

RENEWABLE ENERGY RESOURCES SOLAR AND WIND ENERGY REBATE PROGRAM

APPLICATION GUIDELINES FISCAL YEAR 2012

Submittal Deadline 4:30 p.m. Friday, April 30, 2012

ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY
ILLINOIS ENERGY OFFICE
RENEWABLE ENERGY DEVELOPMENT SECTION
500 EAST MONROE STREET
SPRINGFIELD, ILLINOIS 62701-1643



Pat Quinn
Governor



Warren Ribley
Director

SECTION 1:

GENERAL INFORMATION

1.1 PURPOSE. The Illinois Department of Commerce and Economic Opportunity (“Department” or “DCEO”) administers the Renewable Energy Resources Program (“RERP”) to encourage utilization of renewable energy and support economic development in the State of Illinois. The RERP will, to the extent funds are available, fund projects focused on increasing the utilization of alternative energy technologies in Illinois.

The focus of the Solar and Wind Energy Rebate Program, through the RERP, is to encourage utilization of small-scale solar and wind energy systems in Illinois.

The RERP will not fund projects outside the State of Illinois. In addition, if the applicant’s electric or gas utility does not impose a Renewable Energy Resources and Coal Technology Development Assistance Charge as defined in 20 ILCS 687/6-5, the applicant will not be eligible for RERP funding under this program.

1.2 AUTHORITY AND FUNDING. The Department is authorized by 20 ILCS 1105/3 to administer for the State any energy programs and activities under federal law, regulation or guidelines. The Department is also authorized by the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997 (20 ILCS 687/6-1 et seq.), to administer the State’s Renewable Energy Resources Program. The funding source for this program is the Renewable Energy Resources Trust Fund.

Solar and wind energy rebates are only one component of the Department’s Renewable Energy Resources Program. Funding levels are determined each fiscal year by the Department. The Department reserves the right to limit the total amount of funding for solar and wind energy rebates in any given fiscal year. The amount of any individual solar or wind energy rebate shall not exceed the amount in Section 2.5.

SECTION 2:

REBATE ELIGIBILITY CRITERIA

2.1 PROJECT LOCATION. Eligibility is limited to projects physically located in the State of Illinois.

2.2 CUSTOMER OF PARTICIPATING UTILITY REQUIREMENT. An applicant must be a customer within the service area of an investor-owned electric or gas utility or a municipal gas or electric utility or electric cooperative that imposes the Renewable Energy Resources and Coal Technology Development Assistance Charge as defined in 20 ILCS 687/6-5 and listed in Appendix A.

2.3 ELIGIBLE PROJECTS/EQUIPMENT. Eligibility is limited to costs associated with the purchase and installation of a solar or wind energy system purchased and installed on or after January 1, 2011. Eligible applications for solar and wind energy equipment must be consistent with one of the four following categories listed in 2.3.1 through 2.3.4:

- 2.3.1 The Department may support any new solar photovoltaic power system that is Underwriters Laboratories (UL), www.ul.com, listed or has successfully completed at least one year of field testing and has a rated design capacity in excess of 1 kilowatt (kW). Any remanufactured equipment must have a warranty that meets or exceeds OEM warranty. Documentation must be submitted with the application.
- 2.3.2 The Department may support any new solar thermal system that has been approved by the Solar Rating and Certification Corporation (SRCC), www.solar-rating.org, or a comparable organization and is designed to produce a minimum of 0.5 therms or 50,000 Btus per day, or contains at least sixty (60) square feet of collectors. For solar thermal systems installed for swimming pools, the pool must be open to the general public on a regular basis to be eligible for funding. Any remanufactured equipment must have a warranty that meets or exceeds OEM warranty. Documentation must be submitted with the application.
- 2.3.3 The Department may support any new small wind energy system with a nameplate capacity ranging from 1 to 100 kilowatts mounted on a tower of at least 60 feet in height. Eligible systems must be sited on a parcel of land of 1 acre or greater and be mounted at least 30 feet above any structures or natural features within 300 feet of the installation that may adversely impact the wind resource. A map and/or drawing showing that these requirements are being met must be provided with the application. Additionally, the applicant must demonstrate that the project location is suitable for wind generation by providing documentation including, but not limited to, wind resource maps (such as those available at www.IllinoisWind.org), airport or weather station data, topographical maps, and any additional information as directed by the Department. While not required, DCEO strongly encourages applicants to consider an independent wind site assessment by a certified wind site assessor (certified by the Midwest Renewable Energy Association, go to this website for directory of assessors - <http://www.mreacsa.org/>) to ensure their site is suitable for a wind turbine.
- 2.3.4 Should sufficient funding be available the Department may also consider urban wind energy projects and other innovative wind technologies that do not meet the requirements of Section 2.3.3.
- 2.3.5 In regards to an eligible application per Sections 2.3.1 through 2.3.4, applicants who are entities with multiple solar or wind energy system locations will be limited to a maximum of 10 systems per fiscal year.
- 2.3.6 In regards to an eligible application per Sections 2.3.1 through 2.3.4, applicants may receive only one rebate per renewable energy system listed in this section

