

Disadvantaged Communities – Single-Family Solar Homes (DAC-SASH) Program

DAC-SASH Semi-Annual Report

Q3 – Q4 2025



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1. Program Overview

1.1 Program Summary

The Disadvantaged Communities – Single-Family Solar Homes (DAC-SASH) program is overseen by the California Public Utilities Commission (CPUC) and provides incentives for solar photovoltaic (PV) systems to qualifying low-income homeowners living in disadvantaged communities¹ (DACs) or California Indian Country². GRID Alternatives (GRID), a non-profit solar contractor, is the statewide Program Administrator (PA) for the DAC-SASH program.

Through the DAC-SASH program, no-cost solar PV system installations are available to low-income families in California's DACs. Its primary goal is to provide opportunities for low-income homeowners within DACs to overcome barriers to accessing on-site, solar PV systems to decrease electricity usage and bills without increasing monthly household expenses. Low-income families face numerous barriers to accessing solar including financial, lack of marketing and outreach, educational and linguistic, distrust of outside entities and governments, and structural barriers like housing types and roof condition. GRID's experience has demonstrated that dedicated, carefully designed and executed low-income solar programs can overcome these barriers and provide access to the program and meaningful community co-benefits.

The program is funded primarily through greenhouse gas (GHG) allowance proceeds from California's Cap-and-Trade Program, with additional support from public purpose program funds if needed. The program offers one non-declining incentive level of \$3/W CEC-AC, which covers a significant portion of the cost of solar PV system installations. Additional funding sources are secured by GRID to cover costs that are beyond the base incentive. Under Resolutions (R.) E-4719 and E-4792, GRID leveraged Sunrun's prepaid Power Purchase Agreement (PPA) for approximately 90% of DAC-SASH projects through its Third-Party Ownership (TPO) model to help close the funding gap. However, in Q3 of this year, GRID has transitioned from the TPO model to a GRID Ownership model. Sunrun decided to discontinue being third-party owners of DAC-SASH systems citing challenges due to changes in ITC rules and broader market uncertainty. Finally, philanthropic

¹ Disadvantaged communities for the DAC-SASH program are defined as census tracts scoring in the top 25% statewide on the CalEnviroScreen 4.0 map. Homeowners in one of 22 additional census tracts that are in the top five percent of pollution burden but that do not have an overall CalEnviroScreen score because of unreliable socioeconomic data are also eligible. See <https://oehha.ca.gov/calenviroscreen/maps-data>.

² CPUC D. 20-12-003 modified the program to allow qualifying homeowners living in California Indian Country as defined in 18 United States Code Section 1151, with the exception of privately held in-holdings, which are defined as non-Indian owned fee land located within the exterior boundaries of California Indian Country; in the event of multiple owners, such land shall be considered Indian owned if at least one owner is a tribe or tribal member, regardless of the use of the land.

contributions, local grants, and funding from programs like the Transformative Climate Communities (TCC) Program, which is a program in California that funds development and infrastructure projects to support major environmental, health, and economic benefits in DACs are secured to cover any remaining financing gaps.

DAC-SASH is part of a broader policy framework aimed at supporting renewable energy adoption in DACs. It complements other CPUC programs like the Disadvantaged Communities Green Tariff (DAC-GT) which provides access to solar PV energy for low-income customers unable to install rooftop systems.

In addition to the above-mentioned location requirements, homeowners must be billing customers of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), or San Diego Gas & Electric Company (SDG&E) (collectively, the California investor-owned utilities or IOUs). Details for the DAC-SASH program's income qualifications³, other eligibility criteria, and application processes can be found in the [DAC-SASH Program Handbook](#).

D.18-06-027 and GRID's DAC-SASH Administration Contract with SCE outline reporting requirements for this Semi-Annual Progress Report, which will be published by January 30 and July 30 of each program year and detail the progress of the prior two quarters.

1.2 Program History

DAC-SASH was established as part of California's broader initiative to increase access to renewable energy in DACs. The program was developed in compliance with Assembly Bill (AB) 327 (Perea, 2013, ch. 611), which directed the CPUC to create a successor to the existing Net Energy Metering (NEM) tariffs as well as specific alternatives designed for growth among residential customers in DACs. As part of this directive, the CPUC issued Decision (D.) 18-06-027⁴ in June 2018, introducing two programs aimed at promoting renewable energy adoption among residential customers in DACs:

1. **DAC-SASH Program** – Provides upfront financial incentives for installing solar PV energy systems on the homes of low-income, single-family homeowners in DACs.
2. **DAC-GT Program** – Allows income-qualified residential customers in DACs to receive a 20% discount on their electricity bills by participating in utility-scale clean energy programs.

³ California Public Utilities Commission. (n.d.). CARE and FERA program. <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-costs/care-fera-program>

⁴ D. 18-06-027: Alternate decision adopting alternatives to promote solar PV distributed generation in disadvantaged communities. <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M216/K789/216789285.PDF>

The DAC-SASH program was modeled after the earlier Single-Family Affordable Solar Homes (SASH) program, which successfully provided solar PV incentives for low-income homeowners. The CPUC determined that the DAC-SASH program would be managed by a single statewide PA through a competitive bidding process.⁵ On January 4, 2019, GRID was selected as the statewide PA for DAC-SASH, overseeing all aspects of program implementation.

