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Bright Neighborhoods Initiative Program Design

PROGRAM YEAR 2024-2025

Program Overview

The 2024 Long-Term Renewable Resources Procurement Plan (the 2024 Long-Term Plan) outlines the Residential Solar Pilot, publicly marketed as the Illinois Solar for All: Bright Neighborhoods initiative, to address the Illinois Solar for All: Residential Solar (Small) sub-program not yet reaching a level of participation that utilizes the full annual budget. Prospective participants and Approved Vendors have reported several barriers to participating in Residential Solar. Reported barriers impacting prospective participants and Approved Vendors include participant unfamiliarity with solar power, distrust in marketers, language barriers, and a complex administrative process. The Illinois Solar for All (ILSFA) Program Administrator launched the first year of this Residential Solar Pilot as a means to implement the approved “Program Delivery Pilot” from the IPA’s 2022 Long-Term Renewable Resources Procurement Plan (the 2022 Long-Term Plan), designed to reduce these barriers and to facilitate more uptake of Residential Solar in 1–4 unit homes.

Following stakeholder feedback, the Illinois Power Agency (the Agency) and the Program Administrator released the final Residential Solar Design on March 6, 2023. On March 10, 2023, the Agency and the Program Administrator announced the three selected communities for the Residential Solar Pilot. The Program Administrator selected Approved Vendors for participation in the Pilot through a competitive Request for Proposals (RFP) process and announced the selected vendors on July 27, 2023. The Pilot was launched on August 1, 2023, for the 2023-2024 program year.

The Program Administrator assumed the majority of the initial participant interactions, public outreach, and marketing for the initiative, and the selected Approved Vendors installed the solar projects and acted as the sellers for the Renewable Energy Credit (REC) contracts. The initiative is limited to Residential Solar (Small) projects generating RECs and follows the same income-eligibility and consumer protection requirements of the Residential Solar (Small) sub-program. The Agency adjusted the REC price to recognize the lower cost to Approved Vendors resulting from the Program Administrator taking on many of the upfront responsibilities.

To evaluate the program delivery changes, this initiative is expected to run for two years, from the 2023-2024 program year through the 2024-2025 program year, and is intended to test and evaluate ways to improve participation levels for Residential Solar. The Program Administrator has released a report evaluating the key findings from the 2023-2024 year of the initiative. Using the key findings of this report, the Program Administrator requested stakeholder feedback on the recommended updates to the

design to be implemented during the 2024-2025 program year. These updates are reflected in this updated design document, providing a high-level outline of how the program will operate in its second year.

Following the 2024 Long-Term Plan, at the conclusion of the 2024-2025 program year, “a report will be published that summarizes metrics of the households served and provide an analysis of lessons learned that could improve the participant acquisition processes, including the participant income verification process, that could be applied to the Program more widely.” (Section 8.5.3.4)

Overview of ILSFA Projects (Program Years 1-6)

As of July 2024, there are 69 Approved Vendors registered with ILSFA. Of all Approved Vendors, 33 have energized and/or approved projects across the sub-programs for Program Years 1-6 (2018-2024). Of those 33 Approved Vendors, 13 are identified as a Minority and Women Business Enterprise (MWBE) and have had 21 total Illinois Solar for All: Community Solar and Illinois Solar for All: Non-Profit and Public Facilities projects approved.

RESIDENTIAL SOLAR (SMALL)

From the 2018-2019 program year to the 2023-2024 program year, participation in the Residential Solar (Small) sub-program has grown but has yet to reach participation levels so that available budgets are exhausted. Additionally, participation by Approved Vendors in this sub-program remains low, with a few making up the majority of completed projects to date.

Six Approved Vendors completed 1,475 1–4 unit Residential Solar (Small) projects between Program Years 1-6. Some of the most active Approved Vendors are no longer participating in the program, including Sunrun, which is on pause, and GRNE-Nelnet LLC, which has pulled out from the program (and has generally discontinued serving all residential participants to focus on commercial installations).

