

ILSFA Evaluation Update

PY24-25, Energy Sovereignty, Upcoming Activities

In partnership with:



Ewald & Wasserman
RESEARCH CONSULTANTS, LLC



Agenda

1. Evaluation Overview (5 min)
2. PY24-25 Results (15 min)
3. Energy Sovereignty Results (15 min)
4. Next Steps/Input (15 min)

01

Evaluation Overview

Why evaluation?

- Independent evaluator – is the program accomplishing its goals? Are program resources being used optimally?
- Measure impacts, performance of program administrator, and assess experiences with the program for each program year
- Focused reports on special topics four times throughout the evaluation cycle



Energy Impacts

Assess quantity of projects, capacity, average system cost, energy produced, and peak load reduced.



Bill Impacts

Evaluating participants' annual bill savings in dollars and as a percent of their pre-installation bill.



Environmental Impacts

Evaluating reduced pollutants, including CO₂, NO_x, and SO₂.



Jobs and Economic Impacts

Evaluating workforce and economic impacts, including jobs created, impacts to state economy, and how on-bill savings are spent.



Social Impacts

Assess characteristics of communities and participants that are directly benefitting from investments.

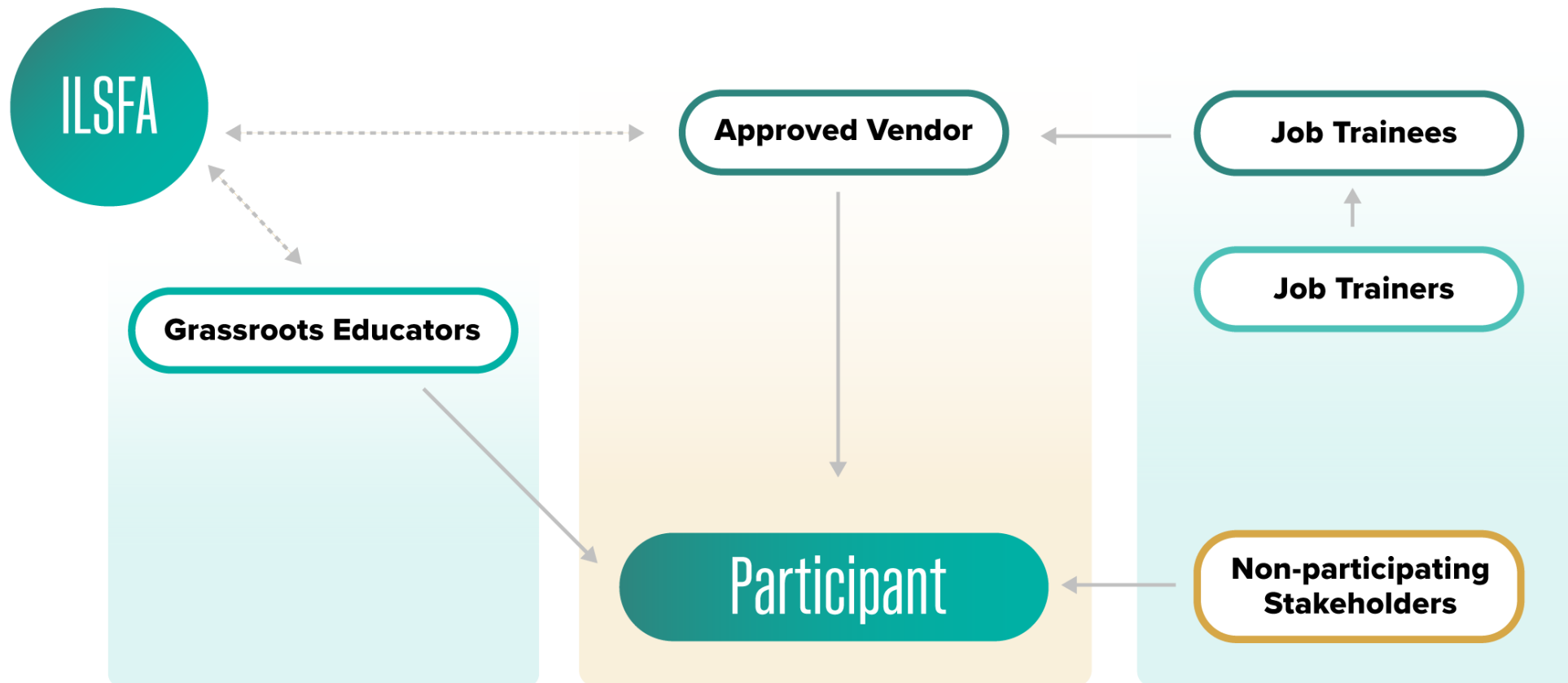


Process Evaluation

Collecting perspectives from program participants and program actors and assessing the performance of the program administrator.

