

Key Takeaways from Policy Solutions for Inclusive Solar Access

In June 2024, The Coalition for Community Solar Access released Policy Solutions for Inclusive Solar Access: Designing Community Solar Programs for Low-to-Moderate Income Households, a policy guide for states looking to increase low-and -moderate income household participation in community solar programs.

The following is a high-level overview of the key program design elements. By implementing these recommendations, states can effectively design community solar programs that deliver equitable access and significant financial benefits for low-and-moderate (LMI) households. You can read the full [report here](#).

Carve-Outs

- Strong policies and incentives have proven to increase low-and-moderate income household participation in community solar. CCSA supports LMI carve-outs between 20% to 51%.
- States should set carve-out targets by considering equity goals, population statistics, and program specifics. Carve-outs should include simplified income verification, fair valuation, and strong consumer protections.
- The LMI participation criteria should encompass public interest entities, moderate-income families, affordable housing units, and master-metered buildings.

Defining Low-to-Moderate Income

- States should adopt income thresholds capturing both low- and moderate-income households and highly advise states to use the **Area Median Income** for a more accurate, equitable, and adaptable measure of economic need.
- We recommend defining **low-income participants** as Households with annual income at or below 80% of Area Median Income (AMI), or At or below 200% of the Federal Poverty Level (FPL), whichever is higher. We recommend defining moderate-income households as Households with annual income in excess of 200% of the Federal Poverty Level, but less than 80% of the Area Median Income, whichever is higher.

Income Verification

- States should adopt income thresholds that capture both low- and moderate-income households. Adopting a definition that uses the Area Median Income offers a more accurate, equitable, and adaptable measure of economic need by accounting for regional cost of living differences and capturing a wider range of income levels.
- States should adopt self-attestation, categorical eligibility, and geo-eligibility as eligible forms of income verification instead of requiring sensitive documents like W-2s or pay stubs.
 - **Self-Attestation:** Self-attestation streamlines enrollment, reduces administrative burden, and preserves privacy. States should develop standardized self-attestation forms to allow individuals to declare their income without the need to provide supporting documentation or wet signatures. To increase access, standardized forms should be available in multiple languages.
 - **Categorical Eligibility:** States should allow income verification through a wide range of existing federal and state assistance programs to ensure broader LMI participation. We strongly advise against the reliance solely on categorical eligibility as this does not always include all eligible households or moderate-income households.
 - **Geo-Eligibility:** States should consider developing geo-eligible maps based on income and environmental criteria to simplify enrollment. States unable to create such maps should consider using the federal Climate and Economic Justice Screening Tool (CEJST).
- States **should not adopt** an income reverification policy. Households should not be required to reverify income post-enrollment to reduce burdens and ensure continued access. This policy aligns with federal guidelines and ensures parity with low-income households participating in LMI-focused rooftop solar programs.



Guaranteed Discounts

- Projects should provide guaranteed discounts to Low-and-Moderate Income households. The discount offered should be based on the true value of community solar projects, which should take into consideration project economics and available incentives.

Consolidated Billing

- Regulators should require and hold utilities accountable to implementing net-crediting on a timely basis. This mechanism combines all charges and credits on a single utility bill, making it easier for low-income households to manage and track savings. It also expands access, by allowing unbanked customers to participate, integrates with budget billing, and energy assistance programs. When implemented correctly, net-crediting improves the experience of participating in community solar, expands access, and enhances long-term retention of low-income households in community solar programs.

Utility Accountability

- Utilities must calculate and apply credits within one month of generation and provide community solar developers with timely and prompt reports.
- Ensure bill credits reduce the overall electric bill, and carry over excess credits to the households' bill the following month.

Consumer Outreach and Protections

- States should develop easy-to-understand standard customer disclosure forms, ensuring transparency in contract terms and program benefits.
- States should explicitly prohibit upfront costs, early termination fees, and credit score checks for low-to-moderate income households.

Coordination with Assistance Programs

- State Energy Offices should work closely with their LIHEAP State Directors to ensure community solar participation does not negatively affect eligibility for energy assistance programs.
- State Energy Offices should work with LIHEAP State Directors to explore automatic enrollment in LIHEAP for households already receiving other assistance.

Affordable Housing and Master-Metered Buildings

- Affordable housing and master-metered buildings should count towards LMI carve-outs.
- Savings should be passed through to tenants, potentially through reduced rent or shared amenities.



