**Community Solar Challenge**

**DATE**: 7/19/2016

**SUBJECT**: Request for Information (RFI) DE-FOA-0001614

**DESCRIPTION**: Community solar business models represent a significant opportunity to expand access to solar electricity for more than [49% of Americans](http://www.nrel.gov/docs/fy15osti/63892.pdf)[[1]](#footnote-1) that do not have a “solar ready” roof, may have difficulty accessing finance, or that cannot afford the installation of a standalone photovoltaic (PV) system. The [U.S. Department of Energy’s SunShot Initiative](http://energy.gov/eere/sunshot/sunshot-initiative) is exploring best strategies to reduce market barriers and softs costs to community solar solutions that include shared solar and local community solar assets such as those serving the municipal, non-profit and low and moderate-income sectors.

The SunShot Initiative (SunShot) is considering a prize challenge wherein dozens of local teams would participate to bring community solar programs to their communities. The goals of the challenge are to enable the expansion of the solar market to a diverse array of new consumers, including low and moderate-income customers. Competing teams may be eligible for cash prizes and technical assistance from the Department of Energy (DOE) and a myriad of experts nationwide. As a result of the challenge, local teams in every state will have built knowledge, expertise, and experience around innovative community solar approaches.

The purpose of this RFI is to solicit feedback and comments on the structure, prizes, timelines, and the evaluation process of a community solar challenge. Comments will be accepted from the public, and more specifically from all interested potential contestants of such a competition.

**BACKGROUND**: Community solar is an innovative approach to bringing solar to communities across the nation. It connects community stakeholders while increasing the deployment of renewable energy. Community solar is a broad term that includes several types of business models that support solar deployment at lower costs and in innovative ways, including group purchasing, crowd financing, donation-based models, community investment, and shared solar.

Shared solar models allocate the electricity of a jointly owned or leased system to offset and reduce individual consumers’ electricity bills, allowing multiple energy consumers to share the benefits, of a single solar array. Shared solar alone has the potential to double the residential solar market by enabling solar access to the 49% of American families and businesses that do not have a “solar ready” roof.

Community solar also has the potential to bring solar to underserved communities, including low and moderate-income families, due to lower barriers to entry and lower overall costs from economies of scale.

On July 7, 2015, the White House announced the [National Community Solar Partnership](http://energy.gov/eere/solarpoweringamerica/national-community-solar-partnership) to expand solar access to all Americans, with specific emphasis on serving the low and moderate income (LMI) communities. Led by [DOE’s SunShot](http://energy.gov/eere/sunshot/sunshot-initiative), this Partnership includes the [U.S. Housing and Urban Development (HUD)](http://www.hud.gov/), the [U.S. Environmental Protection Agency (EPA)](http://www.epa.gov), the [U.S. Department of Agriculture (USDA),](http://www.usda.gov/wps/portal/usda/usdahome) and key players in the community solar space, including solar companies, non-profit organizations, state and community leaders, and financial institutions.

The Partnership members collaborate on several topics:

* Greater utilization of existing federal and state resources;
* Sharing of best practices at the state level;
* Development of new financing arrangements and business models;
* New approaches to customer acquisition and community building;
* Novel models for multifamily deployment considerations.

More details about the Partnership’s activities and its members can be found online [here](http://energy.gov/eere/solarpoweringamerica/national-community-solar-partnership).

In addition to the ongoing activities of the [National Community Solar Partnership](http://energy.gov/eere/solarpoweringamerica/national-community-solar-partnership), SunShot is exploring a challenge to inspire dozens of communities around the nation to explore, implement, and grow community solar programs and projects. SunShot has developed a preliminary set of parameters for a community solar challenge, and seeks feedback on the best way to provide resources to variety of stakeholders to help spur innovative community solar business models to be tested and expanded in communities across America.

The following subsections describe a draft set of requirements for a community solar challenge. All interested parties are encouraged to review these subsections and answer some or all questions shown in a section labeled “**REQUEST FOR INFORMATION CATEGORIES AND QUESTIONS”** of this RFI.

