DOCKETED	
Docket Number:	25-SOLAR-01
Project Title:	Solar for All Program
TN #:	262191
Document Title:	CCSA, SEIA, and Vote Solar Joint Comments in Response to the CEC's Solar For All RFI
Description:	N/A
Filer:	Amanda Cooey
Organization:	Biering & Brown, LLP
Submitter Role:	Applicant Representative
Submission Date:	3/14/2025 2:16:46 PM
Docketed Date:	3/14/2025

CALIFORNIA ENERGY COMMISSION

IN THE MATTER OF: CEC Solar For All Program DOCKET NO. 25-SOLAR-01 REQUEST FOR INFORMATION RE: CEC Solar For All Program

In response to the California Energy Commission (CEC) Request for Information (RFI) on the CEC Solar For All (SFA) Program, the Coalition for Community Solar Access (CCSA), the Solar Energy Industries Association (SEIA) and Vote Solar respectfully submit the following comments. CCSA, SEIA and Vote Solar look forward to working with the CEC to implement a successful Solar For All grant program.

Introduction

CCSA is a national trade association representing over 125 community solar developers, businesses, and nonprofits. Together, we are building the electric grid of the future, where every customer has the freedom to support the generation of clean, local solar energy to power their lives. Through legislative and regulatory advocacy, and the support of a diverse coalition – including advocates for competition, clean energy, ratepayers, landowners, farmers, and environmental justice – we enable policies that unlock the potential of distributed energy resources, starting with community solar.¹

SEIA is leading the transformation to a clean energy economy through advocacy and education. Founded in 1974, SEIA is the national trade association for the solar and storage industries, building a comprehensive vision for the advancement of these technologies. SEIA works with its 1,200 member companies and other strategic partners to create jobs and diversity, champion the use of cost-competitive solar in America, remove market barriers, and educate the public on the benefits of solar energy.

Vote Solar is an independent 501(c)(3) nonprofit working to repower the U.S. with clean energy by making solar power more accessible and affordable through effective policy advocacy. Vote Solar seeks to promote the development of solar, solar-paired storage, and electrification technologies that facilitate adding solar at every scale, from distributed solar to utility-scale systems. Vote Solar has over 100,000 members nationally, including over 15,000 members in California.

CCSA, SEIA and Vote Solar appreciate this opportunity to respond to the RFI. We also appreciate and strongly support the CEC's intention to expedite implementation during 2025, to begin accepting applications before the end of the year and awarding grants to selected applications by early 2026. In general, the comments and recommendations below reflect our view that the CEC should implement a SFA community solar and storage program for publicly owned utilities (POUs) that is focused, that provides incentives at a level that will support participation by target customers and project developers, and that mirrors, to the extent possible, the community renewables program structure and requirements currently codified in Public

¹ See <u>https://www.communitysolaraccess.org</u>.

Utilities Code Section 769.3, with the additional clarifications and requirements proposed in Assembly Bill (AB) 1260 (Ward 2025).²

A number of RFI questions seek detailed input on best practices related to program administration, outreach to target communities, consumer protection, etc. Many of these matters are addressed in detail in CCSA's <u>Policy Guidebook: Expanding Solar Access Through Informed</u> <u>Policy Decisions</u>, which is a good resource for program development.

The comments below do not address all questions in the RFI. We would be happy to expand on the answers below or provide additional information if useful for the CEC's purposes.

(1) Program Structure

2. What is the range of costs that are common for residential solar (single- and multi-family), community solar, or associated energy storage systems that serve low-income and disadvantaged communities? This could be expressed as total installed cost or \$/kW installed cost, along with describing the associated solar/storage nameplate capacities. Please specify if the information provided is California-based and, if not, what region it is based on.

There are a number of programs in the investor-owned utilities' (IOUs) service areas that offer solar to low-income communities. These programs generally undergo a cyclical evaluation process that assesses the average cost of installed systems. For example, in the July 2023 Solar on Multifamily Housing Second Triennial Report, the evaluator determined that the average cost of systems installed under the program in 2021 and 2022 was \$3031/kWac.³ Similarly, the July 2024 report of the administrator of the Disadvantaged Communities - Single Family Solar Homes program reported that the average cost to install a system under the program June 2024 was \$5.19/Watt (CEC-AC).⁴ While the California Public Utilities Commission (CPUC) established a community solar program for customers living in disadvantaged communities (Community Solar Green Tariff), it was not successful and was recently disbanded.⁵ There is no cost data publicly available for the limited number of community solar projects in California.