To ensure ongoing program effectiveness, DAC-SASH has been subject to regulatory updates through Advice Letters (ALs), resulting in various program refinements:

- AL 13-E⁶ (2019) – Established DAC-SASH Handbook v1 and outlined initial program implementation.
- AL 14-E (2019) – Addressed TPO contract term lengths, though no handbook changes were made.
- AL 15-E (2020) – Introduced temporary modifications due to the COVID-19 pandemic, leading to the release of DAC-SASH Handbook v2.
- AL 16-E (2021) – Expanded consumer protection measures, workforce development initiatives, the Subcontractor Partnership Program (SPP), and eligibility for tribal communities (Indian Country), culminating in DAC-SASH Handbook v3.
- AL 17-E (2022) – Allowed DAC-SASH solar PV system to be sized up to 150% of historic usage with no extra documentation required and allowed virtual or “desktop review” DAC-SASH compliance inspections, resulting in DAC-SASH Handbook v4.
- AL 18-E (January 2025) - Updated the current system size limit of 5 kilowatts (kW) AC and replaced it with the standard size limits for applicable utility interconnection rules.
- AL 19-E (August 2025) - Updated program handbook to add GRID as a solar system owner for DAC-SASH customers, leveraging federal tax credit provisions to expand equitable access to rooftop solar while maintaining consumer protections and providing an alternative experience to the previous TPO model.
- AL 20-E (Submitted September 2025, pending disposition) – Seeks to include solar-paired storage as eligible equipment.

The DAC-SASH program continues to support advances in environmental justice by directly addressing barriers – such as lack of access and capital – that prevent low-income homeowners in DACs from benefiting

⁵ D. 18-06-027, p. 33.

⁶ Resulted in Resolution E-5020 Approving GRID Alternatives Advice Letter 13-E/E-A, Proposed Disadvantaged Communities – Single-family Solar Homes (DAC-SASH) Program Handbook and Program Implementation Plan, pursuant to Decision 18-06-027.

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M313/K697/313697139.PDF>

from solar PV energy. This allows communities that are disproportionately affected by environmental pollutants to have access to solar PV energy, reducing energy costs and carbon footprint. This aligns with the CPUC's Environmental and Social Justice (ESJ) Action Plan⁷, which calls for increased investment in clean energy resources to benefit ESJ communities, and by ensuring inclusive participation of California's clean energy transition, as outlined in D. 20-07-008⁸ and D. 20-12-003⁹. Additionally, by incorporating workforce development into implementation, DAC-SASH promotes long-term economic empowerment and energy equity in historically marginalized neighborhoods, as described in D. 18-06-027¹⁰.

⁷ Environmental & Social Justice Action Plan Version 2.0. <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/environmental-and-social-justice.pdf>

⁸ D. 20-07-008: Implementing automatic enrollment of disadvantaged communities green tariff. <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M344/K058/344058812.PDF>

⁹ D. 20-12-003: Modifying DAC-SASH eligibility and enhancing outreach. <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M354/K045/354045228.PDF>

¹⁰ D. 18-06-027: Alternate decision adopting alternatives to promote solar distributed generation in disadvantaged communities. <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M216/K789/216789285.PDF>

2. Projects Summary

2025 had the largest amount of kW installed in the program’s history. In Q3 and Q4 of 2025, a total of 391 projects amounting to 2,433 kW were installed, which was a huge increase of installations compared to Q1 and Q2 of 2025 with 145 installations totaling 643 kW. While the total number of installations was lower compared to 2024, 2025’s total kW installed was the highest in the program’s history at 3,076 kW, surpassing the previous record of installed capacity seen in 2023 (3,032 kW). A higher number of systems were interconnected in the later half of the year. Many of those installations were started earlier in the year but experienced delays due to a number of factors that are detailed in the Interconnected Projects section below. Due to these delays, GRID anticipates that many projects whose installations have started in 2025 will be completed in 2026. In 2025, a total of 670 applications were submitted, while 693 applications were approved (including 23 that were submitted in late 2024 but approved in 2025). Of the approvals in 2025, 347 moved forward with contracts and designs. In Q3 and Q4, 263 more projects have been completed, bringing the cumulative installed capacity to 15,085 kW (CEC-AC) by the end of the year.

Table 1 summarizes the status of DAC-SASH projects from the beginning of the program through Q4 2025 based on the application approval date. Projects are categorized into three steps:

- Step 1: Projects with applications under review
- Step 2: Projects with confirmed applications/reservations
- Step 3: Projects that are completed/installed

Table 1. Status of DAC-SASH projects through Q4 2025 based on the application approved date.

