

## Meeting Notes

# Solar on Multifamily Affordable Housing (SOMAH) Advisory Council & JTO Task Force Meeting Q4 2022

December 9, 2022 | 9:00 am - 12:30 pm

## Attendees

### SOMAH Program Administrators

**Chris Walker** | SOMAH Program Director  
**Stacey Lee** | SOMAH Program Coordinator  
**Hannah Warner** | SOMAH Program Manager  
**Staci Hoell** | SOMAH Program Manager  
**Mina Defee** | SOMAH Program Manager  
**Walther Perez** | SOMAH Program Manager  
**Peter Pierre** | SOMAH Program Manager  
**Sana Sheikholeslami** | SOMAH Program Coordinator  
**Zara Jamshed** | SOMAH Technical Manager  
**Luke Ballweber** | SOMAH Program Coordinator  
**Brittany Chenier** | SOMAH Program Manager

### SOMAH Advisory Council Members

**Agustin Cabrera** | RePower LA  
**Allan Rago** | Quality Conservation Services  
**Alma Marquez** | Independent Consultant  
**Andrea Barnier** | Self-Help Enterprises  
**Andres Ramirez** | People for Mobility Justice  
**Carlos Aguilar** | Coalition for Economic Survival  
**Elizabeth C Elliot** | Northern Circle Indian Housing Authority  
**Jakobi Ewart** | The Niles Foundation  
**Nicole Lim** | California Indian Museum & Cultural Center  
**Kenneth Wells** | O&M Solar Services

### SOMAH JTO Task Force Members

**Jon Caffery** | Saddleback College/College of The Desert  
**Senait Forthal** | OC Go Solar  
**Mitchell Smith** | Young Community Developers  
**Genevieve "Gina" Jones** | Owens Valley Community Development Center  
**Jeff Trirogoff** | Elements of Earth and Energy  
**Janie Hodge** | Paving the Way Foundation

**Noah Arzola** | William M. Maguy School of Education, Proteus Inc.  
**Wes Olson** | Center for Employment Training

### Not in Attendance

**JB Tengco** | BlueGreen Alliance (*Advisory Council*)  
**Danny Gonzales** | Center for Employment Training (*JTO Task Force*)  
**Stuart Cooley** | Formerly, Santa Monica College (*JTO Task Force*)

## Meeting Agenda

1. Welcome & Introductions
2. Meeting Ground Rules
3. Session 1: Intro to the Inflation Reduction Act
4. Session 2: End-of-Year Reflection & Looking Forward to 2023
5. Session 3: Strategic Planning Breakout Sessions
6. Wrap Up & Next Steps

## Meeting Notes

### Welcome & Introductions

Staci Hoell, SOMAH Program Manager  
Mina Defee, SOMAH Program Manager

*Staci Hoell welcomed attendees to the meeting. SOMAH PA members did a round of introductions. AC and JTO TF members did introductions and icebreakers in breakout groups.*

### Session 1: Intro to the Inflation Reduction Act (IRA)

Andie Wyatt, GRID Alternatives Policy Director & Legal Counsel

*Andie Wyatt gave an introductory presentation on the background, provisions, and opportunities of the Inflation Reduction Act as they relate to SOMAH.*

### IRA Background

- Tax credits for clean energy is one of the main purposes of the IRA.
  - IRA could cover between 6-70% of tax incentives for eligible solar projects before any other incentives come into play.
  - Many changes to tax credits aimed at making access to benefits more equitable.
- Tax Incentives
  - Investment Tax Credit (ITC) – Extension at (up to) 30% for 10+ years
    - Prevailing wage and apprenticeships required for projects > 1 MW AC (starting Jan. 29, 2023), or only 6% credit
  - Direct pay – Nonprofits, tribes, state and local governments and rural electric cooperatives can be treated as if they paid excess taxes in the applicable amounts to get “refund”
- LMI (Low-Median Income) Bonus Credits: 20% for projects <5 MW providing:
  - >50% of financial benefit of electricity produced to LMI households, or
  - Financial benefit distributed equitably among residents of the affordable housing building where it is installed
- Bonus credit of 10% for projects located in “energy communities” - TBD