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Designing Community Solar Programs for Low-to-Moderate Income Households

June 2024



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About CCSA

The Coalition for Community Solar Access (CCSA) is a national trade association representing more than 120 community solar companies, businesses, and nonprofits working to expand customer choice and access to solar for all American households and businesses through community solar. We work with customers, utilities, local stakeholders, and policymakers to develop and implement policies and best practices ensuring highly successful community solar programs that champion the energy customer. CCSA is striving to build the electric grid of the future where every American consumer has the freedom to choose clean, locally generated energy to power their lives. And as a start, by 2030, our goal is to give at least 10 million people in America — households, small and large businesses, schools, churches, and hospitals — access to community solar, which is equivalent to 30 GW of community solar capacity installed.

What is Community Solar?

Community solar is the fastest-expanding segment within the solar industry, which itself is the fastest-growing energy sector in the country. Community solar gives all customers access to the benefits of clean energy, even those that cannot or do not want to install solar on site. In other words, these programs allow participants, including residents, businesses, non-profits, and other electricity consumers, to collectively support and benefit from solar energy, regardless of the physical or ownership attributes of their home or business.

Participants in community solar projects subscribe to a shared solar facility and, in return, receive credits on their electricity bills proportional to their share of the power generated. These shared facilities can be sited at a variety of locations on the distribution grid, including retired or active farmland, large commercial/industrial rooftops, brownfields and landfills. These projects provide landowners with an additional revenue stream by utilizing less productive land for energy generation.



Executive Summary

This comprehensive document outlines key considerations and recommendations for enhancing access to community solar programs for low-to-moderate income (LMI) households and disadvantaged communities. While states vary on their definition of LMI, most states define low-income participants as households with an annual income is at or below 80% of Area Median Income (AMI), or at or below 200% of the Federal Poverty Level (FPL). Moderate-income households are defined by a gross annual household income that is in excess of 200 percent of the Federal Poverty Level, but less than 80 percent of the Area Median Income. In addition, some states have chosen to align their definition to their state's Low-Income Home Energy Assistance Program (LIHEAP) guidelines. LIHEAP allows a state to set income eligibility at no less than 150% of the federal poverty level, or at 60% of the state's median income. We recommend states use an income threshold that includes Area Median Income to effectively capture both low-income and moderate income households.¹

Low-income families for example, spend on average, 8.6% of their household income on energy bills compared to higher-income households, which spend 3%² of their income on energy bills. Community solar is widely recognized to effectively serve low-to-moderate income households by providing monthly bill savings, and educating households on how they can participate in the clean energy transition. A recent study by Lawrence Berkeley National Lab³ found that community solar participants are six times more likely to live in multifamily housing, four times more likely to rent, and earn 23% less than rooftop solar adopters. The study also found states that establish policies that specifically target low-income community solar adoption effectively expand solar access among LMI households.

The following policies are promoted by the community solar industry as crucial program design elements that increase participation and retention of low-to-moderate income households while also striking the right balance of regulatory oversight.



¹ States should consider Asset Limited, Income Constrained, Employed households with income above the Federal Poverty Line, but below the basic cost of living: <https://unitedforalice.org/national-overview>

² <https://www.energy.gov/scep/slsc/low-income-community-energy-solutions>

³ <https://www.nature.com/articles/s41560-024-01546-2>

Recommended Program Design to Serve Low-Income Households

Carve-Outs

Creating specific provisions for low-income households has proven to be effective in increasing their participation in clean energy initiatives. According to WoodMac's Community Solar Outlook report from February 2024, the number LMI households participating in community solar programs saw a significant increase from 2 percent to 10 percent of all capacity from 2022 to 2023⁴. This increase is largely attributed to state policies mandating LMI involvement in community solar and federal incentives.

The community solar industry advocates for setting aside a portion of capacity for each project. Various states have set carve-outs between 20 to 51%, we believe each state should set a specific target taking into consideration not only equity goals but also population statistics and the program design specifics of the existing or desired community solar program. We recommend thoughtful planning considerations when setting carve-outs to avoid setting goals that are not achievable.

Carve-outs should be paired with policies that simplify the process of income verification and billing, ensure fair valuation, and provide strong protections for consumers to support reaching LMI requirements. To achieve broad-based participation, the LMI participation criteria should encompass public interest entities, moderate-income families, affordable housing units, and master-metered buildings.

Defining Low-to-Moderate Income

States should adopt income thresholds that capture both low- and moderate-income households. We recommend that states define low-income participants as households with an annual income that is at or below 80% of Area Median Income (AMI), or at or below 200% of the Federal Poverty Level (FPL), which is ever is highest and moderate-income households as households with an annual household income that is in excess of 200 percent of the Federal Poverty Level, but less than 80 percent of the Area Median Income, whichever is highest.

