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**ELEVATE ENERGY**  
Smarter energy use for all

October 14, 2014

Anthony Star  
Director  
Illinois Power Agency  
Michael A. Bilandic Building, Suite C-504  
160 North LaSalle Street  
Chicago, Illinois 60601

Dear Mr. Star:

Elevate Energy appreciates this opportunity to comment on the Illinois Power Agency's (IPA) Draft Supplemental Photovoltaic Procurement Plan (PV Procurement Plan), published on September 29, 2014. Elevate Energy designs and implements energy efficiency programs that lower costs, protect the environment, and ensure that the benefits of energy efficiency reach those who need them most. Our programs include an energy efficiency retrofit program for affordable housing that has improved the efficiency of over 19,000 apartments in northern Illinois since 2008. In response to client interest, we are currently working to integrate photovoltaics (PV) into our services for affordable apartment building owners.

The IPA has an unprecedented opportunity to ensure that traditionally underserved market sectors have equitable access to solar energy at the outset of Illinois' emerging solar market. We strongly believe that the ideal time to establish equitable solar energy incentives in Illinois is during the early development of the industry. Creating a transparent and equitable model at this stage will reduce the likelihood of solar access inequities in the future.

As currently written, the PV Procurement Plan does not facilitate the development of community solar or solar projects serving affordable housing. The IPA should look to the example of states which have developed successful practices that target these market sectors. It is with these goals in mind that we offer our comments on the IPA's draft PV Procurement Plan.

### **Encourage Community Solar Projects**

An estimated 75 percent of residential buildings have physical or geographic restrictions to installing solar technologies.<sup>1</sup> For example, homeowners may have a shaded roof or HVAC equipment may occupy roof space. In addition, renters do not have ownership of their roof. These households will be unable to participate in the IPA's PV procurement as it is currently structured. In addition to preventing inequities for renters, encouraging the development of

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<sup>1</sup> Supply Curves for Rooftop Solar PV-Generated Electricity for the United States, NREL, 2008 at 4 (roof area availability of residential buildings), available at <http://www.nrel.gov/docs/fy09osti/44073.pdf>.

community solar models in the PV Procurement Plan will create more robust and geographically distributed solar energy infrastructure.

### **Incentivize PV for Affordable Housing**

While the cost of solar photovoltaic systems is expected to decrease further over the next five years—allowing a more diverse range of homeowners to invest in solar PV systems—low and moderate income homeowners and affordable housing owners are rarely a target demographic for solar PV contractors. In addition to the barriers faced by all homeowners who wish to install solar PV, less affluent homeowners and affordable housing owners must also contend with limited access to cash and credit. Incentives targeting the development of PV in these market sectors will encourage a diverse and resilient community and energy infrastructure.

### **Adopt Best Practices for PV Procurement**

States such as California and Massachusetts have used their procurement process to encourage the development of PV for the low and moderate income, affordable housing, and community solar market sectors. For example, Massachusetts has developed a solar renewable energy certificate (SREC) procurement model that uses a weighted assessment to prioritize these socially beneficial projects.<sup>2</sup> A weighted bid assessment recognizes both the higher barriers for entry, as well as the higher economic impact potential of these underserved markets. The IPA should adapt these best practices for its PV procurement process, to promote a more equitable solar energy industry.

### **Conclusion**

Elevate Energy is disappointed that the IPA’s Draft Supplemental Photovoltaic Procurement Plan does not ensure that traditionally underserved market sectors have equitable access to solar energy at the outset of Illinois’ emerging solar market. We hope that the opportunity is not lost, and that the IPA chooses to amend its plan to encourage and incentivize PV for community solar and affordable housing, by adopting a system similar to the one used in Massachusetts.

Sincerely,



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<sup>2</sup> 225 CMR 14.05, available at <http://www.mass.gov/eea/docs/doer/rps-aps/rps-class-i-regulation-225-cmr-14-00.pdf>; See Massachusetts RPS Solar Carve-Out II Program, which provides variable incentive payments to different project categories including Community Shared Solar Generation Units and Low or Moderate Income Housing Generation Units. <http://www.mass.gov/eea/energy-utilities-clean-tech/renewable-energy/solar/rps-solar-carve-out-2/about-solar-carve-out-ii.html>