Project Status	Number of Projects				Total Capacity (kW, CEC-AC)	Total Incentives (\$ millions)
	PG&E	SCE	SDG&E	Totals		
STEP 1*	35	56	17	108	502	\$1.50
STEP 2	51	127	11	189	952	\$2.86
STEP 3	2,097	1460	113	3670	15,085	\$45.26
Total (all projects)	2183	1643	141	3967	16,539	\$49.62

* Step 1 system sizing (kW) and incentives (\$) are estimates based on an average system size of 4.6 kW CEC-AC and incentive level of \$3.00/W CEC-AC. System designs are not completed until the Applicant is confirmed to meet all other program requirements.

Applications

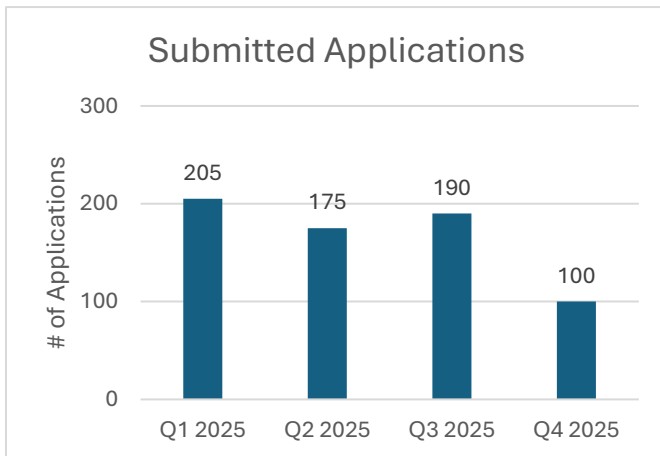


Chart 1. Submitted applications by quarter for the past year (Q1-Q4 2025).

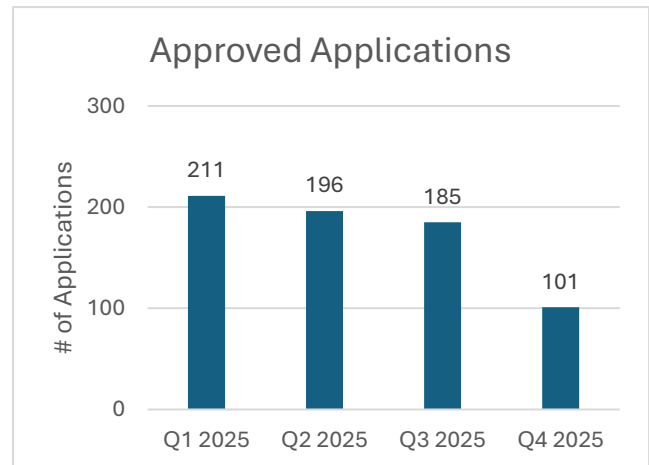


Chart 2. Approved applications by quarter for the past year (Q1-Q4 2025).

Application activity declined in Q3 and Q4 compared to the first half of the year. This aligns with historical seasonal trends in which the largest volume of applications is seen in Q2 and Q3 of the year as these warmer months tend to generate more interest in potential clients that are interested in getting solar to lower their utility bills or improve quality of life conditions (due to high temperatures). Despite this seasonal pattern, 2025 saw fewer new applications overall, largely due to an unprecedented surge in 2024 that created a backlog. Many 2024 applicants signed contracts that could not progress to installation until 2025 because of scheduling constraints, installation team capacity challenges, and client interest in pairing systems with battery storage through the Self-Generation Incentive Program (SGIP), a process supported by GRID throughout the year. The high application volume in 2024 also consumed the available incentive funding for PG&E, pushing many installations and contracts into 2025 and naturally reducing the number of new applications submitted that year.

