

California Enhanced Community Renewables Program

IREC developed the National Shared Renewables Scorecard to provide policymakers, regulators, and other stakeholders with a tool for evaluating the strengths and weaknesses of state shared renewable energy programs. IREC graded **California's Enhanced Community Renewables Program** using the Scorecard's full criteria* and found that the program currently receives a **D** because it **does not comport with many of the IREC-identified best practices, which could impede program effectiveness and market development.**

KEY	One star (★) indicates an especially important criterion for a state program. Two stars (★★) indicate one of the most heavily weighted and critical criteria for program success.
------------	--

Category	Criterion	Description	Program Grade
General Program Details	Aggregate Capacity Limit	Does the program have an unlimited aggregate capacity ?	✗
	Tracking & Reporting Requirements	★ Does the program specifically require the utility or other relevant entity to provide publicly available data regarding installed and queued capacity that is updated on at least an annual basis?	✓
	Low- to Moderate-Income (LMI) Consumer Participation	★ Does the program have specific component(s) to promote LMI customer participants (e.g., capacity carve-out or target?)	✓
		Does the program explicitly address financial barriers faced by LMI participants (e.g., incentives or on-bill financing)?	✗
		Does the program have specific requirements re LMI customer marketing, education, and outreach ?	✓
Customers and Subscriptions	Eligibility	Are all customer classes eligible for the program?	✓
	Portability	★ Does the program explicitly permit portability (i.e., allow participants to move within the utility service territory and take their subscription with them)?	✓
	Transferability	★ Does the program explicitly permit transferability (i.e., allow participants to leave the program or service territory and transfer their subscriptions to others?)	✗
Generation Systems	System Capacity Limit	Is the system size limit at least 5 megawatts (MW) ?	✓
	Siting Requirements	★★ Does the program allow both on-site and off-site facilities?	✓
		Can the facility and customers be located anywhere within the utility service territory?	✗
		Do the program rules explicitly address whether or not facilities can be co-located ?	✗
Ownership & Management	Are third-party facility ownership and management permitted?	✓	
Bill Credits	Valuation	★★ Does the program meet one of the following conditions: 1) Bill credit is valued at the utility's retail rate; 2) Bill credit includes values for generation and at least some portion of the transmission and/or distribution charges; or 3) RECs are used to provide value in addition to bill credit.	✗
		★ Is the valuation methodology clearly articulated in the statute, rule, and/or tariff?	✗
	Unsubscribed Generation	Is unsubscribed generation clearly treated and valued at least at an avoided cost rate?	✓
Renewable Energy Credits (RECs)	Subscribed RECs	Are subscribed RECs clearly treated?	✓
	Unsubscribed RECs	Are unsubscribed RECs clearly treated?	✓
State Program Grade:			D

Program Strengths

- ✓ **Allows shared renewable energy facilities to be located either on-site or off-site.**
- ✓ **Explicitly permits customers to keep their subscriptions if they move within the same utility's service territory.**
- ✓ **Promotes LMI customer participation via a 100 MW capacity carve-out for disadvantaged communities.**

Opportunities for Improvement

- **Improve the value proposition for customers by increasing the bill credit rate.** This is one of the most heavily weighted and critical criteria for program success. Under the current program, customers only receive bill credits based on the class average generation rate.
- **Clarify the valuation methodology to ensure that it is clearly articulated and easy to understand.**
- **Explicitly allow a customer's subscription to be transferred to another customer or back to the subscription organization.** Transferability is not specified within the current regulations.
- **Allow the facility and customers to be located anywhere within the utility service territory.** Currently, the facility must be located in the same municipality or county as subscribers or within 10 miles of subscribers.

*Note: The criteria above are a subset of the full criteria used to arrive at the state grades but reflect the most substantial program design components. For more information about the Scorecard, including the full criteria applied to grade state programs and definitions for many of the terms within the criteria, see <https://sharedrenewablescorecard.org/>.