Key organizations & people in ILSFA

- These are the groups that help implement and participate in ILSFA
 - Collected input from everyone except job trainers in PY24-25



02

PY24-25 Evaluation Results

PY24-25 Overall Performance

- Program’s main goal is to award its budget.
- Residential Solar (Small) awarded 72% of its incentives. Residential Solar (Large) continued to face difficulties in participation.
- Non-Profit/Public Facilities continued steady participation and awarded almost all its incentives.
- Community Solar increased its capacity with several large projects and awarded 77% of its incentives.
- The Home Repairs pilot fully allocated its budget.

Sub-program	PY24-25 Total Budget	PY24-25 Incentive Value of Approved Projects	% Budget Allocated to Incentives
Residential Solar (Small)	\$30,146,606	\$21,567,364	72%
Residential Solar (Large)	\$30,146,606	\$389,798	1%
Non-Profit/ Public Facilities	\$17,617,773	\$15,982,593	91%
Community Solar	\$48,092,555	\$36,987,766	77%

Sources: Illinoissfa.com- Illinois Solar for All Sub-Program Budgets for 2024-2025 Announced. Accessed March 18, 2026; Program Year 2024-2025 Tracking Data

PY24-25 Impacts by Subprogram

Activity across all four subprograms in PY24-25.

Program	Purpose	Approved Projects	Energized Projects	Approved Capacity	New Approved Capacity
Residential Solar (Small)	Install affordable, on-site panels for low-income residents on 1–4-unit dwellings with no upfront costs and guaranteed bill savings.	577	1,494	5,018	17%
Residential Solar (Large)	Install affordable, on-site panels for low-income residents on 5+ unit dwellings with no upfront costs and guaranteed bill savings.	2	4	200	1%
Non-Profit / Public Facility	Provides non-profit and public organizations with affordable on-site solar panels, with low or no upfront costs guaranteed bill savings.	41	118	6,321	23%
Community Solar	Allow homeowners and renters to benefit from solar energy savings without having to install solar on their property. Participants can subscribe to community solar for guaranteed energy savings.	6	14	17,965	61%

