW	\$73.02	\$84.10
	>500 kW-2 MW	\$63.72	\$71.80
	>2-5 MW	\$49.33	\$53.31

	Size	Group A	Group B
	0-25 kW	\$74.95	\$81.16
	>25-100 kW	\$65.57	\$70.42
Public Schools	>100-200 kW	\$66.40	\$66.59
	>200-500 kW	\$58.94	\$59.81
	>500 kW-2 MW	\$56.73	\$53.59
	>2-5 MW	\$45.72	\$37.23

The EEC Category is organized into two sub-categories, which have the same REC prices as the Distributed Generation and Traditional Community Solar categories

* EEC sub-categories are applied for the first 9 months of the program year and are then removed

Equity Eligible Contractor

EEC Sub- Category	% Category Capacity	REC Price
EEC CS	75%	TCS
EEC DG	25%	Small and Large DG



Knowledge Check!





Q2. Block capacity is allocated each Program Year by program category and by group. What are the two groups?

- a) DG and CS
- b) Groups A and B
- c) Ameren and ComEd
- d) MISO and PJM





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Q3. What's the difference between Large and Small Distributed Generation?

- a) Small DG projects are over 25 kW in size
- b) Large and Small DG are both 20% of Program capacity
- c) Large DG projects are over 25 kW In size
- d) Large DG projects are 40% of Program capacity





Q3. What's the difference between Large and Small Distributed Generation?

- a) Small DG projects are over 25 kW in size
- b) Large and Small DG are both 20% of Program capacity
- c) Large DG projects are over 25 kW In size
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Q4. CEJA expanded the prevailing wage to include individuals who:

- a) Meet prevailing wage requirements
- b) Are engaged in construction of applicable projects
- c) Were formerly incarcerated
- d) Submit an annual MES plan





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Thank you!

Comments or questions?

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