

Here's One Way Illinois is Addressing Climate Change

Community Solar in Illinois
for Residents, Congregations, and Non-Profits

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Energy Sector Produces Most Greenhouse Gas Emissions

Energy: Electricity and Heat	30.4%
Energy: Transportation	15.9%
Energy: Manufacturing & Construction	12.4%
Agriculture	11.8%
Land Use & Forestry	6.5%
Energy: Fugitive Emissions	5.8%
Industrial Processes	5.6%

Source: <https://www.wri.org/blog/2020/02/greenhouse-gas-emissions-by-country-sector>
(2018 data)

Electrical Energy Sources in Illinois

Nuclear	54% (highest in the nation)
Coal	30%
Natural gas	7%
“Renewables”	
Wind	8.4%
Solar	0.1%
Hydro power	<0.1%
Biomass, waste	0.3%

- In 2019, total renewables was 9%.
- Immediate goal: Increase renewables to 25% by 2025 (FEJA, passed in 2016)
- Long term goal: Increase renewables to 100% by 2035 (some say by 2050)

Source: [https://ilenviro.org/energy/#:~:text=Illinois%20has%20a%20unique%20electricity,nation\)%20and%2010%25%20renewables.](https://ilenviro.org/energy/#:~:text=Illinois%20has%20a%20unique%20electricity,nation)%20and%2010%25%20renewables.) (2019 data)

Electrical Energy Sources in Illinois

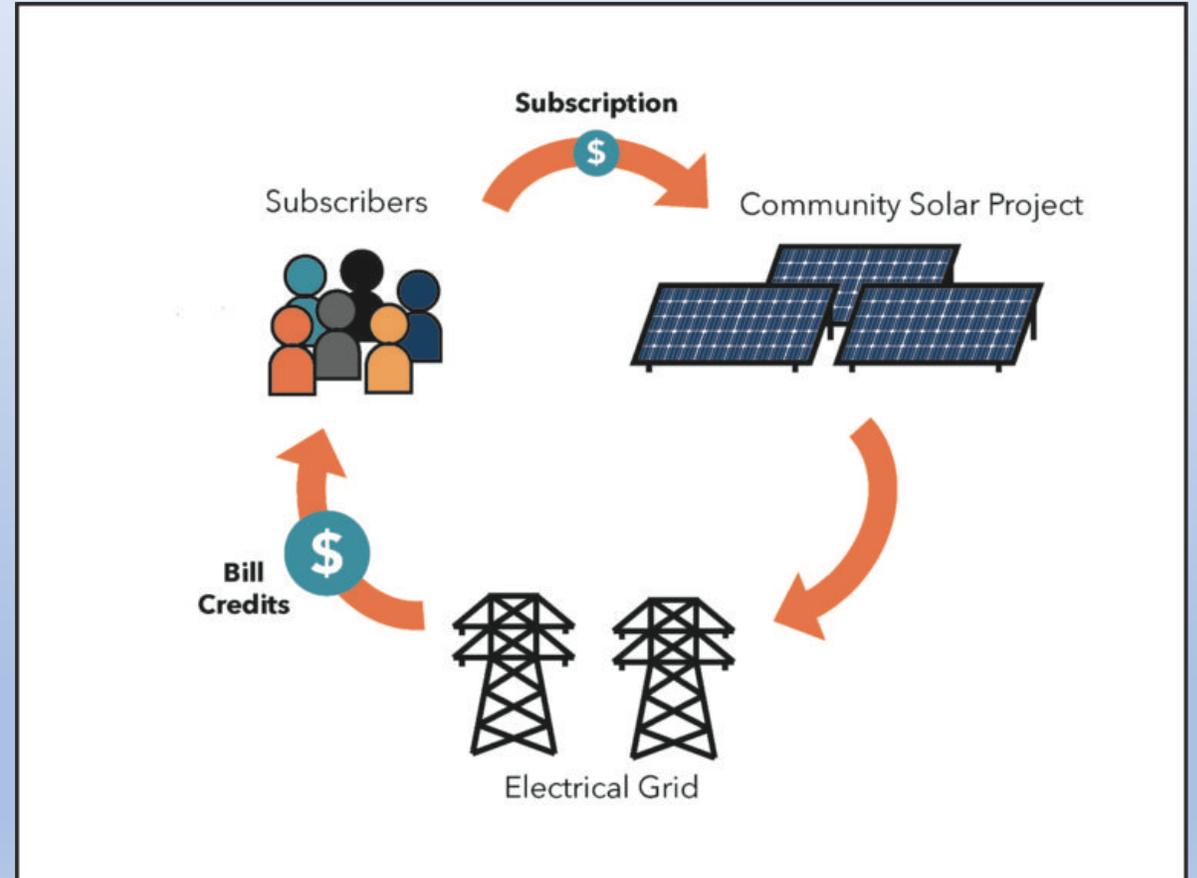
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- In 2019, total renewables was 9%.
- Immediate goal: Increase renewables to 25% by 2025
- Rapid growth of Solar is the most feasible way to achieve the immediate goal: it's known technology, and relatively low investment is needed.

