DOCKETED

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Community Solar and Solar Customer Programs for Disadvantaged Communities

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California Public
Utilities Commission

Overview

- Community solar progress
- Rulemaking on solar in priority communities / DAC-Serving Solar Programs
- Recent decision(s) authorizing the new Community Renewable Energy (CRE) Program
- Upcoming webinar
- Q&A

Statewide Community Solar (CS) Progress

- CS allows customers, such as local governments, universities, renters, and those living in multifamily housing, to subscribe to a portion of a shared solar array, often located within their community, and receive bill relief or a reduction on their electricity bills
- Currently there are over 1,200 community solar projects totaling 560 megawatts (MW) in operation serving 180,000 customers
- Another 430 projects totaling 165 MW under construction
- Includes ratepayer-subsided programs such as Disadvantaged Communities Green Tariff (DAC-GT), Solar on Multifamily Affordable Housing (SOMAH), and Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT)

Graphic: DOE

Disadvantaged Communities Green Tariff (DAC-GT)

- Provides renewable energy and 20% bill discount to income-qualified customers in DACs and San Joaquin Valley (SJV) pilot communities.
- Supports renters and other residential customers unable to install solar on their roof.
- Builds new projects sized 0.5 - 20MW, located in DACs in participating utility or CCA service areas.
- Launched in 2019 and expanded in 2024; currently serves 40,000 customers.

Ava and Clean Power Alliance partnered with Prologis to develop 15 projects on warehouses in Los Angeles, Alameda, and San Joaquin counties; Photos: Carson and Oakland ribbon-cuttings

OIR on Customer-Generated Renewables for Priority Communities (R.25-01-005)

Four main purposes:

1. Address Senate Bill 355 (Stats. 2023, Ch. 393) and consider other modifications to the Solar on Multifamily Affordable Housing (SOMAH) program;
2. Consider modifications to the Disadvantaged Communities Single-Family Affordable Solar Homes (DAC-SASH) program;
3. Consider modifications to and establish programmatic procedural oversight of Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff; and
4. Consider modifications to and establish programmatic procedural oversight of several small multi-jurisdictional utility (SMJUs) solar programs and tariffs.

Solar on Multifamily Affordable Housing (SOMAH)

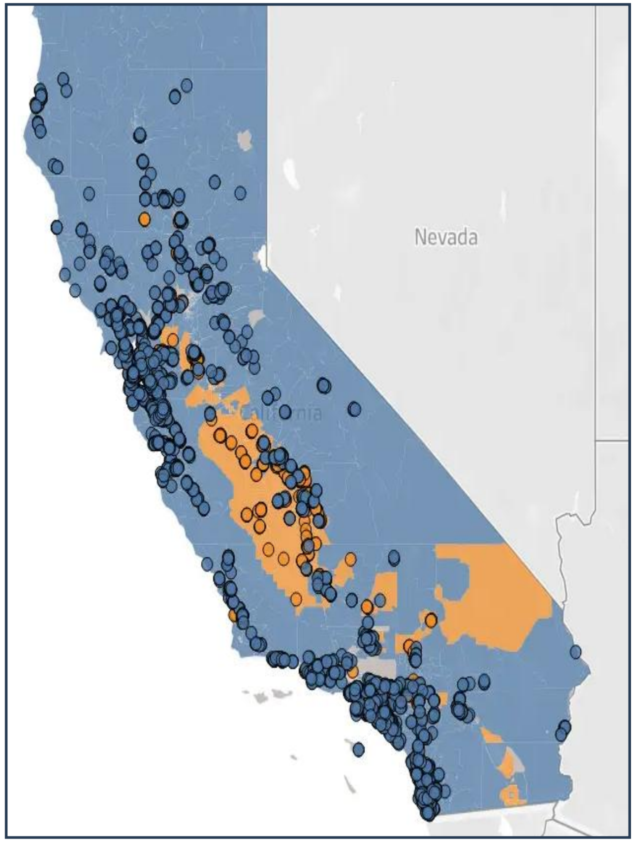
- Provides incentives for solar systems on multifamily affordable housing, lowering tenant energy bills; Launched in 2019.
- Incentive levels for customers go up to $3.50/watt for tenants and $1.19/watt for common areas.
- Planned development of at least 300 MWs installed solar generating capacity by December 2032.
- D.26-07-029 reaffirms SOMAH's commitment to families already living in disadvantaged communities, ensuring cap-and-invest dollars flow to existing affordable housing residents who need bill relief today.