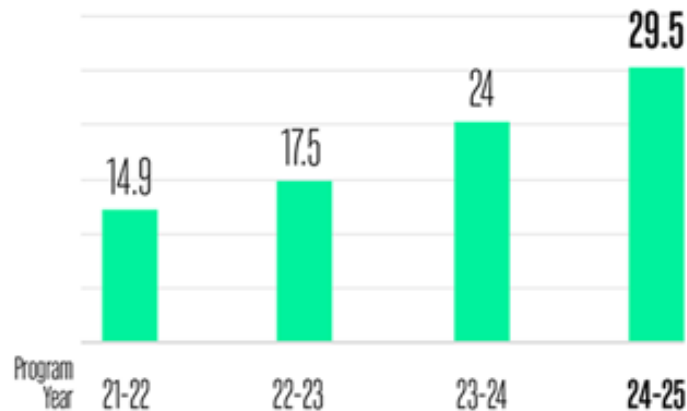
Program Trends: Growth and Drivers

PY21-22 through PY24-25

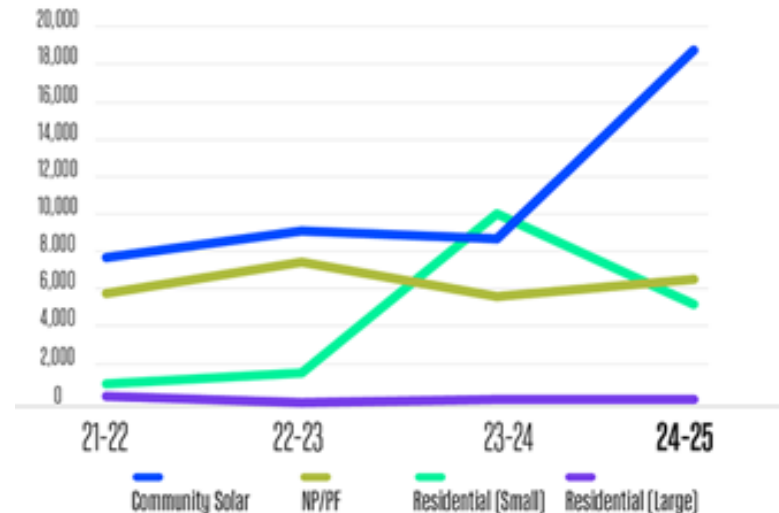
- ILSFA entered a period of more accelerated growth in PY24-25.
- Most projects in ILSFA are part of the Residential Solar (Small) subprogram.
 - *Possible drivers: federal incentive uncertainty pushing Approved Vendors toward state and local incentives, and an influx of new vendors expanding outreach*
- The Community Solar subprogram accounts for the most new approved solar capacity



Total Approved Capacity (in MW)



Approved Capacity by Subprogram



PY24-25 Statewide Impacts



Approved Projects (n=626)

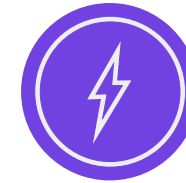
- 29.5 MW_{AC} of solar added to the grid
- 49.8 GWh in the first year of production by these arrays

First-Year Emissions Reductions Equivalent to

6,271 Homes Powered for a Year

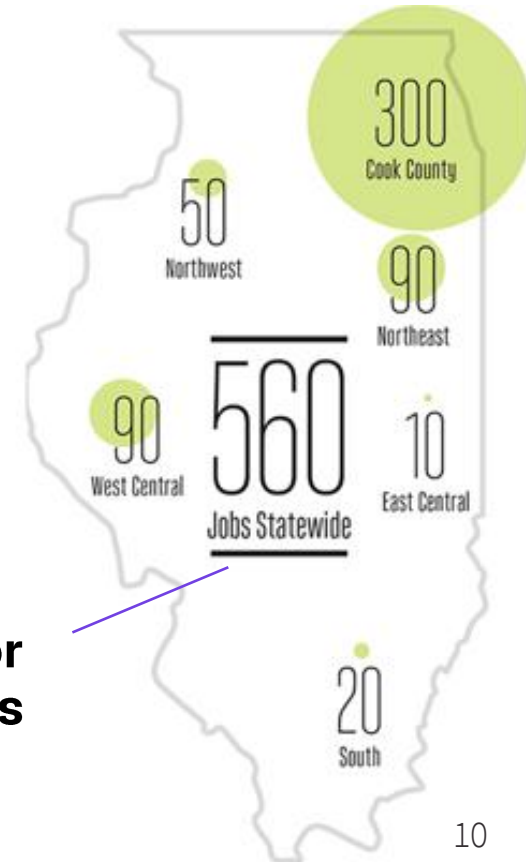


3,871 Cars Taken Off the Road for a Year



Energized Projects (n= 1,630)

- \$116 million in bill savings over the lifetime of the systems
- Over \$63 million in estimated GDP impacts



Demand for New Jobs

PY24-25 Participant Bill Impacts

- Energized projects are estimated to deliver lifetime net savings of \$116 million per year.
- Distributed generation customers continue to see higher bill savings than Community Solar customers.
- PV systems interconnected in Illinois on or after January 1, 2025, are subject to new net metering offerings which only credit supply charges, and not delivery charges or taxes/fees as they have in the past.

Project Type		Net Savings	Average Net Savings Percentage
Distributed Generation	Residential Solar (Small)	\$128.07	91.0%
	Residential Solar (Large)	\$76.91	79.0%
	Non-Profit/ Public Facilities	\$1,751.18	56.5%
Community Solar		\$40.62	31.9%

Note: The table shows average net savings percentage with respect to the participant’s total electric bill without solar. This net savings percent metric is different than the savings percentage, which is based on the value of solar compared to how much the customer pays for solar (payments cannot exceed 50% of the value)

PY24-25 Social Impacts: Reaching EJC

Share of approved project funding awarded to Environmental Justice Communities (EJCs).