We strongly suggest states adopt a definition that uses the Area Median Income because it offers a more accurate, equitable, and adaptable measure of economic need by accounting for regional cost of living differences and capturing a wider range of income levels. This inclusive approach ensures more equitable access to community solar and avoids a one-size-fits-all approach that might be too generous in low-cost areas or insufficient in high-cost areas.

Income Verification

Determining income verification eligibility is one of the most foundational elements when designing a community solar program focused on LMI participation. Verification methods that rely on sensitive information such as W-2, taxes, or pay stubs have long been a barrier that can alienate, stigmatize, and cause undue burden for low-to-moderate income households. Earlier community solar programs that relied on sensitive tax information found customers were hesitant to share this information and expressed concern with privacy and data security. This distrust and concern for privacy resulted in low participation of low-income households in community solar. Additionally, storing this sensitive information presents a risk for subscription organizations who must take extra steps to protect and store this sensitive information.

⁴ <https://www.dropbox.com/scl/fi/93bs074qe6r0rfxq6bmag/CS-Outlook-H1-2024-executive-summary.pdf?rlkey=378od40g4g18vaonfb6gaq0ng&e=1&dl=0>

⁵ <https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/Programs/NY-Sun/2021-07-Stakeholder-Workshop.pdf>

⁶ <https://data.nrel.gov/submissions/233>

The New York Energy and Research Development Authority's (NYSERDA) [reported in 2021](#)⁵ that customers found income verification requirements intrusive, resulting in the slow pace of customer sign-ups for the first iteration of their Solar for All program. Despite significant on-the-ground outreach, substantial funding from the state, and a wide network of local partners, NYSERDA was unsuccessful in meeting its goal of enrolling 10,000 low-income households.

Since then, NYSERDA has expanded its income verification methods which has resulted in increased participation of LMI households. NREL's December 2023 Sharing the Sun Community Solar Project Database found 87MW-AC of installed capacity serving LMI, with 325.7 MW-AC planned capacity for LMI in NYS⁶. New York's experience demonstrates that when states allow a variety of income verification methods that simplify income verification and prioritize customer ease and privacy, low-to-moderate income households are more likely to participate in community solar.

Therefore, low-to-moderate income households should not be required to show sensitive information such as W-2, taxes, or pay stubs to participate in community solar. Instead, states should ensure that self-attestation, categorical eligibility and geo-eligibility are acceptable methods to determine a household's income and eligibility.

In addition, we strongly advocate against requiring households to reverify their income post-enrollment. This policy is consistent with federal regulations in the Low-Income Communities Bonus Credit program, where a household's low-income status is determined at enrollment and does not necessitate re-verification throughout the life of the project⁷.

Furthermore, for moves within the same utility territory, households should retain the ability to transfer their subscription without facing additional verification procedures. These measures streamline the participation process and ensure continued accessibility for enrolled households.

To safeguard the interests of consumers and uphold industry standards, subscriber organizations should be required to submit a signed affidavit under oath that income limits were clearly defined and described during the sales transaction. In the case of auditing, subscriber organizations are expected to store the self-attestation of income form or any other forms for a set period of time, as determined by the State Energy Office or Commission.



⁷ <https://www.govinfo.gov/content/pkg/FR-2023-08-15/pdf/2023-17078.pdf>

⁸ <https://aspe.hhs.gov/sites/default/files/documents/9e9000cb7b1e4e30c2e616e547ed9bd9/program-eligibility-participation-brief-december-2021.pdf>

Self-Attestation

To simplify income verification and prioritize customer ease and privacy, the industry supports self-attestation of income. Self-attestation allows individuals to declare their income without the need to provide supporting documentation. Self-attestation aims to streamline the enrollment process and make it more accessible to individuals, particularly those from low-to-moderate income households, by reducing administrative burdens and preserving privacy.

Self-attestation is an important income verification method that expands access to households not currently participating in federal and state social programs. Eligibility should not be pegged to social benefit programs alone, as a 2021 report by the U.S. Department of Health and Human Services found various levels of participation across social safety net programs ranging from 15% to 75%.⁸ For example, LIHEAP only serves 1 in 5 eligible households, therefore relying on categorical eligibility alone can exclude a large population of LMI households.

We strongly recommend the establishment of standardized self-attestation of income form by the state energy offices or public service commission to maintain consistency across the market. The state should also make sure to make the form available in Spanish and possibly other languages. This form should empower households to self-attest their income and should clearly state the purpose of the document and make clear that it should not be signed under penalty of perjury. To make the form accessible, states should not require a wet signature, and should give subscriber organizations the flexibility to digitize the form to be compatible with their online customer management platforms.