Ribbon-cutting and solar installation at St. Mary's Elderly Housing in Oakland; Photos: Sunrun

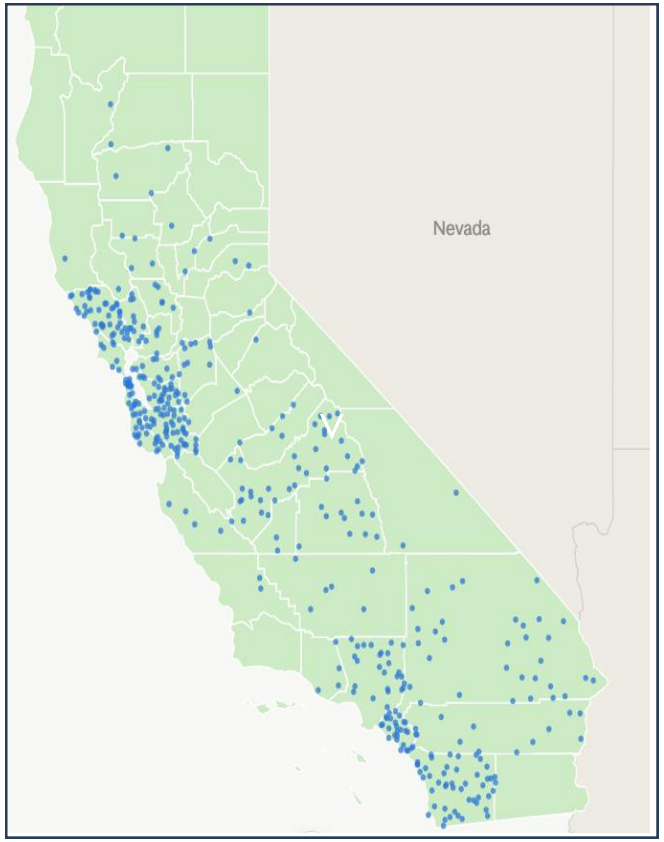
Solar on Multifamily Affordable Housing (SOMAH)

- About 32.7% of in-flight and completed projects are located in DACs.
- 942 in-flight and completed projects.
- 73,004 participating households (In-flight and completed).

Eligible Properties



Completed Projects



Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT)

- Enables local governments, Tribal governments, and universities to share generation credits from a system located on one government-owned property with billing accounts at other government-owned properties.
- Allows system size of up to 5 MWs, and bill credits are applied at the generation-only portion of a customer's retail rate.
- R.25-01-005 is evaluating modifications to RES-BCT, including allocation of remaining program capacity, standardized program administration, and governance improvements.

Photo: BEI Construction

Disadvantaged Communities Single-Family Solar Homes (DAC-SASH)

GRID ALTERNATIVES

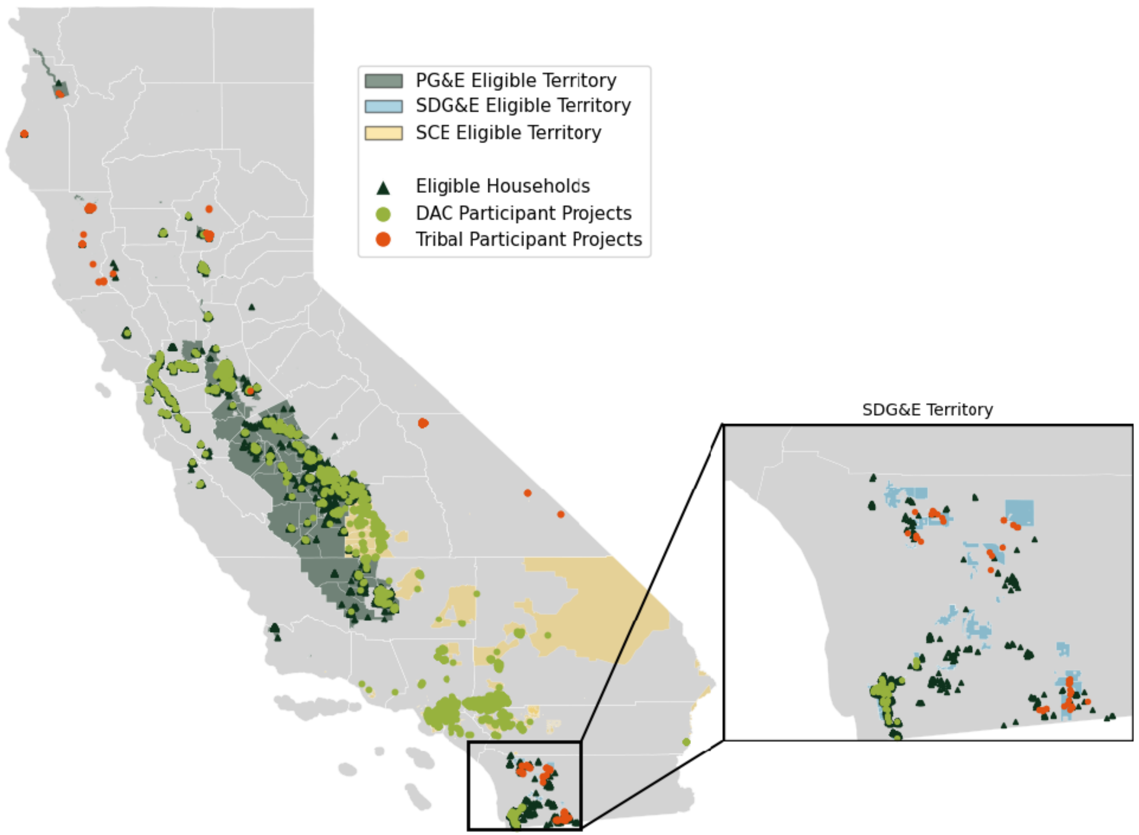
- Launched in 2019; Provides $3/watt incentive to single-family homeowners, rooftop solar installation, and energy efficiency training
- Incorporates job training objectives to promote green-collar jobs in low-income communities and develop a trained workforce
- Available to income-qualified single-family homeowners in DACs and SJV pilot communities
- Over 3,600 completed projects to date

