Solar Assistance within Energy Assistance

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Community Solar for Community Action

An Energy Assistance Program Innovation
Community Solar for Community Action (CS4CA) uses the Community Solar Garden model to change the face of energy assistance in our country. Community Solar Gardens are centrally-located solar photovoltaic (PV) systems that provide electricity to participating subscribers. With RREAL’s shared solar model, Community Solar for Community Action, all of the monetary savings from a shared solar array are transferred from a meter owner to a local energy assistance program.

RREAL is forging a new model of nationally relevant energy assistance.
Case Study:
Community Solar for Community Action Partnership with the Leech Lake Nation Energy Assistance Program

- Community solar garden is 217.6 kW (DC)
- 100% low-income subscribers
- All subscribers LIHEAP qualified
- System owned by Tribal LIHEAP service provider
- Funding from state dollars
- Subscriptions annually transferable
- Subscriptions sized by low-income household’s energy burden
- EAP service partially delivered through VNMCs, prioritizing homes with electric heat
- $25,000 per year solar energy production value delivered to low-income families
The first 100% Low-Income Community Solar garden integrated into Energy Assistance Service Delivery in the US

[Diagram showing the process and stakeholders involved in the project, including grants, state government, donors, for-profit subsidiary, Leech Lake Solar Project, Tribal Council, Site Owners, and various stakeholders like the Utility, Master Electrician Apprenticeships for 3 graduates, Leech Lake Tribal College, RREAL, Leech Lake Housing, and Leech Lake Gaming.]

[Logo of Leech Lake Band of Ojibwe]
Finance Lessons Learned from Leech Lake
SOCIAL IMPACT BONDING

A broader application of the CS4CA model will utilize the pay-for-success model, also known as social impact bonds. This is a financing tool used to fund and demonstrate innovative projects that more effectively serve a public need than existing public sector programs. The pay-for-success model places the risk on an investor, who funds the innovative service provider administered social program. If the project is successful, the investor receives a reimbursement with returns from the government and the government is obligated to pursue the innovation. Social impact bonds can help current energy assistance programs catch up with the new, clean, distributed energy technologies, and thus provide long-term support for the costs of community solar installations in well over half the United States.

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**Service Provider**

RREAL and Local Community Action Agency

As part of the DOE Solar in Your Community Challenge, RREAL will utilize its Community Solar for Community Action model. By implementing a low-income shared solar array under this model, all the monetary benefits go to energy assistance to empower more people.

**Private Investor**

This entity would pay for the cost associated with the project and be reimbursed for the project by the government partner if deemed successful. Private investor bears all financial risk.

**Government Partner**

State Energy Assistance Agency

This branch would agree to pay back the cost of the project to the investor and take over the model after completed.

**Evaluator**

Independent third-party that evaluates the proposed outcomes and metrics of the model.

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PAY-FOR-PERFORMANCE FINANCING

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Pay for Success Funding

1. Invest
2. Structure, coordinate and manage risk
3. Deliver services
4. Achieve outcomes
5. Measure & validate
6. Pay for Success
7. Repay principal and return

IMPROVING SOCIAL OUTCOMES

Investors
Intermediary
Social Service Providers
Back-End Payor
Independent Evaluator or Validator
Target Population
Community Solar for Community Action Pay for Success Model

US HHS
- Payment based upon achieved outcomes
- Returns dependent upon outcomes

LIHEAP Grantee Payor
- Allocates EA funds
- Sends metrics outcomes

Intermediary
- Outcomes contracts
- Capital investment

Social Impact Investors

Solar Developer (EPC)
- Submit solar EA recipients list & owner of solar generation

Solar Array
- Generates kWh

Community Action Program Administrators
- Measures outcomes

Evaluator

EA Recipients
- Receives solar kWh credits

Local Utility
Partnerships: The Power to Make a Difference!

Benefits of CS4CA PFS Energy Assistance Program Partnership Innovation:

1) Low-income customer identification
2) Income Verification
3) Public-private financing
4) Utility relationships already exist
5) Mission and service alignment
6) National infrastructure
7) Scalable, replicable, iterative
We want to hear from you.

- What are your energy assistance program challenges and desired outcomes?

- How are you building a human services organization for the future?

- How might a person-centered and performance-based low-income energy assistance program like CS4CA make a difference in your region?

- How can RREAL partner with you to generate the power to make a difference for low-income families and communities, the environment, and the economic well-being of all of US?