

# 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](http://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?



**Illinois Shines Program Administrator**  
admin@illinoisshines.com  
(877) 783-1820

Illinois Shines is administered by Energy Solutions on behalf of the Illinois Power Agency, an independent state government agency.

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](mailto: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](http://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](http://www.IllinoisSFA.com).



# Illinois Shines Power Purchase Agreement Disclosure Form

## Power Purchase Agreement Disclosure Form - ID# 750479

Illinois Shines is a state solar incentive program. An installer or other vendor is required to provide you with this disclosure form so that you have accurate information about the solar project, including its size, cost, operations, warranties, and financial benefits. More information about Illinois Shines is available at [www.IllinoisShines.com](http://www.IllinoisShines.com) and a guide to understanding your disclosure form is available at <https://illinoisshines.com/consumer-protection/disclosure-form-resources>. Another state solar incentive program, Illinois Solar for All, is available for income-eligible customers and includes savings guarantees (visit [www.IllinoisSFA.com](http://www.IllinoisSFA.com) for more information).

You are entering into a Power Purchase Agreement ("PPA") to buy electricity generated by a solar project installed on your property; another party will own that solar project. Carefully read your contract before signing. You may want to compare offers from multiple installers or Approved Vendors. You should take whatever time you need to shop around and to fully understand the contract before signing

**You may rescind your PPA and receive a refund of any deposit by contacting the project owner within the period allowed by your contract or law, which cannot be less than three calendar days.**

If you are unable to resolve a complaint with your installer or Approved Vendor, you may contact the Illinois Shines Program Administrator by emailing [complaints@illinoisshines.com](mailto:complaints@illinoisshines.com) or by calling (877) 708-3456. If you have been subject to fraudulent or deceptive sales practices, the Consumer Protection Division of the Illinois Attorney General's office may also be able to help; call (800) 243-0618 or visit <https://illinoisattorneygeneral.gov/File-A-Complaint/>.

### Contact Information

Customer Information	
Name	Cathy Customer
Address	123 Customer Court, Chicago, IL 60603
Phone	312-123-1234
Email	customer@email.com
Service utility	ComEd
Customer type	Residential/Small Commercial

Project Owner	
Legal Name	Project Owner, Inc.
Marketing Name	Solar4U
Address	123 Solar Street, Rockford, IL 61020
Phone	815-123-1234
Email	solar4U@email.com

Approved Vendor	
Legal Name	Approved Vendor, LLC
Marketing Name	
Address	123 Vendor Ave, Chicago, IL 60601
Phone	312-345-6789
Email	approvedvendorllc@carbonsolutionsgroup.com

Project Installer	
Legal Name	Project Installer, Inc.
Marketing Name	Solar Installerz
Address	123 Installer Extension, Peoria, IL 61525
Phone	309-123-1234
Email	installer@email.com

### Power Purchase Agreement ("PPA") Information and Costs

Length of contract	20 years and 0 months	First Payment		Final Payment	
		Rate	10.000 ¢/kWh	Rate	14.568 ¢/kWh
Annual Escalation Rate	2%	When payment is due	30 days after energization	When payment is due	30 days after end of PPA

Payments	When Payment is Due	# of Payments	Amount
Deposit or payment at contract signing	At contract signing	1	\$0.00
Total estimated PPA payments	monthly	240	\$27,721.00

Fees that will apply	Amount	When Due	# of Payments	Amount
maintenance fee	\$50	annually for 15 years	15	\$750.00

**Estimated total amount paid, including PPA payments and above fees, for duration of PPA**

**\$28,471.00**

Other Fees that May Apply	When Applicable	Amount
late payment fee	payment more than 14 days late	\$15

### Illinois Shines Incentive Payment

*Note: you will not be eligible for the federal solar tax credit because you will not own the project.*

Expected value of incentive payment that will be <b>received by the Approved Vendor</b> for the solar project if accepted into Illinois Shines program ( <i>acceptance not guaranteed</i> )	<b>\$14,509.51</b>
Is the PPA contingent upon selection for the Illinois Shines incentive?	No
Will pricing or other terms change if the project is not selected for Illinois Shines?	Yes
<i>Review your contract to understand how pricing or terms will change if the project is not selected</i>	

### Project Installation

Estimated start date of project installation	90 days from the date the contract is signed
Estimated completion date of project installation	95 days from the date the contract is signed
Estimated date for project owner to furnish a mechanic's lien waiver	45 days after final payment
Who is responsible for submitting a project interconnection application to your local service utility?	Installer
Will project owner file a Uniform Commercial Code-1 "fixture" filing statement?	Yes - project owner may be able to take possession of solar project if you breach your contract

### Project Design Specifications

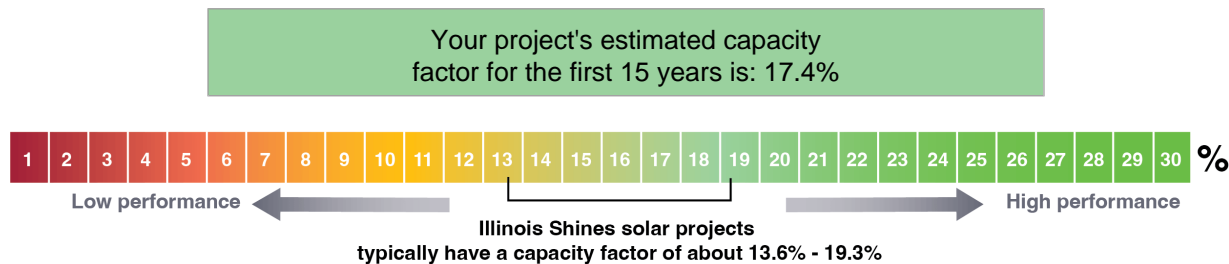
Project Size (size of project as built may vary by the greater of 1kW or 5%)	7.60kW AC	6.80kW DC
Estimated total annual electricity production in first year	12,000.00 kWh	
Estimated customer annual usage and % offset by solar project	12,500.00 kWh	96%
Expected life of the project	20 years	
Mounting location	Roof mounted	
Will project include a battery for energy storage? If so, what size?	Yes	6.20 kWh

### Project Efficiency

A solar project's performance can be affected by the type of the solar panel used and placement of the panels. For example, solar panels that do not face south, are at too steep or flat of an angle, or are shaded will not produce as



much electricity. The capacity factor reflects a project's expected production and can be used to compare design and expected performance between project proposals.