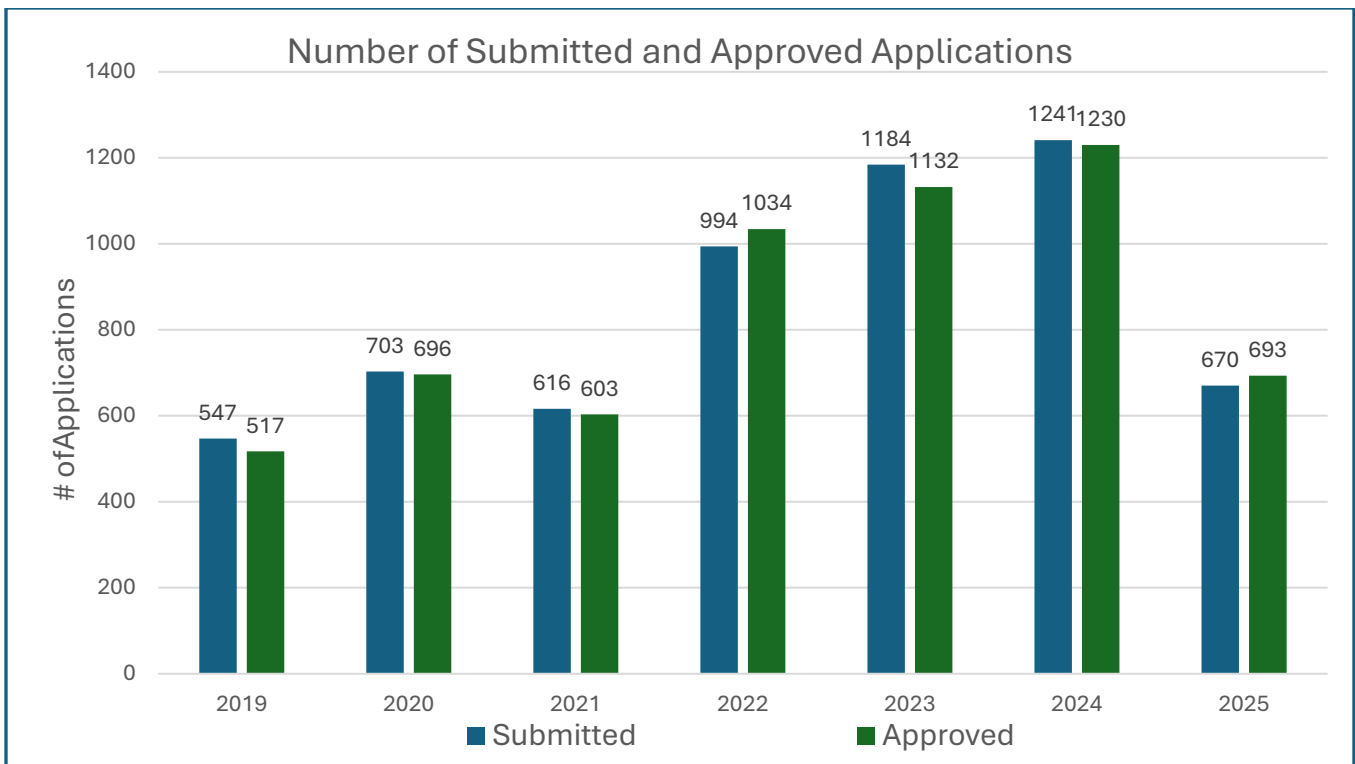


Chart 3. Total number of submitted and approved applications for the program so far by year.

