Solar and Wind Energy Incentive Programs

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Illinois Department of Commerce & Economic Opportunity
• Public Sector’s Interest in Renewable Energy

• DCEO Renewable Energy Programs

• Other Incentives Available to Public Sector
Public Sector Interest in Renewable Energy
Example: Illinois Clean Energy Community Foundation

It works in school classrooms and on farmers' fields
Switching to renewable, nonpolluting sources of electricity will take time and support. The Foundation is preparing the way by helping Illinois communities build wind and solar capacity and encouraging them to monitor performance and share the results. With Foundation funding, Illinoisans have installed over thirteen megawatts of new community wind and one megawatt of solar electric capacity. And, by supporting solar energy installations in schools around the state, the Foundation is working with teachers to help educate the next generation of Illinois residents about the potential of clean energy.
Public Sector Interest in Renewable Energy

Example: ARRA State Energy Program

Illinois Allotment - $101,321,000
Community Renewable Energy Program - $10 million

- RFA was issued in August, and applications were due October 26th
- $10 million in funding to support solar, wind, and other renewable energy projects that provide energy for the applicants’ own energy needs.
- Incentive: 30% of cost for business, 50% of cost for public sector
Stimulus Community Renewable Energy Program

• Received over 170 applications requesting approx. $50 mil:
  – 44 apps from Municipalities, 28 apps from school districts, 16 apps from Universities and Colleges, 11 apps from counties, townships and other govt. agencies

• 35 applications were recommended for funding
  – 6 municipal projects, 6 University/College projects, 4 projects with other local governments

• Some applications were moved to solar and wind rebate program
  – 3 cities, 2 school districts, 2 other local governments
Incentives Available to Public Sector

• DCEO Renewable Energy Programs
  – Rebates
  – Grants
• Illinois Clean Energy Community Foundation
• Net Metering
• Illinois Finance Authority
Renewable Energy Resources Program

  - Provides approximately $5-6 million per year for the Renewable Energy Resources Program
  - Directs DCEO to administer grants and rebates to foster investment in and the development and use of renewable energy resources
  - Must be customer of investor-owned electric or gas utility or other utility/coop that imposes the Renewable Energy Resources Assistance Charge

- Current Developments
  - RERP was extend to 2015
    - Public Act 95-0481 (Illinois Power Agency Act)
  - More coops have voluntarily joined the program
    - from 5 to over 10 coops
  - State budget
    - SWEEPS of Renewable Energy Fund
    - This year funding was restored in November
### Results of RERP

#### Total Project Cost vs. Grant Awards

- **Total Project Cost:** $306,335,599
- **Grant Awards:** $34,702,248

#### Breakdown by Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Project Cost</th>
<th>Amount Awarded</th>
<th>KW</th>
<th>Number of Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>PV</td>
<td>$32,476,855</td>
<td>$10,369,059</td>
<td>2,958</td>
<td>78</td>
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<tr>
<td>ST</td>
<td>$20,434,109</td>
<td>$7,177,170</td>
<td>139,820</td>
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<td>WIND</td>
<td>$214,690,640</td>
<td>$8,482,058</td>
<td>2,265</td>
<td>1</td>
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<tr>
<td>BIOMASS</td>
<td>$2,730,000</td>
<td>$550,000</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>BIOGAS</td>
<td>$14,323,536</td>
<td>$3,174,268</td>
<td>22,030</td>
<td>10</td>
</tr>
</tbody>
</table>
Solar Energy Rebate Program

Previous Program Years

• Provide a rebate for 30% of the eligible project costs for a single solar energy system (maximum rebate of $10,000)
• Both Photovoltaic and Solar Thermal projects are eligible
  – PV must be UL listed and minimum size of 1 kw
  – Solar thermal must be SRCC certified and 50,000 btus/day or 60 sq. feet of panels
• can use installer or homeowner can install their own system
• over last four years we have had $1,000,000 or more for solar energy rebates
PV vs. Solar Thermal Projects

- 49% of projects in Cook Co.
- 18% in the collar counties
- 33% scattered throughout rest of state (pockets of projects in Winnebago-Ogle County, Ford-Champaign County, etc., where installers are active
- majority of projects are residential
Solar and Small Wind Energy Rebate Program

- Expanded the solar rebate program to now include small wind projects
- Program opened in November
- Provide a rebate for 30% of the eligible project costs for a solar or wind energy system for homes and businesses
- Provide a rebate of 50% for governments and non-profit entities
- Eligible project cost include cost of equipment and installation
- Maximum rebate of $50,000
Solar and Small Wind Energy Rebate Program