ILSFA APPROVED AND/OR ENERGIZED RESIDENTIAL SOLAR (SMALL) PROJECTS BY REGIONS (PROGRAM YEARS 1-6)

Illinois Region	Number of Projects Approved and/or Energized
Cook	881
Northeast	389
Northwest	156
East Central	33
West Central	13
Southern	3

APPROVED VENDORS WITH ILSFA APPROVED AND/OR ENERGIZED RESIDENTIAL SOLAR (SMALL) PROJECTS (PROGRAM YEARS 1-6)

Approved Vendor	Number of Projects Approved and/or Energized
Sunrun Installation Services Inc.	1299
GRNE – Nelnet, LLC	139
Xolar Renewable Energy, LLC	16
Unity Solar Group LLC	12
Certasun LLC	8
Windfree, Win + Solar Energy Design Company	1

ILSFA APPROVED AND/OR ENERGIZED RESIDENTIAL SOLAR (SMALL) PROJECTS BY UTILITY TERRITORY (PROGRAM YEARS 1-6)

Utility Territory	Number of Projects Approved and/or Energized
ComEd	1395
Ameren	75
MidAmerican	2
Municipal Utility in MISO	1
Municipal Utility in PJM	1
Rural electric coop in MISO	1

The average system capacity of all completed Residential Solar (Small) projects across Program Years 2-6¹ is 7.128 kW (AC). System sizes range between 1.92 kW (AC) to 24.48 kW (AC).

¹ No Residential Solar (Small) projects were completed in Project Year 1.

Bright Neighborhoods 2024-2025 Program Year Timeline

The Program Administrator and the Agency will follow this timeline to prepare and launch the Bright Neighborhoods initiative in Program Year 7 (2024-2025).

Timeline Event	Date
Updated Design Out for Comment	June 26, 2024
Design Webinar	July 2, 2024
Design Comments Due	July 10, 2024
Final Design and Response to Comments Released	August 2, 2024
Approved Vendor RFP Released	August 13, 2024
Approved Vendor RFP Proposals Due	September 16, 2024
Approved Vendors Selected and Announced	October 7, 2024
Outreach and Marketing	September 17, 2024 – April 30
Participant Interest Signup Period	September 17, 2024 – April 30

Bright Neighborhoods Goals

During the Bright Neighborhoods 2023-2024 program year, 113 prospective participants across the community areas expressed interest in participating by filling out an intake form. Of those, 16 completed the income verification process and were referred to the selected Approved Vendors. Of these 16, five were dropped for needed home repairs, six were referred to community solar, three were unresponsive to the Approved Vendor follow-ups, one was no longer interested, and one is with their Approved Vendor to develop a potential project.

In the initiative's first year, the design included an ambitious goal of achieving 50-100 installations in each community area. The lack in achieving our installation goal is not from lack of effort, but rather an indication of persistent challenges to overcoming the identified barriers. Because of these challenges, the Program Administrator has redefined our definition of success, following stakeholder feedback, to engaging a number of prospective participants that would provide a data set substantial enough to evaluate the effectiveness of the participant engagement tactics being tested in this

initiative. The Program Administrator has defined this data set by setting goals for the number of intake forms, the number of participant referrals, and the number of projects installed.

The process for prospective participants in ILSFA first requires awareness of the program and its benefits to reach an outcome of an installation. Awareness is an important stage of solar adoption that should be tracked to evaluate the effectiveness of tactics used to increase interest and participation in the program. Awareness will continue to be tracked and evaluated through website visits, event attendees, and impressions from digital media efforts in the initiative's second year. This goal will assess our effectiveness in increasing overall trust and interest in solar and the opportunities for savings available through ILSFA. The Program Administrator expects to reach this new goal using updated outreach tactics, which include an application of the learnings from the first year on how each community responds to different outreach strategies. The Program Administrator has set a goal of 100-200 intake forms in each community area to assess how these tactics increase awareness.

The Program Administrator will pair this awareness goal with a new goal for the number of participant referrals to the Approved Vendor in each community. The first year of the initiative saw 16 referrals, but was unable to complete the installation largely due to site suitability issues. Adding a goal for a number of referrals across communities will help us evaluate outreach and marketing acquisition tactics used to achieve the purpose of this initiative in assessing best practices for community engagement to reach increased program participation. Following stakeholder feedback, the Program Administrator has set a goal for the number of participant referrals to selected Approved Vendors as 30-50 in each community.

