

# Guide to the Equity Accountability System & Illinois Shines



April 14, 2023



# Illinois Shines and The Climate and Equitable Jobs Act (Public Act 102-0662)

Illinois Shines (also called the Adjustable Block Program) was established in 2019 to support the development of new photovoltaic distributed generation and community solar projects, to make solar accessible to more people across the state, and to foster job opportunities in the clean energy sector. With the passage of the Climate and Equitable Jobs Act (“CEJA”) in 2021, the Program has greatly expanded these opportunities. CEJA introduced the Equity Accountability System, which provides both opportunities and requirements for entities that participate in the Program, which are further explained in this guide.



## Equity Accountability System

CEJA establishes an Equity Accountability System (“EAS”) that prioritizes “access to the clean energy economy for business and workers from communities that have been excluded from economic opportunities in the energy sector, have been subject to disproportionate levels of pollution, and have disproportionately experienced negative public health outcomes.” The EAS includes the Minimum Equity Standard for the Illinois Shines program and establishes the Equity Eligible Contractors category of the Illinois Shines program.

### Equity Accountability System

Minimum Equity Standard	Equity Eligible Contractors (EECs)	Resources for Participation and Compliance	Diversity Data Collection
<ul style="list-style-type: none"> <li>Minimum Equity Standard Compliance Plan due at the start of each Program year</li> <li>By the completion of Program Year 2023-2024, project workforce for each entity must be comprised of Equity Eligible Persons (EEPs) at required levels. In rare cases, a waiver for non-compliance with Minimum Equity Standards may be granted</li> <li>Minimum Equity Standard Report due at the end of each Program year to ensure compliance</li> </ul>	<ul style="list-style-type: none"> <li>Requirement of at least 10% of Illinois Shines program capacity from projects submitted by certified Equity Eligible Contractors</li> <li>Provision of up to 50% advancement of capital for REC contracts if need is proven</li> </ul>	<ul style="list-style-type: none"> <li>Job training programs (Through <a href="#">Illinois Department of Commerce and Economic Opportunity</a>)</li> <li>Energy Workforce Equity Portal (IPA’s online source designed to help connect clean energy companies with Equity Eligible Persons looking to work in the clean energy sector in Illinois)</li> </ul>	<p>The collection of diversity data related to project workforce of entities participating in the Program is required by law in order to analyze of the effectiveness of the EAS in increasing participation of Equity Eligible Persons and Equity Eligible Contractors</p> <ul style="list-style-type: none"> <li>Data is collected in an Annual Report</li> <li>Data is collected in Part II Applications on a project-by-project basis</li> </ul> <p>This data collection will serve the EAS assessment and racial disparity study (to be conducted one year after EAS is implemented) to assess barriers</p>

The Equity Accountability System intends to create more equity and transform the Illinois energy sector. Together, through participation in and compliance with the EAS, the IPA and the participants in the Illinois Shines program can work to achieve Illinois' renewable energy goals for a clean and equitable future and ensure that the opportunities and benefits are shared.

[View the 2022 Long-Term Plan here, including Sections 7.4 & 10 on the EEC category and the Equity Accountability System.](#)

## Illinois Shines and the Equity Accountability System

This guide outlines the two primary components of the Equity Accountability System applicable to Approved Vendors and Designees participating in Illinois Shines:



### Minimum Equity Standards (MES)

Beginning in Program Year 2023-24, each participating Approved Vendor and Designee must meet a required minimum percentage of their project workforce that includes Equity Eligible Persons, with this required percentage increasing to 30% by 2030. Definitions of Equity Eligible Persons, the minimum workforce percentages, and key steps and dates for compliance, are provided in this guide. The MES requirement for the 2023-24 Program year is 10% EEPs for an entity's workforce and the MES for the 2024-25 Program year is 12% EEPs for an entity's workforce. Future Program years' percentages will be determined by the IPA through the update to the Long-Term Renewable Resources Procurement Plan ("Plan").



### Equity Eligible Contractor (EEC) Category

Illinois Shines contains six project categories, and through CEJA, includes the Equity Eligible Contractors (EEC) category. At least 10% of the capacity of Illinois Shines is reserved for projects submitted by EEC-certified applicants. More information about EECs, including eligibility criteria, applying for certification, and available support, is provided in this guide.

CEJA also establishes several monitoring, reporting, and facilitation requirements to ensure the diversity and equity framework is successful. You can read more about these requirements, and initiatives of the Agency including support of the Equity Workforce Database, in Section 10 of the Plan.

  
[Click here to view the Plan](#)

## Minimum Equity Standard

CEJA establishes Minimum Equity Standards that require participants to meet an initial baseline of Equity Eligible Persons that comprise their project workforce. This baseline of EEPs will increase annually beginning in 2023-24 Program year and will reach 30% EEPs in 2030.