Interconnected Projects

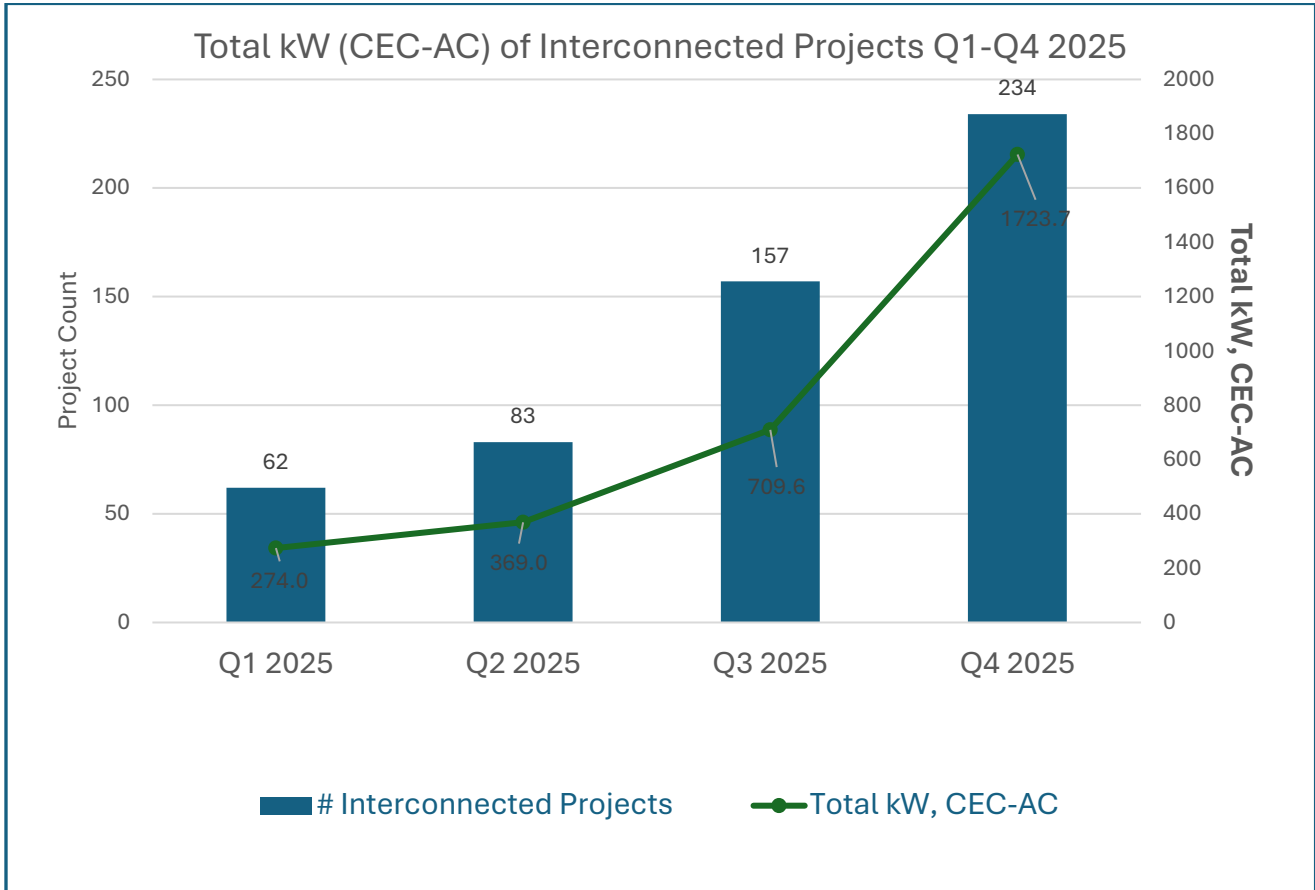


Chart 4. Total number of interconnected projects from Q1-Q4 2025 with total kW, CEC-AC that was installed.

Despite the lower number of new applications and installations completed in 2025 compared to the prior year, the program achieved its highest installed capacity in its history. In Q3 and Q4, there was a significant increase in installations with 391 installations totaling 2,433 kW compared to Q1 and Q2, in which GRID completed 145 installations totaling 643 kW. The installation numbers and capacity of 2025 surpass the previous record of 3,032 kW set in 2023. Although a high number of systems were interconnected later in the year, many had been in progress much earlier. Installation delays stemmed from several issues, including limited availability of battery equipment, extended SGIP approval timelines (particularly within the Residential Storage & Solar Equity (RSSE) budget, which paused new submissions for several months), delays in SCE territory for MSA installations associated with battery systems, significant changes to GRID's TPO structure with Sunrun, preparation time needed to adjust to changes in the Investment Tax Credit (ITC), shifting rules related to equipment needing to be FEOC (Foreign Entities of Concern) compliant, and an organization-wide restructuring in Q4 that temporarily reduced staffing capacity. Given the number of projects initiated in 2025 but not yet completed due to these factors, GRID anticipates many of these projects will be completed in 2026.

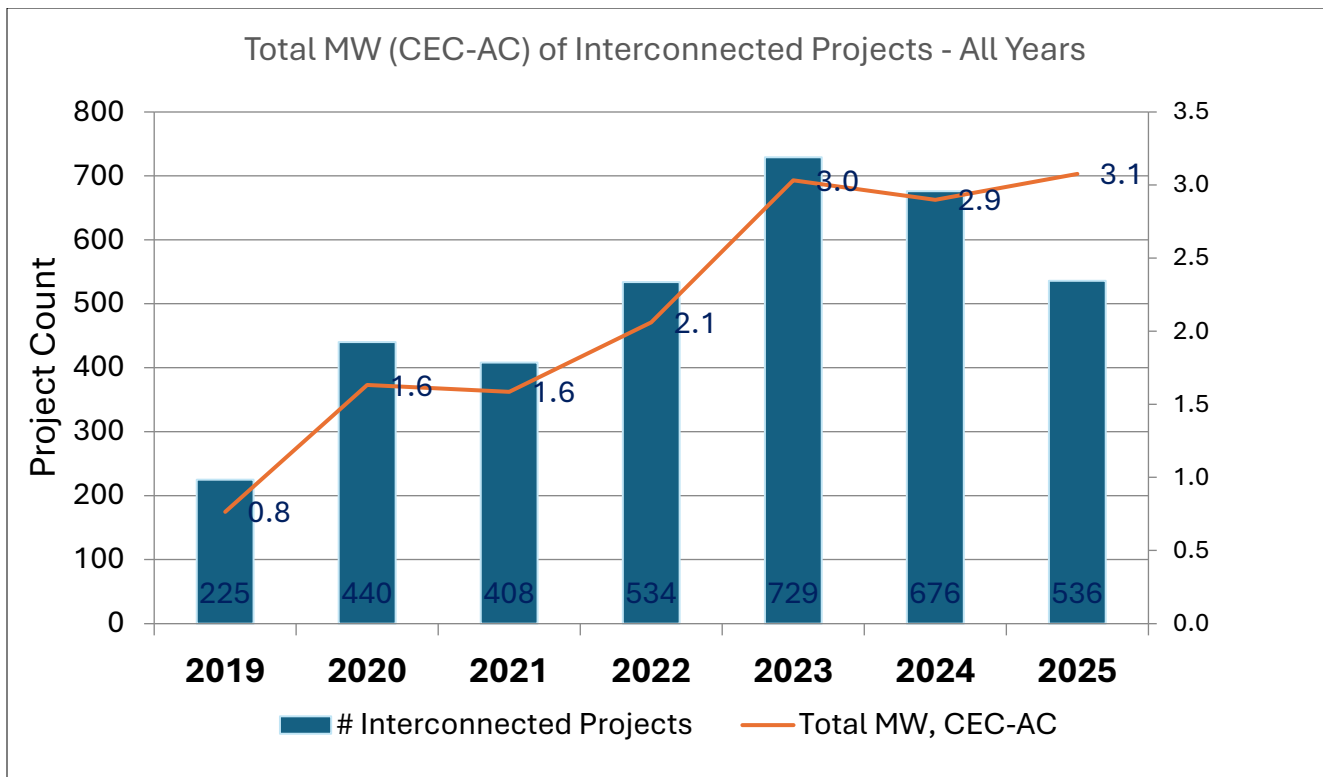


Chart 5. Total number of interconnected projects since 2019 and total capacity installed in MW, CEC-AC.