**Explanation:** partial shade in morning from neighbor's tree

**Net Metering**

You may be eligible for net metering, which credits your electric bill for excess generation from your solar project. Net metering credits can have a significant impact on the financial benefits of your solar project. **To participate in net metering, an application must be submitted to your electric utility.** For more information on net metering, including credit amounts, how credits roll-over, and whether credits expire, please see <https://illinoisshines.com/consumer-protection/disclosure-form-resources>.

**Utility Rebates**

ComEd and Ameren offer rebates for solar projects that have smart inverters (referred to as the Distributed Generation or Smart Inverter rebate) and for projects with energy storage (batteries). Projects may be eligible for either or both.

**Residential and small commercial customers in ComEd territory who take the energy storage rebate must sign up for real-time pricing supply service from ComEd. Residential and small commercial customers in Ameren territory who take the energy storage rebate will be required to permanently take either supply service from Ameren under an hourly rate schedule, or participate in Ameren's demand response program.**

Will project take the Distributed Generation rebate for the solar project?	Yes	Will project take the energy storage rebate for the battery?	Yes
Amount of generation rebate	\$2,040.00	Amount of storage rebate	\$1,860.00
Who keeps the rebate payment?	Customer	Who keeps the rebate payment?	Customer

**Project Operations, Maintenance, Warranties, and Guarantees**

Project maintenance (operational upkeep)	Included - provided by Installer for 20 years
Project repairs (fixing malfunctioning project)	Included - provided by Owner for 20 years
Warranties related to improper installation	Included - provided by Installer for 5 years
Manufacturer's warranty for solar panels?	Included for 20 years
Manufacturer's warranty for project inverter?	Included for 15 years
Warranty against roof leaks from installation	Included - provided by Installer for 5 years
Is the seller providing a project guarantee?	No project guarantee. Customer only pays based on actual generation.
Insurance for loss or damage to the project	Included - Does not include weather damage, gross negligence, or intentional damage

**If You Move**

Upon sale of property where solar project is located, can you transfer the PPA obligations to the new owner?	Yes
Requirements for transferring PPA obligations	New homeowner must take over all obligations in the lease and associated REC contract

### Early Termination or Completion of Contract

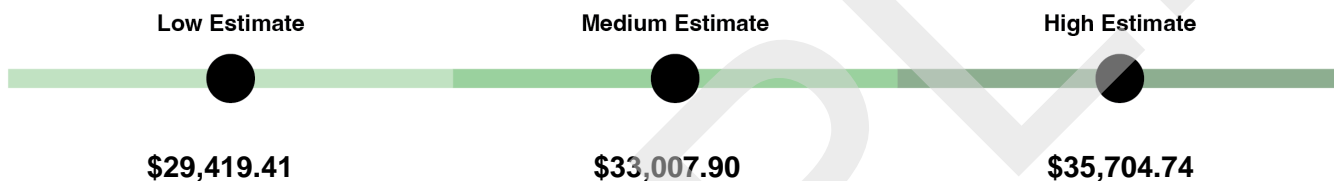
Fee/penalty for early termination of PPA	customer must pay remaining estimated PPA payments
<b>At the end of the PPA...</b>	
Will project owner remove solar project?	Yes
Will project owner return site to original condition (excepting ordinary wear and tear)?	Yes
Will project owner offer an option for customer to own and retain the solar project?	Yes
Will project owner offer an option for contract renewal?	No

### Value of Electricity and Savings Estimates

Below are low, medium, and high estimates of the dollar value of the electricity your solar project will generate **over the duration of your PPA** (how much less you will pay in electric bills), which do not factor in your expenses.

These estimates are based on current electricity rates and may not reflect electricity rates and net metering rates if you take supply from an Alternative Retail Electric Supplier or do not sign up for net metering. **These estimates are NOT a guarantee** and do not account for the time value of money; electricity rates are subject to change.

#### Estimated Range for Value of Electricity Generated by Your Project



Assuming that 75% of electricity is used directly onsite, which is valued at 14.604 cents/kWh, with electricity sent to the grid valued at 5.231 cents/kWh. Assuming electricity price escalation rates of 0.5%, 1.7%, and 2.5%, and production decrease of 0.5% per year. Solar companies may use different assumptions in documents they produce.

**To estimate overall savings (if any), compare the expenses to the estimated benefits**

Benefits	
Medium estimate of value of electricity generated over duration of PPA	\$33,007.90
Utility Distributed Generation Rebate (if retained by customer)	\$2,040.00
Utility Storage Rebate (if retained by customer)	\$1,860.00
Expenses	
Estimated total amount paid by customer (PPA payment, fees, etc.)	\$28,471.00

### Additional Information from Project Owner / Approved Vendor

### Signature

By signing this disclosure form, you certify that you received and read this form and had the opportunity to ask questions about it.

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_