• Photovoltaic, Solar Thermal, and Small Wind projects are eligible
  – PV must be UL listed and minimum size of 1 kw
  – Solar thermal must be SRCC certified and 50,000 btus/day or 60 sq. feet of panels
  – Small wind energy systems
    • 1 to 100 kW capacity, on at least one acre of land, at least 60 ft. tower, at least 30 ft. higher than any structure within 300 ft.
    • may also consider urban wind energy projects
Response to the Solar and Wind Rebate Program – FY2010

• Have received over $4.1 million in applications in less than three months
  – $800,000 were solar from waiting list
  – $2,300,000 in new rebate request for solar
  – about $1,000,000 in rebate request for wind energy

• Program has been closed, all funding has been committed
RERP Grant Programs

• No grant program for solar or wind this year since there was the ARRA programs for larger projects
• Had a biogas/biomass to energy program
• Grant program may return in the next fiscal year
  – FY2011 programs will open as early as July/August
  – Solar, wind, biogas/biomass, these grants typically have a $250,000 maximum
  – Renewable Energy Business Development
Illinois Clean Energy Community Foundation

- Twice-yearly competitive grant process (January and July)
- Eligible applicants include federally-recognized 501 c3 non-profit organizations and state and local governments
- Eligible projects:
  - Community-based wind power generation meeting the on-site energy needs of community institutions such as nature centers, education buildings, and municipal facilities
  - Solar PV or thermal systems or other renewable energy systems that earn points toward attainment of a LEED Silver or higher rating
  - Projects demonstrating the market viability of solar PV, thermal, biomass, fuel cells or other newly emerging renewable energy technology
Net Metering Programs

- Net Metering rules established by ICC
  - ComEd and Ameren began offering net metering in April 2008
  - Each utility can provide net metering to up to 1% of peak load thereafter
  - eligible renewable generators of 40 kW or less will receive a one-to-one retail rate credit for their excess generation.
  - electricity provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods
  - eligible renewable generators between 40 kW and 2 MW will receive credits equal to the utility’s avoided cost for their excess generation
  - some coops are now offering net metering
Energy Efficiency Portfolio Standard (EEPS)

What do I get from EEPS

EEPS provides for incentives in the form of rebates for ComEd and/or Ameren Illinois utility customers to encourage them to purchase and install high efficiency equipment and systems to reduce electricity use.

Funding is still available for this program year. Efficiency projects that can be completed before June 1, can still submit applications.

www.illinoisenergy.org
Energy Efficiency Portfolio

Who do I contact for my Rebate?

DCEO Public Sector
- Local governments
  - Municipalities
  - Townships & County facilities
- Special units of local government
  - Library & Park districts
  - Public safety
  - Water reclamation districts
- State and federal agencies
- Public Schools
  - K-12 Public Schools
  - Public community colleges
  - Public universities

ComEd/Ameren Illinois
- Privately owned businesses
- Privately owned industrial & commercial facilities
- Private Schools
  - Private K-12 schools
  - Private colleges
  - Private universities
- Not-for-profit
  - Museums
  - Foundations
  - Trade Organizations
- Residential
## Projected Energy Efficiency Funding

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding Level</th>
<th>DCEO Share</th>
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</thead>
<tbody>
<tr>
<td>2008</td>
<td>$53.2 million</td>
<td>$12.9 million</td>
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<tr>
<td>2009</td>
<td>$111 million</td>
<td>$26.8 million</td>
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<tr>
<td>2010</td>
<td>$172 million</td>
<td>$41.6 million</td>
</tr>
<tr>
<td>2011+</td>
<td>$235 million</td>
<td>$57 million</td>
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</tbody>
</table>

Funds come from ComEd & Ameren Illinois Electric utility customer’s rider on electric bill effective June 1, 2008.
**DCEO Standard Incentive Programs**

Provides grants and rebates to public sector entities for a specific list of equipment upgrades. Includes electric system efficiency improvements for:

- Lighting Equipment
- HVAC Equipment
- Refrigeration Equipment
- Motors and Drives
- LED traffic signals (DCEO only)
Public Sector Energy Efficiency Programs

Custom Incentives

Projects that involve non-standard incentives and other unique projects

- Electric efficiency improvements not captured by the standard program
- 8 cents/kWh for measures with 1-7 year payback on first year kWh savings
- Pre-approval, evaluation, and additional documentation required
- Projects must meet cost-effectiveness requirements
Feedback? Questions?

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