Average System Costs

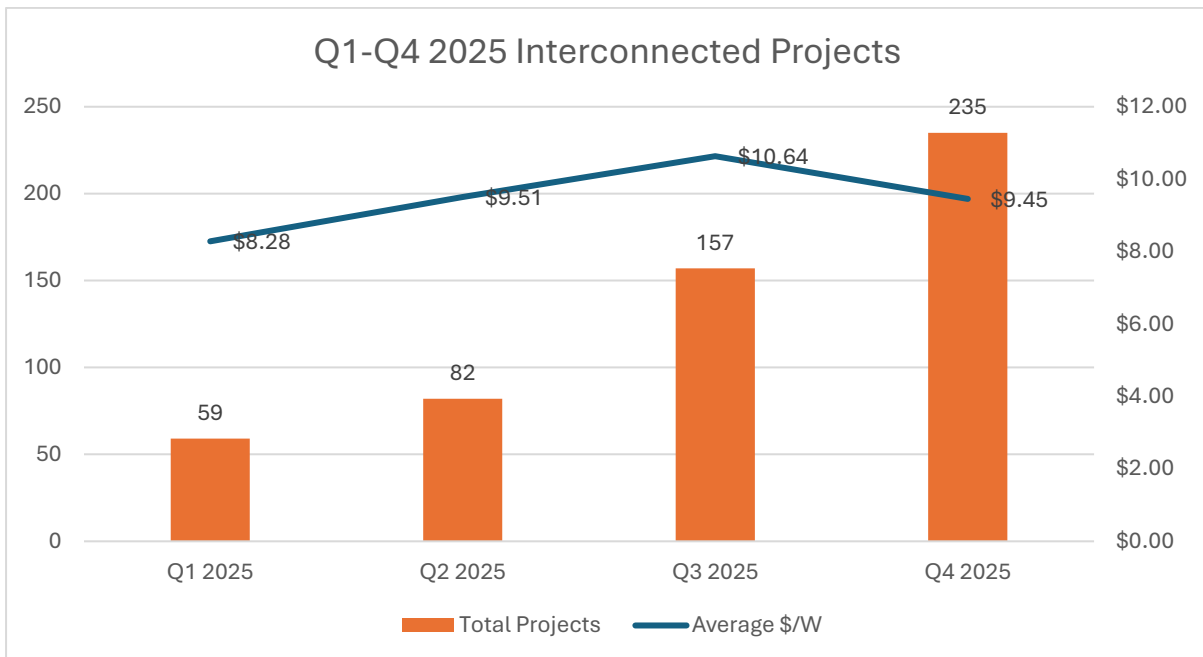


Chart 6. Total number of interconnected projects from Q1-Q4 2025 and the average system cost (\$/W).

Compared to the first half of the year, the number of interconnected projects in Q3 and Q4 increased and so did the average cost per watt. This increase is largely due to the high number of DAC-SASH PV projects

being paired with SGIP-funded BESS. Of the 533 projects interconnected in 2025, 410 were paired with battery storage, highlighting a strong trend toward integrated solar-plus-storage solutions, while 123 only had a PV-only system installed. The average cost per watt of the PV-only projects was \$4.72, while the average cost per watt of the paired projects was \$9.68.

Table 2. Average system cost (\$/W) based on the total number of projects by year

Year Interconnected	Number of Projects	Average Cost per Watt (\$/W, CEC-AC)
2019	225	\$5.25
2020	440	\$5.06
2021	409	\$5.02
2022	534	\$5.21
2023	729	\$5.25
2024	678	\$5.85
2025	533	\$9.68