**SOLAR IN YOUR COMMUNITY CHALLENGE DESCRIPTION**

* 1. **Challenge Goals**

This $5 million challenge competition’s goal is to demonstrate a large number of community solar installations in a wide diversity of jurisdictions across the U.S., while expanding access to solar electricity. Through the challenge, teams will create local community solar assets for scalable business practices, while building local capacity around the legal, technical, financial, and administrative aspects of community solar programs and projects. Teams will complete key milestones towards completing their community solar programs and projects, including project finance, customer acquisition, subscriber management, PV system engineering, installation, interconnection, and operations & maintenance of community solar projects.

Toward the end of the competition, the teams are challenged to aggregate resources and build sustainable sources of financing to enable *the first* *GW of community solar before 2020.* With new community solar programs and projects deployed in some places for the first time ever, the path to accelerate the expansion of solar markets across the nation will be easier and faster.

* 1. **Eligible Community Solar Systems**

In this competition, any of the following community solar PV programs and projects will be eligible to compete:

* Shared solar projects that aggregate to more than 25 kW and are no larger than 2,000 kW (nameplate peak DC) in size with at least 2 subscribers with different electric utility accounts, that
  + include 40% low income subscribers, or
  + include a community-serving institution (e.g. community center, municipal asset, courthouse, church, etc.) as an anchor tenant.
* Community investment, crowd funding, and donation-based models of PV projects that aggregate to 25 kW - 2,000 kW (nameplate peak DC) in size that benefit non-profit community-serving institutions (e.g. homeless shelter, church, school, hospital, community center, low income housing facility). These projects may include solarize campaigns that target non-profit buildings and institutions.
* A program that enables the creation of one of the above-listed projects. For example, such a program can be run by a municipal utility, an electric cooperative, a state or local government, etc.

Sunshot may also allow other innovative approaches that bring solar electricity (or electricity credits) and bill savings to low and moderate income consumers or communities, or to those with below average credit scores.

There are no restrictions on mounting method, deployment location, or ownership model, provided that solar systems are co-located in the same service area of the customers’ utility company. The following types of community solar are not eligible to compete:

* Group purchasing of residential rooftop PV systems, also known as [solarize campaigns](http://energy.gov/eere/solarpoweringamerica/solarize-guidebook).
* [Green power](http://apps3.eere.energy.gov/greenpower/) purchasing plans for consumers to opt into rate plans wherein the electricity is bundled with renewable energy certificates, or green attributes.

The use of brownfields, rooftops, or already disturbed lands is strongly encouraged for siting of the PV systems, as are other innovative practices for minimizing the environmental footprint of these projects, e.g. co-locating with native vegetation, apiaries, etc. Creative partnerships are also encouraged, in order to maximize the reach, benefit and impact of these projects.

* 1. **Eligible Contestants & Desired Participants**

The competition is open to teams led by the following types of entities:

* public/government entities (e.g. city, county, tribe, school district, etc.), non-profit organizations (including academic institutions),
* community groups or citizen associations that do not have formal 501(c)(3) status,
* individuals, or
* for-profit organizations that serve low-income individuals (e.g. low-income housing owners that are eligible for HUD assistance).

Teams may include entities that do not fit in the above categories, e.g. private, for-profit companies that do not serve low-income communities, but these companies cannot lead the teams. Examples of entities that are encouraged to join teams include, but are not limited to, financial institutions, trade associations, solar developers, solar installers, electric utilities, corporate sponsors, corporate anchor tenants, etc.

There may be only one team in the Challenge per authority having jurisdiction.

**Competition & Prizes**

For the challenge, teams will form, at the local level, to develop community solar programs and projects in their communities, towns/cities, tribes, and/or counties. During a 12-month period, each team will be compete against the clock to develop and complete community solar programs and projects.

*Step 1 – Applications and initial prizes*

Teams will submit a 3 minute video and a 3 page application to DOE describing their plan, team members, and explaining the impact their program or project will have on their community and on advancing the solar market. Teams will also explain how their approach is new or innovative.

