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APARTMENT BUILDINGS ARE HUGE SOURCE FOR SOLAR ENERGY IN LA; INSTALLATIONS COULD BEGIN AS SOON AS NEXT YEAR

**300 megawatts, enough to power 30,000 homes, is possible over next decade,
according to new study issued by LA Business Council, U.S. Dept. of Housing and
Urban Development, USC and UCLA**

LOS ANGELES, Calif.—Solar power on apartment rooftops provides a tremendous opportunity to create up to 300 megawatts of clean power within city boundaries in the next 5-10 years, according to a report issued today at the Los Angeles Business Council’s Sustainability Summit, where city officials announced a pilot program that could result in citywide rooftop solar installations by 2012.

It is easier and less expensive to harness great quantities of solar power from multi-family roofs than from single-family homes or smaller commercial rooftops – in this case, enough to power 30,000 homes – according to the report, *Making a Market: Multifamily Rooftop Solar and Social Equity in Los Angeles*. And based on an extensive property survey, many of the rooftops with the greatest solar power are found in economically disadvantaged neighborhoods of the city.

The “social equity” aspect was an important one, as researchers from UCLA and USC, working in collaboration with the LABC Institute and the U.S. Department of Housing and Urban Development, sought to determine whether the benefits of a rooftop solar energy program could be brought to low-income residents of Los Angeles. As it turns out, they can.

“This study shows that a rooftop solar energy program can bring benefits to all of Los Angeles,” said LABC President Mary Leslie. “It will provide clean renewable energy, create thousands of local jobs and private investment, and aid our most distressed neighborhoods.”

Federal government financial incentives, combined with an innovative feed-in-tariff program (by which the owners of the multi-family properties who generate solar power can sell power back to the DWP), create an unprecedented opportunity for the City of Los Angeles to lead on solar power nationally, and reduce its reliance on polluting sources of power, including coal-fired power plants.

The latest study builds on previous research by UCLA and the LABC, finding that a city-wide 150-megawatt solar program on commercial and residential rooftops would generate \$500 million in local investment, create thousands of quality jobs, and have a minimal impact of as little as *19 cents a month* for the average residential customer.

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Los Angeles City Council President Pro Tempore Jan Perry, chair of the Energy and Environment Committee, announced at LABC's Sustainability Summit that she plans to introduce legislation to move forward with a private sector-driven rooftop solar program. "I will be introducing a motion tomorrow asking for the implementation of 75 Megawatts for the Solar Feed-In-Tariff project, as a pilot program. "This will provide benefits to the environment, to low income residents and to non-profits that can apply energy savings to social service programs."

"We applaud Councilmember Perry's leadership and commitment to get this program started immediately and take advantage of hundreds of millions of dollars in federal tax credits," LABC's Leslie said. "We can bring significant clean power to Los Angeles and create thousands of jobs in the process, but we need to act before the federal tax credits expire."

Essential to the program's success is the use of federal tax credits, currently in place through 2016, which will provide up to \$300 million to Los Angeles property owners who install solar power. Also critical is an agreement by DWP to pay the generators of rooftop solar a rate sufficient to incentivize property owners to invest. In the case of multi-family apartment buildings, the new study recommends a rate of 24 to 26 cents per kilowatt-hour of power that is fed back into the utility's grid. A similar incentive available under the DWP Solar Incentive Program is now oversubscribed and has been temporarily suspended.

Eighty percent of Los Angeles residents support the rooftop solar program being proposed by LABC, despite the fact it they would see a slight increase in their monthly DWP bill, according to an LABC Institute-commissioned survey conducted by Fairbank, Maslin, Maullin, Metz & Associates.

"Los Angeles residents sent a strong message in the survey that they support a rooftop solar program, and are willing to pay a little more for it," according to lead researcher Richard Maullin. "Residents want to reduce reliance on polluting coal-fired power plants and bring clean energy jobs to Los Angeles," he said.

Creating a well-designed multifamily solar rooftop program in low-income neighborhoods not only creates jobs, but it can reduce the costs of operating housing by lowering the costs of common-area electricity. If well-tailored, it can also provide monetary benefits for low-income residents in the form of rebates or reduced energy costs.

"The beauty of the solar panels is that they offset our costs so much so that we pay nothing for utilities," said LA Housing Partnership Executive Director Mary Silverstein of the 7 Maple Senior Housing Development. "This allows us to funnel those savings into our resident programs, providing computers, education programs and activities for the community."

Once enacted by the City Council, a new city-wide rooftop solar program could be implemented quickly – opening the door for the creation of thousands of local solar generators on the rooftops of Los Angeles.

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“The program will create jobs and enable low-income residents in participating buildings to benefit from rebates or reduced utility costs,” said Kelly Boyer, Director, Multifamily HUB for Los Angeles with the U.S. Department of Housing and Urban Development. “And that’s before you talk about clean air benefits. I’d say this is a win-win-win for Los Angeles.”

This is particularly important when considering the City Controller’s new audit, released last week, criticizing LADWP for suspending spending on new renewable energy projects, and putting at risk the city utility’s ability to reach mandated sustainability goals by 2020. Failure to achieve those goals will result in stiff financial penalties.

The “Making a Market” study is presented by the LABC Institute, the research and education arm of the Los Angeles Business Council, with major support from the U.S. Department of Housing and Urban Development, along with the 11th Hour Project, the Rosalinde and Arthur Gilbert Foundation and JP Morgan Chase. Lead authors are J.R. DeShazo, Director, UCLA Luskin Center for Innovation, and Manuel Pastor, Director, USC Program for Environmental and Regional Equity.

The study is available at www.labusinesscouncil.org/sustainability.

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