

Response to Comments: Illinois Solar for All Bright Neighborhoods Design Updates

Overview

The Illinois Solar for All (ILSFA) Program Team has reviewed the feedback from stakeholders and other interested parties on the proposed changes to the Bright Neighborhoods initiative design for the 2024-2025 Program Year.

Request for feedback on the proposed changes to the Bright Neighborhoods 2024-2025 Program Year Design was issued on June 26, 2024, with the public comments due on July 10, 2024. Three parties submitted [written comments](#). The Program Team has considered these written comments and appreciates the thoughtful input provided by the commenters. Comments have been summarized and addressed below.



Stakeholder Comments and Responses

Initiative Community Areas

FEEDBACK #1:

"Selenium Energy supports the expansion of the initiative to include additional West Side communities such as Austin, Humboldt Park, East Garfield Park, North and South Lawndale."

RESPONSE:

The Program Administrator acknowledges that the commenter supports the expansion of the initiative to include additional West Side neighborhoods as part of the initiative's Chicago community area. The Program Administrator does not propose any changes to Bright Neighborhoods in response to this comment.

FEEDBACK #2:

"Retain them if you can find Approved Vendors/Designees willing to participate in the program. Experience has shown that residences in these areas have significant electrical and structural issues. Until and unless there are programs to address these issues BEFORE passing them on to an AV, one should expect Year 2 results similar to Year 1."

RESPONSE:

The Program Administrator understands that there is a high need of home repair needs within ILSFA and is starting to address this issue by adjusting the Approved Vendor Request for Proposal (RFP) to address the lack of participation in the Home Repairs and Upgrades Initiative. Also, the Program Administrator is strengthening program coordination with other home repair programs willing to refer homeowners who have already completed roof and electrical repairs and are solar-ready to ILSFA. The Program Administrator does not propose any additional changes to Bright Neighborhoods in response to this comment.

Updated Initiative Goals

FEEDBACK #1:

"The 2023-2024 pilot produced 16 referrals via 151 intakes for an approximate ratio of 1:10. This means the referral goal for 100-200 intakes should be closer to 10-20 if the same income eligibility qualification rules are followed for 2024-2025. Additionally, a "referral" needs to have more qualifications than just income eligibility. Homeowners were referred to AVs and AVDs only to discover, for example, that their main breaker

panel had caught fire and was non-functional. There are some basic questions the Program Administrator (PA) should answer before sending a referral. These include questions on the electrical system and roof age and condition. This will appropriately redirect many applicants to HRUP or community solar options early and spare them weeks and months of anticipating an array only to be told that their home does not qualify. This leaves a bad taste in the mouth of the applicant who is unlikely to say kind things about the program to neighbors. This response also applies to Question 7."

RESPONSE :

The Program Administrator plans to surpass the previous rate of referrals from intakes and plans to achieve these more ambitious response rates with the new outreach tactics, such as house parties, coffee chats and focus groups. This paired with the awareness built in the first program year is likely to increase the number of referrals in relation to intakes. These improved outreach tactics will allow us to further engage with the high number of income-eligible residents and solar-ready homes in each community area. There are approximately 59,358, 20,628, and 27,293 income-eligible households in the expanded Chicago West Side community area, Waukegan, and Carbondale-Marion Micropolitan Area, respectively. Thus, there is ample opportunity for increased engagement and participation in these areas. Additionally, this year, the Illinois Department of Commerce and Economic Opportunity (DCEO) plans to assist 447, 41, and 62 homes in the Chicago community area, Waukegan, and Carbondale-Marion Micropolitan Area, respectively, through the Illinois Weatherization program. The Program Administrator does not propose any changes to Bright Neighborhoods in response to this comment, and please refer to the response in the next section "Site Prescreening Updates" for further responses regarding Referrals and the Site Prescreening Survey.

FEEDBACK #2 :

"Typically, IL Shines residential lead-to-contract ratios are approximately 10:1. Conversion ratios are even lower for ILSFA participants given the challenges we learned about from the 2023-2024 pilot. 100-200 intakes should have a goal of 5-10 installations, and even that feels optimistic unless the solar referrals have already cleared a HRUP process."

RESPONSE :

The Program Administrator intends to surpass the previous rate of referrals with the new outreach tactics as well as the work done by the Program Administrator in establishing trust and awareness during the first year of the initiative. See the previous response for further information. The Program Administrator does not propose any changes to Bright Neighborhoods in response to this comment.

FEEDBACK #3 :

"No comment, other than every homeowner approached about a Bright Neighborhoods home installation opportunity should be offered an equally enthusiastic community solar opportunity outreach and then be allowed to make a choice. Our parties (UpSouth Energy, StraightUp Solar, and Ailey Solar) all feel that community solar is generally a superior option for ILSFA-eligible homeowners if the subscription discount yields similar rate savings. The feeling is that the most commonly encountered necessary housing stock upgrades upend the financials for 3rd party or direct ownership. Beyond the housing stock upgrade issues, there are often challenges associated with shading and small roof areas for solar. We recommend including a community solar AV alongside the DG AV for the Year 2 program."