DOE will first evaluate the team and the proposed project for eligibility. If the team and proposed project are eligible, DOE will then evaluate the applications based on the plan’s impact on the community and the solar market; and on the program or project’s innovation. DOE may choose the top 50 teams for up-front cash prizes and a $10,000 voucher to use for general and one-on-one technical assistance. Up-front cash prizes are as follows:

* $20,000 for teams pursuing under 150kW in projects/program reach, or
* $50,000 for teams pursuing at least 150kW in projects/program reach, and
* $10,000 bonus for teams pursuing 3 or more projects in the same jurisdiction that aggregate to over 200kW

All teams may receive technical assistance from DOE and its partners. DOE anticipates having experts in finance, law, accounting, solar energy technology, policy and regulations, engineering, software, and other specialties for these teams to access. All competing teams will be given access to webinars put on by these experts and a resource library.

In addition, DOE may select an additional 50 teams based on the initial applications, to receive a $10,000 voucher to use for one-on-one tailored technical assistance from the myriad of technical assistance providers.

*Step 2 – Teams pursue their community solar programs and projects*

Teams will pursue the development of their community solar projects, with help from DOE, technical assistance providers, and each other. Milestones that teams will pursue may include securing project finance; securing sites; signing up customers; and completing PV system engineering, installation, and interconnection.

The top 50 teams that were deemed eligible for cash prizes will receive these funds at three times over the 12-month period:

* 40% of the funds during month 1,
* 40% of the funds as matching funds once program/project financing is secured, either through cash, crowdfunding, lending, donations, or contractual mechanisms (i.e. Power Purchase Agreement (PPA) or lease) and
* 20% of the funds when the program is operational. Or if pursuing projects, when the project sites have been secured. (I.e. The team has a legally binding agreement that allows the construction of the solar project on a particular site; and the team has an agreement with a solar installer to do the installation at a specific site).

These teams will submit supporting documentation as they hit the milestones for at least 60% of the projects in the team’s portfolio, and funds will be disbursed within the quarter.

*Step 3 – Final prizes*

At the end of month 12, teams will submit a final 3-minute video to DOE to summarize the successes they have had and the impact that they have made. Teams will be encouraged to explain how the lessons they have learned will be institutionalized in their communities for future solar projects.

DOE and a panel of independent judges will then award up to $1.5 million in final prizes (at $50,000 or $20,000 allocations) to teams based on several categories, such as:

* Best model for replicability
* Biggest lasting impact
* Most customer value
* Most innovative project/program
* Most innovative siting
* Most innovative financing
* Most innovative business model
* Best community engagement approach
* Best tribal project/program
* Best municipal project/program
* Best woman-led project/program
* Best 100% low income customer project
* Most people reached
* Most kWs installed
* Most projects completed
* Most impactful partnerships (with finance, utilities, community orgs, etc…)
  1. **Technical Assistance Providers and Marketplace**

DOE may also solicit technical assistance (TA) providers from around the country to join the challenge to support the teams. Experts in solar finance, law, accounting, technology, policy and regulations, engineering, software, project development, community engagement, and other relevant specialties are encouraged to apply to DOE as official TA providers.

TA providers will be asked to provide generalized information that will be made publicly available, but that targets participating teams through mechanisms such as webinars, standard documents, toolkits, or other useful resources. TA providers will also submit proposals describing the type, cost and availability (number of teams they can support) of one-on-one tailored assistance for the 100 teams that have received $10,000 in TA vouchers.

DOE may set up a marketplace for TA providers to offer assistance and at what cost. Teams will decide which services they need and use their $10,000 vouchers. The challenge administrator will reimburse TA providers for vouchers collected. Therefore, TA providers are not guaranteed funds, but will compete with the other TA providers to provide service and receive vouchers from interested teams. In addition, DOE will reserve funds to secure selected TA services from providers to provide general assistance and information for all teams and the public based on proposals received and interest from the teams.

Interested TA providers will submit a three-page application to DOE, at any time throughout the challenge. The application must include a description of their expertise and experience, the specific assistance they will provide – both for a general audience and for a one-on-one TA intervention—and the pro-bono work they are willing to provide to the competitors as part of the challenge.

