



# ILLINOIS SHINES

## Supporting Solar Development in Illinois

Illinois Shines and the Adjustable Block Program are administered by Energy Solutions on behalf of the Illinois Power Agency, an independent state government agency.

### What is Illinois Shines?

**Illinois Shines** is the brand name of the **Adjustable Block Program**, a state-administered program for new solar photovoltaic (“PV”) systems. The program provides payments in exchange for 15 years of Renewable Energy Credits (“RECs”) generated by new PV systems. These payments, made by Illinois utilities, vary depending on the system’s size and where it is located. Participating in Illinois Shines is the same thing as participating in the Adjustable Block Program.

### What are RECs and why are they valuable?

RECs represent the *environmental value* of the electricity generated from solar panels, but not the electricity itself. Whoever owns the RECs has the right to say they used that solar power. Utilities must purchase RECs to meet their obligation to supply a certain amount of power from renewable energy. RECs can also be valuable to businesses seeking to be able to say that they use solar power.

A home PV system might generate 50-200 RECs over 15 years. By participating in Illinois Shines, you will transfer the RECs from your PV system to an Illinois electric utility. Selling your RECs will not affect your PV system’s production.

For more information on RECs, see a video at [vimeo.com/113250210](https://vimeo.com/113250210).

### Do you have to allow your RECs to be sold in order to go solar?

Although you can keep your RECs or sell them to someone besides utilities, participating in Illinois Shines and thus allowing your RECs to be sold to a utility is likely to be your best financial option. Selling your RECs through this program will make it more likely that your PV system will save you money.



Photo: Thinkstockphotos/elenathewise

### What information will you receive before you sign an installation contract?

**Your contractor is required to provide you with an Illinois Shines Standard Disclosure Form.** It includes contact information for everyone who has a part in your solar contract, information about the installation process, and an estimate of your system’s costs and how much money you may save. Review this form carefully.

### What are the financing and ownership options when installing solar?

The most common options are 1) buying the system, 2) leasing the system, or 3) signing a Power Purchase Agreement (“PPA”). If you lease or sign a PPA, you don’t own the system, but you get many of the benefits. For more information, see [www.cesa.org/resource-library/resource/a-homeowners-guide-to-solar-financing-leases-loans-and-ppas](http://www.cesa.org/resource-library/resource/a-homeowners-guide-to-solar-financing-leases-loans-and-ppas).

When deciding on the best option for you, consider:

- If you’re buying the system, how much will it cost? Will you take out a loan to pay for it? How do the loan payments compare to projected reductions in your monthly electric bill?
- If you’re leasing, how much is your monthly lease payment? How does that compare to projected reductions in your monthly electric bill? Do you have to put money down at the start?
- If you’re signing a PPA, how much is the per kilowatt hour price for the energy produced? How does that compare to your current electricity rate? Do you have to put money down at the start?
- Does your lease or PPA include an escalation clause that increases the amount of payments over time? If so, by how much do payments increase?

**Going solar is a major decision, so exercise the same caution you would when making other major consumer decisions. It is good to get quotes from at least three contractors and to check references. Also, make sure to read and understand the entire contract before signing it.**

## If you get solar panels, are you guaranteed to save money?

You are not guaranteed to save money unless your contract includes an explicit guarantee. The questions below will affect whether you save money.<sup>2</sup> You can answer some questions yourself, while others can be answered by your installer or sales agent.

- **What per kilowatt-hour rate are you currently paying for electricity?**

The higher the electricity rate before you go solar, the more money you can potentially save.

- **Is your roof good for solar?**

The direction your roof faces and how much shade it gets will affect how much electricity roof-mounted PV will generate. The roof's condition should also be considered.

- **How much electricity will the system generate?**

If your system produces more electricity than you use over an annual period, you may not receive credit for all the electricity generated.

- **How much money will you receive for RECs?**

The Approved Vendor will be paid by a utility for your system's RECs and may use some of that money to reduce your cost of going solar.