Community Solar*

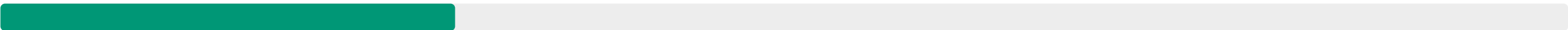
81% in EJC



100% of funding in ComEd territory (northern IL)

Non-Profit / Public Facility

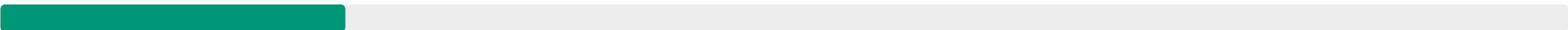
29% in EJC



28% of funding in ComEd territory (northern IL)

Residential Solar**

22% in EJC



75% of funding in ComEd territory (northern IL)

* Note that Community Solar had a small number of projects overall (n=6). Note that due to the small number of community solar projects, we can see large variations in these percents year over year.

** Reported social impacts includes combined Residential Solar (Small) and Residential Solar (Large) subprograms.

PY24-25 Successes and Challenges

PY24-25 saw record vendor participation, but AVs, participants, and grassroots educators shared both successes and challenges.



Vendors & Participants

Successes:

- Participants report high satisfaction with bill saving
- Highest vendor participation to date, with 17 AVs joining the program for the first time.

Challenges:

- Portal and paperwork remain hard to navigate for AVs
- Participants have trouble finding a vendor and face difficulties during the installation process.
- Small vendors lack upfront capital before REC payments and lack staff to manage paperwork
- Some participants worry the program is a scam



Grassroots Educators

Successes:

- Modest improvement in technical support and training from Elevate
- Updated, easier-to-navigate website with more Spanish content

Challenges:

- Limited participation opportunities in some areas due to lack of AVs and community solar slots in some areas
- Lack of clarity on handoff to Elevate or AVs
- Need for materials focusing on solar basics supporting NP/PF participants and translated to Spanish

PY24-25 Key Program Recommendations



Create more structured participant support (such as a customer concierge or reaching out at project milestones)



Strengthen coordination among Approved Vendors, Grassroots Educators, Job Trainees, and the ILSFA program.



Improve transparency around vendor availability and program timelines



Streamline documentation and Approved Vendor portal functionality

Questions?

- Stakeholder Advisory Committee comment form: [Illinois Solar for All Third-Party Evaluation Input – Fill out form](#)
- Public comment form: [Illinois Solar For All Evaluation – Public Comment Form](#)
- Email us: ILSFAEvaluation@esource.com

03

Energy Sovereignty Results

Background

- Energy Sovereignty (ES) aims to build wealth in communities through ownership of solar projects
- 25% of funds in each subprogram are reserved for Energy Sovereignty in the program year
- Typically, ownership transfers from an AV to a participant
 - Must be within 7 years of system energization
 - Vendor receives a nominal “\$10 per REC-adder”, which is prorated based on the portion of the 15-year contracted lifespan of the solar array for which the participant owns the system
 - No REC-adder for Community Solar subprogram; only priority during project selection



Research Objectives

- What are the values, benefits, and risks of Energy Sovereignty?
 - For participants
 - For Approved Vendors
 - Across different subprograms
- What drove the increase in Energy Sovereignty projects in the Residential (Small) and Non-Profit/Public facility programs in PY24-25?



Energy Sovereignty has been growing year over year

- The greatest increases are in the Residential Solar (Small) and Non-Profit/Public Facilities sub-programs where project submissions have increased from 5 to 565 and from 19 to 37, respectively, in PY24-25
- All projects submitted to the Community Solar subprogram in PY24-25 or earlier have dropped

