EPA Greenhouse Gas Reduction Fund Solar For All Public Meeting

RI Office of Energy Resources
Draft Proposal

September 6, 2023

AGENDA

- Overview of the Greenhouse Gas Reduction Fund (GGRF) Solar For All (SFA) Competition
- Rhode Island's Proposed Approach
  1. Affordable Solar Access Pathways (ASAP)
  2. LMI small-scale Direct Purchase Adder
  3. Roof and Electrical System Adder
  4. Expansion of Energy Storage Adder
  5. Affordable Housing Solar Supplemental Program (AHSSP)
  6. Community Solar
  7. Financing Publicly Owned Solar Projects on Preferred Sites
  8. Community Solar Technical Assistance for DACs

What is Solar For All?

Solar For All is one of the three competitions being run by the EPA out of the Greenhouse Gas Reduction Fund – a $27 Billion dollar program enabled by the Inflation Reduction Act

Overview of the Greenhouse Gas Reduction Fund competition structure

	National Clean Investment Fund	Clean Communities Investment Accelerator	Solar for All
Competition description	**Fund 2-3 national nonprofits to partner with private capital providers** to deliver financing at scale catalyzing tens of thousands of clean technology projects	**Fund hub nonprofits to rapidly build clean financing capacity of networks of community lenders** to finance pollution-reducing projects in low-income & disadvantaged communities	**Support states, territories, Tribal & municipal governments, & nonprofits** to expand access to solar for low-income & disadvantaged communities by priming markets for investment
Number and type of grantees	**2-3** national nonprofits	**2-7** hub nonprofits	**Up to 60** states, Tribal & municipal governments, & eligible non-profit entities
Funding available	**Nearly $14B**	**$6B**	**$7B**
Expected impacts	**Historic public sector investment with the scale to attract private capital leverage in clean projects,** supporting the 2030, 2035, & 2050 climate goals of the United States and catalyzing tens of thousands of clean technology projects	**Robust pipeline of thousands of community-led clean projects with meaningful benefits**, generated by hundreds of community lenders capitalized by GGRF to start or expand clean lending in underserved communities	**Energy bill savings and energy resiliency for millions of underserved American households** via states, Tribal & municipal governments, & other recipients creating new or expanding existing low-income solar programs across the country

ELIGIBILITY

"EPA aims to maximize geographic coverage across all 3 award options."

		Award Option #1 – State and Territory Programs	**Award Option #2** – American Indian and Alaska Native Programs	**Award Option #3** – Multi-state Programs
Eligible applicants including coalitions with a lead applicant that is an eligible applicant	States	✓ Eligible		
	Territories	✓ Eligible		
	Tribal governments	✓ Eligible	✓ Eligible	✓ Eligible
	Municipalities	✓ Eligible		✓ Eligible
	Eligible nonprofit recipients	✓ Eligible	✓ Eligible	✓ Eligible
Number of awards		Up to 56	Up to 5	Up to 10
Geographic scope of work		Develop Solar for All programs that **serve a specific state/territory or a portion of a state/territory** (e.g., a coalition of municipalities within a state/territory)	Develop Solar for All programs that **serve American Indian and Alaska Native Communities**	Develop Solar for All programs that **serve similar communities in multiple states**

KEY PARAMETERS

expand existing low-income solar programs or design and deploy new Solar for All programs – intended to enable low-income households access to affordable, resilient and clean solar energy

Small Programs	Medium Programs	Large Programs
Award range of ***$25 million and up to $100 million***	Award range of ***greater than $100 million and up to $250 million***	Award range of ***greater than $250 million and up to $400 million***
Total population of disadvantaged census tracts identified by CEJST in the program geography: ***Fewer than 1 million people***	Total population of disadvantaged census tracts identified by CEJST in the program geography: ***Between 1 million people and 5 million people, inclusive***	Total population of disadvantaged census tracts identified by CEJST in the program geography: ***Greater than 5 million people***
EPA anticipates making ***up to 35 awards***	EPA anticipates making ***up to 20 awards***	EPA anticipates making ***up to 5 awards***