However, in advocating for community solar in California, CCSA has focused on policies that will support and encourage the development of solar + storage projects. In this regard, CCSA's July 2024 comments to the CPUC offered analysis of the costs and benefits of 5 MW solar +

² See <u>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB1260</u>.

³ <u>Solar on Multifamily Affordable Housing Second Triennial Report</u>, Verdant Associates, LLC (July 14, 2023), p. 41.

⁴ <u>Disadvantaged Communities – Single-Family Solar Homes (DAC-SASH) Program, Semi-Annual</u> <u>Progress Report - July 2024</u>, p.15.

⁵ <u>Decision 24-05-065</u>, p. 131.

storage projects, using the Cost of Renewable Energy Spreadsheet Tool (CREST) model.⁶ Similarly, SEIA undertook an analysis to determine how many MW of community solar projects could be developed in each IOU's service territory, assuming \$125 million of SFA monies was distributed among the three IOUs for 5 MW community solar projects. The result was 176 MW (fixed array) or 141MW (single axis).⁷

3. Given the CEC's Solar for All program has \$25 million to award, which of the following program funding allocation structures would be most effective in supporting access to solar and storage for the targeted LIDAC communities and California Native American tribes?

- a. Competitive solicitation. Eligible program participants submit applications for a competitive grant funding opportunity where applications are evaluated and scored based on criteria pre-specified in the solicitation and the highest scoring applications are awarded.
- b. First-come, first-served application period. Applications are selected based on passing minimum criteria and funding is awarded based on submittal order until exhausted.
- c. Segmented funding. Total funding is divided into separate or segmented funding pools based on applicant type (e.g., large POUs, small POUs, California Native American tribes, or some other recommended basis). Grants in each segmented funding pool can be awarded to eligible applicants within that pool using either a competitive or first-come, first-served process as described above.

Given the relatively small budget for this program, CCSA, SEIA and Vote Solar recommend that the CEC keep the program design simple so as to allow program funds to be more readily awarded and effectively utilized. A non-segmented first-come, first-served application process for community solar + storage projects, with bill credits to subscribers and eligibility criteria to ensure project viability and timely project development, meets such objectives. The eligibility criteria should include a minimum showing of developer qualifications and experience, and project readiness milestones including:

- Proof of legally binding site control
- Non-ministerial permits in hand, including any permits that require a subjective decision by a planning board or other agency
- Payment of any necessary non-refundable project performance deposits
- Signed interconnection agreement with the utility that demonstrates developer commitment to pay necessary upgrade and facilities costs

⁶ See <u>Opening Comments of the Coalition for Community Solar Access on Administrative Law Judge's</u> <u>Ruling Directing Responses to Questions Regarding Implementation of Decision 24-05-065</u> (July 10, 2024), pp. 28-32.

⁷ See <u>Comments of the Solar Energy Industries Association on the Implementation of Decision 24-05-065</u> (July 10, 2024), Attachment SEIA-1.

4. The primary goals of the Solar for All program are to deliver savings to LIDAC and tribal communities and reduce greenhouse gas emissions (GHG). What should the program prioritize for disbursing awards to help achieve the primary goals? For example, maximize solar megawatt (MW)/\$, promote resiliency, or strive for proportional funding distribution?

In order to ensure the delivery of savings to low-income and disadvantaged communities (LIDAC) and tribal communities, the program should have the foundational requirements of 51% participation by LIDAC and tribal ratepayers. Moreover, to ensure that the SFA funding is awarded to projects that increase reliability and grid benefits, energy storage systems should be a mandatory component of each project.

5. Should CEC's Solar for All program be required to ensure that distributed solar deployment is incremental to California Energy Code requirements so that the program avoids subsidizing the cost of meeting existing code?