### Other Relevant Agency Provisions of IRA

- EPA Greenhouse Gas (GHG) Reduction Fund
  - Competitive grants to states, localities, tribes, and “eligible entities” for grants, loans, other financial assistance, and technical assistance
  - \$7B LMI Distributed Solar Policy
  - \$20B Green Bank(s) Policy
- Other EPA Funding
  - Environmental and Climate Justice block grants
  - \$5B competitive grants to create and implement GHG Air Pollution Reduction Plans
- Department of Energy (DOE) Funding
  - \$4.5B High-Efficiency Electric Home Rebate Program
- U.S. Department of Housing & Urban Development (HUD) Funding
  - \$900M in grants and loans for affordable housing for energy and water efficiency, renewable energy, and resiliency upgrades
- Other Tribal and Rural Funding
  - DOE – \$20B of loan guarantee authority for tribal energy
  - DOI (U.S. Department of the Interior) Bureau of Indian Affairs – \$220M for climate resilience and adaptation programs, \$150M for electrification and associated retrofitting
  - USDA (U.S. Department of Agriculture) – ~\$2B Rural Energy for American program and >\$10B Rural Electric Cooperative assistance

### Uncertainties

- Many questions pertaining to this bill remain.
- Need for equity-focused outreach is ongoing.
- Most IRA provisions are not set up to directly address timing or capacity issues.

### **Discussion**

- **JTO Task Force Member:** Is the carport that supports the solar PV [photovoltaic] system eligible for the ITC? Does it matter if the carport has a roof (i.e. corrugated metal) to be eligible?
- **SOMAH PA:** Here is a link from a DOE resource stating that carports are eligible costs for the ITC under certain conditions (some DIY projects may not qualify).  
<https://www.solarreviews.com/blog/can-making-a-solar-carport-get-you-the-solar-tax-credit>

### **Next Steps**

- *The SOMAH PA will monitor how the act's implementation details evolve at IRS and how they relate to SOMAH.*

## Session 2: End-of-Year Reflection & Looking Forward to 2023

Staci Hoell, SOMAH Program Manager

*Staci Hoell presented updated program stats and the successes and challenges of each SOMAH program area this year.*

### SOMAH Program Update

- 422 active applications across all utility territories
- \$98.6M in funding that's already been reserved, \$405.6M remaining
- 34% of active apps located in Disadvantaged Communities (DACs)
- Tenants slated to receive 86% of the electricity generated from installations.
- Active apps are serving 33,767 tenant units.
- Average system size: 170 kW
- 14 participating contractors
- Pipeline supports 768 job training opportunities
- 71 completed projects – 12.76 MW electricity serving over 6.4K tenants

### Administration, Operations & Applications

- Increased participation in Technical Assistance (TA) & Support Services
- Waived application deposit fees for properties in DACs
- Established a Code of Conduct for all SOMAH Program participants
- Clarified participation across CalEnviroscreen versions
- Established “fleet monitoring” to collect real-time project-level production data
- Kicked off intensive process to investigate, address tribal participation barriers
- Submitted Petition for Modification (PFM) to remove annual decrease in incentives to address higher project costs due to inflation, supply chain, etc.

### Technical Assistance

- 6 requests for Upfront TA (2 in DACs)
- 29 TA Lite reports completed
- 63 requests for standard TA received
- Internal webinars on Solar 101 and EV Charging for Multifamily conducted for new staff
- Challenges
  - We still want more applications.
  - SOMAH is less financially attractive than originally promised.
  - Multifamily solar is generally siloed from other Energy Efficiency, clean mobility, and storage programs.

### Marketing, Education, & Outreach

- Property Owner (PO) Outreach
  - Contacted 200+ PO organizations, conducted PO webinars, attended Tribal Roundtables and PO conferences, and established new co-marketing relationships
- Contractor Engagement
  - Conducted subcontractor research and interviews, launched a social media campaign, and conducted outreach to 29 contractors across utility territories
- General Outreach
  - Continued engaging audiences through new case studies and success stories, press releases, newsletters, CBO (community-based organization) toolkits, and events

### Tenant Education (TE)

- Increase in TE services requests
- Conducted a TE focus group
- Garnered buy-in for TE requirement changes
- 3 TE training webinars and 4 TE workshops at SOMAH properties
- Launched 695 survey forms in a TE survey pilot
- Challenges
  - PO and contractor capacity and varying experience in conducting effective TE
  - Enrolling projects in TE services
  - Scaling up TE services

### Workforce Development (WFD)

- 80%+ of SOMAH's hired trainees are priority or targeted hires.
- Contractors reported hiring at least 9 job trainees for their permanent workforce.
- 15 job training opportunities were filled by tenants.
- Connected nearly 80 eligible job trainees to contractors
- Added 18 new Job Training Organizations (JTOs) to the directory
- Challenges
  - Significant number of canceled projects → less training opportunities
  - Project delays → misalignment of trainee and contractor schedules
  - Compliance with job training requirements
  - Job trainee safety – physical and emotional
  - Policy changes – AB 2143 and CSLB (California State Licensing Board) licensing
  - Regional gaps in JTO partnerships
  - Lack of projects/training opportunities in certain areas of California
  - No guarantee of employment after 40-80 hours of training