- **Can you use the federal Investment Tax Credit?**

If you buy your system, you may qualify for a substantial federal income tax credit. Consult your tax adviser.

- **How long do you expect to stay in your home or business location?**

If you lease or sign a PPA, you may be required to buy out the contract if you move. Read your contract to find out what happens if you move.

## What is net metering and how do you enroll?

Net metering measures the electricity your PV system produces and credits you for it on your electric bill. If you



Photo: Elevate Energy

buy electricity from your utility (e.g., basic service or hourly pricing), you must contact the utility to enroll in net metering. If you buy electricity from a Retail Electric Supplier (e.g., through municipal aggregation or an individual contract), you must contact the supplier to enroll in net metering. If you later change your electricity supplier, you will need to re-enroll in net metering with your new supplier. Failure to enroll or re-enroll may significantly impact the value you receive from your PV system.

### Consumer rights

For your PV system to participate in Illinois Shines, an Approved Vendor will submit your PV system for application to the program. (The Approved Vendor will be identified on the Standard Disclosure Form you receive.) If the application is approved and after the system starts operating, the Approved Vendor will receive payments for the first 15 years of your system's RECs. **You have a right to request information** about your system's application status and how

much a utility is paying for its RECs. Some of that information will be on the Standard Disclosure Form. The Approved Vendor must respond to issues related to ensuring that your PV system is generating electricity and producing RECs. Only companies that are Approved Vendors can submit your system to participate in the program.

### Complaint procedures

If you have a problem related to your PV system or the sales process, **first try to resolve it with your installer or the Approved Vendor**. If you can't agree about how to solve the problem, **you may contact the Illinois Shines/Adjustable Block Program Administrator** by emailing [admin@illinoisshines.com](mailto:admin@illinoisshines.com) or by calling 877-783-1820.

If you have been subject to fraudulent or deceptive sales practices, the Illinois Attorney General's Consumer Protection Division may be able to help. Customers can contact it at:

**Chicago**  
800-386-5438 | TTY: 800-964-3013

**Springfield**  
800-243-0618 | TTY: 877-844-5461

**Carbondale**  
800-243-0607 | TTY: 877-675-9339

**Spanish Language**  
866-310-8398



**For more information, go to [www.illinoisshines.com](http://www.illinoisshines.com)**

For income-eligible households, the Illinois Solar For All program may be an option. Learn more at [illinoisSFA.com](http://illinoisSFA.com).

1 This brochure is designed primarily for customers of Ameren Illinois Company, Commonwealth Edison Company, and MidAmerican Energy Company. For consumers in electric cooperative, municipal utility, or Mt. Carmel Public Utility territories, some policies—such as net metering—may vary. Contact those utilities for details.

2 Commercial and multi-family residential buildings may be eligible for a rebate for a smart inverter. See <https://illinoisolar.org/blog/6172611>; also see [www.comed.com/SmartEnergy/InnovationTechnology/Pages/DGRbate.aspx](http://www.comed.com/SmartEnergy/InnovationTechnology/Pages/DGRbate.aspx) and [www.ameren.com/illinois/electric-choice/renewables/distributed-generation](http://www.ameren.com/illinois/electric-choice/renewables/distributed-generation).





## Illinois Shines PV System Power Purchase Agreement Disclosure Form

This form gives consumers who are considering contracting for a solar photovoltaic ("PV") system clear information about the system and their transaction. Execution of this form is required for the system to be eligible for Illinois Shines, a state-administered incentive program.

Illinois Shines (also known as the Adjustable Block Program) provides payments for the sale of Renewable Energy Credits ("RECs") produced by new PV systems. RECs are created when solar panels generate electricity; 1,000 kilowatt-hours of solar production equals one REC. RECs represent the environmental value of solar power. RECs are separate from the electricity and can be bought and sold separately; whoever owns the RECs has the legal right to say they used that solar power. Because the environmental attributes of generation are part of the sale of RECs, customers participating in the sale of RECs relinquish their right to claim they are receiving solar energy.