Community Solar

A Slightly Different Way to Provide Solar Power

- First developed in Colorado, then Minnesota, New York, and Massachusetts. (Legislation in 16 additional states.)
- Illinois: passed Future Energy Jobs Act (FEJA) December 2016
- Target market: residences and businesses where rooftop solar is not appropriate/ feasible
- Illinois projects began coming on-line in March, 2020



Community Solar benefits: a win/win/win

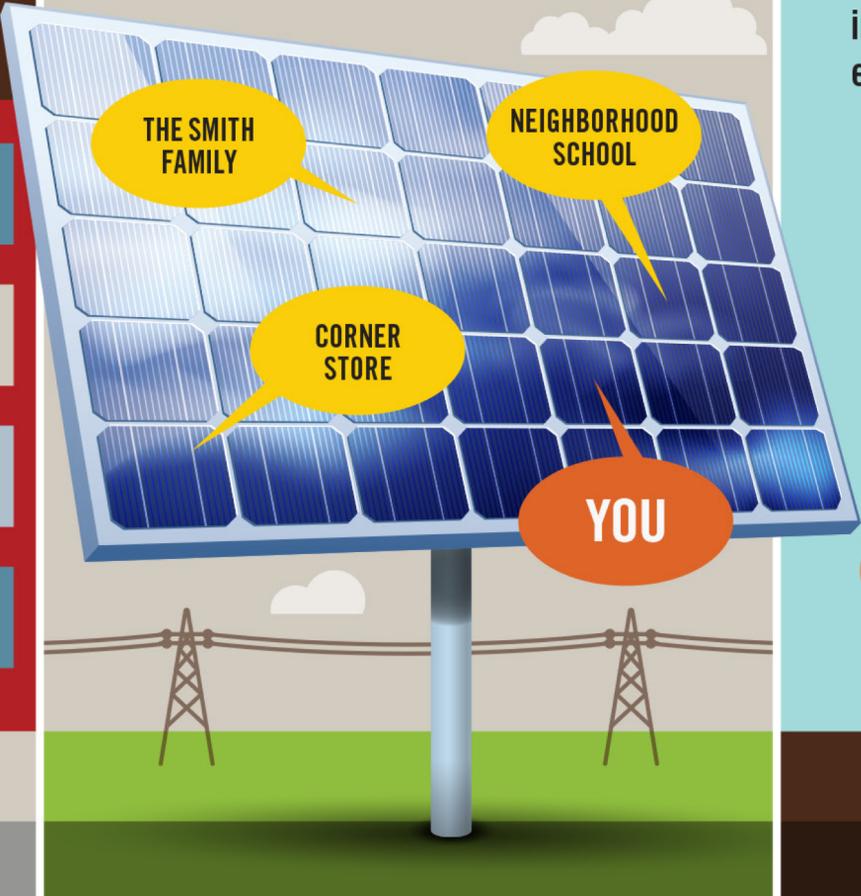
- For the environment/climate
 - After construction, zero emission of greenhouse gases
 - Reduced dependence on fossil fuel generating stations
- For Illinois:
 - New Jobs: Community Solar projects in the ComEd region support over 2,250 new skilled labor and technology jobs
 - Grid upgrades for Community Solar enhance grid reliability (better infrastructure)
 - Ability to avoid building more expensive gas-fired power plants.
 - Move Illinois towards a sustainable energy future (25% renewables by 2025?)
- For subscribers
 - Creation care – better stewardship of God’s earth
 - No up-front investment or entry fee
 - No physical change to buildings is needed
 - Reduce electric bill, typically by ~11%

HOW COMMUNITY SOLAR WORKS

MANY CONSUMERS ARE INTERESTED IN SOLAR POWER, BUT CAN'T INSTALL PANELS ON THEIR HOME. Maybe their house has too much shade, or they live in an apartment.