* 1. **Optional Phase: Getting to Scale (Growth Round)**

SunShot is seeking feedback on an optional phase of the challenge that would emphasize scaling up. The goal would be to achieve the first 1 GW of community solar before 2020. This phase seeks to overcome market barriers including lack of finance and lack of standards across states and projects.

In the getting to scale growth round, participating teams would be created at the state-wide, regional, or national level, and partner with financial institutions to establish and manage community solar investment funds to deploy a pipeline of community solar projects in several jurisdictions.

Over a 12-month period, these teams will compete to develop the largest pipeline of projects with a minimum aggregate capacity of 10 MW (nameplate peak DC) to be completed in 2-3 years, and to establish the largest pool of committed capital in these newly established community solar investment funds.

The team with the largest pipeline of projects and the largest community solar investment fund will win the first place $1.5 million cash grand prize. The second place grand prize is $1 million in cash. The remaining top 5 groups are eligible to receive each $100,000 in cash prizes. DOE anticipates making grand prize awards in two installments with 70% of the total granted at the end of the competition, based on actual performance.

Groups are encouraged to streamline business models, financial requirements, and legal structures for innovative and lasting community solar growth. Projects may include 100% low-income community solar projects, solar for community-oriented organizations, and shared solar on brownfield sites.

To earn the total cash prize, groups are required to meet the following requirements of project pipeline size and community solar investment fund during the competition’s 6-month period:

* Grand champion prizes (up to 2 winners): Minimum 10 MW pipeline of community solar projects to be completed within two years and minimum $30 million community solar investment fund
* For champion prizes (up to 5 winners): Minimum 1 MW pipeline of community solar projects to be completed within two years and minimum $3 million community solar investment fund.
  1. **Estimated Timeline**

The proposed timeline for the phase 1 demonstration round with anticipated activities and deadlines is estimated as follows:

|  |  |
| --- | --- |
| Teams submit applications | Aug 2016 - Oct 2016 |
| Technical assistance providers submit applications. | Aug 2016 –Oct 2016.  Then, on rolling basis until Dec 2017. |
| First installation of cash prizes and TA vouchers awarded | Dec 2016 |
| Teams complete programs and projects, TA provided | Jan 2017- Dec 2017 |
| Competition ends, teams submit final videos | Dec 2017 |
| $1.5 million in final prizes awarded | Feb 2018 |

**Optional Phase**: Getting to Scale

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| --- | --- |
| Optional Phase begins  State-wide, regional, or national groups form and submit application for Growth Round prizes. | Sept 2017 |
| Growth round teams submit final progress report, DOE evaluates and verifies progress and selects winning teams. Competition ends. | Sept 2018 |

* 1. **Evaluation Criteria & Scoring**

Teams’ Step 1 submissions will be evaluated according to the following evaluation guidelines:

* **Videos and Applications:**
  + **Criteria #1 (30%):** Impact (size and diversity of portfolio of projects/program; impact it will have on the customer, community and the solar market)
  + **Criteria #2 (30%):** Innovation (how is this new, and how can it be scaled?)
  + **Criteria #3 (20%):** Team, Resources, and Partnerships
  + **Criteria #4 (20%):** Plan, Feasibility
* **Progress Reports:**
  + Teams submit evidence that they have hit the financing and soft costs milestones in order to receive the remainder of their up-front cash prizes. These documents can be submitted as soon as the team achieves the milestone for 60% of the projects in the portfolio.

For Optional Phase (Growth Round) submissions are evaluated according to the following evaluation criteria:

* **Applications:** 
  + **Criteria #1 (20%):** Total aggregate capacity, in MWs of a pipeline of community solar projects to be completed before 2020.
  + **Criteria #2 (60%):** Total pleaded/committed capital in an established Community Solar Investment Fund
  + **Criteria #3 (20%):** Geographic diversity of community solar projects
* **12-month Progress:** 
  + **Criteria #1 (40%):** The % of aggregate capacity, in MWs, of PV projects that secured locations or/and subscribers relative to total size of project pipeline of community solar projects to be completed before 2020.
  + **Criteria#2 (60%):** The confirmed total committed capital in an established Community Solar Investment Fund.

