

June 16, 2023

Lora W Johnson Clerk of Council City Hall- Room 1E09 1300 Perdido Street New Orleans, LA 70112

## Ms. Johnson and others:

Thank you for the opportunity to comment on docket *UD-18-03: Rulemaking Proceeding To Establish Rules for Community Solar Projects.* Working Power is pleased to submit comments in support of changes to the existing community solar program. Working Power co-develops and co-owns community solar projects that catalyze local economic development and maximize community benefit beyond typical clean energy generation. Working Power's model stems from over a decade of experience led by parent company Urban Ingenuity (UI). We have advised and directly invested over \$150M resulting in 18MW of clean energy deployment and over \$20.5M in community benefits.

Working Power is interested in partnering with community-based organizations to co-develop and co-own locally sourced, small-scale (less than 5 MW) community solar in New Orleans, and we applaud the City's support of community solar. However, the community solar program structure needs revision to support successful project development.

Based on our experience and best practices from across the country, we believe the following revisions to the existing program would support successful community solar development:

- 1. Set the community solar generation (CSG) per kWh credit at the retail tariff rate with an adder or upfront \$/W incentive for projects that secure low-income subscribers.
  Compensation at the wholesale rate or below the current retail rate does not support the long-term operating expenses of community solar projects. To successfully support the development of local community solar projects, the open program must be compensated at or near the retail tariff rate¹. For projects that support low-income participants and provide meaningful savings of 10% or more, a tariff rate adder or upfront \$/W incentive needs to be established.
- 2. Allow qualification of low-income subscribers upon initial enrollment only and validate eligibility through participation in other low-income programs such as LIHEAP, SNAP, or the school free lunch program.

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<sup>&</sup>lt;sup>1</sup> Information on Minnesota's Community Solar program and incorporates these recommendations: https://ilsr.org/minnesotas-community-solar-program/

The US Department of Energy (DOE) is developing a platform to connect Low-Income Homes Energy Assistance Program (LIHEAP) participants to available community solar arrays<sup>2</sup>. This is part of a movement to increase access for low-income households and reduce administrative reporting burdens for community solar operators<sup>3</sup>. Eliminating cumbersome reporting requirements allows more benefits, such as energy cost savings, to go directly to the subscribers.

## 3. Enact utility on-bill net crediting.

On-bill net crediting<sup>4</sup> is quickly becoming the industry standard for community solar. Net crediting supports the utility paying the community solar array owner directly to minimize risk and eliminates the need for subscribers to receive two bills. Subscribers receive a utility bill with the integrated solar subscription and savings, reducing complexity and confusion and supporting greater community solar participation. The existing Geaux Green program platform could be modified to facilitate net crediting for community solar subscribers in New Orleans.

Working Power is encouraged that the maximum community solar project size was recently increased to 5 MW. In addition, the Council should incorporate the proposed elements of community solar program design, which will better position the city to take advantage of Inflation Reduction Act (IRA) funding and the Environmental Protection Agency (EPA) Greenhouse Gas Reduction Fund (GGRF) Solar for All grant funding.

We hope the Council will continue to refine the program through docket UD-18-03 to facilitate successful, equitable community solar in New Orleans to help reduce low-income energy burden through energy cost savings, increase clean energy generation, and support local economic development through support of thriving community solar development.

Sincerely,

Nora Barger, Director of Project Development, Working Power

lan Fischer, Co-founder & Managing Partner, Working Power

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<sup>&</sup>lt;sup>2</sup> https://www.energy.gov/communitysolar/community-solar-subscription-tool

<sup>&</sup>lt;sup>3</sup> www.nrel.gov/docs/fy21osti/79548.pdf

<sup>&</sup>lt;sup>4</sup> https://www.ysgsolar.com/blog/national-grid-launches-net-crediting-value-stack-community-solar-cdg-projects-ysg-solar