



Community Solar in Illinois

FACT SHEET

August 2018

What is community solar?

Are you interested in solar power, but prevented from installing solar panels because you can't afford it, don't have enough space or sunlight on your property, or live in an apartment?

Illinois' new community solar program allows electricity customers to enjoy the benefits of solar energy without installing panels on their own homes.

Through community solar you can purchase a portion of the electricity produced by a solar installation—called a community solar garden—and in return receive credits on your electric bill.

Why is this possible now?

The Future Energy Jobs Act, historic state legislation passed in December 2016, calls for 400 megawatts (MW) of community solar projects to be developed by 2030. That's enough to power up to 150,000 households.

How does community solar work?

Under Illinois' community solar program, subscribers enter into an agreement that helps fund a solar installation in their community—or somewhere in their utility's service territory—in exchange for a credit on their bills. The owner of the community solar garden typically pays the upfront costs to build, maintain and connect the garden to the utility's power grid. Subscribers pay the owner for their portion of the electricity produced, typically through a per kilowatt-hour rate. At the end of each billing period, the utility grants each subscriber a credit in proportion to his or her share of the garden's electricity production.

Here's an example of how it could work: Let's say your home used 1,000 kilowatt-hours (kWh) of electricity in a month, and your portion of the solar garden you subscribe to produced 200 kWh in that same month. You would receive a credit on your bill amounting to your supply rate multiplied by 200 kWh, meaning that month you would only need to pay for the remaining 800 kWh.

HOW COMMUNITY SOLAR WORKS

MANY CONSUMERS ARE INTERESTED IN SOLAR POWER, BUT CAN'T INSTALL PANELS ON THEIR HOME. Maybe their house has too much shade, or they live in an apartment.

With community solar, you don't have to install panels. **YOU, YOUR NEIGHBORS AND BUSINESSES CAN SUBSCRIBE TO A PORTION OF A COMMUNITY SOLAR GARDEN.**

How you pay for it depends on the offer you sign, but your subscription helps the developer fund the garden. **IN RETURN, YOU GET A CREDIT ON YOUR ELECTRIC BILL** in proportion to your share of the electricity the solar garden produces.

ELECTRIC BILL

YOUR USAGE	\$
CREDIT!	\$
TOTAL	\$

Designed by Citizens Utility Board

Note: Community solar projects have a maximum size of 2 Megawatts (MW) of electricity output—roughly 10,000 standard (2 x 1 meter) panels. Also, the utility is required to buy the energy output that hasn't been subscribed out in a solar garden.

How do subscribers pay?

We don't yet have exact details on the deals developers will offer, but we expect most community solar subscriptions to take the form of "Power Purchase Agreements," or PPAs.

Under a PPA, the subscriber pays for his share of the solar garden's energy output at a specific rate per kilowatt-hour. Whether that rate is cheaper than what he would have paid to the utility remains to be seen, but CUB believes that state incentives should make it possible for developers to offer savings to their subscribers.

Note: You will receive a bill that is separate from your typical electric bill. Two state agencies, the Illinois Commerce Commission (ICC) and the Illinois Power Agency (IPA), have to sign off on community solar contracts.

Frequently Asked Questions

What are the benefits of community solar?

It can lower electric bills for subscribers and improve the power grid's reliability. Also, adding solar power to the grid lessens the need for expensive power plants, lowering market prices for all.

Who can be a subscriber?

All residential and business customers can subscribe to a community solar garden—as long as it's located in their electric utility's service territory. The minimum subscription per customer is 200 watts, or about one solar panel. No individual can subscribe to more than 40 percent of a project, but you can subscribe to multiple projects.

Do subscribers directly receive a solar garden's power?

No. Unlike a home with its own solar panels, there's no way to send the power generated by a solar garden

exclusively to a subscriber's home. Like all electricity, power produced by a solar garden is sent to the utility's grid and distributed indiscriminately the moment it's created.

How do I know what a good deal is?

The Illinois Commerce Commission and the Illinois Power Agency have to sign off on community solar contracts, so there are consumer protections. But some offers might be better for you than others. It will take math on your part to determine the costs vs. the benefits.

What if I move?

If you move to a new home within your utility's territory, you can continue your subscription. If you move outside the territory, you must cancel your subscription or transfer it to another customer who meets the eligibility requirements.

Will I pay a fee if I end my subscription early?

You probably will have to pay a termination fee. That's a good question to ask when you are considering a community solar project. Also ask if you are required to participate for a certain number of years.

How do I get involved?

1. First, maximize your home's energy efficiency. (Efficient homes are great candidates for community solar.)
2. To browse potential community solar projects, visit: www.SolarInTheCommunity.com.
3. Organize interested community members and propose a community solar project in your neighborhood.

Contact CUB, at **1-800-669-5556**, if you want to be added to CUB's "Community Solar Updates" email list.