



Disparities in Approved Vendor Outcomes in Illinois Solar for All

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Abstract. Illinois Solar for All (ILSFA) is an incentive program designed to bring the benefits of solar energy in communities across Illinois. ILSFA increases participation in solar energy projects serving low-income and environmental justice communities. Incentives are offered to Approved Vendors who develop PV projects for residential properties, properties that house non-profits and public facilities, and community solar projects serving customers with low incomes. As the program completes its fourth program year, disparate outcomes are observed for Approved Vendors (AVs). Afro-American AVs which comprise 14% of the AV pool, are not participating in the program at the same level as Euro-American AVs who have captured 85% of the total program-wide Renewable Energy Credit (REC) awards. Most of the Afro-American AVs did not submit a project application and thus did not capture any incentive dollars. As a group, their Euro-American counterparts tended to submit more applications, indicating they were able to move further through the project development cycle compared to their Afro-American counterparts. The program's sole Native American AV did not secure any approved projects. The program's sole Asian-American AV secured a single project REC award. Preliminary research underway suggests that multiple factors contribute to outcomes: internal planning capacity and a robust and curated project pipeline, social networks, access to capital, educational attainment, prior experience in solar, and familiarity and facility navigating with programs with complex requirements. Research includes program data analysis and one-on-one interviews with AVs.

Keywords: Energy transformation · Equity · Economic justice

1 Illinois Solar for All

The Illinois Solar For All (ILSFA) program [1] intends to bring the benefits of solar energy to low-income and environmental justice communities. Incentives are offered to Approved Vendors (AVs) who develop PV projects for residential properties, properties that house non-profits and public facilities, and community solar projects serving customers with low incomes. Approved Vendors secure 15 year Renewable Energy Certificate (REC) contracts for approved PV projects.

2 ILSFA Approved Vendor Diversity

As the ILSFA program approaches the conclusion of its fourth program year, we can look at the degree to which AVs from diverse backgrounds have been able to access the program. Program participation may be construed as a series of steps, beginning with a registration application to become an AV and culminating in an energized completed project. In between are numerous other discrete tasks: business development/customer engagement, site survey/analysis, system design engineering and permitting, proposal, contracting utility interconnection, ILSFA program application, and many other steps. At one level, the ILSFA program approaches a level of ancestral diversity comparable to the Energy Efficiency workforce in Illinois where Euro-Americans comprise 76.6%, Hispanics 14.9%, Afro-Americans 9.1%, Asian-American 6%, Native American 1%, and 8.3% other [2]. The ILSFA program has a higher percentage of Afro-American AVs (14.2%), but is lower in the percentage of Asian-American (1.4%) and Hispanic (none reported) AVs. The participation rate of Native Americans is consistent with the Energy Efficiency workforce. Table 1 presents the ancestry demographics of the AV pool as reported to the Program Administrator.

Table 1. Approved vendor pool ancestry demographics

AV demographics	Total	% of total
All approved vendors	70	100
Non-MBE ^a AVs	59	83
Afro-American AVs	10	14.2
Asian-American AV	1	1.4
Indigenous/Native American AV	1	1.4

^a MBE = Minority Business Enterprise

As of April 2022, the program has issued REC awards totaling approximately \$83,000,000, with over 84% going to AVs owned by individuals of European ancestry. Fifteen percent of the REC awards went to Afro-American AVs, and the remaining fifth of a percent went to an Asian-American AV (Table 2).

Currently, the author is conducting interviews with Approved Vendors to understand the barriers non-European AVs face in program participation. In discussions with both Euro and non-Euro AVs, preliminary conversations and data suggest that a variety of factors may present challenges to AVs which result in attrition at key project development process steps. Conversely, the interviews also suggest that there are a variety of factors that contribute to an AV's success in securing an ILSFA REC contract. These include:

- Prior work experience in the solar industry
- Ability to develop a robust and curated project pipeline
- Technical expertise and proficiency
- Access to capital

Table 2. Approved vendor REC capture (\$) by ancestry

AV ancestry	REC capture/value of REC contract	Percentage of total program REC award
	Total program-wide REC award ^b \$82,969,198	100
Non-MBE/Euro-American	\$70,230,476	84.6
Afro-American	\$12,591,054	15.2
Asian-American	\$147,668	0.2
Indigenous/Native American AV	0	0

^b As of April 15, 2022

- Level of educational attainment
- Experience and proficiency with complex governmental programs
- Social networks

The preliminary findings suggest that there may be opportunities to lower barriers and improve access and outcomes for under-represented groups. To date the program has provided support to all Approved Vendors, but a better understanding of the points where attrition occurs may indicate areas where additional support and resources can be provided.

References

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