Although there was success in awareness in the first year of the initiative, there were challenges to reaching the initial installation goal. The barriers this initiative is meant to address, such as mistrust in marketers, lack of solar education, or deferred maintenance for home repairs, have proved to be deep and more difficult to overcome than expected. Because of this, adjusting the goal for a total number of installations in each community will help set expectations for what we hope to achieve in this program year while also considering the importance of the new awareness goal and recognizing the barriers to reaching an installation even after a participant referral. Following stakeholder feedback, the Program Administrator has set a new goal of 20-25 installations in each community.

Additionally, the Program Administrator will track new subscriptions to Community Solar projects from residents within neighboring communities to gauge the success of generating community education and interest that increases participation in ILSFA

beyond the Residential Solar (Small) sub-program. To track these subscriptions from potential spillover effects of Bright Neighborhoods marketing and outreach tactics, the Program Administrator will track subscriptions in neighboring communities that share a border with the initiative communities and have a high percentage of income-eligible residents. These communities are listed below:

*With the update of WGP to most West Side neighborhoods of Chicago	Waukegan	Carbondale-Marion Micropolitan Area
Cicero	North Chicago	Randolph County
Garfield Ridge-Chicago	Park City	Perry County
Archer Heights-Chicago	Beach Park	Franklin County
Brighton Park-Chicago	Zion	Saline County
McKinley Park-Chicago		Pope County
Bridgeport-Chicago		Massac County
New City-Chicago		Pulaski County
Belmont Cragin-Chicago		Union County
Hermosa-Chicago		

Selected Communities

The 2022 Long-Term Plan specified that the initiative should represent “one of the 77 community areas of Chicago, a suburban community, and a down-state community.” Following stakeholder feedback in 2023, the Program Administrator and the Illinois Power Agency updated these definitions as one Chicago community area, a Cook County or Collar County suburban municipality², and a Metropolitan or Micropolitan Statistical

² A collar county is a term to reference the five counties of Illinois that border Cook County.

area³ outside the ComEd utility territory. To select each community, the Program Administrator used the following criteria as guidance but also solicited additional suggestions from stakeholders on criteria to use for community selection. Additionally, stakeholders were allowed to submit suggestions for a community not listed that may fit the program using the following proposed criteria.

The criteria used for community selection were as follows.

Category	Category Description	Total Section Score
Housing Demographics	Percent of households in the community: under 80% AMI, occupied by owner, and 1-4 unit homes	35
Eligibility by Community Type	Percent of community’s census tracts designated: environmental justice, income eligible, or R3	20
Community Experience with and Visibility of Energy Projects	The number of: dropped ILSFA projects, household participation in energy efficiency, energized or approved Adjustable Block Program residential projects, energized or approved ILSFA Residential Solar (Large) or Non-Profit and Public Facilities projects; The absence of completed ILSFA Residential Solar (Small) projects in the community	30
Total Possible Score	75	
Unscored Category	Category Description	
Community, Resident, and/or Organization Support	Whether the community has: a Grassroots Educator focusing on the area, residents or local organizations who have advocated for renewable energy or efficiency initiatives, a Community Action Agency with the capacity to help promote the initiative, updated policies to further develop the	N/A

³ Areas defined by the Census Bureau:

	local solar market, or an Approved Vendor already working in the area; proximity to a CEJA workforce hub; distance from a retired coal-fired power plant/mine	
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On March 10, 2023, the Program Administrator and the Agency announced the three selected communities for Bright Neighborhoods. Those communities were: West Garfield Park-Chicago, Waukegan, and the Carbondale-Marion Micropolitan Statistical Area.

Following stakeholder feedback, the Program Administrator will maintain the Waukegan and the Carbondale-Marion Micropolitan Statistical Area community areas and expand the West Garfield Park community for the 2024-2025 program year. To increase learning from the Chicago community area and address barriers to reaching the target population in West Garfield Park, the Program Administrator has expanded the West Garfield Park community to encompass the City of Chicago West-Side region, with a few exclusions. This expansion includes the following neighborhoods: Humboldt Park, Austin, West and East Garfield Park, and North and South Lawndale neighborhoods.

