

US EPA ARCHIVE DOCUMENT

# Solar for All: Making it Happen in Low-Income Communities

April 13<sup>th</sup>, 2016



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# About Vote Solar



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Decreased Costs + Increased Access =  
**Solar Scale**

We target state-level opportunities for change through a combination of:



Regulatory Participation



Direct Policymaker Education



Local & Diverse Advocacy Partnership



Technical Analysis, Tools & Resources



Public Communications  
& Grassroots Engagement

# Overview of Low-Income Solar Policy



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- » The Low-Income Solar Policy Guide
- » Why Act
- » Barriers to Entry
- » Guiding Principles
- » Policy Toolkit
- » Successful Models



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# Low-Income Solar Policy Guide

Created in  
partnership with:



Clarifying process - 1 x 2/2 Low Income Solar x GRID Alternatives - C x March 2016 LISP G x Low-Income Policy G x Riches - Janyan x

dev-low-income-policy.pantheon.io

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## LOW-INCOME SOLAR POLICY GUIDE

ABOUT GUIDING PRINCIPLES POLICY TOOLS SUCCESSFUL MODELS

### WHY LOW-INCOME SOLAR?

The growth of solar in the United States provides a tremendous opportunity to address some of the greatest challenges faced by lower-income communities: the high cost of housing, unemployment, and pollution. Solar can provide long-term financial relief to families struggling with high and unpredictable energy costs, living-wage employment opportunities in an industry adding jobs at a rate of 20 percent per year, and a source of clean, local energy... [\[Read more\]](#)

SINGLE-FAMILY SOLAR

MULTIFAMILY HOUSING

COMMUNITY SOLAR

WORKFORCE DEVELOPMENT

### IMPACT HIGHLIGHTS

Desert Sunshine  
"My gosh, it's like having my own ATM"

Solar Empowerment  
In the town of Gardner, Massachusetts, a

Community Powered Solar  
In the heart of a largely African American

Available online at: [www.lowincomesolar.org](http://www.lowincomesolar.org)

# Low-Income Solar Policy Guide

## » Contents:

- > Background, Why Act, Unlocking Participation
- > Guiding Principles
- > Policy Tools
- > Successful Models
- > Impact Highlights

# Low-Income Solar Policy Guide



LOW-INCOME SOLAR POLICY GUIDE

ABOUTGUIDING PRINCIPLES

POLICY TOOLS

SUCCESSFUL MODELS

Compensation Mechanisms

Net Metering/Virtual Net Metering

Community Shared Solar

There are many different policy tools for the low-income sector. These tools can be combined in multiple ways to create a foundation of effective low-income solar programs, as well as tools specific to address the unique access issues and policy environments of different states and communities. The models described in the Successful Models section.

Direct Incentives

Federal and State Tax Credits

Rebates

Solar/Renewable Energy Credits

Financing

On-Bill Recovery

Property Assessed Clean Energy

Community Purchase Programs

Community Development Institutions

Green Banks

Grants and Technical Assistance

Place-Based Investments

Other

Federal Partnerships/Best Practices Sharing

Consumer Protection

IMPACT HIGHLIGHTS



Desert Sunshine



Solar Empowerment



Community Power

FINANCING

FILTER BY

Financing

-- All Policy Levels--

-- All Policy Levels--

Federal

Local

State

Community Development Institutions

Community Development Financial Institutions and Community Development Entities are mission-driven financial institutions, corporations, or partnerships that serve and empower economically distressed communities. Whether providing direct investment dollars or credit enhancements, they can play a critical role in solar development. ... [read more](#)

Consumer Protection

Consumer protections should be at the forefront of low-income solar programs, especially if they include customer finance. Key protections include... [read more](#)

Federal Partnerships/Best Practices Sharing

Dedicated funding from federal sources for low-income solar programs has been largely absent, but a few partnerships have formed to ensure best practices sharing between jurisdictions looking to or in the process of implementing low-income solar programs... [read more](#)

Green Banks

Green banks are fully or partially funded state financial institutions that support affordable financing for clean energy or environmentally beneficial projects. They hold significant potential to expand access to affordable financing for low-income communities... [read more](#)

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# Why Act

- » Economic and Environmental Justice
- » More Solar
- » Stronger Clean Energy, Climate Movement