State	Status of Self-Attestation
Delaware	Allowed, form under development
Hawaii	Hawaii Electric Self-Attestation Form Complete
Maryland	Allowed, form under development
New Jersey	Self-Attestation Form Complete
New York	Inclusive Community Solar Adder Round 1 Self-Attestation Form
Virginia	Draft form, Awaiting Commission Approval

⁸ <https://aspe.hhs.gov/sites/default/files/documents/9e9000cb7b1e4e30c2e616e547ed9bd9/program-eligibility-participation-brief-december-2021.pdf>

Categorical Eligibility

Categorical eligibility allows an individual to provide proof of participation in federal and state needs-based assistance programs. By relying on existing assistance programs to verify households, subscriber organizations are quickly able to enroll households whose income has been verified by a government or independent entity. States should recognize the following federal assistance programs to cast a wide net of eligible households, allowing an individual to provide proof of participation in:

- Any verified government or non-profit program serving Asset Limited Income Constrained Employed (ALICE) persons or households
- Federal Lifeline Support for Affordable Communications
- Federal Public Housing Assistance
- Food Distribution Program on Native American Reservations (FDPIR)
- USDA's National School Lunch Program
- Head Start
- Housing Choice Voucher Program
- Low Income Home Energy Assistance Program (LIHEAP)
- Low Income Household Water Assistance Program (LIHWAP)
- Medicaid/ Children's Health Insurance Program
- Section 8 Housing Choice Voucher Program
- Social Security Disability Insurance
- Supplemental Nutrition Assistance Program (SNAP)
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
- Tribal Head Start
- Tribally- Administered Temporary Assistance for Needy Families (TTANF)
- Universal Service Fund (USF)
- Utility assistance
- Veterans Disability Pension
- Veterans Surviving Spouse
- Weatherization Assistance Program

In addition, states should include state assistance programs that may have slightly higher income requirements to ensure moderate-income households can also benefit from being identified.

While categorical eligibility simplifies the enrollment process, it should be one of many options. Most social benefits programs serve low-income households, with few programs supporting moderate-income households. Since community solar program carve-outs often require serving both low-to-moderate-income households, relying solely on categorical eligibility is an insufficient way to accurately identify moderate-income households.

In addition, not all eligible households participate in social programs. A 2021 report by the U.S. Department of Health and Human Services found various levels of participation across social safety net programs ranging from 15% to 75%. Therefore, having various programs and multiple income verification methods increases the participation of LMI households in community solar.

⁸ <https://aspe.hhs.gov/sites/default/files/documents/9e9000cb7b1e4e30c2e616e547ed9bd9/program-eligibility-participation-brief-december-2021.pdf>

In addition, it's important to conduct comprehensive studies to identify any potential challenges or conflicts, between existing assistance benefit programs and community solar programs. Participation in community solar should not penalize a household's participation or benefit in an assistance benefit program.⁹

Table 1. Number of Persons Eligible and Beneficiaries by Program, 2018

	Eligible (in millions)	Beneficiaries (in millions)	Participation rate
Medicaid/CHIP	77.0	57.8	75%
LIHEAP	72.2	14.5	20%
SNAP	64.4	40.9	63%
Housing assistance	51.1	11.0	22%
EITC	48.4	37.8	78%
Child support payments ⁵	14.6	10.2	70%
CCDF	14.4	2.2	15%
SSI (age 18+)	11.8	6.9	59%
TANF	10.0	2.8	28%
WIC (age 0-4)	9.6	5.1	53%

Source: Estimates based on Current Population Survey Annual Social and Economic Supplement 2019, TRIM3 microsimulation model, administrative data, and Current Population Survey Child Support Supplement 2018. EITC participation is from the IRS.

The community solar industry and regulators should engage with the appropriate human services agencies to ensure a smooth integration of community solar programs with existing assistance programs.

In order to simplify the verification, some states, like Hawaii and New Jersey have decided to allow self-attestation of income and participation in an income-qualified program to be filled out in one form. By having both in one form, the industry has found it can speed up a customer's understanding of their income status during the enrollment process. Having the federal and state benefit assistance programs listed out on the form can help guide people who are enrolling through community partners that offer some of those other income-qualified benefits. The benefit of including both self-attestation of income and participation in social benefit programs can maximize participation in programs from all eligible LMI households and capture households that are not participating in a federal or state assistance program.

Geo-Eligibility

Geo-eligible maps identify households based on various criteria like income, environmental burdens, and health vulnerabilities, which are the same population characteristics low-income community solar programs are trying to serve. In states where geo-eligibility maps are either established or under development, such maps should be made available to community solar subscription organizations to simplify enrollment and expand accessibility in community solar. If a state decides to allow geo-eligibility, it's important subscription managers are following one source of truth, and bad actors are not developing their own maps with generous boundaries. Households within a geo-eligible region should not have to demonstrate any additional information except proof of residency.