### CBO Partnerships

- Added three new CBO partners to the program
- CBO partners began leading TE workshops.
- Increased PO and stakeholder engagement efforts
- Increased SOMAH engagement within CBO communities
- Developed a CBO Community Outreach Guide

## Discussion

- **JTO TF Member:** How did you get the word out to the contractors who previously dropped out of the program, but may be interested now that application deposits are waived?
- **SOMAH PA:** The PA reached out to some contractors to let them know how the waiver affected them moving forward. We also updated the training language so that folks are more familiar with this update, as well as the SOMAH website.
- **JTO TF Member:** I suggest the PA look into geo-fencing SED (Socio-Economically Disadvantaged) areas, so that people living in those areas get to hear about SOMAH through targeted ads.
- **AC Member:** Would you be open to providing training opportunities to folks who are willing to relocate to targeted hiring areas?
- **SOMAH PA:** There are many areas of the state where we don't have as many JTO partners or JTOs are harder to contact. We often have to recruit trainees from outside of these gap areas. There are some cases where contractors are willing to provide mileage reimbursement or put trainees in hotels for the length of the project. Though because training periods are only 40-80 hours, it may not make sense for a trainee to permanently relocate unless they will be hired full-time.
- **SOMAH PA:** The PA has seen some instances where folks are willing to relocate across California for the training experience, but the contractor would need to sit down and discuss with the prospective trainee about whether the situation makes sense financially.
- **JTO TF Member:** Is there a point system in place for contractors who hire SOMAH trainees full-time for future projects? It would be great to think about how to reward these contractors who are hiring your trainees.
- **SOMAH PA:** There is no point system, but the PA likes the idea of naming and fanning these contractors by writing stories and highlighting them in our marketing and media.
- **AC Member:** What happens to trainees who don't get hired full-time?
- **SOMAH PA:** The WFD team tries to follow up with the trainee and help connect them to future projects.
- **AC Member:** Do we keep a list of trainees that we can share with future contractors?
- **SOMAH PA:** Yes, trainees can provide their resumes on our Job Training Portal's Resume Bank, which contractors have access to.

## Session 3: Strategic Planning Breakout Sessions

### Breakout Group #1: AB 2143 - Requiring Prevailing Wage

Staci Hoell, SOMAH Program Manager

*Staci provided an overview of AB 2143 and the potential impact on SOMAH projects. AB 2143 would consider residential and commercial solar projects over 15 kW as public works projects and would require contractors to pay all crew members prevailing wages. Potential impacts include significantly increased labor costs on many SOMAH projects, handbook updates, and application slowdown once the policy takes effect. Although many aspects of AB 2143 are still unclear, the SOMAH PA is planning to conduct research on the impact of increased wages and will begin educating contractors on the new requirements after they're clarified through any related regulatory or other processes. This policy is slated to go into effect in January 2024.*

#### Discussion

- **JTO TF Member:** Compliance takes time, but it can be achieved through designated staff and preparing reports ahead of time. Generally, employees liked the reporting setup and prevailing wages since many would not have been able to get these wages otherwise.
- **AC Member:** We worked with a labor consultant to ensure that all documents were submitted appropriately. In this case, the property owner shares responsibility.
- **AC Member:** This requirement has the potential to shake up the industry. Wages are going to rise for some projects, which may push other non-affected projects to raise wages as well.
- **AC Member:** Installers should have their own trade number in order to ensure the wage is equal across the board. Otherwise, it will be piecemeal using wages for other trades.
- **SOMAH PA:** The PA is looking to potentially propose additional program changes to ensure the viability of the program in light of prevailing wage requirements. This will require additional research. In addition, there will be opportunities to engage. The PA will share with the AC and JTO TF when available.
- **AC Member:** There will be a huge learning curve for contractors, particularly for smaller contractors/startups. It could be an added weight to both contractors and their customers.



- **AC Member:** Changes in wages may not discourage some contractors, but the reporting requirements might. The compliance reporting may discourage small contractors from taking jobs larger than 15kW.
- **AC Member:** Potential concerns include updated bookkeeping, compliance with DIR documentation, and lack of capacity. Although payroll companies can fulfill this for an additional cost.
- **JTO TF Member:** Since the trainees are up on a roof it could qualify as something different, not just general labor. Perhaps there is an impact on workers compensation or contractors having to cover higher insurance requirements.

### **Next Steps**

- Create a resource toolkit to help smaller contractors pending regulatory guidance.
- Start reaching out to contractors and educating them on the changes.

