



# Community Solar Program for Disadvantaged Communities

## *Webinar*



July 13, 2018





# Agenda

- 1:00      Welcome, Agenda Overview and Webinar Process  
– Sarah Sharpe, Advisor to Commissioner Guzman Aceves
- 1:10      Overview  
– Commissioner Martha Guzman Aceves
- 1:20      Presentation  
– David Gamson, Advisor to Commissioner Guzman Aceves  
– Josh Huneycutt, CPUC Energy Division
- 1:40      Questions and Answers





## Webinar Logistics

- A copy of the slide deck will be available for download.
- This presentation will be recorded.
- Please stay on mute during the presentation. The mute function will be turned off during the discussion.
- If you would like to speak during the discussion, please let us know via the chat box by typing the word “question or comment”.
- Participants that do not have an audio function can use the chat box feature.
- Due to the large audience, please keep questions or comments brief.



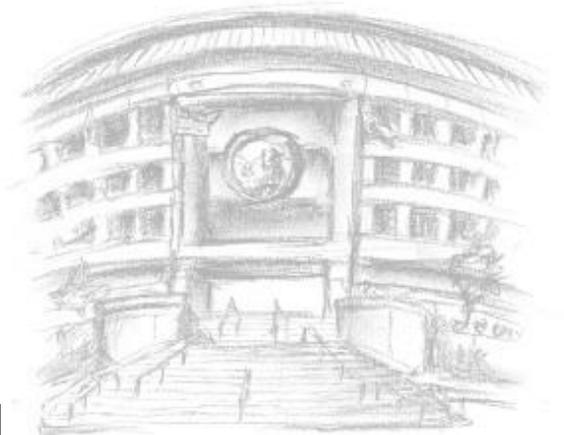


# What is the CPUC?

Mission: The California Public Utilities Commission (commonly referred to as CPUC) regulates services and utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services.

Regulates telecommunications, electric, natural gas, water, railroad and some transportation companies

State agency headquartered in San Francisco, offices in Los Angeles and Sacramento





# Recent CPUC decisions to bring solar to disadvantaged communities

- In 2013, Assembly Bill 327 (Perea) directed the CPUC to develop specific alternatives designed to increase adoption of renewable generation in Disadvantaged Communities
- In Decision 17-12-022, the Commission adopted the Solar on Multifamily Affordable Housing (SOMAH) program, which provides one avenue for certain low-income customers to access clean solar electric generation, with a special provision to increase solar installation in DACs





# CPUC June 2018 decision (D.18-06-027)

On June 21, 2018, the CPUC adopted three new programs to promote solar services in disadvantaged communities:

- 1) Disadvantaged Communities – Single-Family Affordable Solar Homes Program (DAC-SASH)
- 2) Disadvantaged Communities - Green Tariff Program (DAC-GT)
- 3) Community Solar Green Tariff Program (CSGT)





# Green Tariff Shared Renewables (GTSR) Decision 15-01-051

- The GTSR Program is intended to:
  - expand access "to all eligible renewable energy resources to all ratepayers who are currently unable to access the benefits of onsite generation," and
  - "create a mechanism whereby institutional customers...commercial customers and groups of individuals . . . can meet their needs with electrical generation from eligible renewable energy resources."
- The GTSR program is a premium program. Customers pay about 1 – 3 c/kwh extra, depending on utility.





## GTSR details

- 600 MW statewide. 100 MW reserved for residential customers; 20 MW reserved for the City of Davis
- Environmental Justice (EJ) reservation: 100 MW must be sited in each IOU's [CalEnviroScreen tool](#) 20% most disadvantaged census tracts
  - EJ projects must be 500KW to 1MW. Other GTSR projects may be up to 20MW.
- As of 2017, about 20 MW subscribed (10 MW residential)





## **Disadvantaged community - Single-family Affordable Solar Homes (DAC-SASH)**

The DAC-SASH Program:

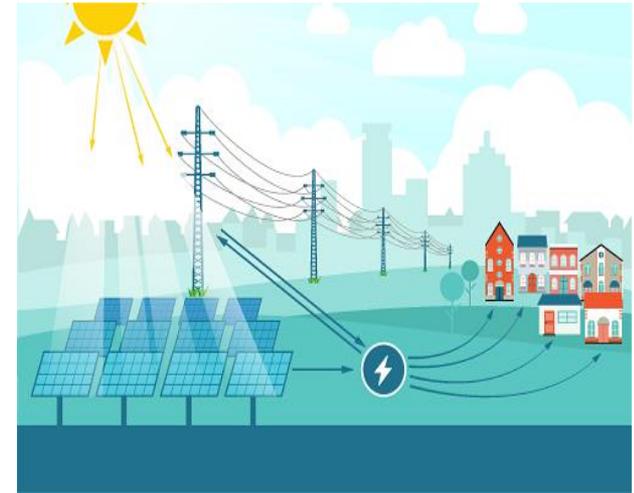
- Provides up-front incentives for installation of solar generating systems for low income resident-owners of single-family homes in disadvantaged communities.
- Incentives will assist in overcoming barriers to the installation of solar energy, such as a lack of up-front capital or credit needed to finance solar installation.
- \$10 million/year through 2030; up to 3.3 MW/year, and 8,000 households in total
- One administrator to be selected through an Energy Division competitive solicitation





