

117TH CONGRESS
1ST SESSION

H. R. 3568

To direct the Secretary of Energy to establish a program to provide assistance for low-income solar projects, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 28, 2021

Mr. CÁRDENAS (for himself and Ms. LEE of California) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To direct the Secretary of Energy to establish a program to provide assistance for low-income solar projects, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Affordable Solar En-
5 ergy for Our Communities Act”.

6 **SEC. 2. GRANT PROGRAM FOR SOLAR INSTALLATIONS LO-**
7 **CATED IN, OR THAT SERVE, LOW-INCOME**
8 **AND UNDERSERVED AREAS.**

9 (a) DEFINITIONS.—In this section:

1 (1) BENEFICIARY.—The term “beneficiary”
2 means a low-income household or a low-income
3 household in an underserved area.

4 (2) COMMUNITY SOLAR FACILITY.—The term
5 “community solar facility” means a solar generating
6 facility that—

7 (A) through a voluntary program, has mul-
8 tiple subscribers that receive financial benefits
9 that are directly attributable to the facility;

10 (B) has a nameplate rating of 5 megawatts
11 AC or less; and

12 (C) is located in the utility distribution
13 service territory of subscribers.

14 (3) COMMUNITY SOLAR SUBSCRIPTION.—The
15 term “community solar subscription” means a share
16 in the capacity, or a proportional interest in the elec-
17 tricity generation, of a community solar facility.

18 (4) COVERED FACILITY.—The term “covered
19 facility” means—

20 (A) a community solar facility—

21 (i) that is located in an underserved
22 area; or

23 (ii) at least 50 percent of the capacity
24 of which is reserved for low-income house-
25 holds;

1 (B) a solar generating facility located at a
2 residence of a low-income household; or

3 (C) a solar generating facility located at a
4 multi-family affordable housing complex.

5 (5) COVERED STATE.—The term “covered
6 State” means a State with processes in place to en-
7 sure that covered facilities deliver financial benefits
8 to low-income households.

9 (6) ELIGIBLE ENTITY.—The term “eligible enti-
10 ty” means—

11 (A) a nonprofit organization that provides
12 services to low-income households or multi-fam-
13 ily affordable housing complexes;

14 (B) a developer, owner, or operator of a
15 community solar facility that reserves a portion
16 of the capacity of the facility for subscribers
17 who are members of low-income households or
18 for low-income households that otherwise finan-
19 cially benefit from the facility;

20 (C) a covered State, or political subdivision
21 thereof;

22 (D) an Indian Tribe or a tribally owned
23 electric utility;

24 (E) a Native Hawaiian community-based
25 organization;

1 (F) any other national or regional entity
 2 that has experience developing or installing
 3 solar generating facilities for low-income house-
 4 holds that maximize financial benefits to those
 5 households; and

6 (G) an electric cooperative or municipal
 7 electric utility (as such terms are defined in sec-
 8 tion 3 of the Federal Power Act).

9 (7) ELIGIBLE INSTALLATION PROJECT.—The
 10 term “eligible installation project” means a project
 11 to install a covered facility in a covered State.

12 (8) ELIGIBLE PLANNING PROJECT.—The term
 13 “eligible planning project” means a project to carry
 14 out pre-installation activities for the development of
 15 a covered facility in a covered State.

16 (9) ELIGIBLE PROJECT.—The term “eligible
 17 project” means—

18 (A) an eligible planning project; or

19 (B) an eligible installation project.

20 (10) FEASIBILITY STUDY.—The term “feasi-
 21 bility study” means any activity to determine the
 22 feasibility of a specific solar generating facility, in-
 23 cluding a customer interest assessment and a siting
 24 assessment, as determined by the Secretary.