Through participation in Illinois Shines, for 15 years, all RECs from your system will be sold to Illinois utilities and used to meet a compliance obligation. Payments for these RECs may be used to offset the purchase price or financing cost for your PV system.

There are different ways for customers to contract for a PV system. Customers may (1) buy a system (system purchase), (2) lease a system (lease), or (3) contract to buy electricity generated by a system at an agreed price (power purchase agreement, or "PPA"). Under a system purchase, the customer pays for and owns the system. Under a lease, a customer enters into a service contract to pay scheduled, pre-determined payments to a solar leasing company, which owns the system on the customer's property. Under a PPA, a customer agrees to host a system and to buy electricity generated from it at a per-kilowatt-hour rate from a company that owns the system. The type of contract will impact the economics of your solar decision.

By participating in Illinois Shines, an installer or other vendor is required to provide you with this disclosure form so that you have accurate information about the PV system, including its size, cost, operations, warranties, and financial benefits. At the point when you decide to enter into a solar contract, you will be asked to sign this form indicating that the information in it has been provided to you. The form will be submitted to the Illinois Shines Program Administrator as part your system's application. The Program Administrator may contact you to verify that you received this form.

The installer or other vendor is also required to provide you with an Informational Brochure about Illinois Shines. Do not sign this disclosure form unless you have received and read that brochure because it provides you with important consumer protection information. The Brochure can be found at <https://illinoisabp.com/wp-content/uploads/2018/12/Brochure.pdf>

# PV System Power Purchase Agreement Disclosure Form

You are entering into a Power Purchase Agreement (PPA) to buy electricity generated by a PV system installed on your property; another party will own that PV system.

The purpose of this form is to provide you with clear and accurate information about terms of your PPA, but this form is not a substitute for your contract. Do not rely exclusively on this form for your PPA; You should read your contract closely before you sign it.

Because you will not own the PV system, you are not eligible to take the federal income tax credit for PV system owners, but you may receive an indirect benefit in the form of lower PPA payments. You may want to consult a tax professional to understand any tax issues related to the system.

At the end of this form, the installer or other vendor will have an opportunity to provide additional details or explanations related to the information contained in the form.

You may rescind your system PPA contract and receive a refund of any deposit you paid within three calendar days of signing the contract, by contacting the owner of the PV system.

Approval from your local municipality will likely be needed for the PV installation.

If you have complaints related to the system or this PPA process, first try to resolve the problem with your installer or Approved Vendor. If you can't agree with the company about how to solve the problem, you may contact the Illinois Shines Program Administrator by emailing [admin@illinoisshines.com](mailto:admin@illinoisshines.com) or by calling (877) 783-1820. If you have been subject to fraudulent or deceptive sales practices, the Consumer Protection Division of the Illinois Attorney General's office may be able to help. Customers may contact the Illinois Attorney General's office by calling one of the following hotlines:

Chicago  
800-386-5438  
TTY: 800-964-3013

Springfield  
800-243-0618  
TTY: 877-844-5461

Carbondale  
800-243-0607  
TTY: 877-675-9339

Spanish Language: 1-866-310-8398

Program website for more information: [www.illinoisshines.com](http://www.illinoisshines.com)

## Customer Contact Information

Name: Jill Larson  
Address: 600 N Cedar  
New Berlin, Illinois 62670  
Phone Number: 217-488-6054  
Email Address: [jl Larson@pretzelpride.com](mailto:jl Larson@pretzelpride.com)  
Electric Utility: AmerenIllinois

## System Owner Contact Information

Legal Name: Clean Energy Design Group, Inc.  
Name Used for Marketing (if different): CEDG  
Address: PO Box 559,  
Metamora, IL 61548  
Phone Number: 314-282-9490  
Email Address: [jholtzman@cedg.us](mailto:jholtzman@cedg.us)

## PV System Power Purchase Agreement Disclosure Form

### Approved Vendor

Legal Name: Clean Energy Design Group, Inc.  
Name Used for Marketing (if different): CEDG  
Address: PO Box 559,  
Metamora, IL 61548  
Phone Number: 314-282-9490  
Email Address: jholtzman@cedg.us