The CEC's SFA program should include a requirement mirroring Public Utilities Code section 769.3(c)(1). This section of the Public Utilities Code requires that the community solar program administered by the CPUC "[b]e complimentary to, and consistent with the requirements of Section 10-115 of the California Building Standards Code." If enacted, AB 1260 would further require that the program "offer a meaningful compliance pathway for regulated entities" to meet these Title 24 requirements.

7. Which applicant types should the program work with to maximize deployment/benefits at the lowest cost (including program administration, compliance, etc.)? For example, applicant types could be POUs and tribes, project developers, third-party program administrators, or a mix.

The program should not limit applicant types at the outset. As discussed above, the best way to maximize deployment and achieve benefits at the lowest cost is to focus on keeping the program design simple and straightforward.

13. Is there other information or topics the CEC should consider regarding program design and structure that haven't been covered in the previous questions?

CCSA, SEIA and Vote Solar strongly recommend that the CEC use all components of the CPUC's Avoided Cost Calculator (ACC) to determine the avoided costs and benefits of the distributed combined solar and storage projects that are the focus of this SFA program. Significant effort and discussion has gone into developing the ACC and it is the benchmark used for valuing similar distributed energy resources. CCSA, SEIA, Vote Solar⁸ and other advocates have also recently recommended that the CEC take steps in 2025 to identify distributed front-of-

⁸ <u>SEIA, CCSA, TURN, PCE Comments on 2024 Integrated Energy Policy Report Update (2024 IEPR Update)</u> (November 21, 2024); <u>Vote Solar Comments on 2025 Draft IEPR Scope</u> (February 11, 2025).

the-meter community solar + projects as load-modifier resources. Such designation will ensure that the capacity of the projects is valued for resource adequacy purposes, which in turn will ensure that the load serving entity avoids generation capacity costs. That value of avoided reliability procurement then can be incorporated in calculating the avoided cost of these distributed energy resources.

(2) Benefits

14. As a condition of receiving funding from CEC's Solar for All program, awardees must deliver a minimum 20% average household electricity bill savings to all LIDAC households served under the program, including households in master-metered, multi-family buildings.

- a. What are effective mechanisms to apply bill savings that do not affect resident income levels and ensure residents' eligibility for other low-income programs is unaffected?
- b. Should the bill savings calculation be based on an average monthly or annual percentage of a customer's electrical usage?
- c. What are best practices to ensure households that do not receive individual electricity bills (e.g., master-metered, multi-family buildings) receive the savings?
- d. How should bill savings be verified? By whom and when?

Organizations representing low-income customers should be consulted before finalizing program rules to ensure that the program rules and POU tariff requirements do not negatively affect customers' eligibility for other low-income programs. POUs should be consulted in working out details for implementing bill credits and verifying bill savings.

15. As initially defined by US EPA, community solar funded by the CEC Solar for All program must meet the following definition: 1) nameplate capacity of 5 MWAC or less, 2) deliver at least 50% of the electricity generated from the system to multiple residential customers within the same utility territory as the facility, and 3) verify that at least 50% of the benefits and/or credits of the power generated from a community solar system be delivered to residential customers in the same service territory.

- a. How do existing POU community solar projects verify delivery of benefits and/or credits to residential customers?
- b. What verification processes for benefits and/or credits should be used for the CEC Solar for All program?

POUs will be in the best position to address community solar benefits verification questions. The program rules should require POU tariffs and bills to be clear and easy for subscribers to understand. The program should include oversight to ensure that the POU is accurately billing and crediting participating customers on a timely basis.

16. What process should be used to ensure community solar bill discounts are linked with the customer even if the customer moves to a new location within the same service territory?

Each participating utility customer should be able to continue participation as a subscriber in the SFA community solar program if they move to a new location within the same service territory. This should be a requirement of the CEC SFA program and should be included in the POU's program description and tariff rules. The POU will be responsible for maintaining this subscriber relationship, and the POU should have a mechanism for allowing a subscriber account to relocate with the customer to a new location within the same service territory.

(3) Siting, Permitting, and Interconnection

17. What tools, processes, or best practices should CEC require/encourage to streamline permitting and interconnection of solar and storage, and community solar projects? Are there technical assistance tools or examples of existing programs that can be leveraged?

