



## ENERGY DIVISION FACT SHEET

MARCH 4, 2024

Proceeding [A.22-05-022 et al.](#) | [www.cpuc.ca.gov/communitysolar](http://www.cpuc.ca.gov/communitysolar)

## Proposed Decision To Expand Existing Community Solar Program For Low-Income Customers & To Adopt New Community Solar Program

With a focus on strengthening successful programs and maintaining affordability, the California Public Utilities Commission (CPUC) released a [Proposed Decision](#) (PD) that would improve existing community solar programs and authorize a new community solar program that meets legislative requirements.

The PD expands the current [Disadvantaged Community Green Tariff Program](#) by 60 megawatts (MW), bringing the program total to 144 MWs. This program provides subsidies to participants that reduce their monthly electricity bills by 20 percent. The program is funded through charges on all customers' electricity bills and benefits low-income customers in disadvantaged communities. The PD enhances the existing [Green Tariff Program](#), which is available to both commercial and residential customers, by stabilizing the charges or credits for the program and aligning it with other clean energy procurement efforts.

The PD also authorizes an additional community solar program that would be available to customers of all income levels, as well as commercial customers. The new program would directly benefit low-income customers since 51 percent of the subscribers must be low-income and receive a guaranteed electricity bill credit. The program would allow California to take advantage of federal and state funding opportunities for low-income customers by creating a mechanism to capture available funding for community solar.

The PD's proposals reflect California's unique position well ahead of other states in solar deployment, with 35,000 megawatts of installed solar capacity providing clean energy to customers throughout the state. California is first in the nation for solar generation. Those solar resources make up nearly 30 percent of the state's electricity generation, compared to a national average of 5 percent. California's solar capacity also exceeds the peak demand of the entire system on many days of the year.

Additionally, the PD's proposals implement the Legislature's direction to minimize impacts to customers that do not participate in the new community solar program by prohibiting the program's costs from exceeding the cost for a utility to purchase the electricity from elsewhere. This statutory direction recognizes that community solar programs are funded through customer electricity bills, and, especially in light of rising electricity bills in California, these programs should be consistent with other efforts underway to reach a 100 percent clean energy future as affordably as possible. Outside of these programs, since January 2020 alone, California has added 10,800 megawatts of new clean energy projects to the grid through

### Protecting California since 1911

The CPUC regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies.



@CaliforniaPUC



competitive solicitations, solidifying California's leadership in pursuing a sustainable energy future.

### **Proposed Decision Expands Existing Community Solar Program Dedicated to Low-Income Customers**

---

- The Proposed Decision expands the Disadvantaged Community Green Tariff Program (DAC-GT) by 60 megawatts, bringing the total available capacity to approximately 144 megawatts.
- The DAC-GT program is funded through charges on all customer electricity bills and provides subsidies to low-income customers in disadvantaged communities to subscribe to community solar and receive a guaranteed 20 percent bill savings.
- DAC-GT was launched in 2019, and the program has shown initial success, with room for improvement that the Proposed Decision addresses.
- Three IOUs and 10 Community Choice Aggregators (CCAs) currently administer this program across the state to reach wide range of vulnerable customers.
  - To date, over 23,000 customers have enrolled, and 23 solar contracts have been signed.
  - We expect roughly 45,000 additional customers and 45 additional solar projects to be built with the newly available DAC-GT capacity.
- The Proposed Decision expands the geographic boundaries of a disadvantaged community to allow for more eligible projects that serve low-income customers.
- In response to the AB 2316 mandate to minimize duplicative offerings while promoting robust participation by low-income customers, this Proposed Decision ends the Community Solar Green Tariff Program (CSGT) and transfers the remaining capacity into the DAC-GT program.

### **Proposed Decision Adopts an Additional New Community Renewable Energy Program**

---

- The Proposed Decision authorizes an additional, new community renewable energy program for PG&E, SCE, and SDG&E customers that complies with Assembly Bill 2316 legislative requirements.
- This new program allows any residential customer to participate, regardless of income, as well as commercial customers.
- Although the program has designated participants, payment for the energy generated by solar projects will be collected from all customers within the utility's territory. Program participants will receive electric bill credits.
- The new program provides direct financial benefits to low-income Californians.
  - 51 percent of each project's capacity is dedicated to low-income subscribers, who will receive pre-determined, guaranteed monthly electricity bill savings.
  - Low-income customers at highest risk of disconnection will be prioritized for auto-enrollment.
- As directed by legislation, cross-subsidies from customers who do not participate in the program to customers that do are minimized. The Proposed Decision sets the amount of



compensation for solar exports to the grid at costs avoided by each project, and the subsidies to low-income customers will be funded by additional state and federal funding.

- The program allows California to take advantage of federal and state funding opportunities for low-income customers by creating a mechanism to capture this funding for community solar.
- Projects in this program that apply for connection to the distribution grid will be subject to safety and reliability requirements and studies, similar to resources that connect to the transmission grid.
- This program framework is compliant with federal legal requirements under PURPA.

### **Proposed Decision Improves Green Tariff Program and Creates Pathway for Potential Expansion**

---

- The Green Tariff Shared Renewable Program (GTSR) launched in 2015 to enable customers to pay a premium to go green and receive 50-100 percent renewable energy.
- There is no subsidy associated with this program: participants bear all of the tariffs' costs.
- The Proposed Decision improves GTSR by modifying the program to reduce rate volatility for participants and streamline renewables procurement.
  - Enables future GTSR procurement to be aligned with the state's broader integrated resource planning process.
  - Allows battery storage to be paired with solar projects.
- The Proposed Decision also creates a pathway for potential expansion beyond the program capacity cap.