Bright Neighborhoods Program Roles

The Program Administrator currently operates in an administrative role to verify that solar projects meet program requirements and to ensure consumer protection and the delivery of RECs, as proposed. The Approved Vendor currently assumes the role of participant acquisition, public outreach, and income verification. The following table shows how this initiative changes the task allocation between the Program Administrator and the Approved Vendor.

Program Administrator	Approved Vendor
Marketing and outreach	Provide and obtain signatures for disclosure form/participant contract
Participant recruitment	Some outreach and solar education at Program Administrator hosted events
Income verification (including enhanced site pre-screening questions)	Site assessment and solar project design

Support participants during the participant journey and installation process with the Approved Vendor when necessary	Part I application
Facilitate additional coordination with job training and placement programs and incorporation of energy efficiency measures	Part II application
	Installation (including use of job trainees)

Role of the Program Administrator

This initiative consolidates participant interaction, public outreach, marketing, and income verification with the Program Administrator (rather than with the Approved Vendor) to reduce the Approved Vendor's costs and foster increased participant education and support. The Program Administrator will continue to provide support and guidance to the participant and the Approved Vendor throughout the project application process, following the Illinois Commerce Commission’s Final Order approving the 2022 Long-Term Plan.

In preparation for the re-launch of the initiative, the Program Administrator will focus on identifying and establishing partnerships in the expanded West Garfield Park community area and working with the established partners in Waukegan and the Carbondale-Marion area to create unique outreach plans and event calendars. These prospective partners include houses of worship, school districts, Community Action Agencies, and strengthening relationships with local elected officials. To address language barriers in Waukegan, the Program Administrator will work to establish relationships with local Hispanic groups. These partnerships will create the foundation for outreach and support for building awareness in the program by promoting events and the program through their social networks, hosting events, or connecting the Program Administrator with other community contacts.

Once community partners are established, the Program Administrator will work with them to create unique outreach plans that may include house parties (a small gathering at a community resident’s home or a local nonprofit, with an installed residential solar project), tabling at community-hosted events, hosting coffee chats or focus groups to learn directly from residents and community stakeholders and hosting educational workshops. This mix of events will increase the presence of ILSFA representatives and

partners promoting the initiative to spread the Bright Neighborhoods and Illinois Solar for All names.

Finally, the Program Administrator acknowledges the significance of providing the “concierge” service to prospective participants to support them through their participant journey. They will evaluate the follow-up process to identify any changes that can be made to better engage and encourage enrollment after the intake form, such as hosting a monthly virtual Q&A to engage with prospective participants who hear about the program through a social platform but are interested in talking with a representative “face-to-face.”

SITE PRESCREENING UPDATES

The Program Administrator has removed the Site Pre-Screening survey used in the first year of the initiative from the participant journey. During the initiative's first year, many participants dropped off in the participant journey at this stage. This survey was intended to evaluate ways to streamline referrals to the Approved Vendor by identifying potential home suitability issues earlier in the process. Most of the participants sent to the Approved Vendor were unable to proceed in the process because of roof suitability issues or inadequate production from shading. The Program Administrator will instead add the enhanced questions from the Site Pre-Screening survey to the income eligibility intake form to gather the participant’s understanding of their home’s electrical, roof, and structural health to then communicate that with the Approved Vendor. The Program Administrator will work with the selected Vendors to finalize these questions.

INCOME VERIFICATION UPDATE

For the 2024-2025 program year, the Program Administrator will add self-attestation as an income verification option for participants participating under this initiative, following the Illinois Commerce Commission’s Final Order approving the 2024 Long-Term Plan. This will allow participants living within HUD Qualified Census Tracts to sign an affidavit confirming they make less than 80% of the Area Median Income to verify income (Section 8.10.3.2). The implementation of the self-attestation under this Initiative will be evaluated by the Agency to determine its effectiveness and to provide recommendations on further incorporation of the self-attestation.

Approved Vendor Role and Requirements

The participating Approved Vendors will again be selected through a competitive RFP process. Improving participation and capacity and supporting small and emerging businesses are important goals of this initiative, which will be reflected in the RFP

scoring. The 2024 Long-Term Plan prioritizes the involvement of “Small and ^{4[OBJ]} vendors to encourage business development, particularly for those located in income-eligible and environmental justice communities (Section 8.2.3). Therefore, the Program Administrator will again prioritize the selection of businesses that qualify as both small and emerging to participate in this initiative (2024 Long-Term Plan, Section 8.2.3 and 8.5.3.4).