In general, since these are distributed resources, the permitting and interconnection processes should be simpler than they are for larger, more remote facilities. For example, community solar + storage projects should be eligible for interconnection under a POU's Rule 21 or equivalent streamlined interconnection procedures.⁹ POUs should be consulted on best practices for facilitating timely permitting and interconnection.

18. Should CEC's Solar for All program require energy storage with solar development? What are potential impacts of energy storage on solar project development in terms of cost, timeline, permitting, or other factors?

Yes, the program should require energy storage to be incorporated into each eligible project. Adding paired storage will increase the cost of a project, but it will also add more than commensurate benefits, including reliability, resiliency, and grid support.¹⁰

19. How can a community solar development be structured to support resiliency by delivering energy to benefitting residents during grid outages?

The CEC should avoid adding complexity to the program if possible. However, to the extent the CEC is interested in supporting project development that includes resiliency benefits, it may want to consider how this SFA program can be coordinated with the Distributed Electricity Backup Assets program.¹¹

⁹ See, e.g., <u>https://www.smud.org/-/media/Documents/Business-Solutions-and-Rebates/Interconnection/2655.ashx</u>.

¹⁰ See CPUC <u>Decision 24-05-065</u>, p.129.

¹¹ See <u>CCSA Comments on the Draft DEBA Distributed Energy Resources Solicitation Concept</u> (March 15, 2024).

(4) Consumer Protection

20. What existing consumer protections are currently provided by residential solar, community solar, and energy storage programs?

California has in place a robust set of consumer protections that apply to residential solar and storage transactions, as represented in the table below. In addition, the CPUC has established a consumer protection regime for the investor-owned utilities under its jurisdiction, concepts from which could be incorporated into a program operated by the publicly owned utilities. Such concepts include the development of a Solar Consumer Protection Guide which each customer must receive and sign as part of the application process.

Section	What's Regulated
Public Utilities Code §§ 2871-2876	Automatic Dialing Devices
Civil Code § 1667 et seq.	Unlawful contract provisions
Business & Prof. Code § 17511.1	Telephonic Sellers
Business & Prof. Code § 17200 et seq.	Unfair and deceptive acts and practices
Business & Prof. Code § 17590 et seq.	Telemarketing
Business & Prof. Code § 17560	Automatic Purchase Renewals
Civil Code § 1770	Deceptive practices
Business & Prof. Code § 7150 et seq.	Home improvements, including contracts and salespersons, solar disclosures

Citations to Key Laws and Regulations

Civil Code § 1799.200 et seq.	Customer receipt of signed contracts
Civil Code § 1689.7	Contract language must match the principal language used in the sales presentation
Public Util. Code § 2869	Distributed Generation leases and Power Purchase Agreements
Public Util. Code § 2854.6	Savings estimates

In addition to the applicable protections offered by California law, community solar programs should incorporate basic consumer protections, including:

- Registration requirements ensuring that facility owners are financially stable and competent;
- Program transparency measures ensuring that all program rules are available and understandable;
- Clear and easy-to understand program marketing and disclosures to prospective participating customers, ensuring that all key elements of a contract are spelled out in standardized, customer friendly language;
- Prohibition on the use of credit scores and termination fees for low-income enrollees;
- Simplified billing; and
- Annual reporting requirements.

21. How should the CEC Solar for All program incorporate consumer protection requirements? Are there consumer protection considerations particular to different housing types such as multi-family or single-family rental properties, or for LIDAC communities, that CEC should consider?

Consumer protection requirements should be spelled out in the program rules and incorporated into POU implementation. As noted above, California has a robust framework of consumer protections applicable to customers investing in distributed solar and storage systems. These consumer protection measures can be leveraged in implementing the CEC's community solar program.

(5) Quality Jobs

22. How can awardees support high-quality jobs for solar and energy storage projects that promote prevailing wage and training opportunities such as apprenticeship programs? What other workforce development, education, and training opportunities are available that should be required/encouraged by CEC's Solar for All program?

The program should ensure that awardees support high-quality jobs that promote prevailing wage, training and apprenticeship programs by mirroring the requirements currently codified in Public Utilities Code section 769.3(c)(4) and incorporating any other applicable requirements imposed by the U.S. Environmental Protection Agency as a condition of receiving SFA funding or by POU or other local authorities.

Dated: March 14, 2025