The community solar industry recognizes the resource-intensive nature of developing and maintaining a geo-eligibility map, therefore we understand if not all states implementing a low-income program are able to implement this method. For states lacking the means to create such maps and interested in geo-eligibility, we recommend using the federal Climate and Economic Justice Screening Tool¹⁰ (CJEST), as an eligible map to identify eligible census tracts.¹¹

⁹ The Inclusive Share Solar Initiative supported states in formulating strategies that leveraged LIHEAP and other low-income programs to reduce the costs of and barriers to investing and participating in community solar projects, <https://www.naseo.org/issues/solar/issi>

¹⁰ <https://screeningtool.geoplatform.gov/en/#3/33.47/-97.5>

¹¹ The federal government relies on CJEST for the Geographic Criteria requirements for qualifying a project under the Additional Selection Criteria as part of the federal Low-Income Communities Bonus Credit program. It was not used to identify individual households within a census tract, although states can use the map if they wish to do so.

Guaranteed Discounts

Programs should provide guaranteed discounts for low-income households based on accurate values of community solar projects. Discounts should be calculated based on a percentage of the value of the bill credits. To ensure maximum benefit for LMI households, careful program design will pair policy outcomes with suitable incentives to offset any associated costs. State discount mandates should consider project economics, valuation, and available incentives, with input from interested stakeholders including state officials, the community solar industry and target communities. Several states mandate guaranteed discounts for low-income households participating in community solar programs.

It's important to note, that projects receiving allocations from the Inflation Reduction Act's Low Income Communities Bonus Credit or funded through the Greenhouse Gas Reduction Fund's Solar for All Fund must offer a 20% guaranteed discount. However, it's crucial to recognize that not all community solar projects will qualify for the Low Income Communities Bonus Credit or Solar for All funding. The Low Income Communities Bonus Credit is highly competitive, with only 700 MW allocated in the first program year and 900 MW allocated in the second program year to third-party developers across the country. Therefore, we advise against mandating a 20% discount for all projects without further state incentives and proper valuation.

State	Mandated Bill Credit Discount for LMI Households
Colorado	25%
Maryland	10%
Minnesota	10%
New Jersey	20%*
New York	10-20%*
Oregon	20%
*All customers, not only low-and-moderate income customers receive the discount. ***Projects that provide a higher discount, receive a larger adder when they meet additional requirements	

Consolidated Billing

When it comes to billing customers, the standard method has been dual billing. Dual billing refers to a billing system where customers receive separate bills from both their utility company and the community solar provider. Dual billing is a method for utilities to attribute the benefits of community solar generation to the participating subscribers. The subscriber's energy usage costs are reduced by the full value of the bill credits associated with the subscriber's share of the generation up to the utility bill balance, with any additional credits carried over month to month. Meanwhile, subscription fees are collected by the community solar subscriber organization through a separate community solar bill paid to the subscriber organization. To determine the net savings, households need to subtract the cost of credits generated by the community solar project from the cost of electricity purchased from the utility.

This system can be complex and cumbersome for low-income customers, as it requires managing and reconciling multiple bills and payment processes which at times may take place months apart. Dual billing has been a barrier for low-income households, especially when projects require subscribers to enroll in autopay to pay for their community solar subscription, or utilities are delayed in allocated credits on households' bills. The dual bills, need for auto-pay, and additional complexity has deterred low-income families from participating in community solar and benefiting from much-needed savings. These challenges have highlighted the need for billing mechanisms that simplify the payment process and improve access.

To address these issues, CCSA supports consolidated billing as an instrumental element of community solar programs looking to serve low-to-moderate income households. Consolidating all charges and credits onto one monthly utility bill makes it easier for low-income households to track their savings, removes the need for multiple payments and allows LMI households who are unbanked, on payment plans or balanced billing to participate in community solar. This improves the experience of participating in community solar, expands access, and enhances long-term retention.

While consolidated billing is an umbrella term, there are various models to implement this. From the various models available, CCSA believes states should adopt a net-crediting billing mechanism. Net Crediting is a method by which the bill credit savings associated with the subscriber's share of generation and the subscription fee for community solar services are incorporated into the subscriber's standard utility bill for a nominal administrative utility fee. This process facilitates the recovery of the community solar subscription expenses through the utility's billing mechanism, ensuring that community solar subscribers receive a singular, consolidated bill that encompasses both traditional utility services and community solar subscriptions. The community solar provider's subscription fees are first subtracted from the monthly bill credits, leaving a net credit¹² on the customer's utility bill to offset any remaining utility charges. The utility then remits the collected subscription fees to the community solar provider, less a reasonable administrative net crediting fee, commonly 1% of the value of credits applied.