With community solar, you don't have to install panels. **YOU, YOUR NEIGHBORS AND BUSINESSES CAN SUBSCRIBE TO A PORTION OF A COMMUNITY SOLAR GARDEN.**



How you pay for it depends on the offer you sign, but your subscription helps the developer fund the garden. **IN RETURN, YOU GET A CREDIT ON YOUR ELECTRIC BILL** in proportion to your share of the electricity the solar garden produces.

ELECTRIC BILL

YOUR USAGE \$
CREDIT! \$
TOTAL \$



Designed by
Citizens Utility Board



Note: Community Solar projects have a maximum size of 2MW output --- approx. 10,000 panels, enough for ~330 residences.

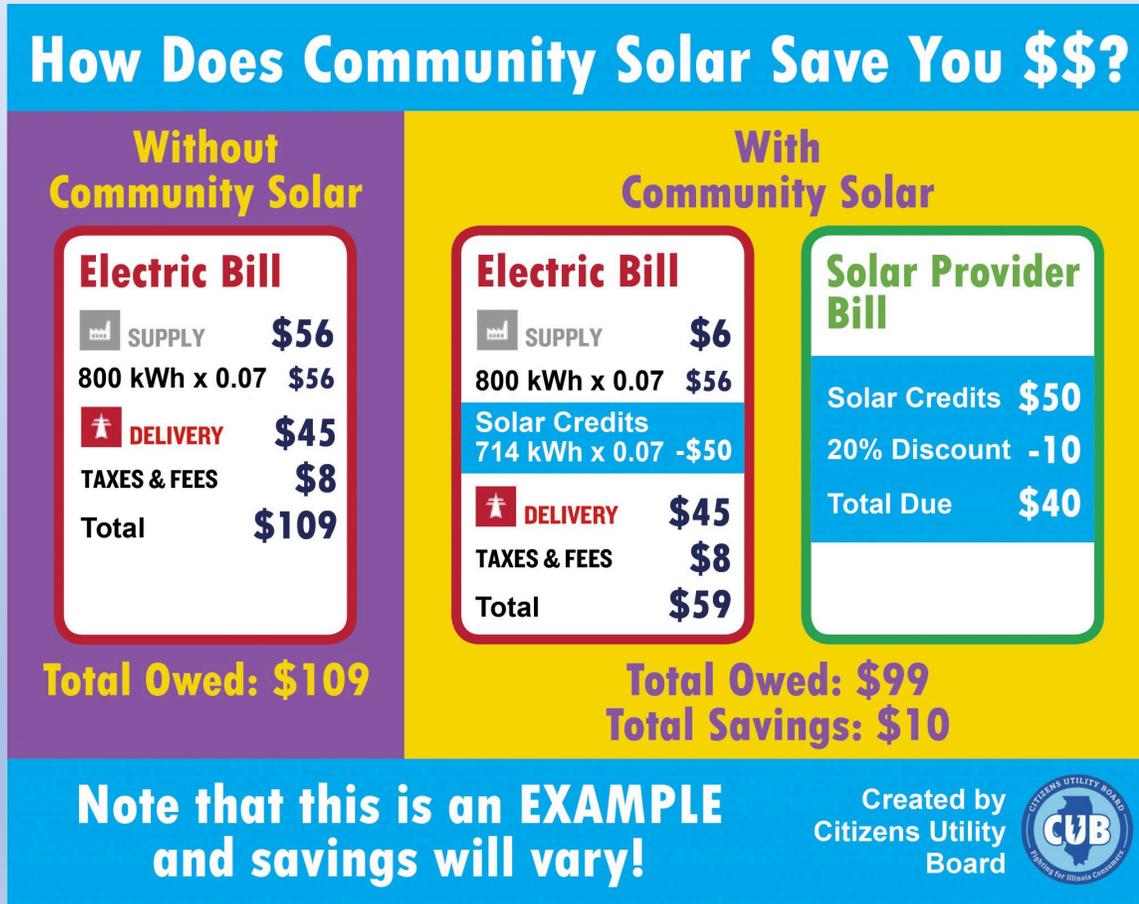
Community Solar from a customer perspective

- In general, there's more "paperwork" than with traditional electric utilities:
 - Illinois Commerce Commission (ICC) requires a signed contract with provider
 - FEJA projects also require Standard Disclosure Form
 - Typically two bills per month – although they can usually be set up electronically
 - Much of the "paperwork" can be managed on-line
- In comparison, doing traditional business with ComEd can typically be managed over the phone.
- Currently, all providers are offering residential subscriptions. Two providers are also offering subscriptions for congregations and non-profits, with slightly different "terms and conditions".
- Larger congregations and nonprofits may be assigned to multiple solar projects, with a separate subscription for each project.

