



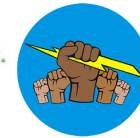
VOTE SOLAR



SUNRISE MOVEMENT
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DEFENSE



RECLAIM OUR POWER!
Utility Justice Campaign

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

The Honorable Nancy Skinner
Chair, Senate Committee on Budget
Capitol Office, 1021 O Street, Suite 8360
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker of the Assembly
Capitol Office, 1021 O Street, Suite 8330
Sacramento, CA 95814

The Honorable Steve Bennett
Chair, Assembly Budget Subcommittee #3
Capitol Office, 1021 O Street, Suite 4710
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President pro Tempore
Capitol Office, 1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Josh Becker
Chair, Senate Budget Subcommittee #2
Capitol Office, 1021 O Street, Suite 7250
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Committee on Budget
Capitol Office, 1021 O Street, Suite 8230
Sacramento, CA 95814

May 22nd, 2023

Re: CA Legislature should allocate \$400M to community solar and storage

Dear Chair Becker and Members of the Committee,

The undersigned organizations respectfully request \$400 million to be appropriated from FY 2023 - 2026 to ensure that California's implementation of AB 2316 through A.22-05-022 ensures equitable access to community solar and storage projects while maximizing benefits to low-income and environmental justice communities. We respectfully request \$25M in year 1, \$200M in year 2 and \$175M in year 3.

To meet 2045 climate commitments, California must embark on an unprecedented buildout of clean energy, and leverage every tool in its clean energy toolkit. Community solar and storage is one of the fastest options the State has available to meet our near and mid-term reliability needs, as SB 846 requires for consideration in the Clean Energy Reliability Investment Plan (CERIP). With a viable and resourced program, projects can come online as early as 2024 and 2025, and help prevent system-wide blackouts and power outages. Strategically siting projects in local grid-constrained areas can also ensure the State moves more quickly to safely and reliably retire peaker gas plants that are currently kept online to meet local reliability requirements. This is a critical opportunity to improve air quality and public health in some of the most overburdened communities in the State.

Community solar and storage is also a critical pathway to ensure equitable equitable access to more affordable energy bills. Currently, a vast majority of low-income communities and renters in the State do not have access to the economic benefits from clean and distributed energy because upfront costs for solar installation are unaffordable, they are renters, or their house does not have a suitable roof to host an on-site system. Community solar and storage can bring access to these communities, while also providing opportunities for deeper equity benefits through community ownership and co-governance models.

AB 2316 requires California to "prioritize the maximum use of state and federal incentives" in creating a new community solar and storage program. Further, our organizations have reviewed current proposals within CPUC proceeding A.22-05-022 and have determined that state investment is essential to maximize equitable benefits, and put California in a competitive position to secure federal funding. This is extremely important as several other states already have programs up and running and there is significant interest in this source of funding. In addition to solar tax credits, the EPA's Greenhouse Gas Reduction Fund earmarks \$7 billion to specifically support expanding access to rooftop and community solar for low-income and disadvantaged communities, in alignment with the Biden-Harris Administration's Justice40 Initiative.

Specifically, we urge that state funding be used to support projects that do any of the following:

- **Deliver greater bill savings for low-income households** who face the highest levels of energy burden
- Serve **low-income households living within disadvantaged communities** as defined in Section 39711 of the Health and Safety Code

- Increase **local reliability in low-income and disadvantaged communities**, thereby offsetting the need for polluting fossil gas
- Demonstrate clear pathways for **community ownership and co-governance**, including through technical assistance
- Enable **minority contracting and workforce development** opportunities

In other words, state and federal funding should be used to maximize benefits for environmental justice communities. We support the CEC having the immediate responsibility of administering funds so that they are distributed without delay, but recommend an equity-focused third party administrator be eligible to manage these responsibilities if necessary.

With a total of \$1 billion from state and federal funding, we believe California can deploy 2,500 MW of community solar energy projects in low-income and disadvantaged communities that can offset the need for harmful fossil gas, increase utility bill savings, and promote opportunities for community-owned projects that can bring even greater benefits for subscribers. These projects would also help address several goals the state and the California Energy Commission have identified:

- **Reliability** - Projects will be co-located with storage to ensure dispatchability during peak hours in summer months when the grid is most strained and there is high reliance on fossil fuels.
- **Equity and access** - Subscribers to projects will receive guaranteed savings at a time of high energy burden and economic insecurity. Program funding can promote projects that build community wealth and economic development in environmental justice communities.
- **Job growth** - AB 2316 requires all projects pay prevailing wages. Paired with federal incentives, projects will support high quality job growth that pays livable wages.
- **Land use** - [Executive Order N-82-20](#) and [AB 2278](#) (Kalra, 2022) enshrined in statute the goal of preserving 30% of state lands and waters by 2030. Community solar and storage projects are uniquely positioned to preserve state lands by maximizing landfill and brownfield development, in addition to fallowed agricultural land and industrial rooftops.
- **Speed and scale of solar energy development** - Community solar has proven effective in markets across the country, and states such as New York have managed to install nearly 1 GW in a short period of time. With enough infrastructure and an established interconnection process, California should outpace other markets and bring projects online within a year.

For all of these reasons, our coalition of equity and environmental advocates strongly encourages the State Legislature to recommend community solar and storage as a priority investment to the joint legislative budget committees.

Sincerely,

Amee Raval
Asian Pacific Environmental Network

Alexis Sutterman
California Environmental Justice Alliance

Zach Lou
California Green New Deal

Lauren Kubiak
Natural Resources Defense Council

Stephanie Doyle
Vote Solar

Stephen Campbell
GRID Alternatives

Sofia Magallon
Central Coast Alliance for a United Economy

Brandon Dawson
Sierra Club

Maryam Dallawar
Sunrise Movement Orange County

Eddie Ahn
Brightline Defense

Andy Brooks
Association for Energy Affordability

Bill Allayaud
Environmental Working Group

Derek Chernow
Coalition for Community Solar Access

Jessica Tovar
Local Clean Energy Alliance

Jack Eidt
SoCal 350 Climate Action

Bill Przulucki
Ground Game LA

Shaina Nanavati
Reclaim Our Power