¹² The net credit or savings that appear on a customer's bill are determined by the bill credit discount offered by the customer's contract and the total value of the monthly bill credits generated by the customer's subscription share.

This model removes the customer from the complicated accounting and billing system, provides the customer with guaranteed savings and makes community solar a much more pleasant experience. For community solar providers, net-crediting with payment guarantees derisks projects, making financing more easily available to build projects for LMI households, and the utility is compensated through the administrative net crediting fee for their accounting.

It is essential to ensure that community solar credits can offset customer's utility bill balance without hindering programs supporting low-income households, such as balanced/level billing, Weatherization Assistance Program, LIHEAP, and utility-administered energy assistance programs. Additionally, any net-crediting model should allow flexibility for community solar projects to offer different discount levels across a single project, particularly those benefiting low-income households. It is common for community solar projects to split solar farms between eligible low-income participants, market-rate participants, and anchor tenants, all of which receive distinct discounts.

While net-crediting is widely accepted by the industry, service providers should not be mandated to participate in net-crediting, and should retain the option to opt-out entire projects and/or individual subscribers from net-crediting if necessary, recognizing the diverse customer classes within community solar projects.

Utility Accountability

When legislating community solar initiatives, it is imperative for legislators to mandate utilities to implement net crediting and update their tariffs by a specified deadline. Any net-crediting program must be accompanied by a payment guarantee for community solar providers. Additionally, the rules must include provisions to ensure timely payment to asset owners to ensure debt obligations are met in a timely fashion as to continue to promote investments in projects that serve low-income households - a reasonable timeline should be no more than 30 days from energy delivery to the grid.

Commissions must hold utilities accountable for timely performance in updating billing systems, incorporating net crediting, and applying credits accurately. Commissioners should require regular progress updates from utilities to ensure timely implementation of net crediting and prevent delays that could adversely affect low-to-moderate income households.

Commissions should also ensure utilities calculate credits within one month of generation, apply credits to bills within the same timeframe, and report credits to the subscription organization promptly. The credits should reduce the subscriber's monthly electric bill up to the total cost of electricity consumed, including all fixed and variable charges, riders, taxes, and surcharges. If the allocated or netted bill credit exceeds the current month's total cost of electricity, it should be carried over and applied to the next month's bill. Additionally, credit reports should include credit banks, and utilities should resolve any crediting issues without delay.

Consideration of Other Low Income Programs

Furthermore, to maximize benefits to low-income households, commissions should require utilities to share data with community solar providers regarding customer enrollment in affordability assistance programs, the corresponding benefit amount, and provide subscription organizations reporting that clearly outlines the value and timing of credit allocations, applications and any credit accumulation/banking or payouts as determined per program crediting rules. This flow of information will foster transparency, facilitate accurate billing and ensure LMI households receive the maximum benefit possible.

Customer Outreach, Marketing and Consumer Protections

As an industry organization, we support robust consumer protections to ensure customers have adequate and accurate information to make informed decisions about their energy needs. When states require low-income participation in community solar, it's vital to implement robust consumer safeguards to prevent adverse impacts on low-income families. Compliance with existing state consumer protection standards is essential, ensuring alignment and minimal deviation while integrating necessary low-income community solar-specific enhancements.

We fully support clear consumer protection measures for community solar programs. It is in the best interest of the subscriber to know what they are signing. When subscribers understand the terms of their contract, they are less likely to terminate their contract due to confusion or misunderstandings. To ensure LMI households are receiving the best product, states and/or the public service commission should follow these guidelines when developing marketing and consumer protection standards and materials.

The state energy office or public service commission should develop a standardized, easy-to-understand customer disclosure form. Disclosure forms should provide a high-level overview of the state's community solar program, concisely describe key contract terms, including fees, term length, cancellation policies, and any conditions or guarantees. The form should provide customers with reasonable, clear, layman terms of how energy production and savings will be calculated and allocated. In addition, clear explanations of how variations might affect their savings should also be included. While these are essential items to be included in the disclosure form, it is important to balance information with brevity¹³. Disclosure forms should be concise while providing enough information to ensure the customer understands the contract terms in order to provide informed consent.

When serving LMI households, it is critical up front enrollment costs, early termination fees and most importantly credit score checks are prohibited to subscribe LMI households onto a community solar project.