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# Barriers to Entry

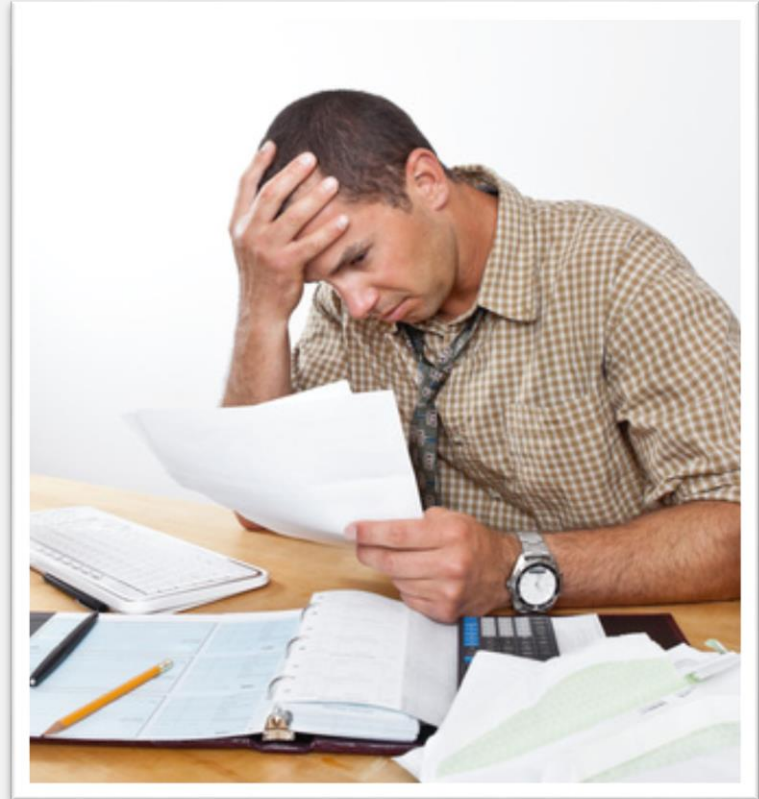
- » Cost Sensitivity
- » Access to Financing
- » Physical Barriers, Home Ownership and Housing Conditions
- » Market Forces

# Cost Sensitivity



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- » Less capital for purchase
- » Need savings immediately and consistently
- » Need to be insulated from unforeseen costs



# Access to Financing



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- » Individuals in low-income areas have FICO score 44% lower than others
- » Black Americans: 52% lower
- » Latino Americans: 29% lower
- » Need for credit education
- » Less access to investment tax credit (ITC)



# Physical Barriers



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- » 73-78 percent of homes not fit for solar
- » Home ownership required for on-roof solar
- » Master meters in low-income housing
- » Housing condition and prioritization



# Market Forces

## » Complexity:

- > Of barriers
- > Of policies
- > Of verification
- > Of financing

» Lack of knowledge of the market

» Need for solar education in low-income communities



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# Guiding Principles

- » Accessibility and Affordability
- » Community Engagement
- » Consumer Protection
- » Sustainability and Flexibility
- » Compatibility and Integration



# Policy Toolkit



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## Cost & Prioritization

Virtual Net Metering  
Community Shared  
Solar

Direct Incentives  
Net Metering  
Financing

## Physical & Locational Barriers

Place-Based Programs  
Community  
Engagement

Indirect Incentives  
Workforce  
Development  
Consumer Protection  
Community  
Engagement