Considering these priorities, the Program Administrator and the Agency will first score proposals from eligible entities as “Small and Emerging.” These vendors will need a minimum score of 70 points to be selected. If there is no proposal submitted by a vendor eligible as “Small and Emerging” that meets the minimum score, only then will the Program Team begin to score proposals that are not eligible under either definition.

The Program Administrator will release a revised RFP for the 2024-2025 program year to select new participating Approved Vendors and has received stakeholder feedback on factors to prioritize on Approved Vendor scoring and selection. For example, the first year of the initiative encountered barriers to participation because of the need for home repairs in a significant number of the homes of interested participants. Additionally, the selected small and emerging businesses were unable to support those projects because of the financial burdens associated with participating in the Home Repairs and Upgrades Initiative—namely, the requirement for Approved Vendors to cover repair costs until REC payments are made. Following stakeholder feedback, the Program Administrator will also prioritize scoring of proposals where the Vendor is willing to participate in the Home Repairs and Upgrades initiative. In this case, they are not required to be both eligible as “Small and Emerging” and a participant in the Home Repairs and Upgrades initiative. A proposal may also include mentorship where the Approved Vendor works with a “Small and Emerging” designee to achieve the prioritization, with the Approved Vendor financially supporting the participation in the Home Repairs and Upgrades initiative.

The selected Approved Vendors will be responsible for a full site assessment and solar project design. Based on the system design and the offer, the Approved Vendor will complete and obtain signatures for the disclosure form and participant contract. The Approved Vendor is also responsible for submitting Part I and Part II applications of the ILSFA project process.

As a selected Approved Vendor, the solar company will have a short-term understanding with the Program Administrator to complete residential solar projects in accordance

⁴ The Agency will use the federal SBA definition of “small,” based on annual revenues within the appropriate NAICS category: <https://www.sba.gov/federal-contracting/contracting-guide/size-standards>

with their response to the RFP, their participant contract, and ILSFA program requirements.

In the event that the Program Administrator identifies more residents to participate in the initiative than a selected Approved Vendor indicated they had the capacity to complete in their RFP response, the Program Administrator reserves the right to call upon a vendor that applied but was not selected to complete that portion of projects. If this situation arises, the Program Administrator will call upon the next highest-scored vendor serving that geography to step in and complete those additional identified solar projects. The Program Administrator reserves these rights to reduce the number of stranded participants.

Similarly, in the event that a potential participant requires home repairs prior to a solar installation and the Approved Vendors indicate they are not able to participate in the Home Repairs and Upgrades initiative, the Program Administrator reserves the right to provide the names of other Approved Vendors that are currently participating in the Home Repairs and Upgrades initiative to the potential participant.

The Agency also recognizes the importance of Minority/Women-owned Business Enterprises (MWBE) participating as ILSFA Approved Vendors and will continue to work with the Program Administrator to increase the number of MWBE Approved Vendors participating in ILSFA projects (2024 Long-Term Plan, Section 8.9). To support the goal of increasing the number of MWBE Approved Vendors participating in ILSFA, Approved Vendors certified as MWBE should identify their certification in their RFP response to receive additional points.

APPROVED VENDOR ELIGIBILITY

At a minimum, the solar company must be an Approved Vendor through the Illinois Shines Program. Applicants who are not Approved Vendors at the time of their RFP response submission must register and meet ILSFA requirements if they are selected to participate in the initiative (see Section 3 of the [Approved Vendor Manual](#) for requirements).

Proof of Distributed Generation Installer Certification from the Illinois Commerce Commission, in the form of the Commission's order in the certification docket granting the company's certification, must be submitted by the applicant for their solar company or for their proposed subcontractor/Designee.

The eligibility and criteria for the 2023-2024 program year RFP are listed below. The RFP eligibility and criteria for the 2024-2025 program year will be released with the updated request in the summer of 2024.

