

New Calculations for Value of Electricity Generated by Solar Projects

Updated December 2024

This document provides additional details on updated calculations for the value of electricity generated by solar projects, as part of the updated Disclosure Forms for the Residential Solar and Non-Profit and Public Facilities sub-programs that launch on Tuesday, January 7, 2025.

Path 1

“Path 1” uses standard utility rates and standardized assumptions to estimate the value of electricity generated from the solar project. This option is only available for projects for residential customers in the ComEd, Ameren, or MidAmerican service territories who take electricity supply from the utility (not from an Alternative Retail Electric Supplier)

The portal will be programmed with the standard basic utility rates, and will also be programmed with a “multiplier” to estimate hourly / Time of Use rates.

The portal will estimate the value of electricity generated by a solar project by multiplying estimated generation by a “blended rate,” taking into account a 0.5% assumed annual degradation, and electricity escalation rates of 0.5%, 1.7%, and 2.5%.

The portal will determine the “blended rate,” which will be a mix of the utility’s full retail rate and the utility’s supply rate. The portal will make an assumption about how much electricity the customer will use directly onsite (which will be valued at the retail rate) and how much will be sent back to the grid (which will be valued at the supply rate).

The portal will use the below chart to determine the assumption of how much electricity will be used directly onsite.

Percentage of Annual Electricity Usage Offset by Solar Project	Battery	Assumed % of Electricity Used Directly Onsite
Calculated by dividing first-year production (existing input) by annual usage (new input)	Will the solar project include a battery? (new user input)	Determined based on the first two columns
>=80%	No	55%
<80%	No	75%
>=80%	Yes	75%
<80%	Yes	95%

Path 2

Path 2” uses custom electricity rates. This path is required for projects for all Non-Profit and Public Facilities customers; customers in the utility territories of Mt. Carmel, rural electric co-operatives, and municipal utilities; and customers who take supply from an Alternative Retail Electric Supplier. This path is allowed as an alternative to Path 1 for projects for residential customers in ComEd, Ameren, and MidAmerican territories who take supply from the utility. (For example, Path 2 will allow the entry of a custom number for the percentage of electricity from the project that will be used directly onsite, if the Approved Vendor feels that the assumed percentage in Path 1 is not accurate).

The Approved Vendor or Designee will be required to enter a custom electricity retail rate, as well as a custom electricity supply rate (or alternatively, whatever rate is used for net meter crediting).

The Approved Vendor or Designee will also be required to enter a reasonable estimate of the percentage of electricity that will be used directly onsite.

The portal will use these inputs to generate a “blended rate” based on how much electricity is estimated to be used directly onsite (which will be valued at the retail rate) and how much will be sent back to the grid (which will be valued at the supply or net metering rate).

The portal will calculate the value of electricity generated by the system using the “blended rate,” taking into account a 0.5% assumed annual degradation, and electricity escalation rates of 0.5%, 1.7%, and 2.5%.