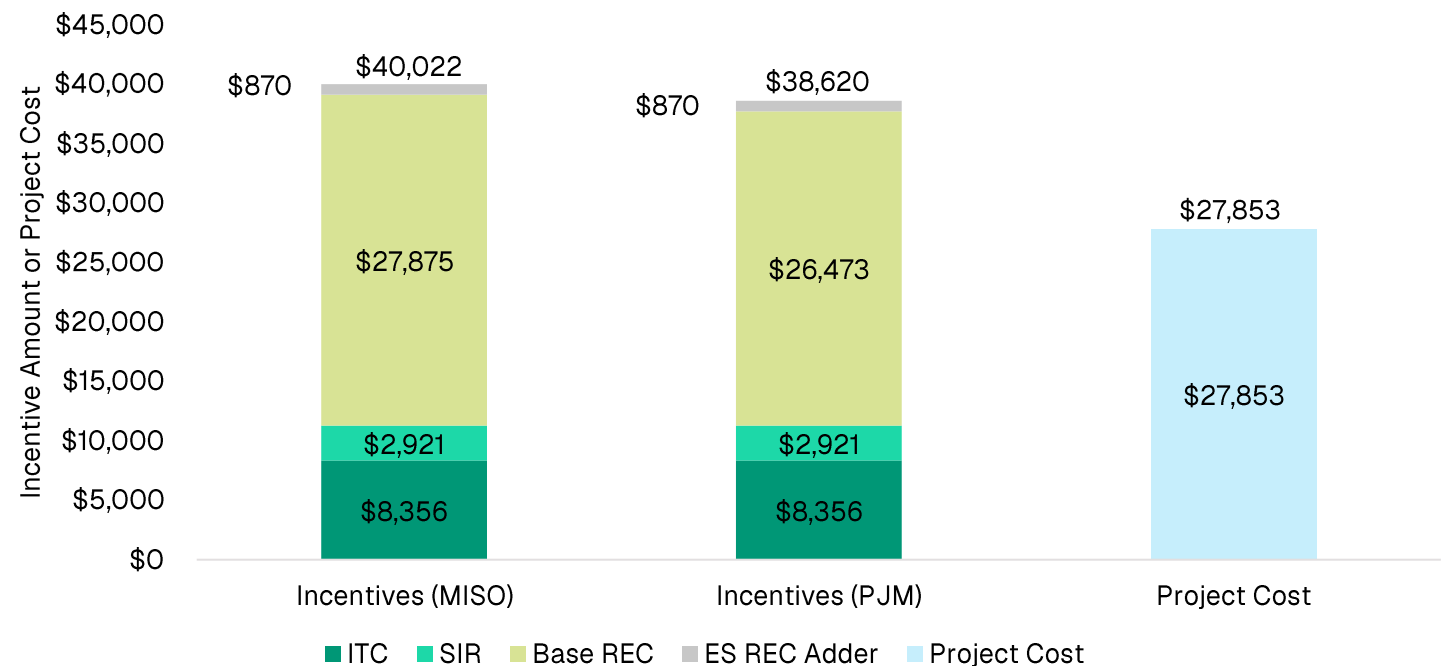
Program Year	Residential Solar (Small)		Residential Solar (Large)		Non-Profit/Public Facilities		Community Solar	
	Submitted	Currently Active	Submitted	Currently Active	Submitted	Currently Active	Submitted	Currently Active
PY22-23	5	5	0	0	19	17	1	0
PY23-24	36	31	1	1	28	22	1	0
PY24-25	565	544	2	2	37	34	0	0
Total	606	580	3	3	84	73	2	0

Table above reports the number of Energy Sovereignty projects submitted in each subprogram from PY22-23 through PY24-25 alongside the count of currently active projects, according to the ILSFA project dashboard as of May 13, 2026.

Key Finding 1: The Energy Sovereignty REC-adder plays little role in the financial viability of Residential Solar (Small) projects

- Base ILSFA REC payments are sufficient to cover project costs
- Most AVs don't explain Energy Sovereignty or the REC-adder to participants in detail - too complicated, customers don't care
- Typically projects plan to transfer after 5 years to avoid triggering recapture of the ITC

