

Recommendation Number ____¹

Targeted Underserved Group: Multifamily housing occupants (both renters and homeowners)

Time Schedule: Implement in 2015

Budget Impact: cost of making an update to the Austin Energy billing system

fractional

Brief Description: In order to reduce the cost of providing solar energy to multifamily residents, including those in affordable housing, establish a policy and ability within the Austin Energy billing system to allow for virtual division of value of solar credits from a distributed solar system on a multifamily residential property to be divided and applied to multiple residential customer accounts.

fractional (virtual)

Community Need: Currently, customers can only use solar to offset their electric bills if (1) the solar installation is located on the same property as the customer's electricity usage meter is located and (2) the solar installation is individually wired to connect to a solar production meter that is assigned to that customer. On multifamily housing, it is significantly more cost effective (15-20%) to wire one or a few larger installations than many small installations for each unit.

Foundation Communities, which builds local affordable housing, has already encountered this problem at its Homestead Apartments.² In order to allow its tenants to directly benefit from solar, it is having 140 solar installations individually wired and metered because Austin Energy has no policy that allows output from a solar installation to be virtually divided and applied to more than one customer bill. Because of roof space limitations, these installations will be quite small – 1-1.5 kW each. Compared to the cost of installing 190 kW of solar in 3 large installations, this approach is adding 15-20% to the total cost of the solar project. There is also \$100 permit application fee for each of the 140 systems.

Low-income and medium income residents are much more likely to rent than are higher-income residents in Austin. Although most multifamily properties are not designated affordable housing, many low and medium-income residents live in this type of housing. Providing access to affordable solar energy for multifamily housing will improve equity.

Program Description: Austin Energy already has a system that could be adapted to allow for virtual billing virtually connects customer electricity usage meters with solar production meters. This system could be adapted to apply value of solar credits accrued from a solar installation to multiple residential accounts by assigning each account a fraction of the credits accrued.

Solar installations on multifamily residential properties would be treated as any other residential solar installation and the accounts of each of the customers to receive bill credits from such a solar installation would also continue to be treated as residential accounts. This is important both

¹ Number to be assigned in final report.

² Presentation by Sunshine Mathon to the Low-Income Consumer Advisory Task Force on March 6, 2015.

to enable such solar installations to qualify for the Austin Energy residential solar rebate and to avoid demand charges that are applicable to commercial accounts.³

No new infrastructure or staff would be needed to enable virtual billing for multifamily solar.

³ Citizen Communication by Kaiba White to the Low-Income Consumer Advisory Task Force on March 27, 2015.