- 2.3.7 In regards to an eligible application per Sections 2.3.1 through 2.3.4, costs associated with the expansion of an existing system are only eligible for rebate if those costs are directly related to the installation or equipment costs.
- 2.3.8 In regards to an eligible application per Sections 2.3.1 through 2.3.4, applicants leasing the solar or wind energy system or selling the power to another entity via a power purchase agreement must provide a copy of the agreement.
- 2.3.9 Eligible applicants are encouraged to utilize federal renewable energy tax credits.

2.4 INELIGIBLE PROJECT COSTS. The following costs are not eligible for rebate under these guidelines:

- 2.4.1 Labor costs of self-install of system and battery back-up systems.
- 2.4.2 Costs associated with the repair and replacement of parts for existing solar or wind energy systems.
- 2.4.3 Costs associated with the expansion of an existing system, including new pumps, storage, or any other balance-of-system components that are not explicitly eligible under section 2.3.5.

2.5 MAXIMUM REBATE AMOUNT. The rebate is based solely on actual, documented project costs of equipment and installation. The Department may provide up to, but not more than, a rebate award equal to 30 percent of eligible project costs for a single solar or wind energy system for residential and private businesses, and 50 percent of eligible wind or solar projects costs for public sector and non-profit entities. Rebates will also be limited to no more than \$2.25/watt for solar photovoltaic systems and \$2.00/watt for wind energy systems purchased by residential and business entities, and \$3.75/watt for solar photovoltaic systems and \$3.25/watt for wind energy systems purchased by public sector and non-profit entities. The maximum rebate for a single solar or wind energy system is \$30,000.

- 2.5.1 The applicant must contribute a minimum of 25 percent of the total project cost, through its own contributions or funds from other financial partners. Applicants can use funds from other incentive programs such as the Illinois Clean Energy Community Foundation, the federal Residential Renewable Energy Tax Credit, and the Federal Business Energy Investment Tax Credit. However, the total incentive from these programs and the rebate program cannot exceed 75 percent of total project cost. Public sector applicants may not be eligible to receive a full 50 percent of

total project cost incentive from this program, if they receive more than 25 percent of total project costs from other financial partners.

2.5.2 In its sole discretion, the Department may consider larger solar and wind energy projects for a grant greater than \$30,000 if the Department determines funds are sufficient to fund such projects. Contact the Department before submitting an application for an incentive greater than \$30,000.

2.5.3 The Director reserves the right and may elect to waive the maximum grant limitation and other program parameters upon a finding that such waiver is appropriate to accomplish the purpose of the Renewable Energy Resources Program.

2.6 INSTALLER REQUIREMENTS. All solar and wind energy systems, except those constructed by the homeowner, must be installed by a professional installer who is licensed to transact business in the State of Illinois and maintains appropriate types and levels of insurance coverage.

SECTION 3: PROGRAM INFORMATION

3.1 RENEWABLE ENERGY REBATE AWARD SCHEDULE. Rebate applications under this program will be accepted on an ongoing basis until April 30, 2012, as long as funding for the program is available. This deadline is necessary to allow the Department to finalize all eligible rebate payments before the close of the fiscal year.

3.2 GUIDELINE REVISION. All guidelines in this document are subject to review and revision by the Department prior to the beginning of each fiscal year. The Department is under no obligation to consider funding for any rebate application received after the April 30, 2012 deadline.

3.3 DEPARTMENT ACTION. The Department shall review all solar and wind energy rebate applications to determine whether all program requirements have been met and whether the applicant is eligible for funding.

3.3.1 The Department reserves the right to reject any application. The submission of an application under these guidelines confers no right upon any applicant.

3.3.2 The Department is not obligated to provide rebate funding, or to pay any costs incurred by the applicant in the preparation and submission of the application.

- 3.3.3 The Department is under no obligation to provide rebate funding for applicants that proceed with project installation prior to receipt of a Notice to Proceed from the Department.

