

**Commission Recommendation
African American Resource Advisory Commission
Support For
Recommendation 20190402-05.f
Expanding Access to On-Site Solar Energy**

WHEREAS, the Austin City Council adopted specific goals geared towards reducing greenhouse gas emissions in Resolutions Nos. 20070215-023, 20140410-024, 20150604-048, and 20170817-061; and

WHEREAS, these plans also included goals to aggressively diversify Austin Energy's energy efficiency programs and extend the benefits of demand-side management (DSM) throughout the community; and

WHEREAS, on-site solar provides benefits that larger-scale solar installations - even at the local level - do not, including greater financial value to the customer, more direct control for the customer, deferred distribution system upgrades for the utility, opportunity for improved resilience from power outages for customers (when paired with energy storage), more job creation and reduced land use and environmental impact; and

WHEREAS, the majority of available roof space that would be appropriate for on-site solar in Austin is not currently utilized; and

WHEREAS, new residential development continues at a rapid pace in Austin; and

WHEREAS, it is most affordable to integrate on-site solar during construction of a building; and

WHEREAS, the portion of the Austin Energy solar rebate budget historically and currently directly benefiting low-income residents, renters and customers living in multifamily housing has been much less than the portion of Austin Energy customers in one or more of those categories; and

WHEREAS, on-site solar is cost effective over the lifetime of an installation; and

WHEREAS, Austin struggles with affordability and reducing the cost of living for lower-income residents is a priority; and

WHEREAS, installing on-site solar requires an up-front investment or access to financing; and

WHEREAS, low-income residents generally do not have sufficient savings or access to financing to afford the cost of an on-site solar installation; and

WHEREAS, landlords have little incentive to invest in on-site solar energy that will reduce their tenants' electric bills (known as the "split incentive"); and

WHEREAS, the Low Income Consumer Advisory Task Force was established in Resolution in Resolution No. 20140828-158 to make recommendations regarding the development, design, and implementation of energy efficiency and renewable energy programs to meet the demand reduction goals of low income and low-moderate income residential customer programs; and

WHEREAS, the Low Income Consumer Advisory Task Force final report included a recommendation to implement an on-bill repayment program; and

WHEREAS, on-bill financing and on-bill repayment programs can be structured to pay for on-site solar installations and energy efficiency upgrades over time, while providing bill savings to the customer from the start; and

WHEREAS, on-bill financing and on-bill repayment programs can expand access to on-site solar and energy efficiency upgrades to low-income residents by eliminating the need for good credit to qualify; and

WHEREAS, on-bill financing and on-bill repayment programs can expand access to on-site solar and energy efficiency upgrades to renters by linking the repayment of up-front capital expenses to an electric meter, instead of a specific customer; and

WHEREAS, Austin Energy already has a revenue source in the form of the Energy Efficiency Services (EES) fee that could be used to fund an on-bill financing program and other programs to expand access to on-site solar for low-income residents and renters; and

WHEREAS, on-bill financing and on-bill repayment programs can be structured to pay for on-site solar installations and energy efficiency upgrades over time, while providing bill savings to the customer from the start; and

WHEREAS, over \$1.6 million that was allocated for on-site solar rebates in the FY 18 budget went unspent; and

WHEREAS, some customers may not want to own their own on-site solar installation, but would be willing to rent their roof or carport space to Austin Energy or a third party to host a solar installation; and

WHEREAS, the Austin City Council adopted Resolution 20170817-061, which directed Austin Energy to “study and possibly pilot a utility managed rooftop solar program that requires no investment from customer participants;” and

WHEREAS, the Austin City Council adopted Oct 2017 Resolution No. 20171005-033, setting a goal for Austin Energy to spend \$500,000 incentives and solar programming to increase solar energy adoption and access for underserved markets including multifamily affordable housing, low-income residents, renters, and non-profits and to implement the Shared Solar billing solution by September 2018; and

WHEREAS, three affordable housing properties were selected to participate in the Shared Solar pilot program and subsequently had solar arrays installed on site to reduce low-income tenants electric bills; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to ensure that Austin Energy:

1. Immediately resumes offering a \$1 per installed watt rebate for on-site solar installations at affordable housing properties; and
2. Expands access to Shared Solar for all multifamily properties as soon as possible, but no later than October 1, 2019; and
3. Continues work to implement Shared Solar for commercial accounts, so that solar credits can be shared between any combination of residential and commercial accounts, with a pilot target date of October 1, 2019; and
4. Immediately initiates open stakeholder meetings that include low-income customers, renters, the solar industry, environmental and consumer advocates and anyone else wishing to participate, to advise the utility in how best to expand access to on-site solar

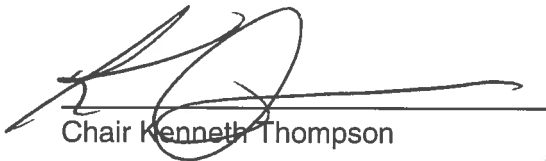
for low-income residents, renters, and multifamily properties. The goals of the stakeholder meetings should be to:

- a. Gather recommendations, including appropriate goals for these sectors, from stakeholders that can be incorporated into the 2019/2020 update of the Austin Energy Resource, Generation and Climate Protection Plan;
- b. Provide input on how to successfully structure an on-bill financing program and/or utility or third party-owned on-site solar program; and
- c. Identify any other solutions that will enable Austin Energy to expand access to on-site solar to these sectors.

African American Resource Advisory Commission

I affirm that this Recommendation was approved by the African American Resource Advisory Commission

Vote in favor:	8 Chair Kenneth Thompson, Daryl Horton, Marissa Jones, Nelson Linder, Jessica Faith Carter, Clifford Gillard, Aaron Demerson, Miriam Conner
Absent	4 Greg Smith, Dr. Chiquita Eugene, Tam Hawkins, Elaine Flower,
Vacant	3


Chair Kenneth Thompson

5/15/2019
Date