



Legislation Text

File #: 2271-2023, **Version:** 1

BACKGROUND: This ordinance authorizes the Director of Public Utilities to enter into a non-profit service contract with Solar United Neighbors (SUN) to implement a Low to Moderate Income (LMI) Solar Co-Op program.

Solar United Neighbors is a 503(c)(3) nonprofit dedicated to building a clean, equitable energy system with rooftop solar as the cornerstone. SUN utilizes solar co-ops (a bulk-purchasing model) to provide discounted solar rates that help people go solar, jump-start and grow local clean energy markets, bring new constituencies into the movement, and build support for inclusive clean energy policies. SUN also works closely with community partners to ensure that the economic and social benefits of renewable energy development are invested into the local communities they serve.

SUN's Ohio program, which began in 2016, has launched 38 co-ops to help migrate 611 people to solar, and in the process saving them an estimated \$16.8 million in energy bill savings over their panels' lifespans, while supporting 91 local jobs, and offsetting 172.7 million pounds of carbon emissions. These co-ops included a total of 3 co-ops in Columbus, through which SUN was able to take 67 people solar, facilitating the installations of 532 kW of solar capacity, saving people an estimated \$1 million over their panels' lifespans, and investing \$1.3 million into the local economy. With over 67 solar installations facilitated and 518 participants in the solar info sessions throughout the Columbus Area Solar Co-ops since 2020, SUN has identified an emerging pattern of underserved communities. These are diverse communities that unfortunately have limited means to achieve any degree of energy independence. This can lead directly to higher utility costs and negative health outcomes.

In alignment and support of the Columbus Climate Action Plan, the Sustainable Columbus office is partnering with SUN and IMPACT Community Action to develop a low- to moderate-income (LMI) solar program that applies and adapts SUN's proven co-op model to maximize engagement of low-income communities and maximize the benefits that low-income households receive from solar. This pilot program will help individual LMI homeowners go solar and provide battery backup on their own homes, free of charge. They will also receive the associated financial benefits of solar (30% federal income tax credit, solar renewable energy credits, increased property value and renewable energy property tax exclusion, and solar electricity production). The program will be designed to cover up to 100% of the LMI homeowner's post-energy efficiency electricity usage, helping the homeowner see day-one savings on their monthly electric bill and extending those savings for the lifetime of the solar energy system. Additionally, this program will help determine the barriers to going solar, show demand for rooftop solar in lower-income communities, build trust, educate the community, and address energy burdens. IMPACT Community Action will work directly with SUN to identify Co-Op participants, mostly through their Weatherization program - a federal program that provides energy efficiency upgrades and includes a home audit.

SUN will oversee the installation of seventeen solar systems, including battery backup, for program participants that reflect an income threshold of up to three hundred percent (300%) of the Federal Poverty Level. Year 1 savings under this program are projected to total \$772 per year per household and will collectively reduce the electricity burden by fifty to eighty percent (50-80%). In total, this program is projected to save residents a total of \$656,000.00 and offset 4,796,928 lbs of carbon.

The services included in this agreement cannot be provided by existing city employees because these services are beyond the City's current staffing capacity to provide.

This contract(s) will include program expenses beginning January 1, 2023.
Impact Community Action, FID 462462990, CC#CC018434

FISCAL IMPACT: This ordinance authorizes the expenditure of \$499,500.00 from the Sustainable Columbus Fund, to Solar United Neighbors for implementation of the Solar Co-Op Management Program.

EMERGENCY DESIGNATION: This ordinance is being submitted as an emergency in order to expedite the approval of this contract. The Department is targeting a September date for the unveiling of this program, so we need to get the contract and funding in place as soon as possible.

To authorize the Director of the Department of Public Utilities to enter into a non-profit service contract with Solar United Neighbors for implementation of the Solar Co-op Management Program, a low- to moderate-income (LMI) solar program that increases engagement of low-income communities and maximizes the benefits that low-income households receive from solar; to appropriate \$499,500.00 from the unappropriated balance of the Sustainable Columbus Fund; to authorize the expenditure of \$499,500.00 from the Sustainable Columbus Fund; and to declare an emergency. (\$499,500.00)

WHEREAS, Solar United Neighbors is a 503(c)(3) nonprofit dedicated to building a clean, equitable energy system with rooftop solar as the cornerstone; and

WHEREAS, SUN utilizes solar co-ops (a bulk-purchasing model) to provide discounted solar rates that help people go solar, jump-start and grow local clean energy markets, bring new constituencies into the movement, and build support for inclusive clean energy policies; and

WHEREAS, SUN will develop a low- to moderate-income (LMI) solar program that applies and adapts SUN's proven co-op model to maximize engagement of low-income communities and maximize the benefits that low-income households receive from solar; and

WHEREAS, this program will help individual LMI homeowners go solar and receive battery backup, free of charge and receive the associated financial benefits of solar (30% federal income tax credit, solar renewable energy credits, increased property value and renewable energy property tax exclusion, and solar electricity production); and

WHEREAS, this program will be designed to cover up to 100% of the LMI homeowner's post-energy efficiency electricity usage, helping the homeowner see day-one savings on their monthly electric bill and extending those savings for the lifetime of the solar energy system; and

WHEREAS, this contract is awarded pursuant to provisions relating to non-profit services of City Code Chapter 329.30; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities in that it is immediately necessary to authorize the Director to enter into a non-profit service contract with Solar United Neighbors for implementation of the Solar Co-op Management Program, without delay to meet a targeted September date for the unveiling of this program all for the immediate preservation of the public health, peace, property and safety; **NOW, THEREFORE,**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS, OHIO:

SECTION 1. That the Director of the Department of Public Utilities is hereby authorized to enter into a non-profit service contract with Solar United Neighbors to implement the Solar Co-op Management Program.

SECTION 2. That from the unappropriated monies and from all monies estimated to come into said fund from any and all sources and unappropriated for any other purpose during the fiscal year ended December 31, 2023, the sum of \$499,500.00 is appropriated in Fund 2260 (Sustainable Columbus Fund), Dept-Div 4550 (Office of the Finance Director), in object class 03 (Contractual Services) per the account codes in the attachment to this ordinance.

SECTION 2. That the expenditure of \$499,500.00, or so much thereof as may be needed in regard to the action authorized in Section 1, is hereby authorized from the Sustainable Columbus Fund 2260 in object class 03 Contractual Services, per the accounting codes in the attachment to this ordinance.

SECTION 3. That the monies in the foregoing Sections shall be paid upon order of the Director of Public Utilities, and that no order shall be drawn or money paid except by voucher, the form of which shall be approved by the City Auditor.

SECTION 4. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 6. That this contract is awarded in accordance with the relevant provisions of Columbus City Code Chapter 329.30 relating to awarding not-for-profit service contracts.

SECTION 7. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure, and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.