SECTION 4: APPLICATION GUIDELINES

4.1 APPLICATION PROCESS. Applicants are encouraged to contact the DCEO project manager at the address listed in Section 4.1.1 before proceeding with any potential rebate related costs. Rebate applications **must** be printed or typed on the Department's current approved forms included with these guidelines in Appendix A. Appendix B contains a checklist to assist in the application process. The Department will consider applications for solar and wind energy rebates according to the following terms:

- 4.1.1 The Department will accept rebate applications at the following address:

Illinois Department of Commerce and Economic Opportunity
Illinois Energy Office
Attention: Solar and Wind Energy Rebate Program
500 East Monroe Street
Springfield, IL 62701-1643
217/785-3420

or may be submitted via email at wayne.hartel@illinois.gov.

The rebate application must be submitted as one signed original.

- 4.1.2 Applicants are strongly encouraged to submit a completed rebate application to the Department prior to making any financial investment. The application will serve as the applicant's Notice of Intent to install a qualifying solar or wind energy system.
- 4.1.3 If the Department deems the project eligible for rebate, the applicant will receive a letter indicating a Notice to Proceed, and appropriate funds will be held for 120 days from the date of the Notice to Proceed letter or until June 15, 2012, if the Notice to Proceed letter is issued after March 1, 2012. During this 120 day period, system installation must be completed and all rebate documentation must be submitted to the Department. For projects involving building construction, the 120 day period may be extended at the discretion of the Department. Applicants may request from the Department an extension beyond the 120 day project period. At its discretion, the Department may grant an extension based on good cause or any other program parameter the Department considers imperative.

- 4.1.4 Upon completion of system installation, the applicant must submit a letter to the Department stating that the project was completed as scheduled within the hold period detailed in Section 4.1.3 and in compliance with all terms in Section 3.3 (Rebate Application Terms). This letter must include the system installation date, date of system operation, and total labor hours by installer or subcontractors. The applicant must also submit a digital picture of the installed system. Submission of this letter and picture, and the final documentation requirements listed in the application, completes the rebate application process. An application must be complete in order to be considered for rebate funding.
- 4.1.5 For projects deemed ineligible, the Department will send a letter to the applicant with notification of the same. If an applicant receives an ineligible project letter, the applicant may reapply for the rebate by submitting a new application.
- 4.1.6 If, following the receipt of the Department's Notice to Proceed, an applicant chooses to install a different system, the Department's Notice to Proceed will be deemed null and void. In order to receive a rebate, the applicant will be required to submit a new application.

4.2 APPLICANT OBLIGATION. Upon submittal of an application, the applicant agrees to the following:

- 4.2.1 Access. Applicant will permit any agent authorized by the Department, upon presentation of credentials, access to the solar or wind energy project site at any point after submission of the application until completion of the project, during normal business hours.
- 4.2.2 Illegitimate Expenditures. Applicant must return to the Department any and all funds that are determined by the Department to have been spent in violation of the rebate agreement.

APPENDIX A
Illinois Department of Commerce and Economic Opportunity
FY2012 Solar and Wind Energy Rebate Program
Application Cover Page

Applicant Information:

Legal Name of Applicant	SSN or FEIN
Applicant address (include 9 digit zip code)	County
Project address (if different from above)	County
Telephone number	Fax number
Applicant e-mail address	Web site address
Applicant project manager	Title

Verification of Renewable Energy Resources and Coal Technology Development Assistance Charge:

If the applicant's electric or gas utility is listed below and if the applicant is a current customer of one of those utilities at the address indicated above, please provide a copy of a recent bill. If your utility is not listed below, or if you are a customer at a different address, please attach a letter from your utility stating that the applicant is serviced by an investor-owned/municipal gas or electric utility of electric cooperative that imposes the Renewable Energy Resources and Coal Technology Development Assistance Charge as defined in ILCS 687/6-1 *et seq.* **The Department will verify this information before issuing an incentive to the applicant.**

FOR ELECTRIC DISTRIBUTION	
Adams Electric Cooperative	Southern Illinois Electric Cooperative
Ameren Illinois	Spoon River Electric Cooperative
City of Carmi	Tri County Electric Cooperative
City of Flora	Village of Metropolis
Clay Electric Cooperative	Village of Rantoul
Clinton County Electric Cooperative	Western Illinois Electrical Cooperative
Commonwealth Edison Company	
Corn Belt Energy Cooperative	FOR GAS DISTRIBUTION
Egyptian Electric Cooperative	Ameren Illinois
Illinois Rural Electric Cooperative	Consumers Gas Company
Jo-Carroll Energy	Illinois Gas Company
McDonough Power Cooperative	Mid American Energy Company
Menard Electric Cooperative	Nicor Gas Company
Mid American Energy Company	North Shore Gas Company
Monroe County Electric Cooperative	The Peoples Gas, Light & Coke Company
Mt. Carmel Public Utility Cooperative	United Cities Gas Company
Norris Electric Cooperative	
Rock Energy Cooperative	
Rural Electric Convenience Cooperative	
Shelby Electric Cooperative	
Southeastern Illinois Electric Cooperative	

APPENDIX A: (cont.)