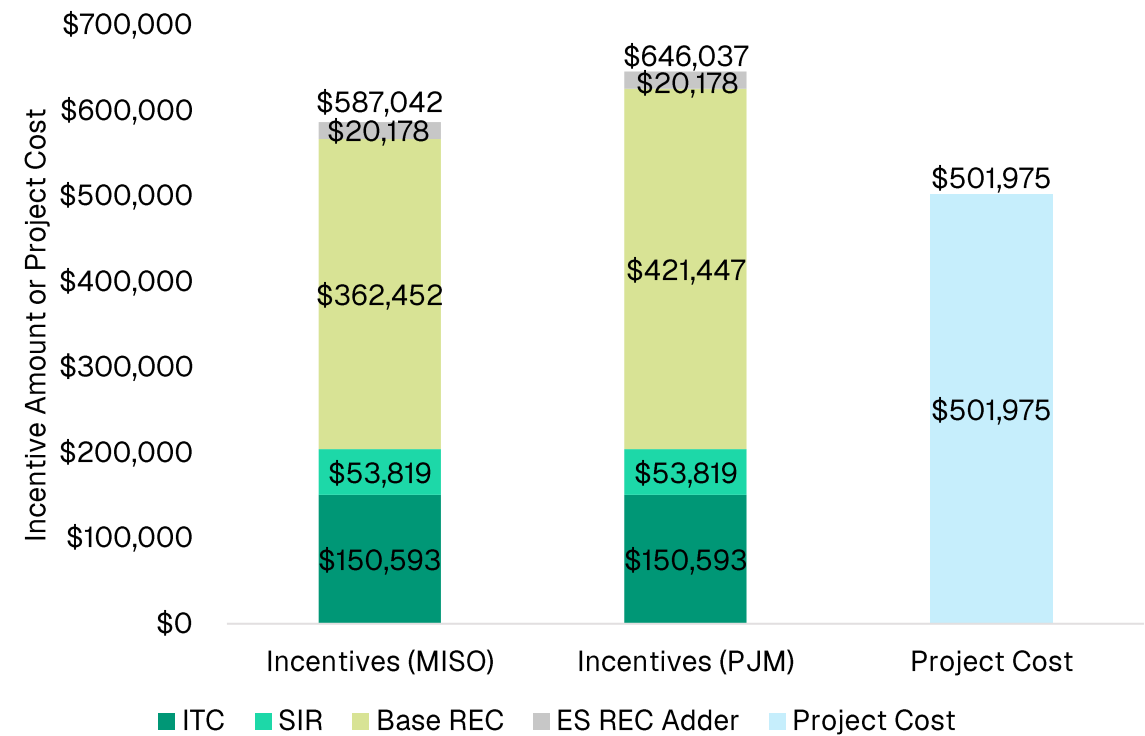
Energy Sovereignty Case Study: Residential Solar (Small) – 7.2 kW



Key Finding 2: Energy Sovereignty plays a small important role in motivation for Non-Profit/Public Facilities (NP/PF) projects

- The REC-adder is a small proportion of the overall project cost, but the larger incentive amount is more consequential for NP/PFs.
- NP/PFs have more questions about ownership; want to be able to tell boards, donors, congregations they own their system
- Energy Sovereignty may become more important as federal solar funding (ITC) phased out and developers need to cover financing gaps.

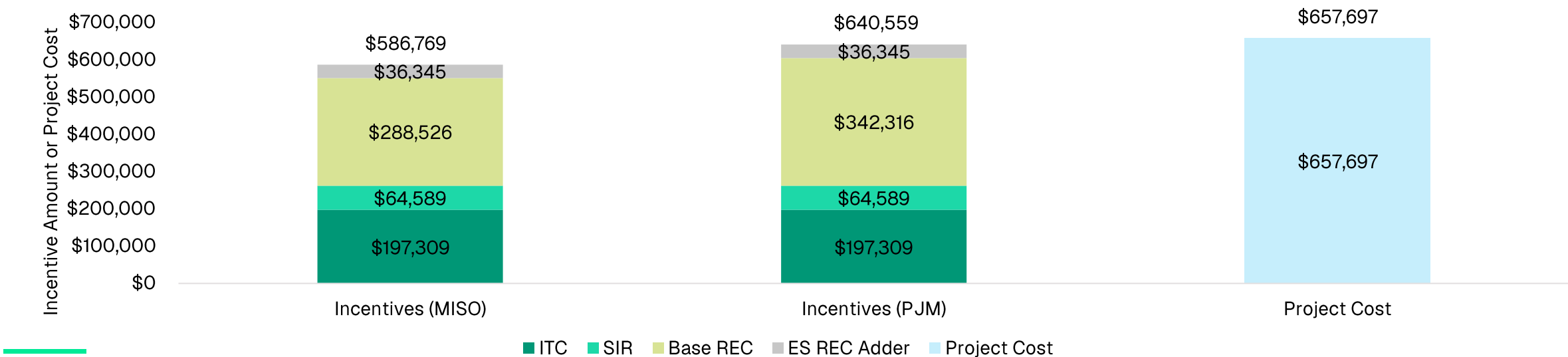
Energy Sovereignty Case Study: NP/PF – 144.9 kW