# DAC--Green Tariff Program

- Low-income residents of DACs can subscribe to receive electricity generated from a solar facility in California
- Subscribers receive a 20% discount off their overall bill
- Customers need not own their home or install their own solar generation systems.
- Can serve up to 158 MW and 39,000 customers





## Utility Request for Offers

- PG&E, SCE and SDG&E must issue at least 2 annual RFOs for DAC-Green Tariff and Community Solar Green Tariff proposals
- Energy Division will review RFO solicitation
- Both programs should be solicited together, but utilities will evaluate separately





# Community Solar Green Tariff

- Solar facility must be located in a top 25% DAC or San Joaquin Valley pilot community
- Open to residential customers in top 25% DACs within 5 miles of the solar facility
- At least 50% of subscribers must be low-income
- Subscribers receive 20% discount on their overall electric bill
- Can serve up to 41 MW and 6800 customers





## Community Solar Subscriber Requirements

- Utility provides CSGT rate to subscribers once 25% of the project's capacity is subscribed by low-income customers in the DAC
- Other (non-low-income) residential customers in the DAC may also sign up once 50% low-income threshold is met.
- Customers subscribe based on their recent consumption levels
- Overall subscription for each project is capped at the projected output of the project (including sponsor portion)





## Community Solar subscriber discount

- Residential subscribers receive 20% off of their overall electricity bill.
- CARE and FERA customers receive the 20% discount before the CARE/FERA discount
- Example:
  - Typical bill of \$100/month on normal rate
  - Bill will be \$80/month on Community Solar Rate
  - If also a CARE customer, bill will be \$80 minus 35% = \$51/month





# A Local Community Solar Sponsor is Required





## A Local Community Solar Sponsor is Required

- Sponsor must be a non-profit or local governmental entity
  - Can be a school
  - Can be a Community Choice Aggregator
- Sponsor must:
  - present a plan to the utility
  - Recommend a site
  - Show significant community intent to subscribe
- Sponsor may work with developer and utility
- Sponsor may receive ME&O funds





## Community Solar Sponsor incentive

- Sponsors can receive the CGST 20% discount on their electric bill
- Discount is capped at 25% of project output
- Any consumption above cap is at otherwise applicable rate
- Incentive lasts for the life of the project
- Incentive may be shared with another sponsor





## The developer must work with the community sponsor

- A developer must provide a letter of commitment from a sponsor that includes:
  - Demonstration of substantial interest of community members in subscribing to project;
  - Estimated number of subscribers, with justification to ensure project is sized to likely demand;
  - A preliminary plan to conduct outreach and recruit subscribers (can be in conjunction with the developer and/or the utility); and
  - Siting preferences, including community-suggested host sites, and verification that the site chosen for the bid is consistent with community preference.





## The Project sells power through the utility

- Proposed facility bids into a twice-yearly utility RFO
- Projects located in top 5% DACs or San Joaquin Valley pilot communities would be prioritized
- Facility signs a power purchase contract with the utility
- Cost Containment:
  - Bids must be at or below 200% of the maximum executed contract price in either the RAM's as-available peaking category or the Green Tariff program,
- Any unsubscribed capacity is taken by the utility (also true for DAC-Green Tariff projects)





## Permission to operate

- Before a Community Solar Green Tariff project can operate, it must receive Permission to Operate from the utility consistent with the GTSR program.
- Permission to Operate is determined by the utility as part of the applicable interconnection process
- 25% of project capacity must be subscribed by eligible low-income residents prior to Permission to Operate.





## Workforce development requirements

- Project bidders must include workforce development requirements in any bid into the RFO, including local hiring and targeted hiring,
- As part of their RFO process, utilities are to prioritize job training and workforce development factors.
- Sponsors should ensure that their efforts include job training and workforce development efforts to benefit the local communities which would benefit from the projects.





# California Community Services Department (CSD) Community Solar Pilot Program

- CSD has a Pilot Program to develop community solar models that can be replicated by organizations or consortiums seeking to bring a successful program to low-income households.
- Pilot projects will be funded with \$5 million of CSD's California Climate Investments appropriation.





## CSD Pilot/CPUC Program

- CSD may accept proposals consistent with DAC-Green Tariff or CSGT programs
- CSD Pilots may be located anywhere in California; extra points if located within 100 miles of a DAC
- CSD anticipates making between 2-6 awards to projects with a minimum size of 250 kW.
- CSD final solicitation documents and Program Guidelines released August 1, 2018; Deadline to submit Proposals is October 2, 2018
- [See: Community Solar Pilot Program](#)





## Next Steps

- PG&E, SCE, SDG&E to file Tier 2 Advice Letters with tariffs by August 20, 2018
- Energy Division may approve tariff filings without further Commission action
- PG&E, SCE, SDG&E will prepare for the first RFO
- Energy Division will review RFO solicitation
- RFOs to be released after that



# Where to get more information

- CPUC Decision 18-06-027:

<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&DocID=216789285>

- CPUC Press Release:

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M216/K742/216742158.PDF>

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