System Information:

Make and Model

Area per Collector (square feet) Total Number of Collectors (solar projects only)

System Capacity (Btu/day or kW)* Tank Size (Solar Thermal)

Warranty Period Year of Manufacture

Proposed Date of Purchase Proposed Date of System Installation

Name, Address, and Telephone Number of the Installer

Business License Number and Proof of Insurance Estimated Labor Hours

Is the installer a Female- or Minority-owned business?

- No or NA Female-owned Minority-owned

*For solar thermal projects, Btu/day should come from Solar Collector Certification and Rating (SRCC) System Rating Information (<http://www.solar-rating.org/ratings/og100.html>). Take the thousands of Btus listed under Category D - Clear Day from the SRCC Information Sheet and multiply by the number of panels being installed. For PV projects, take the listed maximum power from the solar panel spec sheet and multiple by the number of panels.

Note: Please attach a copy of the bid letter and/or documentation showing the purchase price of the system to be installed and the spec sheet for the solar panel or wind turbine being purchased.

Type of Project:

- Solar Thermal Hot Water Solar Photovoltaic
- Solar Thermal Space Heating Wind Energy

Organization Legal Status:

- Individual Not For Profit Corporation Nonresident Alien
- Sole Proprietor Tax Exempt Medical Corporation
- Partnership/Legal Corporation Governmental Pharmacy-Noncorporate
- Corporation Estate or Trust Pharmacy/Funeral Home/Cemetery/ Corporation

Note: Businesses, local governments, and non profit entities that have received previous grants or rebates from the State of Illinois should also fill out and send a W-9 form (<http://www.irs.gov/pub/irs-pdf/fw9.pdf>) with application. Businesses that are LLC-Corp or LLC-Partnership should also provide a copy of an IRS Acceptance Letter (CP227 Letter) and local governments and non-profit entities that have not had a previous grant or rebate from the State of Illinois should provide a copy of an IRS Exemption Letter (Letter 1045 or Letter 4168C).

Furthermore, DCEO cannot make payments to sole proprietorships and LLC-disregarded entity. Sole proprietorships will have to apply as individuals and LLC-D will have to file under their parent company.

APPENDIX A: (cont.)

Financing Information:

Total rebate request** \$ _____

Other Public Investment Funds*** Specify Source: _____ \$ _____

Total project cost \$ _____

** Rebate request from homeowners and business is the lesser of 30 percent of total project cost or the per watt maximum allowed for solar PV and wind energy projects multiplied by the size of the system. For government and non-profit entities, it is the lesser of 50 percent of total project cost or the per watt maximum allowed for solar PV and wind energy projects multiplied by the size of the system

*** Such as Energy Efficiency and Conservation Block Grant, Illinois Clean Energy Community Foundation, Federal Business Energy Investment Tax Credits, Federal Residential Renewable Energy Tax Credit, etc. as provided in Section 2.5.1.

Project Narrative:

Application must include a narrative summary description of the project, the components used, and the system capacity in terms of kilowatts (kW) or btus per year. Wind energy rebate applications should include a description (and a diagram) of the project location and demonstrate that the location is suitable for wind generation as provided in Section 2.3.3.

Final Documentation Required:

Upon completion of system installation, applicant must submit a copy of the installer's written certification that the system has been installed and is operating in accordance with local, state, and federal codes, and the dates of installation and operation of the system. The applicant must also provide how many labor hours were involved from the installer and any subcontractors for this project. This submission must also include copies of all sales invoices/receipts showing the purchase price and amount paid by applicant for the solar or wind energy system, serial numbers from the equipment, and a digital picture(s) of the completed system.

Note: Failure to provide this documentation will negate the applicant's eligibility for the rebate

APPENDIX A: (cont.)