## Education & Service Gap

## Acceleration and Guardrails

# Need for Community Shared Solar



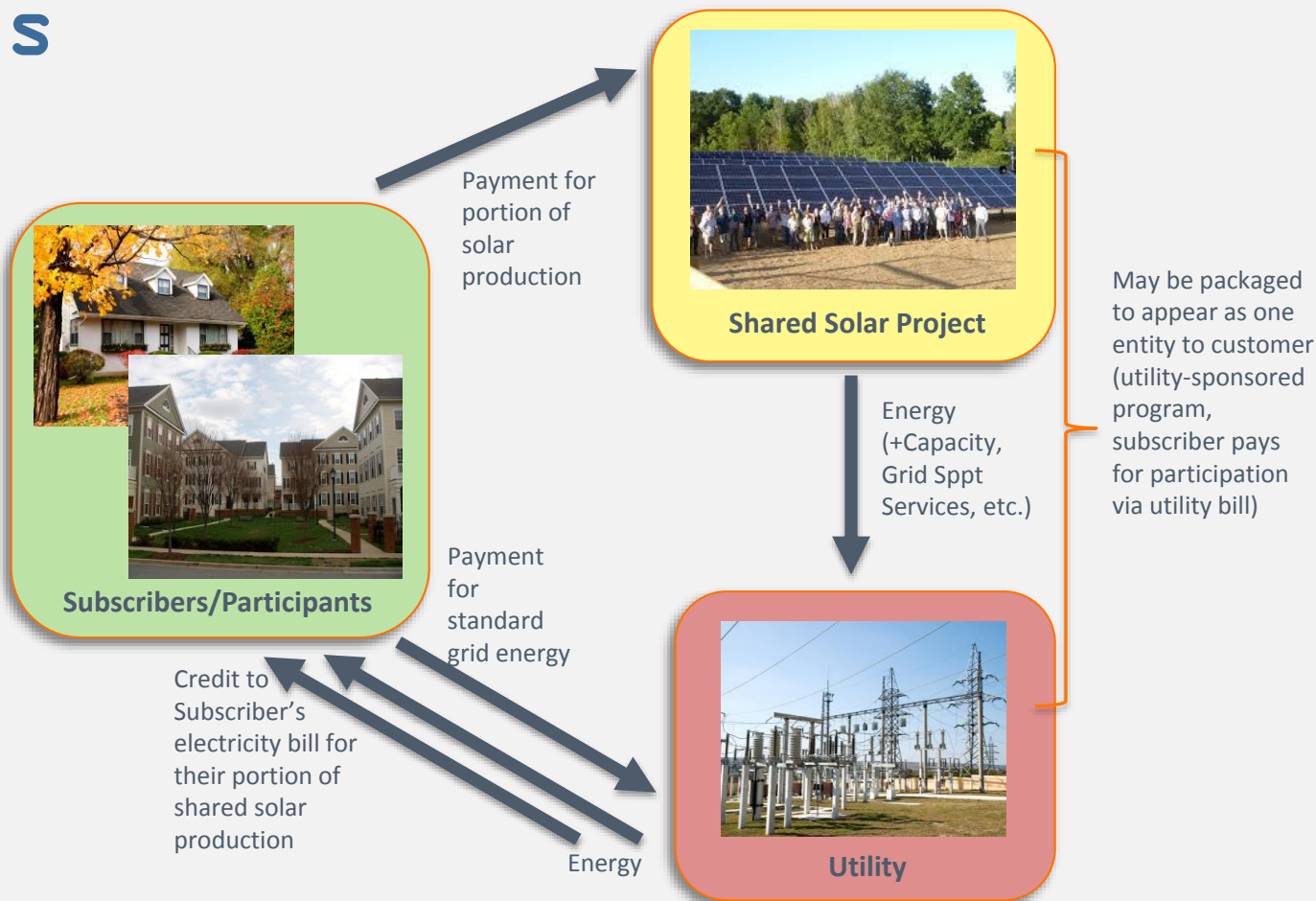
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# How Community Shared Solar Works



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# Successful Models

## » Single-Family

> CA, DC, MA, NY

## » Multi-Family

> CA, DC, MA

## » Community Solar

> CO, NY

## » Workforce Development

> CA, NY

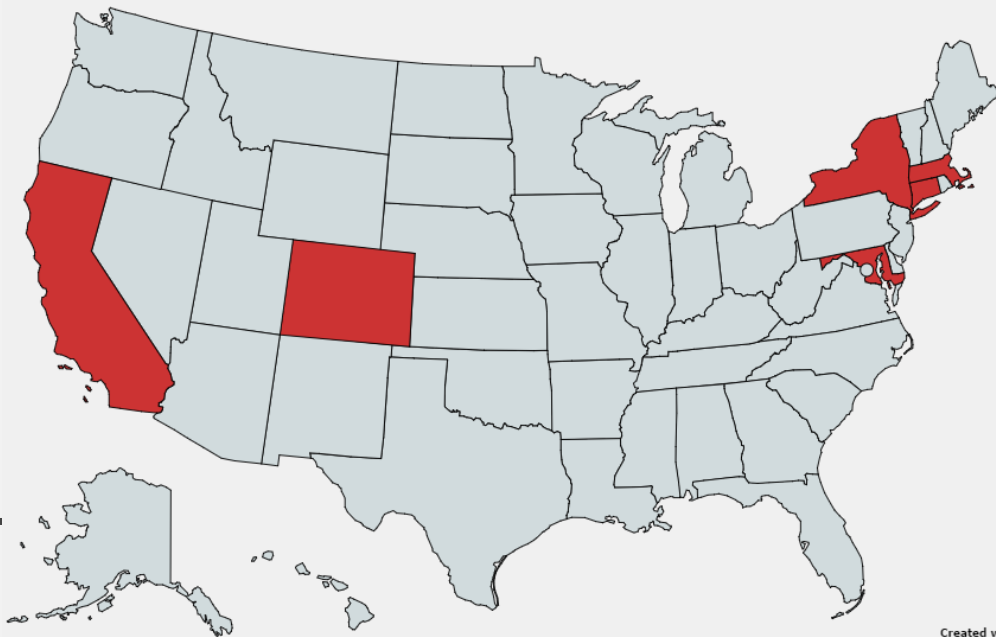




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# Ongoing Campaigns

- » California
- » Colorado
- » Connecticut
- » Maryland
- » Massachusetts
- » New York



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