To learn more about Community Solar...

- At this point in the presentation, the best source of detailed information is online.
- Link to CUB <https://www.citizensutilityboard.org/solar-in-the-community/#1587673577145-670b6001-4a22>
 - Review chart: “How does Community Solar Save You \$\$?”
 - Review “Current Community Solar Deals”
 - Briefly review “Solar For All”
 - Review “Want More Information?”

Typical Community Solar billing procedures



- Each month, the subscriber gets two bills – one from ComEd and one from the solar provider.
- ComEd bill shows credits from the electricity generated at the solar farm.
- Solar provider bills for the credits at a discount from the ComEd default supply rate (20% in many cases). Discount rate is guaranteed for the life of the contract.

Community Solar providers in the ComEd service area (1)

- **Arcadia** offers online subscriptions, immediate savings after application, and consolidated billing (one bill per month rather than two). Arcadia also manages Community Solar accounts for **Constellation NewEnergy**. Their standard offer is a 10% discount.
- **Common Energy**, an established New York company, is entering the Illinois market as of September 2020. Their standard offer is a 10% discount rather than the 20% offered by other providers.
- **MC Squared (MC2)** manages the Village of Oak Park's Community Solar pilot project, a residential-only project, at a 20% discount rate. MC2 has signed contracts to market/manage other solar farms in Illinois.
- **Nexamp** and **Clearway** (represented by **Trajectory Energy**) offer subscriptions to both residential and commercial subscribers in Illinois, at a 20% discount.
- **US Solar**, an established Minnesota company, is entering the Illinois market as of September 2020. They offer 17% or 20% discount depending on the subscriber's billing procedure selection.

Community Solar providers in the ComEd service area (2)

	NEXAMP	CLEARWAY	US SOLAR
Cost vs. utility's default supply rate	20% savings vs. default rate	20% savings vs. default rate	17 or 20% savings vs. default rate, depending on billing option.
Contract term	15 years	20 years	20 years
Exit fee	None	\$200 for residential subscribers, waived in many cases. \$350 per subscription for commercial and institutional, never waived; "Guarantor" required for commercial and institutional subscribers.	\$150
Credit check	None	Performs "soft credit check" which will not affect credit score.	Performs "soft credit check" which will not affect credit score.
Billing options	Enrolls customers in automatic paperless billing, can switch to paper bills; consolidates bills for multiple subscriptions	Accepts many types of payments (listed in contract); monthly bill for each individual subscription	Only offers automatic payments; 17% savings for debit or credit card; 20% savings for ACH payments
Subscribers	Residential and commercial	Residential and commercial	Residential and commercial

Community Solar Proposals for a Larger Congregation (estimated annual usage 184,700 kWh)

	NEXAMP	CLEARWAY
Comments on proposed contract	5 pages; defines customer and supplier responsibilities	11 pages plus 4 exhibits; includes more “what-ifs” than Nexamp, including Force Majeure and detailed arbitration procedure
Number of subscriptions required	4 (one contract for each subscription)	4 (one contract for each submission; different contracts may have different guarantors)
Estimated savings	\$2204 first year; \$35,455 over the 15-year contract (projected 11.2% savings in the annual electric bill)	\$2199 first year; \$36,359 over 15 years (rounding differences and slight differences in assumptions)
Billing procedures	Nexamp will send one bill, consolidating bills from the (4) subscriptions	Clearway does not consolidate bills from the (4) subscriptions
Business model	“Vertically integrated”	Represented by Trajectory in Illinois

After you've made the decision to "go solar" ...

- If you are already using an "alternative electric supplier," you should know that there have been some cases of confusion between the existing "alternative electric supplier" and a smooth transition to the Community Solar provider, resulting in double billing for a short time after Community Solar startup. The next three bullet points are provided by CUB.
- CUB, and the solar providers, recommend that you cancel directly with the alternate supplier when you sign up for community solar. Even if you are with an alternate supplier who is matching the utility supply rate (such as a deal worked out by your city), you can still be overcharged by being on both an alternate supplier and community solar.
- It should be a matter of one phone call to the alternate supplier in order to cancel. To cancel, call the number listed on your ComEd bill, in the "Electricity Supply" section.
- When you call alternate suppliers to cancel, they sometimes try to offer better rates to keep you as a customer. Make sure to cancel even if they offer you something like this since you are signing up for Community Solar.

References

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