



**Support HB 23-1137 – Community Solar Bill Credit Stabilization  
Sponsors: Rep. Lukens, Rep. Valdez, Sen. Roberts & Sen. Hansen**

**What is a Community Solar Garden (CSG)?** This is an off-site solar facility up to five megawatts where customers sign up for a share of the energy produced to help offset their energy use and save money on their monthly bills. Subscribers typically include income qualified individuals, housing authorities, schools, local governments, people or small businesses who rent, live in condos, have roofs not conducive for solar or can't afford the upfront costs of installing solar. The ability to subscribe to these projects increases access to the economic benefits of solar for groups typically left out of directly participating in the clean energy transition.

**What does this bill do?** It stabilizes the bill credit a subscriber gets monthly by allowing them to maintain the deal they signed up for without the risk of the rug being pulled out from under them after the fact. Projects moving forward will be able to lock in their rate when they first subscribe or they have the option to select a variable rate each year as set by the PUC. The bill also ensures that CSG customers pay into public benefit riders that are used to fund important programs like low-income bill assistance, beneficial electrification and clean energy technology programs. This all combines to give the subscribers the certainty they need to participate in the program, which is important for income qualified customers. A stable bill credit allows project owners to offer much more flexibility to customers and removes additional barriers for the participation of income qualified customers, helping to ensure Colorado maintains its leadership role for equitable community solar across the nation.

**What is the problem?** CSG bill credit rates currently fluctuate annually to reflect utility retail rates. However, over the last few years, the industry has seen a departure from that policy with credit rates declining even as retail rates rise. Recent PUC rule updates have further compounded this issue by adjusting the underlying methodology for calculating the credits by removing rate elements from the calculation. While we understand the need for ongoing updates to accurately reflect current costs and benefits, these retroactive changes to existing subscribers have had a negative effect on the market in Colorado and eroded subscribers and project investor's confidence in the program.