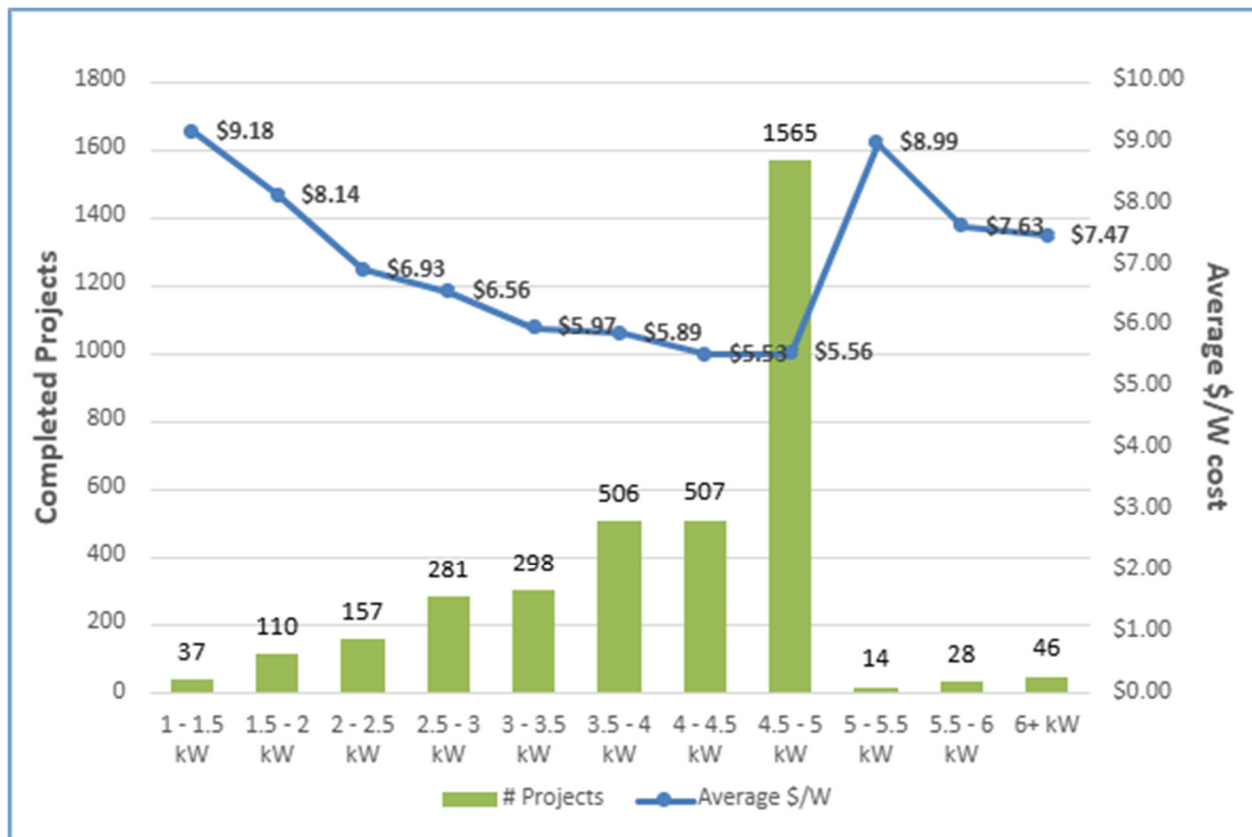


Chart 7. Average cost per watt (\$/W CEC-AC) based on system size.

2.1 TPO Projects

A major shift in the DAC-SASH TPO model occurred in Q3 2025. Until this point, GRID offered a TPO model under Resolutions E-4719 and E-4792, leveraging Sunrun’s prepaid PPA. This required extensive coordination between GRID HQ and Sunrun for each project. In July, this partnership ended due to changes in the federal ITC rules and broader market uncertainty. As a result, GRID submitted AL 19-E that was seeking changes to the program handbook, allowing GRID to become system owners of DAC-SASH systems to leverage federal tax credit provisions, and this AL was approved in August. New projects have since transitioned to a GRID ownership model, requiring contract updates, client education, and restructuring project workflows. Numerous contracts were regenerated to ensure clients understood the new terms and conditions.

Though the TPO model with Sunrun ended in July, there were still numerous projects whose installations needed to move forward by the end of 2025. In Q3 and Q4 2025, GRID completed a total of 391 installations, of which 354 were Sunrun TPO, 16 GRID-owned, and 21 client-owned. By year-end, 90% of all completed projects were still Sunrun TPO, a proportion consistent with the distribution reported at the end of Q2. This percentage, however, is expected to decrease significantly in 2026 as GRID’s ownership model becomes the primary pathway moving forward. As of Q4 2025, the total number of TPO projects installed are 3,210 (13,348 kW, CEC-AC), while 338 GRID-owned projects were installed (75 kW, CEC-AC), leaving 16 installations (174 kW, CEC-AC) that were client-owned.