### Who are Equity Eligible Persons?

Equity Eligible Persons are:

1. Graduates of, or current or former participants in the Clean Jobs Workforce Network Program, Clean Energy Contractor Incubator Program, Illinois Climate Works Preapprentice Program, Returning Residents Clean Jobs Training Program, or the Clean Energy Primes Contractor Accelerator Program, and the Solar Pipeline Training Program and Multi-Cultural Job Training Program
2. People who are graduates of or currently enrolled in the foster care system
3. People who were formerly incarcerated
4. People whose primary residence is in an equity investment eligible community

An Equity Eligible Person may meet more than one of the above criteria, but for the purposes of workforce calculations under the EAS in compliance with the MES, an EEP that qualifies under more than one criteria will only be counted once.

### What are the MES's baseline workforce requirements?

Beginning in Program Year 2023-2024, which starts June 1, 2023, at least 10% of the project workforce for each participating entity must be comprised of Equity Eligible Persons (EEPs). The minimum equity standard will increase to 12% for the 2024-2025 Program year and will continue to rise. By 2030, Equity Eligible Persons must comprise at least 30% of the project workforce for each entity participating in the Illinois Shines program.



### Where can we meet, engage, and recruit Equity Eligible Persons?

It is the responsibility of AVs and Designees to meet, engage, and recruit Equity Eligible Persons in order to comply with the Minimum Equity Standard. Resources for recruitment include the [Illinois Department of Commerce and Economic Opportunity workforce hubs](#), local educational and job training workshops, job fairs, trade schools, community colleges, and more. Equity Eligible Persons seeking employment are encouraged to register in the Energy Workforce Equity Portal, and employers are encouraged to post jobs there.

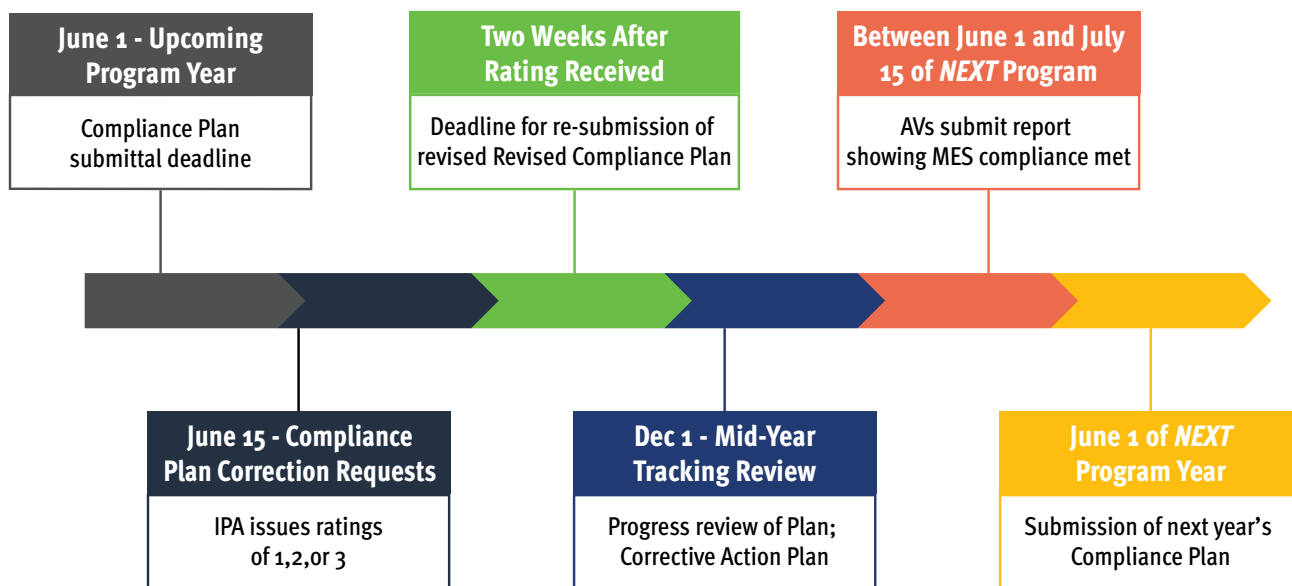
Further details on EEP criteria and ways to engage EEPs are provided on the Energy Workforce Equity Portal developed by the IPA; visit [energyequity.illinois.gov](https://energyequity.illinois.gov) to learn more.

## How do I comply with the Minimum Equity Standards?

Compliance with the MES involves several key actions and dates.

