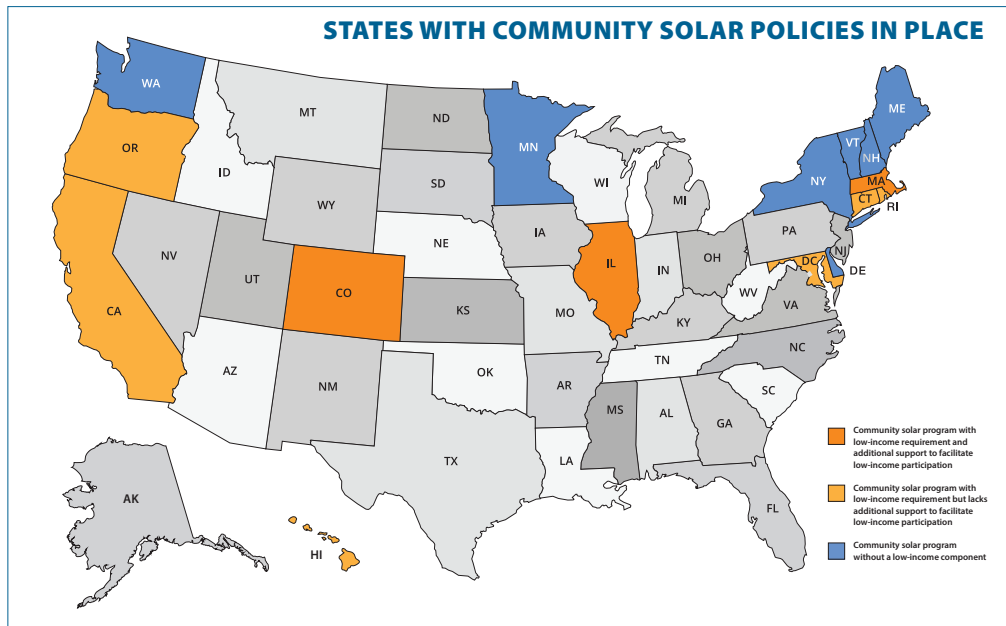


Increasing Low-Income Access to Community Solar



CHALLENGES

OPPORTUNITIES

FINANCIAL

- For low-income customers:**
- Ability to pay subscription costs
 - Low or no credit
 - Potential impact on energy assistance
- For solar providers:**
- Higher costs
 - Difficulty obtaining financing
 - Ability to provide tangible economic benefits

- **Sustained funding** = support for equitable access
- **Targeted incentives** to facilitate low-income customer participation and to ensure tangible economic benefits
- **Credit support** such as loan loss reserves or credit score buy-downs
- **Green Banks** to provide low-interest loans, credit support, etc.
- **Incentives or policy direction** to secure anchor tenants, institutional backup subscribers, and a continuous waitlist of low-income subscribers
- **On-bill financing** of any low-income subscriber costs

PROGRAM

- Carve-out by itself results in a de facto cap on low-income participation
- Lack of incentives to overcome financial barriers
- Lack of assistance with customer education & outreach
- Lack of designated backup subscriber
- Voluminous paperwork requirements
- Subscription management requirements
- Lack of access to customer information

- **Ensure community solar bill credits are set at full retail**, and that billing is simple and transparent
- **Establish a program-wide low-income participation requirement**, and not a per-project requirement
- **Streamlined paperwork** related to low-income customer enrollment, and **reporting** on low-income participation
- **Ensure integration with energy assistance, energy efficiency, and job training programs**
- **Program design should be simple and avoid complexities** such as multiple program categories
- **Ensure an open and competitive marketplace**

OUTREACH, EDUCATION AND MARKETING

- Time and effort to build trust in low-income communities
- High mobility of low-income residents
- Cultural and language barriers
- Time delay between customer acquisition and delivery of benefits
- Lack of trust

- **Funding or other assistance** to facilitate outreach, engagement with trusted community-based organizations, & greater general awareness & education
- **Education for social services providers**, and direction for social services providers to enroll eligible clients in community solar
- **Robust consumer protections**
- **Ensure affordable housing providers can participate**, as long as they demonstrate tangible benefits for residents
- **Facilitate co-branding** with trusted organizations and institutions

LOW INCOME COMMUNITY SOLAR BEST PRACTICES

Illinois Solar for All Program



- Created by SB 2814 of 2016
- Contains essential elements of a good low-income community solar program
- Accessibility and Affordability:**
- Offers meaningful financial incentives
- Requires low-income community participation

Community Engagement:

- Requires community solar developers to engage in partnership with community-based organizations
- Funds community-based organizations to perform grassroots education

Sustainability and Flexibility:

- Includes sustained funding
- Opportunities for program review and adjustment

Compatibility and Integration:

- Includes job training
- Integrates solar with energy efficiency

Poudre Valley Rural Electric Association PV for All Program



- Contains essential elements of a good cooperative-led low-income community solar program
- Accessibility and Affordability:**
- Grant from the Colorado Energy Office

reduced project cost

- Financing from DOE-supported National Rural Electric Cooperative SUNDA Project
- Achieved economies of scale with a 2 MW project
- 700 kW allocated to low-to-moderate income customers
- 500 kW allocated to nonprofits and affordable housing
- Offered 30% upfront discount and a 4-year contract term to guarantee savings and provide customer flexibility
- On-bill repayment
- Strategic siting on landfill to minimize siting and grid integration costs

Community Engagement:

- Includes job training opportunities

Compatibility and Integration:

- Integrates solar with energy efficiency offerings

STATEWIDE BEST PRACTICES FOR LOW INCOME COMMUNITY SOLAR PROGRAMS

- The promise of community solar means participating LI customers experience tangible utility bill benefits.
Programs should provide immediate savings with no upfront or ongoing costs.
- Complicated methodologies and processes will decrease interest and participation among customers and solar providers.
Programs should be simple and paperwork should be minimal.
- LI carve-out on a per project basis equates to an artificial low-income participation cap
Establish a program-wide participation requirement instead.
- Clarity and certainty with regard to the customer's community solar subscriber credit are required.
A clear economic proposition must be presented to subscribers to facilitate initial sign up.
- Successful LI customer participation requires additional incentives, support, and targeted outreach/education
Funding for customer education and outreach should be incorporated into low-income community solar policy and program design.
- Successful program design will include integration of community solar with energy assistance, energy efficiency, job training, and other related programs
Community solar programs should be complementary to reduce overall energy burden.
- Solar developer participation requires targeted measures to reduce perceived investor and lender risk
"Backup subscribers," "anchor subscribers," a continuous waitlist of subscribers, incentives, and financing support must be incorporated into program design.
- An open and competitive marketplace enables diverse offerings.
Innovation and competition can facilitate new offerings that expand access to affordable community solar solutions.

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ALTERNATIVES

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