Photos: Grid Alternatives

Disadvantaged Communities Single-Family Solar Homes (DAC-SASH)

- 2026 goal – we estimate a likely **650–850** installations in 2026 based on the pipeline, historical completion rates, and the backlog.
- Ruling questions in R.25-01-005 ask about possible updates to the DAC-SASH program such as administrative improvements that strengthen oversight and reporting, streamline the program, and help ensure program resources remain focused on maximizing customer participation and the efficient delivery of rooftop solar benefits.
- A proposed decision is likely due in Q3 or Q4 of 2026.

FIGURE 4-3: DAC-SASH PROJECTS VS. ELIGIBLE HOUSEHOLDS ACROSS IOU DAC TERRITORIES



AB 2316

- Assembly Bill (AB) 2316 (Ward, 2022) required the Commission to evaluate GTSR, DAC-GT and CSGT and consider whether to adopt a new Community Renewable Energy (CRE) program.
- In 2024, the Commission issued D.24-05-065 which authorized a new CRE program aimed at serving all customer groups. That decision required that remaining program implementation details be finalized in D.26-06-006 (June 2026).
- Consistent with the statute, the CRE Program is designed to minimize costs to all customers by utilizing external non-ratepayer funding for costs above PURPA wholesale prices. However, in 2025 federal and state funding sources were rescinded or terminated.

D.26-06-006: Community Renewable Energy (CRE) Program

- Adopts a CRE program designed for all customers (at least 51% low-income); creates a mechanism to capture external funding opportunities when they become available.
- Requires IOUs to submit program implementation and marketing plans for approval, including outlining additional external funding sources. The program utilizes the Commission's existing ReMAT pricing coupled with a subscription model and customer bill credit.
- Denies party proposals to provide additional ***ratepayer-funded incentives*** beyond ReMAT because Pub. Util. Code 769.3(c) prohibits non-participants from paying above the avoided wholesale cost.
- Community Choice Aggregators (CCAs) may choose to join or leave the CRE program by notifying the Commission.

D.26-06-006: Disadvantaged Communities Green Tariff (DAC-GT) and Green Tariff

- Updates DAC-GT program funding source to public purpose program surcharge collections due to recent legislative changes redirecting greenhouse gas allowance proceeds.
- Requires IOUs to modify their Green Tariff programs as ordered in prior Decision. Streamlines oversight by discontinuing some reporting and recommends that legacy costs be addressed in each utility's ERRA compliance proceeding.
- Requires that all program reporting transition from static quarterly reports to quarterly data uploads to the Commission 's official public reporting website within 180 days.

Webinar: Research Study on CRE Funding Monday July 20th, 10-11:30AM

- Inform stakeholders of ongoing research from Evergreen Economics and explore an avenue of potential external funding mechanisms for the new Community Renewable Energy (CRE) Program.
- Provide an overview of ongoing research and facilitate a discussion to solicit perspectives from stakeholders.
- Examine whether an in-lieu contribution/fee could serve as an alternative compliance pathway for new residential construction. Rather than requiring builders to install on-site solar, an in-lieu payment could support CRE projects that advance the program's policy objectives while potentially reducing construction costs, administrative complexity, and implementation barriers. The study will assess the regulatory feasibility, economic viability, and stakeholder support for this concept.

Microsoft Teams meeting Link:
https://teams.microsoft.com/meet/237324572181802?p=wFd4SD54dzZ995oP2r
Meeting ID: 237 324 572 181 802
Passcode: bh9gP9vU
Join by Phone: +1 503-854-7755
Phone conference ID: 635 220 187#

Q&A

More information:
https://www.cpuc.ca.gov/communitysolar
https://www.cpuc.ca.gov/solarindacs
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