**PURPOSE**: The purpose of this RFI is to solicit feedback from all interested parties in industry, academia, research laboratories, local governments, non-profit organizations, community-based organizations, government agencies, and other stakeholders. DOE seeks input on issues related on the structure, incentives, timelines and the evaluation process of a community solar competition from the public, in general, and more specifically from all interested potential contestants of a community solar competition as described below. EERE is specifically interested in information on practical, community-driven, financially enduring, and self-sustaining strategies that can make solar more accessible using innovative models such as community and shared solar to expand access and reduce costs of going solar to all Americans. This is solely a request for information and not a Funding Opportunity Announcement (FOA). EERE is not accepting applications.

**DISCLAIMER AND IMPORTANT NOTES**: This RFI is not a Funding Opportunity Announcement (FOA); therefore, EERE is not accepting applications at this time. EERE may issue a FOA in the future based on or related to the content and responses to this RFI; however, EERE may also elect not to issue a FOA. There is no guarantee that a FOA will be issued as a result of this RFI. Responding to this RFI does not provide any advantage or disadvantage to potential applicants if EERE chooses to issue a FOA regarding the subject matter. Final details, including the anticipated award size, quantity, and timing of EERE funded awards, will be subject to Congressional appropriations and direction.

Any information obtained as a result of this RFI is intended to be used by the Government on a non-attribution basis for planning and strategy development; this RFI does not constitute a formal solicitation for proposals or abstracts. Your response to this notice will be treated as information only. EERE will review and consider all responses in its formulation of program strategies for the identified materials of interest that are the subject of this request. EERE will not provide reimbursement for costs incurred in responding to this RFI. Respondents are advised that EERE is under no obligation to acknowledge receipt of the information received or provide feedback to respondents with respect to any information submitted under this RFI. Responses to this RFI do not bind EERE to any further actions related to this topic.

**PROPRIETARY INFORMATION**: Because information received in response to this RFI may be used to structure future programs and FOAsand/or otherwise be made available to the public, **respondents are strongly advised to NOT include any information in their responses that might be considered business sensitive, proprietary, or otherwise confidential.** If, however, a respondent chooses to submit businesssensitive, proprietary, or otherwise confidential information, it must be clearly and conspicuouslymarked as such in the response.

Responses containing confidential, proprietary, or privileged information must be conspicuously marked as described below. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under the Freedom of Information Act or otherwise. The U.S. Federal Government is not liable for the disclosure or use of unmarked information, and may use or disclose such information for any purpose.

If your response contains confidential, proprietary, or privileged information, you must include a cover sheet marked as follows identifying the specific pages containing confidential, proprietary, or privileged information:

**Notice of Restriction on Disclosure and Use of Data:**

Pages [list applicable pages] of this response may contain confidential, proprietary, or privileged information that is exempt from public disclosure. Such information shall be used or disclosed only for the purposes described in this RFI DE-FOA-0001614. The Government may use or disclose any information that is not appropriately marked or otherwise restricted, regardless of source.

In addition, (1) the header and footer of every page that contains confidential, proprietary, or privileged information must be marked as follows: “Contains Confidential, Proprietary, or Privileged Information Exempt from Public Disclosure” and (2) every line and paragraph containing proprietary, privileged, or trade secret information must be clearly marked with double brackets or highlighting.

**EVALUATION AND ADMINISTRATION BY FEDERAL AND NON-FEDERAL PERSONNEL**: Federal employees are subject to the non-disclosure requirements of a criminal statute, the Trade Secrets Act, 18 USC 1905. The Government may seek the advice of qualified non-Federal personnel. The Government may also use non-Federal personnel to conduct routine, nondiscretionary administrative activities. The respondents, by submitting their response, consent to EERE providing their response to non-Federal parties. Non-Federal parties given access to responses must be subject to an appropriate obligation of confidentiality prior to being given the access. Submissions may be reviewed by support contractors and private consultants.

**REQUEST FOR INFORMATION CATEGORIES AND QUESTIONS**

SunShot seeks input on the following questions. Please respond to as many or as few questions as you would like.

