



## ENERGY DIVISION FACT SHEET

MAY 30, 2024

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

## Decision Expands Existing Community Solar Program For Low-Income Customers & Adopts New Community Solar Program

With a focus on strengthening successful programs and maintaining affordability, the California Public Utilities Commission (CPUC) adopted a [Decision](#) that improves existing community solar programs and authorizes a new community solar program that meets legislative requirements.

The Decision expands the current [Disadvantaged Community Green Tariff Program](#) by 60 megawatts (MWs), 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 Decision 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 Decision also authorizes an additional community solar program that will be available to customers of all income levels, as well as commercial customers. The new program will directly benefit low-income customers since 51 percent of the subscribers must be low-income and receive a guaranteed electricity bill credit. The program will 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 Decision reflects California's unique position well ahead of other states in solar deployment, with 35,000 MWs 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 Decision implements 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 MWs of new clean energy projects to the grid through

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

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

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- The Decision expands the Disadvantaged Community Green Tariff Program (DAC-GT) by 60 MWs, bringing the total available capacity to approximately 144 MWs.
- 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 Decision addresses.
- Three investor-owned utilities 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.
  - The CPUC expects roughly 45,000 additional customers and 45 additional solar projects to be built with the newly available DAC-GT capacity.
- The Decision expands the geographic boundaries of a disadvantaged community to allow for more eligible projects that serve low-income customers.
- In response to the Assembly Bill 2316 mandate to minimize duplicative offerings while promoting robust participation by low-income customers, the Decision ends the Community Solar Green Tariff Program (CSGT) and transfers the remaining capacity into the DAC-GT program.

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

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- The 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. Community choice aggregators are allowed to participate in the program.
- 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 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, such as the Environmental Protection Agency's recently announced Solar For All grant award, by creating a mechanism to capture funding for community solar.
- A Ruling will be issued shortly in this proceeding to collect stakeholder feedback on program details, including the method for dispersing state and federal funding to the projects and participating customers.
- 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.

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

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- 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 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 Decision also creates a pathway for potential expansion beyond the program capacity cap.