



Illinois Solar for All

Overview of the Home Repairs and Upgrades Pilot

Question and Answer

Wednesday, May 17, 2023

Agenda

- **Overview**
- **Proposal and Questions for Discussion**
 - Expected Cost Caps
 - Reference List
 - Warranty Coverage
 - Minimum Insurance Coverage
 - Consumer Protections
- **Process for Commenting and Questions**

Home Repairs and Upgrades Pilot Overview



Pilot Purpose and Goals

- One of the barriers to installing affordable solar through the Illinois Solar for All: Residential Solar (Small) sub-program on income-eligible households is the need for electrical and/or roof repairs that are a precondition for solar installations.
- To address this barrier, the Illinois Power Agency's (the Agency) 2022 Long-Term Renewable Resources Procurement Plan (the "2022 Long-Term Plan") outlined the Home Repairs and Upgrades Pilot.
 - It was outlined to provide additional incentives to ILSFA Approved Vendors to complete the necessary electrical and roof repairs for solar installations on owner-occupied income-eligible homes within the Residential Solar (Small) sub-program.

This Pilot has two main goals:

- To improve participation in the Residential Solar (Small) sub-program
- To gather information from Approved Vendors on the frequency and extent of electrical and/or roof repair needs

Identifying Outside Funding

- The Program Administrator will first seek to connect owner-occupied income-eligible homes with Federal, State, or non-profit programs that fund home repairs.
 - U.S. Department of Housing and Urban Development (HUD)
 - IL Housing Development Authority
 - Habitat for Humanity affiliates in IL
 - U.S. Department of Veteran Affairs Regional Loan Centers
 - U.S. Department of Agriculture (USDA) Rural Development Office
- The Program Administrator will conduct outreach to these external programs to determine where funding may be available.
 - This funding information will be shared with Approved Vendors to share with their customers in need of repairs.

Approved Vendor Part I Application Process

1. The Approved Vendor will be required to submit the Home Repairs and Upgrades Reference List (“Reference List”) to document the needed repairs and/or upgrades, along with supporting photos.
2. The Program Administrator will review these documents to determine approval for participating in the Pilot
 - a. Once the Approved Vendor receives authorization, the Approved Vendor must arrange for an electrician and/or roofing contractor to complete an in-person site assessment.*
3. The contractors’ in-person assessment will establish the final cost estimate for that project for the Approved Vendor to submit in its Part I application.

*Initial authorization by the Program Administrator does NOT guarantee Part I approval for the project



Approved Vendor Part I Application Process (cont'd)

4. The Program Administrator will review this cost estimate to determine the adjustment to the REC price to be included in the Part I project application.
 - a. Repair costs above the maximum allowable cost reflected on the Reference List will not be accepted.

5. Once the Program Administrator determines the project's eligibility, the contractor's cost estimate will be included as a REC adder on the Approved Vendor's project estimated system REC production and submitted to the Illinois Commerce Commission (ICC) for approval.

Approved Vendor Part II Application Process

- Only upon ICC approval of the project should the Approved Vendor work with the contractor to complete the repairs and/or upgrades before the solar installation.
- Once the repairs and/or upgrades are completed, as part of the Part II application, the Approved Vendor must submit the final itemized invoice(s) of the expenses incurred to complete the repairs and/or upgrades that were approved in the Part I process.

Funding and Budget

The Agency proposes setting a maximum budget for the Pilot to ensure sufficient funding with the expected increase in Residential Solar (Small) project applications in the 2023-2024 Program year.

The Pilot's proposed budget of \$2,971,875 is expected to serve 100-125 projects.

Pilot Timeline

Timeline Event	Date
Home Repairs Pilot Proposal Out for Comment	May 10, 2023
Home Repairs Pilot Proposal Webinar	May 17, 2023
Home Repairs Pilot Proposal Comments Due	May 24, 2023
Response to Comments Posted	June 6, 2023
Final Home Repairs Pilot Design Published	June 6, 2023
Onboarding Approved Vendors	June 7-26, 2023
Home Repairs Pilot Program Implementation	June 26, 2023

Proposal and Questions for Discussion



Expected Cost Caps



Expected Project Costs

The Program Administrator proposes using two categories of expected costs that would cover the typical household repair and/or upgrade needs:

- Up to \$4,000 for electrical work
- Up to \$8,000 for roofing work

The incentives for the Pilot must also fit into ILSFA's structure by purchasing Renewable Energy Credits (RECs) from Approved Vendors. Because of this, the proposed incentive payment will be calculated as an adder to the base REC price.

As with all ILSFA projects, the total incentive amount established by the Part I submission cannot be increased if actual costs exceed the incentives approved by the Program and the ICC.

Expected Costs Caps

The Program Team is proposing two categories of expected cost caps for electrical repairs and roof repairs. The proposed cost caps are \$4,000 for electrical upgrade costs and \$8,000 for roof repair costs.

- 1. Should the Program Team use these two categories of expected maximum costs for the Home Repairs Pilot? Why or why not?**
- 2. Should the cost caps be adjusted for either of the two categories? If yes, what should they be adjusted to, and what is your basis for recommending this adjustment?**
- 3. Should Pilot-participating projects be allowed to access funds to support both roof and electrical upgrades, maintaining the electrical and roof repair caps for a total possible additional incentive of \$12,000, or should Pilot projects only access additional incentives to support either electrical or roof repair costs, which could potentially extend the availability of funding to reach additional participants?**

Home Repairs and Upgrades Reference List



Reference List

This Pilot will provide incentives to support electrical and roof repairs necessary to complete an on-site solar installation. Types of repairs eligible under this Pilot will be predetermined and approved by the Program Administrator.