RESPONSE :

Including a Community Solar Approved Vendor alongside the Residential vendor for Year 2 of the program is out of scope of the pilot as we are focusing on ways to increase residential participation. The Program Administrator agrees that we should improve the ways in which we refer individuals to ILSFA Community Solar projects in their area if they are unsuitable for Residential Solar in our design. We will continue to work with customers to determine if their household and property are a good fit for Residential Solar and those that are not a good fit will be referred to Community Solar as soon as possible. The Program Administrator does not propose any changes to Bright Neighborhoods in response to this comment.

Site Prescreening Update

FEEDBACK #1 :

"Only concur if the Site Screening Survey includes the enhanced questions provided by the AVD that were used for a period and then withdrawn during the last months of the pilot. Moving away from the enhanced screening question shifted the burden of collecting this often-difficult-to-obtain information to the Designee who is not compensated for the effort to collect this critical go/no-go information. It may be most efficient to use a single enhanced Site Screening Survey to collect information for both solar potential and the need for home repairs and upgrades. To reiterate, HRUP screening should be completed BEFORE making any representations to participants about solar potential. A suggested approach is: ▪ Income verification ▪ Electrical verification and correction of any issues ▪ Structural evaluation and correction of any issues ▪ Solar evaluation."

RESPONSE :

The Program Administrator agrees that the consolidation of the Site Prescreening Survey with the Income Eligibility Intake form should include the enhanced site screening questions to better assess the home's roof and electrical suitability. The Program Administrator encountered a high drop-off rate of income-eligible participants at the virtual Site Prescreening stage and found the survey and customer photos were not sufficient to adequately assess the health of a home's roof or its solar potential impacted by shading. The Program Administrator believes that improving how we phrase the questions on home repair needs and solar potential included on the income eligibility intake forms can address this issue. These questions will gather the participant's understanding of their electrical panel health, roof age, and level of shading on the roof and the Program Administrator will consult the Approved Vendors selected through the RFP to finalize these questions.

Adjustment to Approved Vendor Request for Proposal

FEEDBACK #1 :

"Seeking vendors who are qualified to work on the Home Repairs and Upgrades Pilot is a correct approach, however, our experience indicates that this will lead to an impossibly small pool of providers who are both capable of and willing to take on the combined work at the compensation rates both the HRUP and Bright Neighborhoods programs. It is our opinion that this will take considerably more incentive resources to motivate any approved vendors to take this on. Additionally, the HRUP should pay upfront. It is not reasonable to ask an AV to front up to \$10k per home for 18-20 months to await SREC-based compensation."

RESPONSE :

The Program Administrator agrees that adjusting the Approved Vendor RFP to ideally attract Approved Vendors who are qualified and willing to participate in the Home Repairs & Upgrades Initiative is the right step forward. We understand that this may limit the number of Approved Vendors who are capable of and willing to do the work, but we believe that the need for home repairs within the Bright Neighborhoods Initiative is significant enough to warrant seeking interested vendors. Under the incentive structure of Illinois Solar for All, Home Repairs & Upgrades incentives are unable to be applied except as part of the project's REC incentive. The Program Administrator does not propose any changes to Bright Neighborhoods or the Approved Vendor RFP in response to this comment.

FEEDBACK #2 :

"Seeking vendors who are willing to mentor and financially support designees growing into the Home Repairs and Upgrades Pilot is commendable, however like the answer before, our experience indicates that this will lead to an even impossibly smaller pool of providers who are both capable of and willing to take on the combined work at the compensation rates both the HRUP and Bright Neighborhoods programs. It is our opinion that this will take considerably more incentive resources to motivate any approved vendors to take this on. This is discussed more in the following unsolicited additional feedback responses."

RESPONSE :

The Program Administrator agrees that this may limit the number of Approved Vendors capable of and/or willing to participate in both but believes that the need for home repairs within Bright Neighborhoods is significant enough to warrant trying. The Program Administrator does not propose any changes to Bright Neighborhoods in response to this comment.

Additional Comments

FEEDBACK :

"We strongly believe it is time to terminate the Bright Neighborhoods Pilot and turn the Administrator's and the Agency's focus to working with the IL Climate Bank on developing financial products sorely needed for the success of the residential program, namely, bridge loans, standard lease and/or power purchase agreements, and a roof repair grant program. The grassroots education program was designed to raise awareness, educate, and assist people in obtaining the benefits of solar, and has a very significant budget. Both the Agency and the Administrator should leave that work to the grassroots educators and work to better equip those organizations with the support and tools needed to carry out these functions."

