



AB 1990 Solar for All:

Community based renewable energy projects that create local jobs, build strong neighborhoods, and give low-income communities control over their energy future.

Frequently Ask Questions

What does AB 1990 do?

Solar for All (AB 1990) is a pilot program that will do three things:

1. Build 375 megawatts (MW) of local clean renewable energy in low-income communities of color, reducing the need for polluting power plants in these neighborhoods. The program should support about 1000 rooftop solar projects
2. Provide opportunities for building owners to be energy producers through a Feed in Tariff (FiT)—which is a standard price offered by utilities to purchase renewable electricity from local solar projects.
3. Create local employment opportunities in low-income communities of color.

How does Solar for All work?

AB 1990 is designed to provide a stable market for renewable energy projects in low-income communities of color for up to 6 years. It utilizes a proven policy and regulatory mechanisms: Distributed Generation supported by a Feed in Tariff. AB 1990 can help utilities meet their Renewable Portfolio Standard requirements that require public and private utilities in California receive at least 33 percent of their electricity from renewable sources by the year 2020.

What is a Feed in Tariff and how will it work in AB1990?

Feed-in Tariffs (FiT's) require utilities to offer long-term, standard-price contracts to renewable energy producers. Under AB 1990, utilities would purchase electricity from building owners with rooftop solar in low-income communities of color at a price sufficient to cover the costs of installing and maintaining the solar system. Feed-in tariffs support renewable energy projects in over 50 countries around the world, and California has used feed-in tariffs for several years.

What is Distributed Generation?

Distributed Generation (DG) is electricity generated close to where it is used. DG produces electricity that is either used on-site or feeds into the local grid, rather than being sent long-distance over the bulk transmission grid. AB 1990 will promote DG systems that are owned and operated by customers themselves to boost local power reliability.

DG reduces the amount of energy lost through transmission, and the number of new polluting power plants that need to be built. If enough DG is built it can also reduce the size and number of long-distance power lines and associated corridors that need to be constructed.

How much will the program cost utility customers?

The average residential customer will have an extra electric bill cost of about 10 cents per month eight years from now and we are working to offset that cost. For example, the California Solar Initiative program will be phased over the next several years and this program has an estimated \$180 million budget. AB 1990 will start in 2014 and gradually ramp up over a period of 6 years, during which time the cost will be even less. This cost is tiny relative to SDG&E's proposal to raise rates \$2 per month so that ratepayers pay uninsurable costs from future expected fires, even if they cause them.

How many jobs will AB 1990 create?

A proposed 600 MW FIT program for Los Angeles is estimated by the Los Angeles Business Council to create 11,000 job-years over a 10-year period. Using similar modeling assumptions, AB 1990's 375 MW pilot program should produce about 6,000 job-years over a six-year period.

Why is local hiring important and does it work?

There are many graduates of green job training programs in underserved communities but there are few employment opportunities. There is both a lack of demand for solar installers locally and a lack of access to jobs through traditional hiring pathways. A local hiring program would help trained graduates in these communities have the access and opportunity to install the solar systems going up in their backyards.

Why isn't more solar being developed in low-income communities of color?

Most residents in the communities targeted by AB 1990 do not own their home nor do they have high enough electric bills to be able to take advantage of solar financing under existing policies. Many of California's utility companies are focused on larger scale systems outside of the urban core. The California Solar Initiative (CSI), a part of the signature million solar roofs program, has a small fund for low-income homeowners and multifamily buildings (the SASH & MASH programs); SASH mostly helps single-family homeowners with a monthly energy bill of \$150 or more. These programs have been rapidly subscribed, and are likely to end in the next year or two. Solar for All is about three times the size of the successful MASH/SASH programs, and ensures that solar continues to be supported—and expand—in low-income communities of color.