1 (11) INDIAN TRIBE.—The term “Indian Tribe”
2 means any Indian Tribe, band, nation, or other or-
3 ganized group or community, including any Alaska
4 Native village, Regional Corporation, or Village Cor-
5 poration (as defined in, or established pursuant to,
6 the Alaska Native Claims Settlement Act (43 U.S.C.
7 1601 et seq.)), that is recognized as eligible for the
8 special programs and services provided by the
9 United States to Indians because of their status as
10 Indians.

11 (12) INTERCONNECTION SERVICE.—The term
12 “interconnection service” has the meaning given
13 such term in section 111(d)(15) of the Public Utility
14 Regulatory Policies Act of 1978 (16 U.S.C.
15 2621(d)(15)).

16 (13) LOW-INCOME HOUSEHOLD.—The term
17 “low-income household” means that income in rela-
18 tion to family size which—

19 (A) is at or below 200 percent of the pov-
20 erty level determined in accordance with criteria
21 established by the Director of the Office of
22 Management and Budget, except that the Sec-
23 retary may establish a higher level if the Sec-
24 retary determines that such a higher level is

1 necessary to carry out the purposes of this sec-
2 tion;

3 (B) is the basis on which cash assistance
4 payments have been paid during the preceding
5 12-month period under titles IV and XVI of the
6 Social Security Act (42 U.S.C. 601 et seq.,
7 1381 et seq.) or applicable State or local law;
8 or

9 (C) if a State elects, is the basis for eligi-
10 bility for assistance under the Low-Income
11 Home Energy Assistance Act of 1981 (42
12 U.S.C. 8621 et seq.), provided that such basis
13 is at least 200 percent of the poverty level de-
14 termined in accordance with criteria established
15 by the Director of the Office of Management
16 and Budget.

17 (14) MULTI-FAMILY AFFORDABLE HOUSING
18 COMPLEX.—The term “multi-family affordable hous-
19 ing complex” means any federally subsidized afford-
20 able housing complex in which at least 50 percent of
21 the units are reserved for low-income households.

22 (15) NATIVE HAWAIIAN COMMUNITY-BASED OR-
23 GANIZATION.—The term “Native Hawaiian commu-
24 nity-based organization” means any organization
25 that is composed primarily of Native Hawaiians

1 from a specific community and that assists in the
2 social, cultural, and educational development of Na-
3 tive Hawaiians in that community.

4 (16) PROGRAM.—The term “program” means
5 the program established under subsection (b).

6 (17) SECRETARY.—The term “Secretary”
7 means the Secretary of Energy.

8 (18) SOLAR GENERATING FACILITY.—The term
9 “solar generating facility” means—

10 (A) a generator that creates electricity
11 from light photons; and

12 (B) the accompanying hardware enabling
13 that electricity to flow—

14 (i) onto the electric grid;

15 (ii) into a facility or structure; or

16 (iii) into an energy storage device.

17 (19) STATE.—The term “State” means each of
18 the 50 States, the District of Columbia, Guam, the
19 Commonwealth of Puerto Rico, the Northern Mar-
20 iana Islands, the Virgin Islands, and American
21 Samoa.

22 (20) SUBSCRIBER.—The term “subscriber”
23 means a person who—

1 (A) owns a community solar subscription,
2 or an equivalent unit or share of the capacity
3 or generation of a community solar facility; or

4 (B) financially benefits from a community
5 solar facility, even if the person does not own
6 a community solar subscription for the facility.

7 (21) UNDERSERVED AREA.—The term “under-
8 served area” means—

9 (A) a geographical area with low or no
10 photovoltaic solar deployment, as determined by
11 the Secretary;

12 (B) a geographical area that has low or no
13 access to electricity, as determined by the Sec-
14 retary;

15 (C) a geographical area with an average
16 annual residential retail electricity price that
17 exceeds the national average annual residential
18 retail electricity price (as reported by the En-
19 ergy Information Agency) by 50 percent or
20 more; or

21 (D) trust land, as defined in section 3765
22 of title 38, United States Code.