Language accessibility is crucial for expanding clean energy to low-income households with limited English proficiency. While implementing industry-wide language access requirements may be challenging, community solar providers should have the option to offer services in multiple languages based on community demographics. Companies conducting sales in a language other than English should follow the Consumer Financial Protection Bureau consumer protection rules for Elderly, Low-Income, and People with Disabilities that require the contract and service agreements are in the language of the sale.¹⁴

Additionally, some states, like New York, mandate third-party verification of subscriber enrollment for door-to-door and telemarketing sales¹⁵. This process involves an independent confirmation process via phone call, text message, or email to confirm that subscribers comprehend the community solar agreement terms before finalizing enrollment. This verification typically occurs after the subscriber signs the community solar agreement form. While third-party verification enhances consumer protection, it can also increase acquisition costs and may prolong the enrollment process for low-income customers. Therefore, if states require this additional step, they should carefully evaluate project viability and limit its use to door-to-door and telemarketing sale only.

¹³ The 2023 version of the Illinois Solar for All disclose form is considered in the industry as a form that has successfully struck the right balance between information and brevity. <https://www.illinoissfa.com/app/uploads/2023/11/2023-ILSFA-DF-deep-dive-Community-Solar-ComEd-income-eligible-v14.pdf>

¹⁴ <https://www.consumerfinance.gov/data-research/research-reports/the-cfpb-language-access-plan-for-consumers-with-limited-english-proficiency/>

¹⁵ <https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/Programs/NY-Sun/Contractor-Resources/upstate-program-manual.pdf> (page 34)

Education

Distrust among low- to moderate-income households often arises due to concerns about deceptive marketing practices and historical disparities in access to clean energy. Addressing these issues requires transparent communication, genuine engagement with LMI communities, and a commitment to equity and fairness in program design. By prioritizing transparency and inclusivity, the industry can work to build trust and confidence among LMI households.

To bolster community solar adoption among low-income households, states should invest in public service announcement campaigns aimed at educating residents about the benefits of community solar and available state programs. Furthermore, states should prioritize the development and maintenance of user-friendly websites, offering information in layman's terms, to serve as valuable educational resources for service providers when engaging with customers. Ensuring website accessibility in multiple languages can enhance outreach efforts and promote inclusivity among diverse communities.

Simultaneously, utility companies should also be required to provide customers with information about the availability and mechanics of community solar products available to them. State and utility-branded materials can help address skepticism about the legitimacy of community solar offerings among low-income households.

Program Coordination with Low-Income Assistance Programs

The following program recommendations require state administrators to ensure program compatibility with existing state and federal low-income energy assistance programs.

Low-income assistance space is crowded, complicated and balkanized so a careful eye to program design and knowledge of existing LMI assistance programs landscape is essential to avoid adverse impacts on low-income benefits and utility allowances. It's incumbent on the state energy offices that design and manage the state's community solar program to proactively meet with the state's LIHEAP and affordable housing departments to educate them on their state's LMI program requirements and collaboratively identify and address any issues that could arise from the savings low-income households receive from community solar. Failing to proactively address issues can impact participation and benefit levels in other programs and can cause households to unsubscribe from community solar.

Low-Income Home Energy Assistance Program (LIHEAP) Considerations

On June 15, 2023, the Office of Community Services under the Department of Health and Human Services (HHS) released an Information Memorandum¹⁶ confirming the use of Low-Income Home Energy Assistance Program (LIHEAP) for community solar subscription fees. This significant policy decision allows more low-income households to receive deeper savings and addresses some of the ongoing incompatibility between energy assistance programs and community solar programs.

Following this federal guidance, State Energy Offices must work closely with LIHEAP administrators to ensure that participation in community solar doesn't affect households' eligibility for LIHEAP and other energy assistance programs.

State Energy Offices must prioritize communicating and educating the state's LIHEAP state directors on the state's community solar rules. To provide the maximum to low-income households, LIHEAP state directors should update their model plans to allow LIHEAP funds to cover community solar subscriptions fees. This recognition of community solar as an energy vendor ensures that low-income households can benefit from solar without losing access.

¹⁶ <https://www.acf.hhs.gov/ocs/policy-guidance/liheap-im-2023-04-community-solar-and-liheap-considerations>

To better serve low-income households and provide accurate subscription allocations, regulators should require utilities to share data with community solar providers on whether a customer is enrolled in LIHEAP and the utility's affordability assistance program and the amount of the benefit.

According to HHS, in 2018, LIHEAP had the second largest number of eligible persons among all safety-net programs, roughly 72 million households, but had the lowest participation rates, only serving 14.5 million households, reaching 1 in 5 eligible households.¹⁷ To increase participation in energy assistance programs state legislators and regulators should explore ways to streamline the application process to assistance programs.

