

**FOR IMMEDIATE RELEASE**

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**NEW FINDINGS FROM UCLA AND USC RESEARCHERS:**

**LA's SOLAR INITIATIVES ARE HAMPERED BY UNNECESSARY DELAYS; SOLUTIONS WOULD ENABLE LADWP TO CREATE LARGEST LOCAL SOLAR PROGRAM IN U.S.**

*Utility could create enough local solar energy in next decade to power 355,000 homes, reduce greenhouse gas emissions and stimulate thousands of new jobs in "solar equity hotspot" areas*

LOS ANGELES (March 27, 2015) – As LADWP transitions from its reliance on polluting coal-fired power to meet California clean energy mandates, the utility needs to quickly overcome implementation challenges that threaten long-term growth of the City's local solar program, according to new research findings – *Los Angeles Solar: Now and into the Future* – commissioned by the Los Angeles Business Council Institute.

According to researchers from UCLA's Luskin Center for Innovation and the USC Program for Environmental and Regional Equity (PERE), the LADWP has the opportunity to wean itself from polluting coal-fired power – currently 42% of its energy portfolio – and expand the amount of local solar to 1,500 megawatts annually, enough to power 355,000 homes. A program of this scale would also be an economic catalyst, creating thousands of new solar-related jobs and attracting significant long-term investment to Los Angeles.

Local solar expansion can best be achieved through three existing programs: net metering, the Feed-in Tariff (FiT) program and the Community Solar Initiative. The FiT can play a lead role, according to the researchers. This innovative program, launched in 2012, enables local commercial property owners to sell solar power generated from rooftops and parking lots back to LADWP at a competitive fixed rate.

To date, LADWP has authorized 100 megawatts of power under the FiT program, yet only 6.5 megawatts are operational, according to the UCLA/USC study. Another 8.2 megawatts of projects are under contract and awaiting construction, with another 56 megawatts in the contracting stage. The FiT evaluation concludes that LADWP needs to build its staff resources and continue streamlining the application and installation processes to speed the pace of approving local solar projects if it is to reach a self-imposed deadline to be coal-free by 2025.

Producing 1,500 megawatts of clean solar power over the next decade would cut greenhouse gas emissions by more than 20 million metric tons and create more than 36,000 new job years, according to the researchers. Realizing this potential would move LADWP from the back of the pack to a leadership position in California and nationally.

Previous research commissioned by the LA Business Council has demonstrated that a 150 MW FiT would be a major economic catalyst for Los Angeles, generating \$500 million in economic activity at full scale and creating 4,500 jobs in solar installation, maintenance, sales, and other fields. Spearheaded by the Los Angeles Business Council Institute and the CLEAN LA Solar Coalition, the FiT program provides an opportunity for the LADWP to access the abundant solar energy available on more than 10,000 acres of rooftops in Los Angeles.

More than 40% of the projects in the FiT's first three 20-megawatt tranches are located in "solar equity hotspots" – neighborhoods with abundant rooftops and great need for economic investment and jobs. The hotspot areas exist in the San Fernando Valley, East Los Angeles, and areas west of Downtown, including Hollywood. In many cases, solar training programs that target less advantaged workers, such as participants in Homeboy Industries' Solar Panel Training and Installation program, are located in or near the hotspot areas.

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## Unlocking LA's Solar Potential / 2-2-2

"Los Angeles has a unique confluence of characteristics providing a firm foundation for a successful solar FiT program: abundant sunshine, a trained workforce and tremendous economic need," said Dr. Manuel Pastor, Director of the USC Program for Environmental and Regional Equity. "Growing the FiT will bring economic opportunity to some of our city's most underserved and environmentally-challenged neighborhoods. There's no question that the FiT can advance solar-related equity goals where they're needed most."

"I am proud to have one of the City's first FiT installations in my district, and have seen firsthand the economic benefits this technology can bring," said City Councilmember Curren Price, referring to the 143 kWh solar installation on the roof of Southern California Trophy Company at 25th and Broadway in Downtown L.A. "We need to make sure that we are doing all we can, working with our LADWP partners, to streamline and expedite the process for FiT installations, so that the largest number of businesses in Los Angeles can take advantage of this innovative technology which is good for business and the environment."

