

Case Study

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Palestine, IL School District Turns to Illinois Shines Solar Project to Achieve Important Financial and Environmental Benefits



129.6 kW solar installation at Palestine (IL) Grade School



Illinois Shines
Building Our Solar Future



IPA
ILLINOIS POWER AGENCY



Energy Solutions
Program Administrator

Summary

In the village of Palestine, Illinois, a public school district tackled its financial challenges with an innovative, sustainable solution: solar energy. Motivated by the potential for both cost savings and environmental benefits, Palestine School District (CUSD3) leveraged the Illinois Shines program to tap into state incentives and bring their solar ambitions to life. By collaborating with an Approved Vendor¹ vetted by the Program and opting for a Power Purchase Agreement (PPA)² to manage upfront costs, the district reduced its electricity expenses and turned its school into a hands-on renewable energy learning hub. This case study highlights how a rural district found workable solutions to going solar, fostered community support, and created a brighter future for students.

Facing the Challenge

Like many public school districts, Palestine School District is challenged to maintain and improve its facilities while managing expenses within a limited budget. Large capital projects can also disrupt school operations and typically require the support and involvement of key community stakeholders and technical experts, which can lengthen planning, funding, and implementation timelines. The district considered whether solar panels could generate cost savings while improving its facility, and if it could take advantage of Illinois Shines, a state-administered program that encourages the development of solar systems through incentives that help offset project costs. The Program offers special incentives for solar projects that serve Illinois K-12 public schools and higher education institutions.

Developing a Solution

Project Planning

Palestine School District recognized that having a project champion could help prepare the school and its board members to explore the possibility of solar, and to lay the groundwork for future planning and development.

¹ Approved Vendors are entities approved by the Program Administrator (as an agent of the Illinois Power Agency), to submit project applications to the Illinois Shines Program.

² Power Purchase Agreement (PPA): Customer pays monthly for the electricity generated by the system using an agreed upon price-per-kilowatt hour.

Project Details



Project Name:

Palestine Grade School CUSD#3



System Size:

129.6kW



Expected yearly energy production:

218.4 MWh



Financing Type:

Power Purchase Agreement



Duration:

5 years



Annual Energy Savings:

\$23,000 in Year 1, and further future savings



Illinois Shines Project Category:
Public Schools



Project type:

Distributed Generation

Fortunately, its school board Vice President was willing to play the role. The Vice President was familiar with solar development in Illinois, about the kinds of financial and environmental improvements it offered, and about Illinois Shines, which offers flexibility for schools to work with Approved Vendors to develop solar projects (rooftop, ground mount, or community solar) with various financing options. Approved Vendors play a key role, managing contracts with utilities, overseeing the development of solar projects, and handling the renewable energy credits (RECs) generated by the projects - and then pass REC incentives on to customers as agreed upfront. Recognizing the project's potential, the Vice President secured the support of the school Superintendent and created a stakeholder team of decision-makers from the school board, school administration, parent-teacher organization, teachers, buildings and grounds staff, and the community to help guide the project.

Research and Bidding

With this preparation complete, the district got to work, and advanced the project in three phases:

- The Vice President contacted a solar developer to understand the potential financial and environmental benefits this project could offer the district. The short- and long-term calculations were favorable, and crucial in convincing community members, parent-teacher organizations, and school board members of the project's value.
- The school explored several different funding sources and programs to optimize financials and decided on the Illinois Shines Program incentives (with a Power Purchase Agreement or "PPA" financing model), Solar Investment Tax Credits (ITC), and Elementary and the Secondary School Emergency Relief Fund (ESSER). With support in place, the Vice President and Superintendent issued a request for proposals (RFP) and evaluated proposals from three solar developers.
- The district ultimately selected an Approved Vendor in the Illinois Shines program, which provides project capacity with accompanying incentives and financial flexibility, stakeholder resources, rigorous consumer protections, and program compliance requirements of its Approved Vendors. The Program's required Disclosure Forms helped the district clearly understand the specific details of the proposed system and its expected performance, costs, and financial benefits.

"The solar project has been a transformative step for our school, not only reducing our energy costs but also providing a sustainable, eco-friendly learning environment for our students. The installation process was smooth and efficient, and we're proud to lead by example in teaching the next generation about the importance of renewable energy. This project has truly empowered our school community to embrace a greener future."

- Jessica Sisil, Palestine School District Superintendent and Grade School Principal

Results

The district soon developed a 129.6kW ground-mounted array - about the size of 2 basketball courts. The project's PPA financing allowed the school to pay a lower, agreed upon price-per-kilowatt hour for the system's generated electricity than it would have paid the utility, and minimized upfront costs versus an outright purchase. Along with its contract terms, the project yielded immediate energy savings and benefits for the school district through participation in Illinois Shines - amounting to \$23,000 in 2024, the first year the system was operating. These savings improved their Operations and Maintenance budget and can be redirected to educational priorities. The project has provided other value to Palestine School District students, as renewable energy studies have been incorporated into the school's curriculum, providing a real-world example of renewable energy in action and a hands-on opportunity to learn about solar technology and the power of the sun.



Key Lessons Learned

1. Schedule project installation to minimize school disruptions. To minimize operational disruptions, the district began project planning in the fall and planned construction for summer break. The Illinois Shines Approved Vendor managed most technical installation areas, and relied on the district's maintenance and grounds team for select tasks which simplified the school's involvement. However, the district believes that involving school architects earlier in the project can help streamline the engineering process.

2. Be flexible to achieve your goals. Though well planned, the project encountered unexpected delays and increased costs during the interconnection process. In response, the district reduced the size of the planned solar array, and though it changed the project's economics and added several months to the project, it ultimately allowed the school to move forward with the project and start realizing its benefits. The Approved Vendor led the conversations with the utility and worked closely with the school on the adjusted timeline.

3. Explore all funding and financing options. To make the project financially viable, the district researched and navigated multiple financing options and incentives, such as the ITC and ESSER. Stacking incentives and credits – including negotiating a Direct Pay provision - made the project proposal more attractive to the school board but required time and research from the planning team.



Interested in starting a Solar Project at Your School?

Is your school considering going solar? The Illinois Shines program has incentives for K-12 public schools and public institutions of higher education and offers a step-by-step [Solar Project Guide](#) to get you started.