

Expanding Access to Customer-Sited Solar in Austin

Background for the Electric Utility Commission

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The Need

Solar rebates offered by Austin Energy since 2003 have been very helpful for increasing adoption of customer-sited solar, but they don't meet the needs of all customers, particularly those have lower or middle incomes because they:

- Don't have cash available to purchase a solar system for their home; and/or
- Don't have access to financing or won't receive good financing rates because of poor credit or lack of credit history.

Other barriers to adopting rooftop solar also exist, such as:

- Rental properties create split incentive between owner (who would pay for solar) and occupant (who would benefit from solar)
- Multifamily properties (often have split incentive, plus need to share solar output with multiple units)
- roofs and/or homes that are in poor physical condition (this can be addressed)
- roofs that are shaded (this precludes rooftop solar)

AE Efforts to Expand Access to Customer-Sited Solar

- **Shared Solar** - billing system update to virtually divide Value of Solar credits from one solar system to multiple units at a multifamily property *note: available to all multifamily properties as of May 1, 2023!
- **Multifamily Solar Incentive:** \$0.60/watt
- **Nonprofit Solar Incentive:** \$1.00/watt
- (previously) **Financing Partnership w/ Velocity Credit Union:** AE bought down credit requirements, but rate was still too high and max loan amount not enough for many solar installations, so wasn't being used. Program now discontinued.

Timeline to Distributed Solar Standard Offer



CPS Energy Solar Host Pilot

- Customers receive bill credit for use of their roof space to host solar installations interconnected on the utility side of the meter.
- Solar company paid for installation and maintenance of solar systems.
- 5 MW program cap
- Utility contract w/ single solar company
- Residential single-family only
- Thousands of applications
- Many applicants were disqualified for having older roofs, but still had much more than 5 MW of qualified applicants

AE Commitment to Distributed Solar Standard Offer

“Upon approval of the Value of Solar tariff, Austin Energy will initiate a public stakeholder process to develop a standard offer program for local distributed community solar. This process will include periodic updates to the EUC and RMC for review and feedback, with the intention of developing a program to be effective by October 1, 2023.”

AE Standard Offer for Distributed Solar

- Will set terms and a rate that any qualified company can receive for energy produced from a distributed solar system located with a qualified customer.
- Installations will add to existing Community Solar Capacity.
- Questions that need to be addressed:
 - What is the \$/kWh rate? Is it the same or different for different size installations?
 - Which customers are eligible? Commercial? Residential?
 - What is the minimum system size? Can systems be aggregated to meet minimum size?
 - What is the length of the agreement? 20 years? Longer? Shorter?
 - How and how often are the rate and terms of the program adjusted?
 - What, if anything, should AE and participating companies do to connect residential customers who need roof or home repair with programs to assist?
 - What consumer protections should be included? Disclosures? Minimum roof lease rate?
 - Is there a way to enable systems to be utilized for backup power during power outages, even if they are on the utility side of the meter?

Proposed Next Steps

- AE presentations to EUC & RMC on internal progress so far
- EUC & RMC input/feedback
- Solar company stakeholder engagement - meeting(s), survey?
- Customer engagement - meeting(s), survey?
- AE presentations to EUC & RMC on proposed program design
- EUC & RMC input/feedback
- AE produce final program guidelines & release (hopefully prior to Oct 1)