2023 - 2024 PROGRAM YEAR SELECTION CRITERIA

Category	Category Description	Total Section Score
Offeror Background and Capacity	Regions the proposing firm can and would like to work in; the firm’s history, experience, and capacity for projects; the firm’s capacity to complete work within the timeline	45
Community Commitment and Readiness	Community involvement and experience in the community, particularly experience working with income-eligible and/or environmental justice communities; ability to provide support and resources for ineligible participants; commitment to following consumer protection handbook and examples of customer service; building trust with the community; plan to continue work in the community following the initiative	35
Company Offer	Offer type; providing a sample participant contract; listing expected participant savings and costs	30
Plan to Employ Job Trainees	Description of a plan to find, hire, and employ job trainees from a qualified job training program	5
Total Possible Points		115

RENEWABLE ENERGY CREDITS

The Renewable Energy Credit Agreement (REC contract) is between the Approved Vendor and the utility counterparty or the Agency. The REC contract is executed once between counterparties and establishes the agreed-upon framework for contracting and delivering RECs across multiple contracts and projects.

The REC prices have been adjusted for the initiative to account for the shift of the soft costs and participant acquisition away from the Approved Vendor to the Program Administrator. The REC prices for Bright Neighborhoods in the 2024-2025 program year can be found in the table below.

Project Size	Group A	Group B
0 - 10 kW	\$177.01	\$167.90
10 - 25 kW	\$146.70	\$144.01
25 - 100 kW	\$118.44	\$118.73

The current REC Pricing Model includes a 100% increase in development costs and fees for Residential Solar (Small) projects in ILSFA compared to the Illinois Shines Program. Following stakeholder comments before the 2023-2024 program year, the Program Team adjusted the REC price for the central and southern Initiative community area to a 95% increase. The Program Team adjusted the REC price for the Chicago community area and the Cook County or Collar County suburban municipality to an 80% increase.

Role of Grassroots Educators

The success of this initiative hinges on participant awareness of the initiative offer and their trust in the program. As trusted community resources, Grassroots Educators can provide crucial resident engagement to help the initiative succeed.

All Grassroots Educators operating within the selected initiative communities can share information on the initiative with prospective participants and can help participants navigate the initiative as a part of their outreach work under their current contracts. Another critical role Grassroots Educators can play in the initiative under their current contracts is to convey participant concerns and complaints to the Program Administrator, a function of Grassroots Educators that is especially necessary with new Approved Vendors and offers.

The 2023-2024 program year initiative design added a new focus area centered on initiative geographies and demographics in the Grassroots Education RFP to support the initiative's success. For the 2024-2025 program year, the Program Administrator will coordinate with the educators in the newest cohort that serve in the initiative community areas to consider supporting the initiative by focusing their events or

activities in the Bright Neighborhood areas and potentially including messaging about Bright Neighborhoods at their events or their campaign activities.

Home Repairs and Upgrades Initiative

The 2024 Long-Term Plan outlines the Home Repairs and Upgrades initiative to address the need for home repairs and electrical upgrades among many participants eligible for Residential Solar (Small) installations through ILSFA. The Agency recognizes that income-eligible residents are more likely to face this high cost of repairs, creating a barrier to participation. The Home Repairs and Upgrades initiative provides incentives to complete the necessary upgrades to install solar projects on homes eligible for the Residential Solar (Small) sub-program. This initiative was launched in July 2023.

During the 2023-2024 program year, Bright Neighborhoods encountered a number of participants requiring home repairs and/or upgrades before pursuing a solar installation. To support these projects, Bright Neighborhoods consistently collaborated with the Home Repairs and Upgrades initiative. Because the selected Approved Vendors for Bright Neighborhoods declined to participate in the Home Repairs and Upgrades Initiative, support for these projects focused on identifying external funding programs available in the Bright Neighborhoods community areas.

The Home Repairs and Upgrades initiative will continue to be available to prospective participants within Bright Neighborhoods in the 2024-2025 program year, dependent upon the applications for funds across the Residential Solar sub-program and the capacity of the Home Repairs and Upgrades Initiative. As discussed above, the Program Administrator will modify the RFP for Bright Neighborhoods to ideally increase the likelihood that participants in Bright Neighborhoods will also be able to receive the benefits of participation in the Home Repairs and Upgrades initiative.

Funding and Budget

This initiative will function under the Residential Solar (Small) sub-program and receive part of that annual budget. The 2024-2025 program year has allocated \$30,146,606.40 to the Residential Solar (Small) sub-program.