23 (b) ESTABLISHMENT.—The Secretary shall establish
24 a program to provide financial assistance to eligible enti-
25 ties—

1 (1) carry out planning projects that are nec-
2 essary to establish the feasibility, obtain required
3 permits, identify beneficiaries, or secure subscribers
4 to install a covered facility; or

5 (2) install a covered facility for beneficiaries in
6 accordance with this section.

7 (c) APPLICATIONS.—

8 (1) IN GENERAL.—To be eligible to receive as-
9 sistance under the program, an eligible entity shall
10 submit to the Secretary an application at such time,
11 in such manner, and containing such information as
12 the Secretary may require.

13 (2) INCLUSION FOR INSTALLATION ASSIST-
14 ANCE.—

15 (A) REQUIREMENTS.—For an eligible enti-
16 ty to receive assistance for a project to install
17 a covered facility, the Secretary shall require
18 the eligible entity to include—

19 (i) information in the application that
20 is sufficient to demonstrate that the eligi-
21 ble entity has obtained, or has the capacity
22 to obtain, necessary permits, subscribers,
23 access to an installation site, and any other
24 items or agreements necessary to comply
25 with an agreement under subsection (g)(1)

1 and to complete the installation of the ap-
2 plicable covered facility;

3 (ii) a description of the mechanism
4 through which financial benefits will be
5 distributed to beneficiaries or subscribers;
6 and

7 (iii) an estimate of the anticipated fi-
8 nancial benefit for beneficiaries or sub-
9 sscribers.

10 (B) CONSIDERATION OF PLANNING
11 PROJECTS.—The Secretary shall consider the
12 successful completion of an eligible planning
13 project pursuant to subsection (b)(1) by the eli-
14 gible entity to be sufficient to demonstrate the
15 ability of the eligible entity to meet the require-
16 ments of subparagraph (A)(i).

17 (d) SELECTION.—

18 (1) IN GENERAL.—In selecting eligible projects
19 to receive assistance under the program, the Sec-
20 retary shall—

21 (A) prioritize—

22 (i) eligible installation projects that
23 will result in the most financial benefit for
24 subscribers, as determined by the Sec-
25 retary;

(ii) eligible installation projects that will result in development of covered facilities in underserved areas; and

(iii) eligible projects that include apprenticeship, job training, or community participation as part of their application; and

(B) ensure that such assistance is provided in a manner that results in eligible projects being carried out on a geographically diverse basis within and among covered States.

(2) DETERMINATION OF FINANCIAL BENEFIT.—In determining the amount of financial benefit for low-income households of an eligible installation project, the Secretary shall ensure that all calculations for estimated household energy savings are based solely on electricity offsets from the applicable covered facility and use formulas established by the State or local government with jurisdiction over the applicable covered facility for verifiable household energy savings estimates that accrue to low-income households.

(e) ASSISTANCE.—

(1) FORM.—The Secretary may provide assistance under the program in the form of a grant

1 (which may be in the form of a rebate) or a low-in-
2 terest loan.

3 (2) MULTIPLE PROJECTS FOR SAME FACIL-
4 ITY.—

5 (A) IN GENERAL.—An eligible entity may
6 apply for assistance under the program for an
7 eligible planning project and an eligible installa-
8 tion project for the same covered facility.

9 (B) SEPARATE SELECTIONS.—Selection by
10 the Secretary for assistance under the program
11 of an eligible planning project does not require
12 the Secretary to select for assistance under the
13 program an eligible installation project for the
14 same covered facility.

15 (f) USE OF ASSISTANCE.—

16 (1) ELIGIBLE PLANNING PROJECTS.—An eligi-
17 ble entity receiving assistance for an eligible plan-
18 ning project under the program may use such assist-
19 ance to pay the costs of pre-installation activities as-
20 sociated with an applicable covered facility, includ-
21 ing—

22 (A) feasibility studies;

23 (B) permitting;

24 (C) site assessment;

1 (D) on-site job training, or other commu-
2 nity-based activities directly associated with the
3 eligible planning project; or

4 (E) such other costs determined by the
5 Secretary to be appropriate.