### System Installer

Legal Name: Clean Energy Design Group, Inc.  
Name Used for Marketing (if different): CEDG  
Address: PO Box 559,  
Metamora, IL 61548  
Phone Number: 314-282-9490  
Email Address: jholtzman@cedg.us

### System Warranty and/or Maintenance Provider

Legal Name: Clean Energy Design Group, Inc.  
Name Used for Marketing (if different): CEDG  
Address: PO Box 559,  
Metamora, IL 61548  
Phone Number: 314-282-9490  
Email Address: jholtzman@cedg.us

\*The parties listed above are independent and are not representing, endorsed by, or acting on behalf of, a utility, a consumer group, or a governmental body except in those cases where they are a governmental body or consumer group.

\*Your PPA may be assigned, sold, or transferred by the lessor to a third party who will be bound by the terms of your contract. If such a transfer occurs, you will be notified if this will change the address or phone number to use for questions, payments, maintenance, or repair requests.

**System Pricing Information**

- Total of all your estimated payments over the course of the PPA, including any down payment, all PPA payments, interest or escalators, service fees, and other fees: \$1110548
- Deposit, down payment, or initial amount owed at PPA signing: \$0
- The term of the PPA is for this many years: 25  
AND this many months: 0
- Frequency of PPA payments: Monthly
- Initial PPA price per-kilowatt hour: \$0.055
  - The time the first PPA payment is due: 30 days after system interconnection
- Final PPA price per-kilowatt hour: \$0.0885
  - The time the final PPA payment is due: 25 years after the first payment
- Total number of PPA payments over the term of the contract: 300
- Annual escalation rate: 2% %
- This form assumes that your system will produce this many kWh of electricity per year: 674314

\*Many PPA contracts increase the per-kilowatt hour PPA price on an annual basis to account for inflation and projected annual increases in electricity rates. These escalation rates compound, meaning they apply not only to the initial PPA payment price, but also to the increases added annually. Under some PPA contracts, your PPA payments may be variable. For example, some PPA contracts may guarantee a certain amount of savings each month or they may be tied to some other pricing schedule. Make sure you understand how your PPA payments will be calculated over time.

\*Your PPA payments may not constitute your total monthly amount for electric service from your utility. In addition to the lease payments, you may still receive an electricity bill.

- The type of invoices you will receive: Electronic
- The expected value of the REC incentive payment(s) that will be received by the Approved Vendor for this PV system is: \$758233
  - Is PV system installation contingent upon selection for the Illinois Shines incentive? Yes

\*Selection for Illinois Shines is not guaranteed, but if the system is selected, the Approved Vendor, as the counterparty to a REC delivery contract with an Illinois electric utility, will receive payment(s) for your system's RECs. The value of these REC payments may be reflected in your overall PPA payments.

• Other tax incentives or rebates:

**Name of Incentive/Rebate**

**Party Directly Realizing the Benefit of the Incentive**

\* In many cases, a solar PPA customer will not be able to directly take advantage of incentives related to the PV system because the system is owned by a third party. Instead, the system owner or Approved Vendor will realize the incentive benefit. The benefit of these incentives may be passed on to you in the form of reduced costs.

**Fees**

- You will be charged a late payment fee if you are this many days late after the due date: 30
  - The late payments accrue interest at this rate annually (%): 3.5
- Estimated system removal fee: \$0
- System maintenance fee, paid one time: \$0
- Document preparation fees: \$0
- Non-connection to internet fee: \$0

\*If you do not maintain a high-speed internet connection to facilitate the transmittal of generation data from your system for the purpose of creating RECs, you may be charged a fee by the system owner to cover the cost of such a connection.

- Returned checks fee: \$250
- Automated clearinghouse fee: \$0

\*You may be required to enroll in a program in which your PPA payments are made through an electronic transfer of funds cleared through an automated clearinghouse and there may be a fee associated with enrolling in an automated clearinghouse program.