- a minimum **75% of program funds** should be used for direct financial assistance, remaining funds can be used for 'project deployment technical assistance' – including workforce development, education and outreach, and siting support.
- Financial assistance may support associated energy storage and up to 20% of financial assistance provided may be for 'enabling upgrades' including electrical upgrades, structural repair and energy efficiency.
- Programs must enable 'meaningful benefits' – deliver a minimum of 20% savings to households served under the program (based on a average household electricity bill for that utility territory) – EX: If the average annual bill is $1,500 – at least $300 in annual benefit would need to be provided. .
- Funds must be deployed within 5 years, with 1 year planning period allowed

Rhode Island's Proposed Approach

1. Affordable Solar Access Pathways (ASAP)
2. LMI small-scale Direct Purchase Adder
3. Roof and Electrical System Adder
4. Expansion of Energy Storage Adder
5. Affordable Housing Solar Supplemental Program (AHSSP)
6. Community Remote Net Metering (CRNM)
7. Financing Publicly Owned Solar Projects on Preferred Sites
8. Community Solar Technical Assistance for DACs

Program 1: Affordable Solar Access Pathways (ASAP)

- Third party ownership model
- Specific to homeowners that:
  - Meet 80% AMI
  - Live in a disadvantaged community
- All participants will realize electricity savings from day 1
- Competitively selected vendor, Posigen, to implement the program
- Uses $1.5 million of RGGI funds
- Relies on energy efficiency programs to maximize savings to participants
- OER is working with the Renewable Energy Fund, received DOE funds for a new application portal
- Can include energy storage and EV charging stations

Program 2: LMI Direct Purchase Small Scale adder

- Designed to be an adder to the REF Small Scale program which is $.65/watt with a cap of $5,000 per meter.
- Open to eligible customers who want to own the PV system, not a third-party system through ASAP
- REF Small Scale program is available 3x per year so targeting rounds 24-2 and 24-3 of 2024 for adder launch pending funding approval.
- Open to all installers with applications for eligible solar customers
- Will need to develop income eligibility requirements and process.

Program 3 - Roof and Electrical System Adder

- Designed to be an adder in addition to the REF small and commercial scale program base incentive.
- Solar for All funds will help defray the upfront costs of these upgrades:
  - Knob and Tube replacement
  - Roof Replacement
  - Electrical panel upgrades
- Will create a multifamily adder for commercial scale program for the same upgrades listed above
- REF Small and Commercial Scale programs are available 3x per year so targeting rounds 24-2 and 24-3 of 2024 for adder launch pending funding approval.

Program 4:Expansion of Energy Storage Adder

- REF will offer an addition $2,000 flat rate adder to qualifying LMI customers who wish to pair an energy storage system with either a leased or direct purchase PV system.
- This will bring the total energy storage incentive for a residential LMI customer to $4,000.
- Commitment to procure a contractor developing a commercial-scale energy storage adder
  - Eligible sectors include resiliency hubs, multifamily housing, or public critical facility locations

Program 5: Affordable Housing Solar Supplemental Program (AHSSP)

- New program design which will expand more opportunities for solar on multifamily housing.
- Includes an expansion of current ZEOS program that provides funding to get new construction and deep retrofits to get to net zero.
- Offers grants to design and construct affordable, energy-efficient housing to serve low-to-moderate income Rhode Islanders located in DACs.
- RI Housing will create an additional program for affordable housing serving renters earning no more than 80% of Area Median Income (AMI) or homeowners earning no more than 120% AMI that meet the following criteria
  - Development financing through RIHousing, for all-electric new construction or gut rehabilitation.
  - Eligible uses: onsite net-metered solar and energy storage
  - Developers will be able to access program resources as part of regularly scheduled RFPs for ZEOS and other RIHousing development financing programs

Program 6: Community Remote Net Metering

- Solar Siting legislation allows OER to file a docket with the PUC to increase the Community Remote Net Metering (CRNM) program to 40MW
- Allows for a commercial/industrial anchor tenant to receive up to 50% VNM credits
- Remainder 50% must be LMI subscribers Anticipated timeline for docket filing – Summer 2024
- BCA analysis - Spring 2024
- Stakeholder Engagement – Spring 2024
- CRNM program design – Summer 2023

Community Solar will be the most impactful program in terms of number of households served in our SFA application

Program 7: Financing Publicly Owned Community Solar Projects on Preferred Sites

- A new program created through the Rhode Island Infrastructure Bank that finances the construction of community solar projects on publicly owned parcels.
- Financing and siting solar arrays on preferred sites.

