

Affordable Community Renewable Energy (ACRE)

June 6, 2022, Draft

Overview:

The ACRE Program is intended to offer economic assistance to Vermonters with low-income through community renewable energy projects. The American Rescue Plan Act (ARPA) funding for this program is intended for those who were disproportionately harmed by the Covid pandemic. The ACRE program offers Vermont distribution utilities (DUs) the opportunity to use community renewable energy projects to offer long-term economic assistance to low-income customers/members in their service territory. To meet the requirements of ARPA, the ACRE programs will deliver economic assistance to eligible recipients in the near term (before the end of 2026). The programs should also provide a long-term benefit (e.g., reductions in electric bills) through the generation of a renewable energy project(s).

ACRE Program Requirements and Development:

1. ARPA Requirements
 - a. Funds must be obligated by December 31, 2024 – program plans in place
 - b. Funds must be expended by December 31, 2026 – programs operating/memberships awarded and fully paid for
 - c. Funds need to be directed to households with low- to moderate-income ($\leq 185\%$ of the Federal Poverty Guideline)
 - d. The renewable energy memberships that provide benefits after 2026 must have characteristics of fungible assets to the beneficiaries
2. Program Development:
 - a. The Public Service Department (PSD) will issue an RFP to the DUs for community renewable energy program designs for their customers/members that meet the ARPA Requirements.
 - b. Willing DUs would propose designs for their own community solar program(s) in their service territory (or they could join with other DUs). The community renewable energy proposals shall include:
 - i. A membership structure that provides a fungible/transferable asset to the income eligible customer. Beneficiaries of the membership shall have the ability to:
 1. maintain their membership as they move from one home to another within the DU's (or group of DUs) service territory
 2. ability to transfer the membership to another income-qualifying customer or member of the DU
 - ii. A mechanism for monthly credits delivered via the member's electric bill. Credits can be either a monthly cash credit (e.g., \$30/mo.) or a tariff-based credit (\$/kWh).
 - iii. A marketing and customer education and outreach campaign to sign-up eligible customers in an equitable manner. The program would have an increased outreach to Vermonters that have traditionally been left out of the renewable energy transition, including the very low-income, BIPOC, and English language learners.
 - iv. The renewable project for the program would preferably be new but could be an existing generation plants eligible for Tier II of the Renewable Energy Standard.

3. Program Funding & Administration:
 - a. \$10 million in ARPA dollars is available for the program. The ARPA funds would be granted to the participating DU for the benefit of income eligible households. Granted funds would cover the costs to develop or procure community renewable energy power for the DU's program participants.
 - b. The funding, through the Public Service Department (PSD), will cover eligible administrative and other program expenses incurred by the PSD and participating DUs.
 - c. ARPA dollars for the program will be distributed proportionately amongst participating DUs based on number residential customers with an adjustor to account for DUs with members/customers with higher energy burdens.

4. Program Membership:
 - a. The programs' beneficiaries will receive a membership through their DU's Community Renewable Energy Program for low-income customers.
 - b. Each participant's membership will be linked to "x" number of panels or a portion of the capacity measure of the system (X kW) for the program's duration
 - c. The membership will remain under the member's control regardless of changes to their income during the membership term
 - d. The member will have control of the membership in that they will have the right to transfer that membership for the balance of the membership term to another customer of their DU who meets the income eligibility guidelines for the program at the time of the transfer. The membership cannot be split or shared with other utility customers
 - e. If a member chose to withdraw from the program, and the withdrawing member does not identify a qualifying customer/member to take the membership, the DU would find a new eligible customer/member to receive the membership.
 - f. Program members receive fixed \$ credit on bill monthly of no less than \$25 for at least five years (60 months).

5. Program Membership Qualifications:
 - a. The is a program designed for Vermonters with low-income. While meeting the income guidelines would be a minimum qualification, other additional determinants could be established for membership or for program promotion.
 - b. Additional Program Goals – Beyond the issues of income eligibility, other factors could be considered for selecting members in order to reach broad and inclusive portions of the population that have been traditionally underserved. Those include:
 - i. Poverty Level. The DU's programs should seek to serve a higher ratio of very low-income (<100% of FPG) participants.
 - ii. BIPOC – The program should strive to serve a higher proportion of Vermont's Black, Indigenous, and Peoples of Color than is present in the DU's customer base
 - iii. Limited English Proficiency (LEP) – The program should strive to serve a higher proportion of Vermont's LEP community than is present in the DU's customer base