Key Finding 3: Residential Solar (Large) projects struggle to pencil even with the ES REC-adder

- Approved Vendors note that the administrative burden of Residential Solar (Large) is high relative to the incentive value
- Energy Sovereignty may become more important as federal solar funding (ITC) phased out

Energy Sovereignty Case Study: Residential Solar (Large) – 187.2 kW



Key Finding 4: Role of Energy Sovereignty in Community Solar

Background:

- There is no ES REC-adder offered for Community Solar
 - As of May 2026, two ES CS projects were active
1. Barrier: Ownership transfer makes it more difficult to secure financing for this type of project
 - Because ownership transfers to a cooperative representing subscribers, more limited window for outside investors to recoup their investment (prior to the ownership transfer)
 2. Motivation: Potential long-term benefit for participants including having more control through ownership and avoiding risks associated with a third-party owner

Recommendation 1: Evaluate ES REC adder effectiveness

- As part of the planned PY27-28 REC adder re-evaluation, assess whether REC adder funding is achieving its intended purpose relative to its cost, particularly for Residential Solar (Small)
- Consider alternative uses for REC adder funds within the Residential Solar (Small) subprogram
- Program could continue to incentivize Energy Sovereignty projects through project prioritization process



Recommendation 2: Addressing Energy Sovereignty administrative challenges for AVs

Challenge	Impact	Recommendation
The date of ownership transfer is set during the Part 1 application before AVs develop a sense of construction and interconnection timelines	- Some AVs are confused by the difference between “proposed” and “final” transfer dates - Construction and interconnection timelines may shift after Part 1 approval	Allow update to proposed transfer date at Part 2 application

Recommendation 2 (cont.): Addressing Energy Sovereignty administrative challenges for AVs

Challenge	Impact	Recommendation
AVs struggle initially to navigate program requirements	• Steep learning curve and limited support when first navigating Energy Sovereignty documentation, REC adder calculations, and contract structuring • Some AVs noted relying on a single part-time staff person at Elevate to navigate requirements	• Develop comprehensive, self-service Energy Sovereignty training and reference materials for AVs.
Confusion about “\$10 REC Adder” language used in program materials	• ES REC adder is prorated based on when transfer occurs (e.g., if it occurs at year five, REC adder = \$6.66) • Some AVs receive lower payouts than they expected due to “\$10 REC Adder” language	• Ensure details of the REC adder calculation are communicated clearly and consistently at the outset of the application process • Remove the “\$10 REC adder” shorthand from program materials • Provide AVs with an estimate of what REC value they will receive based on their assumed transfer and energization dates

Questions?

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04

Hear from you!

Upcoming evaluation activities

- Annual evaluation of program year 2025-2026
- Special topic reports
 - Barriers to participating in Illinois Solar for All in rural Illinois
 - Planning ahead for the phase out of the Investment Tax Credit
 - One more report – topic TBD

Data Collection Activities

Data Collection Tasks	PY25-26 Evaluation	Special Topic: Rural IL participation barriers	Special Topic: Investment Tax Credit
Participant Research			
Residential (Small)	Participant survey Short interviews with potential participants at GE events	Short interviews with potential participants at GE events	None
Residential (Large)	None	None	None
Non-Profit/Public Facilities	Participant survey	None	None
Community Solar: Survey	Participant survey Short interviews with potential participants at GE events	Short interviews with potential participants at GE events	None
Grassroot Educators (GEs)			
	3-5 short interviews with GEs hosting events	3-5 short interviews with GEs hosting events	None
	Attend 3-5 GE events	Attend 3-5 GE events	None
Approved Vendors			
	Ongoing surveys of participating AVs	Add questions to the AV survey about this topic	Add questions to the AV survey about this topic

Data Collection Activities

Data Collection Tasks	PY25-26 Evaluation	Special Topic: Rural IL participation barriers	Special Topic: Investment Tax Credit
Workforce development			
Job training program administrators	Interviews	None	None
Job Trainees	None	None	None
LIHEAP Administering Agencies (LAAs)			
	4-5 interviews about the Connector tool	None	None
Program Administrator			
IPA	Interviews with IPA Staff	Interviews with IPA Staff	Interviews with IPA Staff
Elevate	Interviews with Elevate Staff	Interviews with Elevate Staff	None
IL Shines	None	Interviews with IL Shines Staff	None

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Thank you

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