Applicant Certifications:

Applicant hereby certifies that:

- It is not in violation of the prohibitions against bribery of any officer or employee of the State of Illinois as set forth in 30 ILCS 505/10.1.
- It has not been barred from contracting with a unit of state or local government as a result of a violation of Section 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33 E-3 and 5/33 E 4).
- As of the submittal date, the information provided in its application is accurate, and the individuals signing below are authorized to submit this application.
- There is no action, suit or proceeding at law or in equity pending, nor to the best of applicant's knowledge, threatened against or affecting the applicant before any court or before any governmental or administrative agency that will have a material adverse effect on the performance required by this Program.
- That should it become the subject of an action suit or proceeding at law or in equity that would have a material adverse effect on the performance required by this Program, or an investigation by any state or federal regulatory law enforcement or legal authority; applicant shall promptly notify the Department.
- That it is not currently operating under or subject to any cease and desist order or subject to any informal or formal regulatory action, and, to the best of applicant's knowledge that it is not currently the subject of any investigation by any state or federal regulatory law enforcement or legal authority.

Authorized Official (signature)

Applicant Project Manager (signature)

Typed/Printed Name

Typed/Printed Name

Title and Date

Title and Date

TO BE COMPLETED BY DEPARTMENT STAFF:

- Written Certification of Installation Received
- Copies of Sales Invoice/Receipt Received
- Labor hours Received

Date of System Installation

- Site Visit Recommended

Date of Site Visit (if recommended)

- Eligible
- Ineligible

Date of Department Review

Department Program Manager Signature

APPENDIX B: Rebate Process and Checklist

Process for Small Rebates (\$10,000 or less):

- Application is received by the Illinois Energy Office.
- Applications are reviewed on a first come first serve basis until funding is depleted.
- Once an application has been approved, DCEO sends a Notice to Proceed Letter to the applicant.
- Applicant has 120 days from the date of the letter to complete the project and submit final project completion documentation (**final invoices, pictures of system, installer's labor hours to complete the project, certification letter from installer**). If the applicant cannot complete project within 120 days due to weather or other reasonable delay, the applicant must request an extension via email.
- Once the project is complete and all project documentation has been properly submitted, DCEO staff will send applicant the final paperwork (Director's letter of approval, TIN certification form, and payment request form) for signature.
- When DCEO receives the final forms, the rebate is processed and check issued.

Process for Large Rebates (>\$10,000):

- Application is received by the Illinois Energy Office.
- Applications reviewed on a first come first serve basis until funding is depleted
- Once an application has been approved, DCEO sends a Notice to Proceed Letter and a Rebate Agreement to the applicant.
- Applicant has 120 days from the date of the letter to complete the project and submit final project completion documentation (**final invoices, pictures of system, installer's labor hours to complete the project, certification letter from installer**) and fill out and return the rebate agreement. . If the applicant cannot complete project within 120 days due to weather or other reasonable delay, the applicant must request an extension via email.
- If there are any changes in project cost or equipment installed, the applicant must fill out the blank application in Appendix A of the Rebate Agreement and send it in with the signed Rebate Agreement.
- When DCEO receives all final documentation and rebate agreement, the rebate is processed and check issued.

Application Checklist for Residential Applicants:

Before sending your application, please double-check the following items to ensure completion:

- _____ Social security number on application is correct.
- _____ A copy of invoice or bid document is attached.
- _____ A recent utility bill from one of the utilities listed on first page of Appendix A is attached.
- _____ Applicant and project manager have signed the fourth page of application.
- _____ Verified that the system size on the application is correct and has included spec sheet for panels or wind turbine.
- _____ Verified that the rebate request is accurately calculated, using the maximum rebate amounts as stated in Section 2.5 of these guidelines.

Application Checklist for Businesses, Local Governments, and Non-Profit Entities:

Before sending your application, please double-check the following items to ensure completion:

- _____ Verified FEIN (Federal Employee Identification Number) on application.
- _____ A copy of invoice or bid document is attached.
- _____ A copy of recent utility bill from one of the utilities listed on first page of Appendix A is attached.
- _____ Authorized Official from entity and project manager has signed the fourth page of application.
- _____ Verified that the system size on the application is correct and has included spec sheet for panels or wind turbine.
- _____ Verified the rebate request is accurately calculated, using the maximum rebate amounts as stated in Section 2.5 of these guidelines.
- _____ If applicant has not previously received funding from DCEO, attach an IRS W-9 form (<http://www.irs.gov/pub/irs-pdf/fw9.pdf>). If entity is tax-exempt, check "other" on W-9 form, write in "tax exempt" and attach a copy of an IRS Exemption Letter.
- _____ Applicants that are LLC-Corp or LLC-Partnership must provide a copy of an IRS Acceptance Letter (CP227 Letter for Corp or CP575 for a Partnership).