Eligible repairs are reflected on the Home Repairs and Upgrades Reference List document, including a maximum cost for each repair type allowed under the Pilot. This list is not exhaustive and will not cover all electrical and roofing repair needs of a home.

Reference List

- 1. Are there electrical or roof repair items necessary to complete an on-site solar installation that should be included in the Reference List as eligible for funding under this Pilot? If yes, which repairs should be included and why?**
- 2. Are there maximum costs for electrical or roof repair items in the Reference List that should be adjusted? If yes, what should they be adjusted to, and what is your basis for recommending this adjustment?**

Approved Electrical Repairs and/or Upgrades

Item or Fee	Maximum Cost	Work Needed? (Y or N)
Required Permit Fee(s)	\$100	
Service Panel Replacement or Upgrade (includes new meter and hookup)	\$2,100	
Meter and Riser Upgrade	\$1,100	
Grounding Rods	\$300	
Water Grounding (100/200 amps)	\$700/\$1,000	

Approved Roofing Repairs and/or Upgrades

Item or Fee	Cost per Unit	Maximum Cost ¹	Work Needed? (Y or N)
Required Permit Fee	--	\$500	
Solar-related Roof Work²	\$200 per sq. ft.	\$3,000	
Full Roof Replacement³	--	\$8,000	
Sister Rafters	\$100 per rafter	\$2,000	

1 This estimates prices for a home with a roof size of 1,200 ft² and a standard slope at 25-degrees

2 This includes any leak, puncture, decking or work needed directly associated with the solar install

3 This includes tear off and replacement of a single layer of shingles

Warranty Coverage



Warranty Coverage

The Program Team expects work funded through this Pilot to adhere to high professional standards and include adequate warranty coverage for the work to protect the consumers benefiting from the repairs. The Program Administrator has proposed a minimum warranty period of 10 years for electrical repairs or panel upgrades and 20 years for roof repairs for projects receiving Pilot funding.

- 1. What minimum warranty coverages and durations should be required for electrical repairs?**
- 2. What minimum warranty coverages and durations should be required for roofing repairs?**

Minimum Insurance Coverage

Contractor Eligibility

To ensure electrical and roofing contractors that make repairs and upgrades under the Pilot have the requisite skill and experience, the Program Administrator may require the submission of the following required and/or recommended eligibility criteria:

Required

- The electrician or roofer is appropriately licensed, certified, bonded, and insured. The required minimum insurance is as follows:
 - Workers Compensation Insurance – following Illinois statutory limits
 - Commercial General Liability - \$1,000,000 per occurrence/\$2,000,000 in the aggregate
 - Auto Liability Insurance for owned, non-owned, and hired vehicles - \$1,000,000 per occurrence/\$2,000,000 in the aggregate

Recommended

- At least three years of experience in electrical or roofing work
- No OSHA-reportable incidents in the last three years
- Can demonstrate completion of quality projects through photos, references, and/or customer testimonials

Contractor Minimum Insurance Requirement

The Program Administrator has proposed the following minimum insurance requirements for contractor eligibility:

- Workers Compensation Insurance – following Illinois statutory limits
- Commercial General Liability - \$1,000,000 per occurrence/\$2,000,000 in the aggregate
- Auto Liability Insurance for owned, non-owned, and hired vehicles - \$1,000,000 per occurrence/\$2,000,000 in the aggregate

Should the Program Team use the listed insurance coverage as the minimum for a contractor to participate in this Pilot? Why or why not?

Consumer Protections



Consumer Protections

- Following approval of incentives, the Approved Vendor and contractor must work together to create a repairs and/or upgrades timeline
 - The installation timeline must be provided to the homeowners, including days the contractor will be onsite, the estimated work completion date, and the date by which the Approved Vendor will begin the solar installation following completed repairs and/or upgrades
 - The contractor must notify the homeowner of any changes to the days when contractors will be onsite or adjust the project timeline a minimum of 48 hours in advance
- The homeowner will not be responsible for any costs, even if the required repairs and/or upgrades cost more than the Pilot will cover, following the ILSFA no-upfront costs requirement.
 - If the contractor uncovers additional repair needs during construction or the cost of material increases before the work begins, the Approved Vendor or the contractor shall pay any additional costs

Consumer Protections

This Pilot will require additional consumer protections to minimize the risk to participants interacting with the Approved Vendors and contractors. The Program Administrator has proposed that the Approved Vendor or contractor provide an installation schedule to participants illustrating on-site workdays, maintaining timely communications with the homeowner when there are updates to the repair timeline, and a requirement for the Approved Vendor to provide the homeowner with all documentation, warranty, and contact information following the repairs.

- **Are there additional consumer protections that should be included in this Pilot?**

Process for Commenting & Questions



Questions and Comments

- Responses are due by no later than **Wednesday, May 24, 2023, at 5:00 p.m. CST** and should be sent to comments@IllinoisSFA.com
- The IPA and Program Administrator are seeking feedback on the following:
 - Expected Project Costs
 - Home Repairs and Upgrades Reference List
 - Warranty Coverage
 - Contractor Minimum Insurance Requirement
 - Consumer Protections
- Responses and questions will be public and published on the ILSFA website. However, should a commenter seek to designate any portion of its responses as confidential, that commenter should provide both public and redacted versions. Independent of that designation, if the Program Administrator determines that a response contains confidential information that should not be disclosed, it reserves the right to provide its own redactions.

Contact Information

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