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.