**CATEGEORY A: Overall**

1. Please provide comments, strengths and weaknesses of the community solar challenge concept as described above. Please comment on the effectiveness of cash, technical assistance, and other resources that DOE could provide.
2. What should we name the challenge?
   1. The Community Solar Challenge
   2. Solarize America
   3. Solar for all America
   4. SunShot Prize: Race to Community Solar
   5. Other ideas?
3. How can DOE maximize the benefits of using a prize competition process to achieve the goals of growing community solar installations by increasing capacity while expanding access to solar electricity? Explain within the context of your organization. Would your organization participate in this challenge? Why or why not?
4. What strengths and weaknesses do you see with the optional growth round phase? What are the benefits and challenges, and to whom?
5. What resources would be most valuable for you or your organization (or stakeholders) to compete, such as one-on-one technical assistance from experts or standard documents? Please provide detailed descriptions of the most important types of assistance of which your organization would take advantage.

**CATEGEORY B: Eligible Solar Systems, Participants & TA Providers**

1. What benefits, limitations, or unanticipated barriers may be created by limiting eligible projects to those including 40% low-income subscribers, or community-serving institutions, or solar project sizes aggregating to 25kW and being no larger than 2,000 kW? What advantages or disadvantages do you see for focusing on locally formed teams led by public or non-profit organizations and individuals? What benefits, limitations, or unanticipated barriers may be created by these parameters for community solar programs?
2. How can DOE find, reach and encourage organizations with no or little experience with community solar to form teams and compete? What about financial institutions? Utilities?
3. How can DOE find reach and encourage technical assistance providers (consultants, experts, lawyers, etc.) to support participating contestants and their team members?

**CATEGEORY C: Competition Design**

1. How should the challenge be designed to incentivize the following?
   1. innovation
   2. promoting low income solar access
   3. creative partnerships, including with utilities, foundations, and for profit companies
   4. community engagement
   5. project siting on brownfields, rooftops, and low-value sites
   6. energy efficiency measures
   7. getting community solar to scale
   8. the institutionalization of best practices into the policies and procedures of local institutions, e.g. banks, local governments, utilities

**CATEGEORY D: Evaluation Criteria & Scoring**

1. What feedback do you have on the scoring criteria and the program/project milestones? What additional metrics or evaluation criteria should be included?
2. How can DOE measure the additionality of the programs/projects (i.e. new community solar projects instead of counting projects that were already in the pipeline)?

**CATEGEORY E: Participation Process & Timeline**

1. How challenging or realistic is the proposed timeline? What are the advantages of disadvantages of the proposed 12-month competition for developing and completing community solar programs/projects? How to lower the barrier for participation and simplify the process of managing submissions and progress reports?

What other feedback would you like to share?

**Request for Information Response Guidelines**

Responses to this RFI must be submitted electronically to communitysolarRFI[@ee.doe.gov](mailto:solaranalysis@ee.doe.gov) no later than 11:59pm (ET) on Tuesday August 2, 2016. Responses must be provided as attachments to an email. It is recommended that attachments with file sizes exceeding 25MB be compressed (i.e., zipped) to ensure message delivery. Responses should be provided as a Microsoft Word (.docx) attachment to the email, and no more than 5 pages in length, 12 point font, 1 inch margins. Only electronic responses will be accepted.

Please identify your answers by responding to a specific question or topic if applicable. Respondents may answer as many or as few questions as they wish.

EERE will not respond to individual submissions or publish publicly a compendium of responses. A response to this RFI will not be viewed as a binding commitment to develop or pursue the project or ideas discussed.

Respondents are requested to provide the following information at the start of their response to this RFI:

* Company/institution name;
* Contact name
* Contact's address, phone number, and e-mail address.

1. “Shared Solar: Current Landscape, Market Potential, and the Impact of Federal Securities Regulation” National Renewable Energy Laboratory, U.S. Department of Energy. Available here: <http://www.nrel.gov/docs/fy15osti/63892.pdf> [↑](#footnote-ref-1)