Categorical eligibility is also a potential method for income verification into LIHEAP programs. In 2023, the Maryland legislature passed HB 0323¹⁸, enabling the automatic enrollment into LIHEAP for households receiving SNAP, TNAF, SSI, and Means-Tested Affairs Benefits. Similarly, in Rhode Island, customers enrolled in various assistance programs, including SNAP, Medicaid, and LIHEAP, are automatically enrolled in the utility's affordability program, ensuring seamless integration between energy assistance and utility assistance programs. Extending this seamless experience to Community Solar through coordination with LIHEAP is critical for serving disadvantaged households.



¹⁷ <https://aspe.hhs.gov/sites/default/files/documents/9e9000cb7b1e4e30c2e616e547ed9bd9/program-eligibility-participation-brief-december-2021.pdf>

¹⁸ <https://mgaleg.maryland.gov/2023RS/bills/hb/hb0323T.pdf>

Affordable Housing and Master-Metered Buildings

One of the greatest strengths of community solar is broadening access to populations otherwise unable to deploy solar as such, affordable housing and master-metered buildings are ideal participants. As mentioned previously in the document, a recent study by the Lawrence Berkeley National Lab found that community solar participants are six times more likely to live in multifamily housing. When designing a community solar program, regulators need to ensure fair access to community solar for low-income households living in various housing situations. This includes rented apartments, affordable housing, and master-metered buildings. To achieve this, regulators should allow these housing types to count towards the state's low-income carve-out.

States should develop a standardized affidavit that master-metered housing authorities can sign off attesting that the savings associated with their subscription will be passed through directly to their tenants. Examples of such passthrough benefits may include reduced rent, investment in shared building amenities, or other enrichment programs accessible to tenants. On June 14, 2023, the U.S. The Department of Housing and Urban Development (HUD) released updated guidance on passthrough benefits mechanism for public and assisted housing¹⁹ can offer residents as a result of realizing utility savings from participating in community solar programs. HUD also provided additional guidance on appropriately calculating community solar credits in a households' overall income to avoid adverse impact on their housing eligibility.

Additionally, to make participation more attractive for residents in affordable housing and master-metered buildings, these accounts should receive a community solar bill credit similar or close to the residential rate. Careful program design is advised to ensure community solar doesn't affect households' eligibility to receive housing assistance.

State	Affordable Housing Rules	Benefits
Minnesota	Requires at least 55 % of the community solar garden's capacity is subscribed by low-to-moderate income subscribers; public interest subscribers; or affordable housing providers.	Have to be at least net zero.
New Jersey	Allows affordable multi-family housing which measures electricity usage with a master meter and is billed on a commercial rate class.	Benefits may be passed down through direct payments or a rate abatement. Can include indirect benefits such as facility upgrades and resident services. Customers must sign an affidavit affirming that specific, identifiable, and quantifiable benefits of the community solar subscription are being passed through to the tenants.
New Mexico	Allows affordable housing to count towards the state's 30% low-income carve-out.	Benefits have to be at least net zero.
New York	The Inclusive Community Solar Adder Round 2 program allows non-profits, public schools, and affordable housing to count towards their low-income requirement.	Projects with sub-metered buildings must demonstrate that at least 50% of the value of the community solar savings is being distributed to residents. Projects that are not sub-metered, can value distribution listed in HUD's Guidance for Treatment of Solar Programs for Residents.

¹⁹ https://www.hud.gov/press/press_releases_media_advisories/hud_no_23_162

Conclusion and Takeaways

Our program design recommendations provide a comprehensive strategy to significantly enhance low-to-moderate income household participation in community solar programs. As an industry, we advocate for state-specific carve-outs, simplified income verification methods such as self-attestation, and the use of categorical and geo-eligibility to make these programs more accessible. We support guaranteed discounts based on accurate project valuations to ensure financial viability. Additionally, we emphasize the necessity of consolidated billing to simplify payment processes and allow households to easily track their savings by including all charges and credits on a single bill.

Utilities play a crucial role in delivering the benefits of community solar, and it is imperative that commissions hold them accountable for timely updates to billing systems, the transition to net-crediting, and the prompt application of credits. Robust consumer protections are essential to ensure that customers have the information needed to make informed decisions about their energy needs. These protections should include standardized customer disclosure forms, the prohibition of upfront costs or credit checks, and language accessibility to accommodate diverse communities. Coordination with existing low-income assistance programs like LIHEAP, as well as affordable housing and master-metered programs, is vital to prevent any adverse impacts on eligibility and benefits. By implementing these strategies, we can foster greater inclusion of low-to-moderate income households in community solar programs, ensuring equitable access to clean energy.