### **Breakout Group #2: Increasing Tribal Access - Barriers to Participation**

Chris Walker, SOMAH Program Manager

*Chris provided background on tribal participation in the SOMAH program and reviewed the SOMAH PA's draft memo for the CPUC (California Public Utilities Commission) on barriers to increasing tribal access. Chris gathered feedback from AC and JTO TF members to inform the memo and the PA's strategies for 2023.*

### **Background**

- Tribal participation has been low since the start of the program.
- Created two seats in the AC to help identify and proactively address barriers
- Created a Tribal Access Working Group
- On the way to completing a training process, which started with Indian history, cultural competency, and land ownership models with the National Indian Justice Center.
- Some early solutions addressable, but key solutions will require research, stakeholder engagement, planning, development, and possibly regulatory and/or legislative changes (Assembly Bill (AB) 693)
- Barriers to increasing tribal access identified by the PA:
  - Eligibility requirements
  - Marketing, education & outreach
  - Availability of solar contractors
  - Potential participants' lack of capacity to successfully navigate the program from start to finish

- Potential difficulty meeting the Energy Efficiency Compliance Milestone Requirement
- Overall financial barriers

## Discussion

- **JTO TF Member:** Are single-family homes included in SOMAH eligibility?
- **SOMAH PA:** Single-family homes are not eligible for SOMAH, though they could be served by the DAC-SASH (Disadvantaged Communities – Single-Family Solar Homes) program. There are currently barriers with the DAC-SASH program, such as for mobile parks and deed-restricted housing. The PA is talking to the CPUC about how to overcome those barriers.
- **SOMAH PA:** The PA is aware that there are more single-family homes than multi-family properties on tribal lands. The PA is exploring other programs for which non-SOMAH eligible properties may be eligible for similar clean energy or energy efficiency benefits.
- **JTO TF Member:** I presume single-family homes aren't eligible because of the minimum 5-tenant unit eligibility requirement, as well as the VNEM (Virtual Net Energy Metering) tariff, under which you can't connect to single-family homes.
- **SOMAH PA:** Correct. The PA is starting with this memo, but we're working with the CPUC to decide whether SOMAH or DAC-SASH is a better fit for these homes. Some of these barriers are more nuanced than what we've discussed here.
- **AC Member:** Is there a thought on including tribal equity in this program?
- **SOMAH PA:** Yes. The PA is starting with this memo as a first step. If something is in contradiction with AB 693, there would need to be a legislative change. Some of these are heavy lifts and longer-termed than others.
- **AC Member:** Is there flexibility in modifying these eligibility requirements? Can we combine multiple individual units into a project? Much like HUD puts together scattered sites into one project. It would be unfortunate to not have the flexibility to participate considering considerable funds will not be used.
- **AC Member:** With the awareness of the limitations, are stakeholders open to modifying or creating some type of exemption on these eligibility requirements?
- **JTO TF Member:** Do we have success stories to build upon?
- **SOMAH PA:** The PA is planning to develop success stories based on three of our successfully completed tribal projects. We are looking into modifying or making exemptions to program requirements, but these potential modification would need to take place through legislative action if in contradiction with AB 693; through regulatory action via a PFM if in contradiction of the decision; and through a Tier 2 Advice letter if in contradiction with the Handbook.

- **AC Member:** Are you looking to make recommendations in this memo?
- **SOMAH PA:** This will just be a memo on barriers to participation.
- **AC Member:** It may be worth including the PA's recommendations and sharing with others. You never know what may come out of it.
- **SOMAH PA:** We want to start with documenting barriers with the AC and JTO TF so that all parties planning, and then later working toward potential changes at different levels, have a common point of reference. The memo also does highlight WFD and contractor issues, so it would be great to include JTO TF members into additional conversations in the future.

The AC and JTO TF members present signed off on the PA's memo.

### **Next Steps**

- *Edits will be incorporated and the memo will be uploaded to the SOMAH website. The SOMAH PA will bring potential program changes addressing barriers to future meetings for AC and JTO TF consideration and ideas toward refining a submittable proposal.*

## Wrap Up & Next Steps

Mina Defee, SOMAH Program Manager

The SOMAH PA shared a preview of a new video highlighting a completed SOMAH project at the Trolley Trestle Apartments in Chula Vista, CA. Mina announced the dates for each advisory group's Q1 2023 meetings and shared an end-of-year survey for AC and JTO TF members to provide additional feedback.

### **Q1 2023 Meeting Dates**

- SOMAH JTO TF: Friday, March 10, 2022
- SOMAH AC: Thursday, March 23, 2022