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Community Distributed Generation in New York City: Making Shared Solar a Reality in Sunset Park, Brooklyn

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For renters living in New York City, solar development has gained little traction. This lack of market growth is especially surprising in the wake of Hurricane Sandy, where frontline communities were left ravaged and issues of resiliency and climate adaption rose to major issues of concern. [UPROSE](#), a Brooklyn based grassroots organization that advocates for social, racial, economic, and environmental justice, has been a longtime advocate for climate solutions in frontline communities and is a growing leader in the community shared solar arena. In continuing their work towards a Just Transition -or the move towards a more just, green economy that empowers and promotes those living in frontline communities- UPROSE has been a vocal advocate for community shared solar in Sunset Park, Brooklyn.

Working with UPROSE for the past five months, I gained perspective as to the opportunities and complexities of implementing community shared solar in Sunset Park. Early in the process, it was evident that Sunset Park faced many of the same barriers to accessing solar as their low-to-moderate income, working community

counterparts nationwide. These issues include: a lack of home ownership; low market penetration; and multi-family residency. In addition to these hurdles, issues specific to project development, such as project financing, have proven especially challenging.

In my final report, I explore community shared solar development in Sunset Park. Specifically, financial solutions and industry representation, especially as it pertains to effective and inclusive terminology.

UPROSE leadership is particularly significant because it pivots away from business-as-usual community shared solar models. UPROSE is Project Manager from start-to-finish, whereas nonprofits have played supporting roles in developed shared renewable projects, oftentimes acting as the community engagement and membership piece. In this role, UPROSE has the unique opportunity to influence each aspect of the community shared solar industry, including terminology.

Community shared solar is not an automatic tool for energy equity and community empowerment. With is still being relatively new, competing definitions -or a lack thereof- have become commonplace. Community leadership and/or ownership are not an intearal part of CSS definitions.

As it stands now, CSS is vaguely defined, even by leaders in renewable energy. The National Renewable Energy Laboratory's (NREL) definition emphasizes community member participation, regardless of communities' role as owner and/or beneficiary. Similarly, when referencing community solar, NYSERDA emphasizes location and access. Both definitions are broad but manage to include eligibility factors, rather than ownership and/or participation requirements. Neither of these definitions encompasses the grassroots efforts UPROSE is implementing.

Community shared solar could promote community inclusivity, energy democracy, and public ownership within its very definition.

UPROSE has the opportunity to define community shared solar within the context of their mission: empowering residents to influence, plan, and take ownership of local power generation. Beyond leading industry development, UPROSE could also be an early adopter of innovative finance mechanisms.

Differing from one-fund (or donation-based), and power purchase agreement (PPA) models, special purpose entities (SPE) allow nonprofit ownership of a community shared solar array. In an SPE, the members of the SPE are the owners, and therefore responsible for

financing, hosting, maintaining, and acquiring membership. For nonprofit organizations that want to both utilize tax equity and have more influence throughout the process, an SPE can make the most sense. Essential to UPROSE's mission, this model can have high community involvement, especially if some or all of the members are community organizations. Fiscally, SPE's can be the most fiscally beneficial option as well. An SPE would allow UPROSE to retain influence and leadership, while still being able to benefit from tax equity. Partnering with the right equity investors will also reduce risk issues and help to secure low-interest debt financing. The growing pains associated with an SPE are not insignificant, especially when it comes to high organizational capacity requirements. Luckily, UPROSE has built a coalition of support, including legal counsel, that will be absolutely essential during the creation of the SPE. Furthermore, once the SPE is created, effort can be prioritized to improving process efficiency for future projects and improve management of current ones. Once operating, the SPE can replicate the process for each project moving forward. Effective terminology, replicable finance models, and a grassroots, mission-driven perspective, will be essential to steering the community shared

solar industry towards a Just Transition. UPROSE has a history of building climate solutions that combat systemic resiliency and inequity issues plaguing frontline community progress. In this capacity, they are an ideal organization to lead the community shared solar charge.



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