Project Name:

GAR CREEK COMMUNITY SOLAR No-cost solar and broad LMI carve-out brings value to northern Illinois communities

Size: 3.5 MW_{AC}

Location: S 1000 W Rd & W 2000 S Rd, Kankakee Township, IL 60901 (SW corner of this intersection)

of LMI customers: estimated at 600

Project Website: https://www.comed.com/SmartEnergy/ MyGreenPowerConnection/Pages/GiveARay.aspx

BEST PRACTICES

- Renewable Energy Credits (RECs)
- No subscription fees for LMI subscribers
- State incentives/ grants





Overview

The Gar Creek Community Solar project offers qualified <u>ComEd</u> customers throughout northern Illinois access to solar energy. The project, which was energized in 2022, is located in a low-income, environmental justice neighborhood in Kankakee county and includes two solar arrays with a combined solar generation capacity of 3.5 MW.

The project is part of ComEd's <u>Give-A-Ray program</u>, which increases access to solar energy for low-and moderate-income (LMI) customers. The Give-A-Ray program launched in 2021 in response to funding made available via <u>Illinois Solar for All</u> (ILSFA). The Gar Creek project is open to qualified customers who live anywhere in ComEd's northern Illinois region. ComEd pays all subscription fees on behalf of customers and manages enrollment. Ninety percent of the energy generated is dedicated to low-income subscribers. The installation was developed by <u>Trajectory Energy Partners</u> and the construction and installation of panels and other equipment was executed by a subsidiary of Babcock & Wilcox.

The project is supported by ILSFA under a special sub-program called the <u>Low-Income Community Solar Project Initiative</u> (LICS). The LICS program seeks to overcome historic barriers to developing solar for low-income households, such as a lack of taxable income needed to monetize tax-based incentives, a











lack of access to capital, a lack of access to workforce development, and other institutional barriers. The project cost approximately \$10 million and benefited from federal tax credits, the State's <u>smart inverter rebate</u>, and large State awards.

Residential customers with an active ComEd account are eligible if their income is at or below 80% of the area median income, and if they are not an active participant in <u>Percentage of Income Payment Plan</u> (PIPP) or <u>Supplemental Arrearage Reduction Program</u> (SARP). Participation is free, with subscription costs covered by ComEd, and eligible customers are expected to see average savings of \$83 per month or \$1,000 annually for a three-year subscription term. Bill credits for generation are applied to monthly electricity bills. The project is expected to serve up to 600 customers. ILSFA provides special consideration to Environmental Justice Communities (EJCs) by setting a goal that at least 25% of program funds be allocated to projects located in or serving EJCs.

Residents of the project's anchor customer, the <u>Preservation of Affordable Housing</u> (POAH), are allocated 10% of the project's energy. POAH may purchase electricity generated at Gar Creek at a roughly

50% discount.

Local involvement in the project included the <u>Economic</u> <u>Alliance of Kankakee County</u> and the <u>Kankakee</u> <u>Community College</u>. During construction, Fosler Solar employed approximately 45 union workers and community leaders. Landowners receive cash rents from the project via 35-year leasing contracts.

ILSFA program funding comes from two sources: 1) the state-held Renewable Energy Resources Fund (RERF) and 2) utility-held funds collected from the Renewable Portfolio Standard riders. The utility-held Renewable Portfolio Standard funds were collected from ratepayers through dedicated bill riders for funding renewable energy resources.

The ILSFA program benefits Approved Vendors via Renewable Energy Credits (RECs). RECs represent the environmental value of the electricity generated from solar panels, but not the electricity itself. ILSFA Approved Vendors are paid by the sale of the installation's RECs (valued at roughly \$60/MWh), which enables the Approved Vendor to pass along savings to the program participants. The budget for incentives in the Low-Income Community Solar program for the program year 2020-2021 was \$12.16 million, and the application process for Approved Vendors seeking to participate in the program is highly competitive. More details on the ILSFA REC program, including REC pricing, are found in the <u>Approved Vendor Manual</u>.

Innovative Approaches

- 100% free solar power for LMI households. The subscription costs of the Give-A-Ray program were waived for LMI by negotiating with the utility to pay for half of the subscription cost (ILSFA effectively paid for the other half). This lowers subscriber acquisition costs, since subscriber credit scores are less relevant, and the absence of subscription costs significantly lowers risk for project financiers.
- Strong state programs. The state run programs and awards added to the developer's value stack.

Lessons Learned

- LMI enrollment in community solar can be challenging, even when solar power is being given away free. The Gar Creek Community Solar project was fully subscribed quickly. This is mostly due to ComEd being a trusted name in the community and in-person enrollment events involving religious and other community organizations.
- The partnership with POAH provided 1,000 qualified subscribers and a trusted messenger to communicate to subscribers.



This case study is a part of the LIFT Toolkit initiative. To explore more case studies and best practices visit <u>LIFT.Groundswell.org</u> research@groundswell.org