



# Community Solar in Illinois

FACT SHEET

July 2020

## What is community solar?

Are you interested in solar power but prevented from installing solar panels because you can't afford it, don't have enough space or sunlight on your property, or live in an apartment?

Illinois' new community solar program allows electricity customers to enjoy the benefits of solar energy without installing panels on their own homes.

Through community solar, you can purchase a portion of the electricity produced by a solar installation—called a community solar garden—and in return receive credits on your electric bill.

## How does community solar work?

Under Illinois' community solar program, subscribers enter into an agreement that helps fund a solar installation somewhere in their utility's service territory in exchange for a credit on their bills.

The owner of the community solar garden pays the upfront costs to build, maintain and connect the garden to the utility's power grid. Subscribers pay the owner for their portion of the electricity produced. The owner then reports the output of each solar subscription to the utility, and the utility company adds credits to the subscriber's electric bill equal to that output.

Here's how it works: Let's say your home uses 1,000 kilowatt hours (kWh) of electricity in a month, and your portion of the solar garden you subscribe to produces 200 kWh in that same month. You would receive a credit on your bill amounting to your supply rate multiplied by 200 kWh, meaning that month you would only need to pay for the remaining 800 kWh.

Then you receive a separate bill from your community solar provider for that 200 kWh generated by your subscription. The rate per kWh you pay your community solar provider would ideally be lower than what you would have paid ComEd or Ameren.

## 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	\$
<b>CREDIT!</b>	<b>\$</b>
TOTAL	\$

Labels in the infographic: THE SMITH FAMILY, NEIGHBORHOOD SCHOOL, CORNER STORE, YOU.

Designed by Citizens Utility Board

**Note:** Community solar projects have a maximum size of 2 Megawatts (MW) of electricity output—roughly 10,000 standard (2 x 1 meter) panels. Also, the utility is required to buy the energy output that hasn't been subscribed out in a solar garden.

## How do I know what a good deal is?

The Illinois Commerce Commission and the Illinois Power Agency have to sign off on community solar contracts, so there are consumer protections. But some offers might be better for you than others.

Here are some questions to ask when deciding between community solar offers:

- How long is the term of your contract with the community solar provider?

- Does the company charge a fee if you exit the contract early?

- How do you pay for your community solar subscription? If it is per kilowatt hour, what is the rate? Can that rate increase over the time of the contract?

- How much will I save? So far, people are expected to save anywhere from 10 to 20 percent on the electricity produced through their community solar subscription. Keep this in mind when looking at offers.

- Do they require a credit check?

- How will the company bill you? Electronically? A paper bill? How do they accept your payments? Can you choose? Do they require automatic payments?

## Other Frequently Asked Questions

### Why is this possible now?

The Future Energy Jobs Act, historic state legislation passed in December 2016, calls for 400 megawatts (MW) of community solar projects to be developed by 2030. That's enough to power up to 150,000 households.

### What are the benefits of community solar?

It can lower electric bills for subscribers and improve the power grid's reliability. Also, adding solar power to the grid lessens the need for expensive power plants, lowering market prices for all.

### Who can be a subscriber?

All residential and business customers can subscribe to a community solar garden—as long as it's located in their electric utility's service territory. The minimum subscription per customer is 200 watts, or about one solar panel. No individual can subscribe to more than 40 percent of a project, but you can subscribe to multiple projects.

### Do subscribers directly receive power from the solar garden?

No. Unlike a home with its own solar panels, there's no way to send the power generated by a solar garden exclusively to a subscriber's home. Like all electricity, power produced by a solar garden is sent to the utility's grid and distributed indiscriminately the moment it's created.

### What if I move?

If you move to a new home within your utility's territory, you can continue your subscription. If you move outside the territory, you must cancel your subscription or transfer it to another customer who meets the eligibility requirements.

### Will I pay a fee if I end my subscription early?

You probably will have to pay a termination fee. That's a good question to ask when you are considering a community solar project. Also ask if you are required to participate for a certain number of years.