1. The first is submitting a **compliance plan** that outlines an entity's intent to comply with minimum MES requirements for that Program year. Compliance plans are a tool for entities to plan out and track their progress towards MES requirements and help the Program ensure that all entities are planning to be in compliance with the MES by the close of the Program year.
  - a. The Agency will then review these compliance plans, make notes of gaps in proposals in these plans, and the submitting entity will then need to make any necessary compliance plan revisions.
  - b. In limited cases, a waiver to meeting MES may be offered, including unique waivers for union and non-union labor. Information about waivers and the waiver request form can be found at the Program's [EAS page](#).
2. Participants will then submit a progress review in the middle of the Program year that demonstrates their progress towards the commitments laid out in their compliance plan and, if necessary, a corrective action plan. Corrective action plans will be needed in the case that an entity is not on track to meet the MES percentage requirements by the end of the Program year or is tracking far behind the commitments made in the compliance plan.
3. At the end of the Program Year, participants will submit a Minimum Equity Standard Report to demonstrate their accomplishments towards the MES percentage requirements. While the MES begins in Program year 2023-2024, it will continue in each subsequent Program year, so program participants will need to follow this process for each subsequent Program year in order to be in compliance with the MES.
  - a. Failure to comply with MES requirements by the close of the Program year may result in disciplinary action and jeopardize an entity's ability to operate in the Program.

The key actions and dates are illustrated here:



Further details including specific Program year dates, sample MES compliance plans, compliance plan reviews and scoring, information about requesting waivers from MES compliance, compliance corrective actions, and more can be found at the Program website's [Equity Accountability System page](#).

## Equity Eligible Contractor Category

Illinois Shines supports six project categories: Small Distributed Generation, Large Distributed Generation, Traditional Community Solar, Community-Driven Community Solar, Public Schools, and the Equity Eligible Contractor (EEC) category, which reserves at least 10% of the capacity of Illinois Shines for projects submitted by EEC-certified Approved Vendors. EEC-certified Approved Vendors may also submit projects into other Program categories and are not limited to the EEC category, but this category ensures that there is dedicated Program capacity for EEC AVs.

### Who are Equity Eligible Contractors (EECs)?

EEC certification occurs at the ownership/partner/proprietor level of a company (or board level in the case of non-profit organizations). This means that the majority of ownership of a company must qualify as an EEP under at least one of the qualifications listed below:

1. People who graduated from or are current or former participants in the Clean Jobs Workforce Network Program, Clean Energy Contractor Incubator Program, Illinois Climate Works Preapprentice Program, Returning Residents Clean Jobs Training Program, or the Clean Energy Primes Contractor Accelerator Program, and the Solar Pipeline Training Program and Multi-Cultural Job Training Program
2. People who are graduates of or currently enrolled in the foster care system
3. People who were formerly incarcerated
4. People whose primary residence is in an equity investment eligible community



**At least 10%**  
of Program project  
capacity for EECs



**144.63 MW**  
for Program Year  
2022-2023



**Advances of up  
to 50% of  
contract value**

### How does an Approved Vendor or Designee apply for EEC certification?

An Approved Vendor can qualify for an EEC certification if the business majority owners or governors, partners, or proprietors (or in the case of a non-profit, one or more board members) have status under at least one of the four categories of EEC eligibility criteria. [The Program website](#) includes more information about applying for EEC certification, including an application link and a copy of the required EEC attestation that the application includes. The key value of getting certified as an EEC and participating in the EEC category is the opportunity for the advance of capital to overcome financing barriers, which is explained further below.

### Can Designees become EEC-certified?

Yes, Designees may become EEC-certified and the Program encourages this certification by Designees. EEC Designees may work with either EEC-certified or non-EEC certified AVs, or become an EEC-certified AV themselves, but only projects submitted by EEC-certified AVs are eligible for the EEC block (as Designees are not permitted to submit applications to any Program category).

### ***How much Program capacity is available to EECs?***

For the Program year 2022-2023, EEC block capacity was 144.63 MW. Though at least 10% of the Illinois Shines Program-wide capacity each year is reserved for projects submitted by EECs, EEC-certified AVs are NOT limited to submitting projects to the EEC block and can submit project applications within any of the six project categories.

### ***What other support is available to EECs to develop projects?***

EECs may also be eligible to receive an advance of up to 50% of REC contract value to overcome financial barriers. EECs who request this advance of capital and can demonstrate need may receive a capital advance that is disbursed after the contract execution but before the contracted project's energization/Part II application verification. The amount or percentage of capital advanced should be sufficient to cover any increase in development costs resulting from prevailing wage requirements or project-labor agreements, and also designed to overcome barriers in access to capital faced by Equity Eligible Contractors.



**The Illinois Power Agency is proud to support the Climate and Equitable Job Act's Equity Accountability System, and together with its Program Administrator and stakeholders, build a clean, equitable future for Illinois!**

**For further information about the Equity Accountability System, including details, resources, webinars, samples, and more, please visit [www.illinoisabp.com](http://www.illinoisabp.com).**



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