What is Local Clean Energy Ownership?

Local clean energy ownership means that local residents have **Meaningful Decision-Making Power** over how clean energy projects are constructed and how their benefits are distributed.







Local clean energy projects may be owned by an individual, a group of individuals, or an entire community.

Clean Energy

- Climate
- Health
- Lower Costs

Local Clean Energy

- Local Jobs
- **Bill Savings**
- **No Transport** Costs
- Resiliency

Locally Owned Clean Energy

\$\$\$ More Local Jobs & Bill Savings



- Local Wealth Creation
- **Community Decision-Making** and Economic Democracy
 - Support for Renewables and Political Power for Social Change

of Local Clean Energy Ownership 3 Dimensions Locally owned projects tend to fall mostly on the "local" side. 1. Owners Von-Loca Loca 2. Governance 3. Benefits www.ilsr.org IUSR Advantage Local

Key Benefits of Local Clean Energy Ownership

Build Wealth. Households save on **Energy Costs** and Owning your own rooftop solar panels = an extra Rooftop solar increases home values \$12,000 in lifetime savings, compared to third-\$4,000 per kilowatt according to a party ownership. 2015 estimate! Being a part-owner and subscriber of a community Local clean energy projects are solar cooperative = an extra **\$14,000** in lifetime shared community assets that build savings, compared to third-party ownership. economic resilience and stability. One study found that Locally owned rooftop and community solar projects provide locally owned wind 3x the value to local owners, energy users, local banks, farms might create landowners, and local governments. **1.1 to 3.1x** more jobs than outside-owned If all small solar installed in 2021 was locally owned, it could have projects during created almost **\$7.5 billion in extra value** for host communities. construction. compared to outside ownership. Local Economy, Local Jobs, Communities reinvest in the create new and build Local Power.

Research from several countries has found that residents prefer **local or community ownership** of wind energy and that it's associated with more positive attitudes to development.

In a <u>2011 case study</u>, **45%** of residents of a German town home to community-owned wind turbines had a **positive opinion** of future local wind development, compared to only 16% in another town with a wind project owned largely by outside entities.

Local clean energy ownership is **essential** to create the public pressure and political will needed to **counter energy monopolies, address energy injustices, and confront the climate crisis**.

Advantage Local

cons by Smashicons and catkuro via Flaticon.con

www.ilsr.org $I \downarrow SR$

Local Clean Energy Ownership for All

Because of bad government policies and lobbying from big energy monopolies, local clean energy ownership isn't accessible to All Communities right now.

Take the example of rooftop solar. Rooftop solar adopter **incomes skew high**, especially for host-owned systems. The median household income of all 2021 solar adopters was \$110,000 compared to a national median of \$63,000.

Black and Hispanic households are underrepresented among solar adopters. Residents of **disadvantaged communities** are only <u>11% of</u> <u>adopters nationally</u>.



These disparities are the result of **structural barriers** to clean energy ownership, including racial and socioeconomic gaps in homeownership, wealth, and financing, as well as **energy system-specific barriers**, like high upfront costs, inadequate government incentives and policies, and utility interference.

We Must Expand Access to individual clean energy ownership and shared community ownership, so all people– no matter their race, income, renting status, or location – can own part of the clean energy future.

- Address high upfront costs, including by improving clean energy tax incentives, providing direct grants and accessible financing, and reforming securities regulations.
- **Pass supportive policies**, including fair compensation for clean energy owners and shared solar programs that enable community ownership.
- **Incentivize local ownership**, including through "adders," prioritization, and carveouts for locally owned projects in clean energy programs.
- **Provide technical support** for locally owned clean energy projects.



Here's how.





Advantage Local