



TO: Tarrant County Commissioners Court

FROM: Russell Schaffner, Asst. County Administrator

DATE: August 23, 2023

SUBJECT: Solar for All Grant Program Update

Overview

The U.S. Environmental Protection Agency (EPA) Office of the Greenhouse Gas Reduction Fund (GGRF) released the Solar for All program Request for Applications (RFA) competitive grant program on June 28, 2023. The Greenhouse Gas Reduction Fund was created by the Inflation Reduction Act (IRA) and \$7 billion was allocated to the Solar for All program. Notice of Intent (NOI) deadline for counties is August 14, 2023. The grant closes on September 26, 2023.

Harris County, Texas, submitted the required NOI by the deadline. The Harris County NOI designated regional leads that will receive funding, if awarded, and administer and implement the Solar for All grant program. If the application is awarded grant funding from the EPA, Dallas County will be Harris County's subrecipient in the North Texas area and be responsible for the administration of those grant funds in Dallas County and Tarrant County. Tarrant County and local partners will work directly with Dallas County to receive funding for eligible programs. Tarrant County and Dallas County will collaborate to align programmatic structures in the proposal.

Responses to Questions

1. Is the state automatically getting money from this program or did they have to apply?

No entity is guaranteed funding. All entities that seek to be awarded funding must apply, and the EPA will award grants based on a competitive process.

2. Did the state apply for Solar for All funds? If not, why?

The Texas Department of Housing and Community Affairs submitted the required NOI. Little is currently known about the development of their application.

3. Why haven't Denton, Collin, Parker, and other counties applied?

Other surrounding counties were either not interested or are looking into other grant opportunities.

4. What estimated pre-award costs should the county expect?

At this point, staff does not anticipate any pre-award costs.

5. What problems have homeowners encountered from solar installations?

Homeowners have reported challenges related to solar facilities on their homes. The majority of these challenges are centered around solar companies that have aggressively marketed and sold residential solar arrays. By working with these companies, homeowners have found themselves with leans on their homes, no one to service their solar arrays, and/or low-performing systems. A study by the National Renewable Energy Laboratory (NREL) reported a median failure rate (defined as a solar panel needing to be replaced) of 0.05% annually between 2000-2015, based on 50,000 US installations and 4,500 globally. Solar panels have an estimated life of 20 or more years (with an estimated degradation of 0.5% annually).

6. Do solar panels increase the cost of homeowner's insurance?

Solar panels are generally covered by dwelling coverage on a homeowner's policy, and the insurance company may pay to repair and replace the panels. Not all insurers cover solar panels. Because homeowners are installing something with tens of thousands of dollars in value to their home, homeowners may see their premiums increase.

According to Progressive Insurance: "[Y]ou'll likely need to raise your coverage limits to account for the replacement cost of your solar panels, which will likely result in some increase to your premium. The additional cost may be considered small compared to the risk, especially when you factor in the location of your solar panels. Because they're placed outdoors in elevated areas vulnerable to wind, hail, and lightning, they're at a higher risk of damage.

If you replace a roof, what consideration is given to the solar panels?

If a homeowner replaces a roof due to a covered peril from an insurance company, insurance will pay for the cost of having a technician remove the panels and reinstall them after the roof is complete. A homeowner will have to pay for a technician to remove and reinstall the panels if the roof replacement is not through an insurance claim.

7. What happens to the cost of electricity for businesses and homeowners that do not have solar panels?

Staff is currently unable to provide a cogent answer. With Texas' deregulated electricity market and the reforms in the past two years, modeling is difficult.