

# Advancing Solar Energy Equity for the City of San Diego

In partnership with San Diego Gas & Electric® (SDG&E®) and the City of San Diego, the Center for Sustainable Energy (CSE) is demonstrating how utilities and municipalities can make the cost-saving benefits of rooftop solar available to homeowners in income-qualified communities.

## THE CHALLENGE

Nationally, low-income families spend as much as three times more than the average household on energy, according to the U.S. Department of Energy's Low-Income Energy Affordability Data Tool. Rooftop solar panels could substantially reduce these families' energy bills, freeing household funds for other expenses. But few low-income families can afford to purchase a solar energy system and prepare their home for installation.

The City of San Diego saw an opportunity to address local environmental justice and social equity issues when renewing its energy franchise agreement with SDG&E. The new agreement called for establishing an incentive program for low-income residents of city neighborhoods most vulnerable to climate change impacts.

SDG&E selected CSE to design and administer the 10-year, \$10 million San Diego Solar Equity Program, which provides solar energy systems at little to no cost to homeowners who historically have been unable to afford clean energy technologies. This program is entirely funded by SDG&E shareholders, not ratepayers.



## THE GOALS



Expand equitable access to solar



Lower residents' monthly energy costs



Achieve long-term greenhouse gas reductions



Promote local solar jobs and job training

“Every neighborhood must benefit from our efforts to fight climate change, especially those most vulnerable to its impacts. This program will bring the advantages of solar power to San Diego residents who otherwise can’t afford it, providing financial savings and environmental rewards at the same time.”

– San Diego City Council President Sean Elo-Rivera

## APPROACH & OUTCOMES

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### Stakeholder Engagement

In developing the San Diego Solar Equity Program, CSE consulted extensively with local stakeholders to understand San Diego’s specific needs and barriers to solar adoption. This included group consultation and one-on-one meetings with the local electrical workers’ union, community-based organizations, environmental justice groups, technical organizations and city council offices. Ongoing engagement with external stakeholders and participating solar contractors will provide feedback to continue refining the program to ensure goals are met.

### Equity-Focused Design

The program was designed to prioritize San Diego communities facing the highest risks from climate change and historically low access to renewable energy due to socioeconomic circumstances. The program prioritizes households in designated Communities of Concern based on San Diego’s Climate Equity Index, and all eligible households must have incomes 120% or less than the area mean income (AMI).



## IMPACTS

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- 39 active projects in Year 1
- 80% of participants with incomes of 80% AMI or less
- Potential for 300+ solar installations over the life of the program

*“We share the city’s goals to advance a clean energy future and climate equity. We appreciate CSE’s inclusive and data-driven approach in designing and administering a program that provides carbon-free electricity and the benefits of cleaner air and healthier communities.”*

– SDG&E Chief Executive Officer Caroline Winn

Because outdated electrical panels are a barrier to solar adoption, an incentive of up to \$3,500 per residence is available for any panel upgrade needed.

To support living-wage jobs, the program provides \$1,000 to homeowners who allow their solar installer to conduct on-the-job training and requires participating contractors to pay the prevailing wage.

### **Rapid Launch**

The program was launched in seven months with a local press conference for English- and Spanish-language media generating thousands of visits to the program website.

Over three dozen projects were in progress or completed in the first year of the program, all in Communities of Concern. Eight out of 10 participants have incomes of 80% AMI or less (\$104,100 for a family of four in 2022).

Participating homeowners will be able to displace part of their electricity load with solar energy. For the community, that means less demand on the grid and reduced greenhouse gas emissions. For the homeowners, it means lower electricity bills.

## **ENERGY EQUITY EXPERTISE**

CSE has deep experience engaging people in hard-to-reach, disadvantaged, low-income and other vulnerable communities to seek community-identified solutions that improve public health and address transportation and energy equity.

CSE designs and administers cutting-edge incentive programs valued at over \$4 billion, including California’s SOMAH Program, the nation’s largest solar initiative for multifamily affordable housing.

**Visit the San Diego Solar Equity Program website at  
[sdsolarequity.org](https://sdsolarequity.org)**

Contact CSE at [consult@energycenter.org](mailto:consult@energycenter.org) for help designing, managing and optimizing your equity-focused distributed energy resource incentive programs.



**San Diego  
Solar Equity Program**



Center for  
Sustainable  
Energy®

Center for Sustainable Energy® (CSE) is a national nonprofit that accelerates adoption of clean transportation and distributed energy through effective and equitable program design and administration. Governments, utilities and the private sector trust CSE for its data-driven and software-enabled approach, deep domain expertise and customer-focused team. CSE's fee-for-service business model frees it from the influence of shareholders, members and donors, and ensures its independence.



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