Preferred sites are statutorily defined as:

"a location for a renewable energy system that has had prior development, including, but not limited to, landfills, gravel pits and quarries, highway and major road median strips, brownfields, superfund sites, parking lots or sites that are designated appropriate for carports, and all rooftops including, but not limited to, residential, commercial, industrial and municipal buildings."

RHODE ISLAND INFRASTRUCTURE BANK

Program 8: Community Solar Technical Assistance for Disadvantaged Communities

- Provide technical assistance for the enrollment of Disadvantaged Communities (DAC) through the Efficient Buildings Fund (EBF)
- Cover, subsidize, and/or provide assistance for associated opt-in costs and support, allowing ratepayers in disadvantaged communities (DAC) to access benefits from the constructed solar arrays
- Public entities can now take advantage of direct pay!
- Offer tours of built arrays to the community members and subscribers

RHODE ISLAND INFRASTRUCTURE BANK

Workforce Development

- Proposed programming will leverage Rhode Island's best-in-nation workforce development platform, Real Jobs Rhode Island (RJRI) to provide comprehensive training directly to members of the communities that will be served through this grant.
- Workforce development services will include:
  - Pre-apprenticeship training
  - Career-readiness services: interview coaching, resume writing, 1:1 customized curriculums
  - Wrap around services: child-support, transportation, equipment
  - Entrepreneurship readiness training
  - Targeted upskilling and placement in apprenticeships

DLT Department of Labor and Training RHODE ISLAND

Workforce Development

- Real Jobs RI can help fill a gap in the solar industry by increasing the electrician workforce
- Recruitment will be done in-community, drawing on the expertise and services of DLT's Community Engagement Partners, a coalition of 25 CBOs committed to partnering with DLT.
- This approach will drive the opportunities presented by Solar For All to the communities that will benefit from our programming, investing grant funding into RJRI's proven program for placing individuals into quality, sustainable careers that will serve historically underserved communities.

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Stakeholder Feedback

- We welcome your feedback and suggestions as we continue to develop a comprehensive Solar For All grant application for the State of Rhode Island. Please submit all comments by 11:59PM on September 12th. The SmartComment link can be found here, or by visiting OER's GGRF webpage that discusses this funding opportunity.
- We look forward to receive your feedback to the following questions:

1. What barriers currently exist in the State to the deployment of residential solar, associated storage, enabling upgrades, and community solar projects in and benefiting low-income and/or disadvantaged communities?

   (a) Within the realm of Financial Assistance and Technical Assistance, how could this funding be used to help address those barriers?

   (b) Which of the focus areas listed above, or what other focus areas, would be the most useful in mitigating the identified barriers?

2. What community engagement programs could help the deployment of residential solar, associated storage, enabling upgrades, and community solar projects in and benefiting low-income and/or disadvantaged communities?
   - What community engagement gaps have been identified as barriers to deployment?
   - How should Solar for All funds be used to grow existing relationships and expand the number of community-based organizations working with the Rhode Island Consortium to deploy clean energy resources in low-income and/or disadvantaged communities?

Stakeholder Feedback (continued)

3. If you are attending today on behalf of an organization, would you be willing to sign a letter of support for Rhode Island's Solar For All application?
4. To what extent should funding be limited to low- and/or moderate-income households in disadvantaged communities? Should single-family households in higher-income brackets in disadvantaged communities be eligible for financial incentives?
5. If the REF caps financing fees for projects utilizing the LMI direct ownership adder, what should the cap percentage be?
6. The REF will be going out to bid for a vendor to assist with income verification measures. What type of program eligibility for direct purchase and energy storage adder should the REF require as part of their proposal?
7. What recruitment mechanisms most effectively reach historically marginalized and underserved communities to ensure that they have access to workforce and career development services?

Thank you!