6 (2) ELIGIBLE INSTALLATION PROJECTS.—An
7 eligible entity receiving assistance for an eligible in-
8 stallation project under the program may use such
9 assistance to pay the costs of—

10 (A) installation of a covered facility, in-
11 cluding costs associated with materials, permit-
12 ting, labor, or site preparation;

13 (B) storage technology sited at a covered
14 facility;

15 (C) interconnection service expenses;

16 (D) on-site job training, or other commu-
17 nity-based activities directly associated with the
18 eligible installation project;

19 (E) offsetting the cost of a subscription for
20 a covered facility described in subparagraph (A)
21 of subsection (a)(4) for subscribers that are
22 members of a low-income household; or

23 (F) such other costs determined by the
24 Secretary to be appropriate.

25 (g) ADMINISTRATION.—

1 (1) AGREEMENTS.—

2 (A) IN GENERAL.—As a condition of re-
3 ceiving assistance under the program, an eligi-
4 ble entity shall enter into an agreement with
5 the Secretary.

6 (B) REQUIREMENTS.—An agreement en-
7 tered into under this paragraph—

8 (i) shall require the eligible entity to
9 maintain such records and adopt such ad-
10 ministrative practices as the Secretary may
11 require to ensure compliance with the re-
12 quirements of this section and the agree-
13 ment;

14 (ii) with respect to an eligible installa-
15 tion project shall require that any solar
16 generating facility installed using assist-
17 ance provided pursuant to the agreement
18 comply with local building and safety codes
19 and standards; and

20 (iii) shall contain such other terms as
21 the Secretary may require to ensure com-
22 pliance with the requirements of this sec-
23 tion.

24 (C) TERM.—An agreement under this
25 paragraph shall be for a term that begins on

1 the date on which the agreement is entered into
2 and ends on the date that is 2 years after the
3 date on which the eligible entity receives assist-
4 ance pursuant to the agreement, which term
5 may be extended once for a period of not more
6 than 1 year if the eligible entity demonstrates
7 to the satisfaction of the Secretary that such an
8 extension is necessary to complete the activities
9 required by the agreement.

10 (2) USE OF FUNDS.—Of the funds made avail-
11 able to provide assistance to eligible installation
12 projects under this section over the period of fiscal
13 years 2022 through 2026, the Secretary shall use—

14 (A) not less than 50 percent to provide as-
15 sistance for eligible installation projects with re-
16 spect to which low-income households make up
17 at least 50 percent of the subscribers to the
18 project; and

19 (B) not more than 50 percent to provide
20 assistance for eligible installation projects with
21 respect to which low-income households make
22 up at least 25 percent of the subscribers to the
23 project.

24 (3) REGULATIONS.—Not later than 120 days
25 after the date of enactment of this Act, the Sec-

1 retary shall publish in the Federal Register regula-
2 tions to carry out this section, which shall take ef-
3 fect on the date of publication.

4 (h) AUTHORIZATION OF APPROPRIATIONS.—

5 (1) IN GENERAL.—There is authorized to be
6 appropriated to the Secretary to carry out this sec-
7 tion \$200,000,000 for each of fiscal years 2022
8 through 2026, to remain available until expended.

9 (2) AMOUNTS FOR PLANNING PROJECTS.—Of
10 the amounts appropriated pursuant to this section
11 over the period of fiscal years 2022 through 2026,
12 the Secretary shall use not more than 15 percent of
13 funds to provide assistance to eligible planning
14 projects.

15 (i) RELATIONSHIP TO OTHER ASSISTANCE.—The
16 Secretary shall, to the extent practicable, encourage eligi-
17 ble entities that receive assistance under this section to
18 leverage such funds by seeking additional funding through
19 federally or locally subsidized weatherization and energy
20 efficiency programs.

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