- Does the System owner intend to file a Uniform Commercial Code-1 filing statement? No

\*Some PV system owner will file a Uniform Commercial Code-1 filing statement, often referred to as a 'fixture filing' or a 'UCC-1 filing,' which allows them to legally take possession of the system in the event that you breach your PPA contract. A fixture filing can make it more complicated for you to refinance your mortgage or convey the real estate equipped with the PV system.

- Will the PV System owner impose a fee or penalty for early termination of the PPA by the customer? Yes
  - If the PV system owner will impose an early termination fee or penalty, the amount of the fee/penalty will be:
  - OR
  - The amount of the fee/penalty will be calculated as: Remainder of PPA payments
- Any other fees (description, amount and when it is due)

<b>Fees</b>	<b>Fees</b>	<b>When It Is Due</b>
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**System Installation Timing**

- The estimated start date of system installation will be 210 days from the date your contract is signed.
- The estimated completion date of system installation will be 240 days from the date your contract is signed.
- Does seller plan to furnish a mechanic's lien waiver to the customer upon final payment rendered to installer and subcontractors? No
- Party responsible for submitting a system interconnection application to your utility: Installer

\*The interconnection rules may vary based on location and utility service territory. Links to interconnection information are provided below for three electric utilities:

- Ameren Illinois:  
<https://www.ameren.com/illinois/electric-choice/distributed-generation>
- Commonwealth Edison Company:  
<https://www.comed.com/MyAccount/MyService/Pages/DistributionLess10k.aspx>
- MidAmerican Energy Company:  
<https://www.midamericanenergy.com/customer-generation.aspx>

If your system is in the service territory of an Illinois municipal electric utility or rural electric cooperative, you should contact them for their interconnection requirements.



### System Design Specifications

- Size of system in kilowatts (DC) 427.68
- Size of system in kilowatts (AC) 360.00

\*Any system size variations plus or minus more than 5% of the specifications listed above will require completion and submission of a new disclosure form.

- Estimated gross annual electricity production in kilowatt-hours from your system in the first year: 674314
- Estimated annual system production decrease: 0.50 %
- Expected life of the system: 30 years
- Expected overall percentage degradation over the life of the system: 15.00 %
- System will be roof-mounted or ground-mounted: Ground
- The manufacturer of your PV panels is: Trina

The manufacturer of your inverter is: Solectria

The model of your inverter is: PVI-60

\* To participate in Illinois Shines, your system must be connected to the distribution grid. Your electric utility remains responsible for the delivery of electric power to your premises and will continue to respond to any service calls and emergencies. A grid-connected PV system will not function in the case of an electricity outage unless you have an accompanying electricity storage system and the ability to 'island' (disconnect from the grid).

**Net Metering**

\*Net metering allows you to receive credit from your energy supplier for electricity generated by your PV system. Your electricity bill will reflect the amount of electricity supplied to you, minus the excess electricity generated by the system and delivered to the grid. To participate in net metering, an application for net metering must be submitted to your electric supplier which is either your local utility or an Alternative Retail Electric Supplier.

**System Operations, Maintenance, Warranties, and Guarantees**

- System maintenance (operational upkeep) is included as part of your contract: Yes
  - If system maintenance is included, then it is for (years): 25
  - If system maintenance is included, then it is provided by: Installer
  
- System repairs (actions required to fix a malfunctioning system) are included as part of your contract: Yes
  - If system repairs are included, then it is for (years): 25
  - If system repairs are included, then they are provided by: Installer
  
- Is your system warranted against issues related to improper installation, included as part of your contract: Yes
  - If a warranty is included, then it is for (years): 25
  - If a warranty is included, then it is by: Installer
  
- Solar panels come with a manufacturer's warranty, as part of your contract: Yes
  - If a warranty is included, then it is for (years): 25
  
- System inverter comes with a manufacturer's warranty, as part of your contract? Yes
  - If a warranty is included, then it is for (years): 15
  