Thanks to Councilmember Bob Blumenfield's efforts, FiT applicants now can access lower-cost PACE financing to help make projects financially more viable by removing traditional cost barriers. "As an Assemblymember, I advocated for PACE financing as an innovative vehicle for financing energy and water efficiency upgrades. As a Councilmember, I am working to provide Angelenos with access to PACE financing," Blumenfield said. "Residential, commercial and industrial buildings are eligible for this innovative, low-cost financing which can be coordinated with LADWP incentives."

Already, LADWP has reduced project wait times from an average of 425 days for the initial projects down to an average of 182 days more recently, due in large part to a new online application and permitting system that has helped streamline the process. Also, certain insurance requirements have been removed to reduce barriers for solar developers, and changes to standard contracts create more certainty for applicants and help streamline financing options. But more needs to be done, according to the UCLA/USC findings.

Project wait times can see a sustained decline only with a significant increase in staffing at LADWP to review applications and do the technical work needed to greenlight projects, according to the findings. In 2013, LADWP requested 30 full-time equivalent (FTE) staff from the Board of Water and Power Commissioners, yet only *three* FTEs are dedicated to the FiT right now. To jumpstart the program, the researchers recommend building up staff capacity and taking a new approach to the program's waiting list by prioritizing projects by operational viability and economic benefits rather than simple chronology.

"LADWP needs to staff up in order to fulfill the promise of the FiT program and meet the high priority placed on the program by Mayor Garcetti, the City Council and the Board of DWP Commissioners," said the evaluation's co-researcher J.R. De Shazo, Director at UCLA's Luskin Center. "Los Angeles has the right amount of sun, available rooftops, trained workers and financing options. Adequate staffing at LADWP is the missing piece of the puzzle, and it needs to be put in place if Los Angeles is going to go reach its solar potential."

Today, the Los Angeles Business Council launched a new website (<http://solar.labcinstitute.org>) to connect solar and community developers with building owners. The site lists 7,000 properties that are ripe for rooftop solar development, and includes building addresses, names of property owners and overall capacity of rooftop solar systems. "We know how important the list of potential properties was to identifying projects during the launch phase of the FiT," said LABC President Mary Leslie. "We've taken that list to the next level to provide an online marketplace that will facilitate the expansion of the FiT that we know is possible. LABC is confident that the online listing will spur additional solar investment by posting the most opportune sites in the City of Los Angeles."

## **Unlocking LA's Solar Potential / 3-3-3**

### **About the Los Angeles Business Council Institute**

The LABC Institute is a forward-thinking research and education organization dedicated to strengthening the sustainable economy of California. Founded in 2010, the Institute provides a bridge between the business, government, environmental, labor and nonprofit communities of Southern California to develop policies and programs that promote investment, jobs and business development. The Institute is the research and education arm of the Los Angeles Business Council, one of the most respected business advocacy organizations in the region. Founded in 1936, the LABC is known as an innovator and catalyst for policy development on a wide range of issues, including education, housing, green building, energy efficiency, transportation and solar development. For more information, please visit [www.labcinstitute.org](http://www.labcinstitute.org).

### **About the UCLA Luskin Center for Innovation**

The UCLA Luskin Center for Innovation, founded with a generous gift from Meyer and Renee Luskin, unites the intellectual capital of UCLA with forward-looking civic leaders to address pressing issues and translate world class research and expertise into real-world policy solutions. Research initiatives are supported by teams of faculty and staff from a variety of academic disciplines. The Luskin Center supports these initiatives by funding original research, scholars, conferences, technical internships and solution-oriented speaker series. The Luskin Center is based in the UCLA Luskin School of Public Affairs. For more information, please visit [luskin.ucla.edu](http://luskin.ucla.edu).

### **About the USC Program for Environmental and Regional Equity (PERE)**

USC Program for Environmental and Regional Equity (PERE) conducts research and facilitates discussions on issues of environmental justice, regional inclusion and social movement building. Since 2007, we have conducted high-quality research in our focus areas that is relevant to public policy concerns and that reaches to those directly affected communities that most need to be engaged in the discussion. PERE is situated within the University of Southern California's Dornsife College of Letters, Arts & Sciences. For more information, please visit [dornsife.usc.edu](http://dornsife.usc.edu).

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