RESPONSE :

The Program Administrator thanks the commenters for their feedback on the Bright Neighborhoods initiative. This is a two-year pilot program meant to learn about the program through the tactics employed, and there is more to learn from the second year of the initiative (2024 IPA Long-Term Plan, p.265). Another year of the initiative will further reveal best practices for coordinating with community stakeholders and other relevant assistance programs and how to improve the customer journey and income verification process all to achieve more residential installations.

We agree that the Grassroots Education program is a valuable component of ILSFA to spread awareness, educate and assist Illinois residents in obtaining the benefits of solar. The Bright Neighborhoods initiative works in conjunction with the Grassroots Education program, collaborating to maximize efforts and results, but is designed to address additional barriers within ILSFA and to gather data on ways to increase participation in the residential program. In addition to assuming a direct role in marketing, outreach, and customer acquisition, the Bright Neighborhoods initiative is also designed to support small and emerging businesses. Additionally, the Bright Neighborhoods initiative works in areas that may not be covered by the Grassroots Education program.

Finally, the Illinois Finance Authority is developing financial products and other initiatives that address topics outside of the scope of Bright Neighborhoods. For example, some of these financial products and initiatives do not address ways to increase participation in the Residential Solar sub-program. Those new products and initiatives will likely be rolled out later in Program Year 7 or in Program Year 8. The Program Administrator does not propose any changes to Bright Neighborhoods in response to this comment.

FEEDBACK :

The after-action report seems heavily focused on marketing and processing leads with very little attention on the Approved Vendor/Designee experience and burden. Since no installations were completed the report misses capturing the challenges of actually contracting, building, and implementing these systems, leading to a potentially important gap in Program Administrator awareness which we attempt to address with the following points:

1. Considerable mobilization effort went into Approved Vendor/Designee preparation for potential high-volume processing of leads but that did not materialize; slow start to the Program Administrator's outreach resulted in considerable wasted effort for the AV/Designee for unrealized revenue. While we did not keep track of the hours spent organizing, preparing, and administering the program from our end, the labor cost easily exceeded \$1,000-\$2,000/referral received with no return for that investment.
2. Nearly every referred site had electrical, roof, or shading issues requiring additional remedy resources homeowners nor installers typically did not possess. It was emotionally draining to repeatedly receive excited referrals who had just passed a potentially anxious income verification process only to arrive at the conclusion weeks or months later that they could not afford to repair their home or mitigate shade to be solar-ready.
3. Small system sizes frankly make the financials for 3rd-party PPAs very challenging given current utility and interest rates, even with the current enhanced ILSFA

SREC values. It is our estimate that between \$10k-\$20k of additional incentives per home (in the form of higher SRECs) would be necessary to balance the risk level solar 3rd Party owners except for residential ILSFA projects. This is in addition to any structural, electrical, or roof upgrades that may be needed to make the home truly solar-ready.

4. While we support the goals of the program and the communities it is designed to benefit, the practicalities and financials for a large majority of ILSFA-eligible homeowners would favor community solar enrollment as the most expeditious and concrete means to enjoy long-term the environmental and economic benefits of solar energy. For the small residential program to work, it will require an infusion of between \$10k and \$20k per home to make projects attractive to 3rd party PPA providers.

RESPONSE :

The Program Administrator thanks the commenter for sharing their experiences as one of the selected Approved Vendors and for submitting this additional feedback.

1. The Program Administrator recognizes that the initiative took time to get going and thanks the Approved Vendor for its participation in this first year. As this is a pilot program, we are adsorbing learnings from this first year to improve the initiative for the second year. The Program Administrator does not propose any changes to Bright Neighborhoods in response to this comment.
2. The Program Administrator understands the difficulty of working with excited customers only to have them not move through the program because of home repair needs. When an income-eligible participant is referred to an Approved Vendor, they are not promised an installation but rather are reminded that their home must comply with the site suitability requirements, to be verified by the Approved Vendor, for their house to be deemed solar-ready.

Hopefully the adjustment to the Approved Vendor Request for Proposal (RFP) to address the lack of participation in the Home Repairs and Upgrades initiative and adjusting how the site prescreening questions are incorporated will help alleviate this barrier to installation. The Program Administrator is also working to strengthen program coordination with other home repair programs that may be willing to refer homeowners who have already completed roof and electrical repairs and are solar-ready to ILSFA. The Program Administrator does not propose any changes to Bright Neighborhoods in response to this comment.

3. The Program Administrator thanks the commenter for their feedback. The SREC values for Program Year 7 were set by the IPA's 2024 Long-Term Plan. No changes to Bright Neighborhoods are proposed in response to this comment.



4. The Program Administrator thanks the commenter for their feedback. The Program Administrator believes that presenting Community Solar as an option to participants unable or not wanting to go through Residential Solar is important and will continue to explore ways in which this process can be strengthened, but no immediate changes to Bright Neighborhoods are proposed in response to this comment.