- If your PV system is roof mounted, is your roof is warranted against leaks from the system installation: No

**Form: 440088**

- Will the PV system owner remove the PV system at the conclusion of the term of the PPA? Yes
- Will the PV system owner return the system's site to its original condition upon the removal of the system (ordinary wear and tear excepted)? Yes
- Will the PV system owner offer you an option to own and retain the PV system after the term of the PPA? Yes
- Will the PV system owner offer you an option for contract renewal after the initial term of the PPA? Yes
  
- Will the PV system owner insure for loss or damage to the system of the PPA? Yes
  - If the PV system owner will insure the system for any loss or damage, then it will exclude the following circumstances:  
Gross negligence

\*You are responsible for any loss or damage to the PV system not covered under the lessor's obligations above. Consult an insurance professional to understand how to protect against the risk of loss or damage to the system.

- The type of guarantee the PV system owner is providing you with:  
No system guarantee
  - Terms of the system guarantee:
  - Type of the system guarantee (specify if other type):

\*Unauthorized modification of your PV system, including the relocation of it, is prohibited under Illinois Shines.

**Property Transfers**

- If you sell your home or business where the PV system is located, may you transfer the PPA obligations to the purchaser(s) of the home or business? Yes
- If transfer of the PPA is permitted, it will be subject to the following conditions:
  - Credit check of the home purchaser(s): Yes
  - Minimum FICO score requirement (dependent upon lessor's credit criteria at the time of system transfer):
  - Transfer fee (\$):
  - Assumptions of the PPA contract by the home purchaser(s): Yes
  - Other: Yes
  
- If you sell your home or business where the PV system is located, are you required to purchase the system prior to sale? No

**Form: 440088**

- In such event, the purchase price will be calculated as follows:

### **New Cash Flow Estimate**

- Estimated total PPA savings calculation :  
NPV of PPA Over 15 Years:  
NPV of Electricity Savings Over 15 Years (Low Estimate):  
NPV of Electricity Savings Over 15 Years (Med Estimate):  
NPV of Electricity Savings Over 15 Years (High Estimate):

\* The formula used for determining PPA savings computes a net present value of all payments made under the PPA and compares that value to a net present value of the electricity your system would produce using a starting price of \$124.80/MWh and an escalation rate of 0.5%, 1.7%, and 2.5% based on U.S. Energy Information Administration average retail price costs for Illinois. A discount rate of 5.5% is used in all cases and the calculation is made over the 15 year term of the Illinois Shines contract. The production figures are based on the first year production with a .5% annual degradation factor. The assumptions used in these calculations are based on past values so there is no guarantee that they will be indicative of future results and they may not match the assumptions you or your solar installer might use. However, the same assumptions are used in every disclosure form for Illinois Shines, allowing you to make an apples to apples comparison of competing offers.

### **IMPORTANT NOTE: New project applications are being waitlisted.**

Available program capacity for project applications has been filled and new project applications are currently being added to a waitlist. Due to funding unavailability, it is not presently possible to determine if or when a new project application may be selected from the waitlist and considered for an incentive. Please keep this in mind as you contemplate moving forward with the transaction described in this Disclosure Form.

\*PLEASE NOTE: In some cases, solar installers need to reissue Disclosure Forms for applications that have already secured funding through the Program. If you are receiving this Disclosure Form for that reason, have been told that your project already has secured a spot in the Program, and would like to confirm this, please contact the Program Administrator at (877) 783-1820 or [admin@illinoisabp.com](mailto:admin@illinoisabp.com).

**Please Initial**

\_\_\_\_\_ The person or company presenting this Disclosure form also has provided me with a copy, either electronic or printed, of the Illinois Shines Distributed Generation Brochure, and I have had the opportunity to ask questions about it

**Additional Terms and Disclosures**

\*Nothing listed below shall alter, amend, repeal, or supersede the disclosure requirements contained in this form.

- Additional Details or Explanatory Information

**Signature**

\*By signing this form, you certify that you read and received this form.

Printed Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_