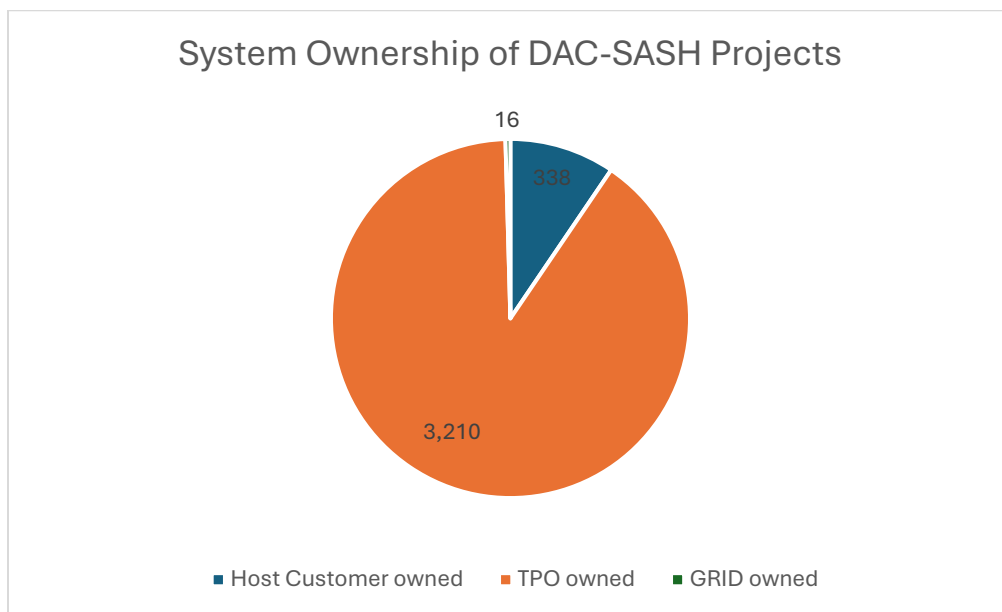


Chart 8. System ownership status of DAC-SASH projects through Q4 2025.

2.2 Tribal Projects

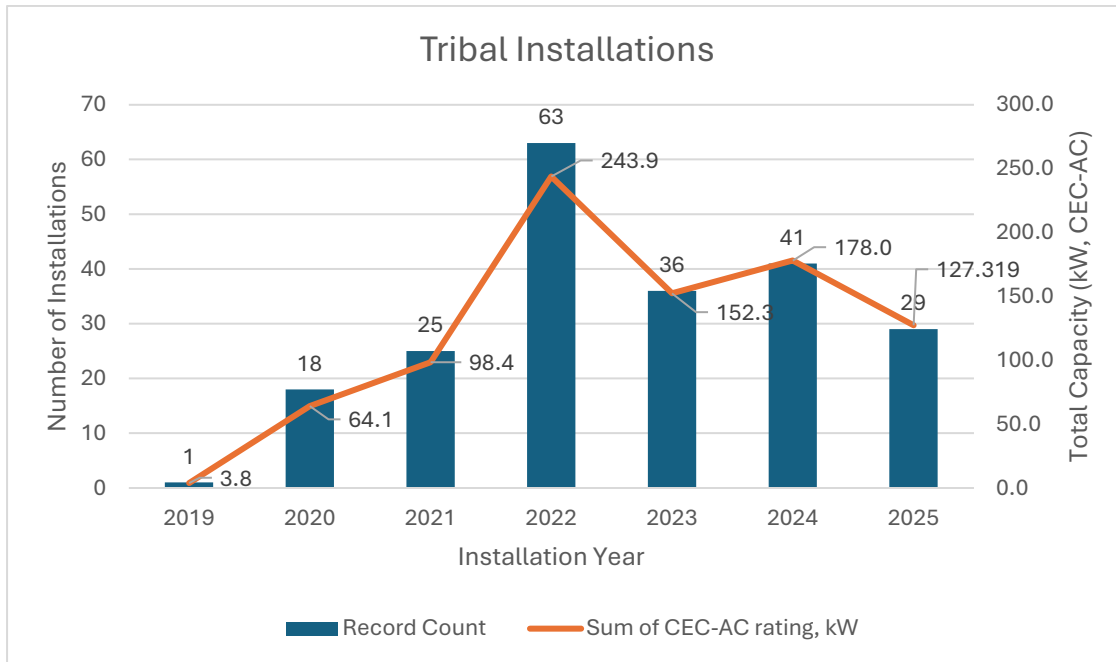


Chart 9. Number of installations completed with tribal clients and total capacity (kW, CEC) installed since 2019.

Following the approval of AL 16-E in 2021, which expanded DAC-SASH eligibility to tribal communities (California Indian Country), GRID staff significantly ramped up outreach and implementation efforts within these communities. Between 2019 and Q4 2025, GRID installed over 740 kW of DAC-SASH tribal solar PV systems across 184 projects.

New tribal installations in Q3 and Q4 of 2025 marked the lowest volume since 2019, a slight decrease from the previous two quarters. This decline is largely attributed to a strategic shift in marketing within certain GRID regions (such as the San Diego office) toward serving more urban, non-tribal areas typically located closer to city centers. Additionally, several tribal projects from the previous two quarters experienced delays in contracting and system installation. These setbacks stemmed from the complexities of supporting clients through SGIP participation and securing the necessary equipment for paired system installations.

Table 3. Number of tribal solar PV installations by year.

Install Year	Number of Installations	Total Capacity (kW, CEC-AC)
2019	1	3.8
2020	18	64.1
2021	25	98.4
2022	63	243.9
2023	36	152.3

2024	41	178.0
2025	29	127.319

Additionally, GRID has expanded its service offerings to include complementary programs that go beyond solar PV installations. These include pairing solar PV with battery storage, electrification upgrades, and other energy resilience services, ensuring that tribal clients have access to the various services offered to their communities. Together, these strategies have made DAC-SASH more accessible, relevant, and impactful for tribal communities, contributing to sustained growth in participation.



Figure 1. DAC-SASH funded solar PV array installed on a home in tribal land

3. Workforce Development & Job Training

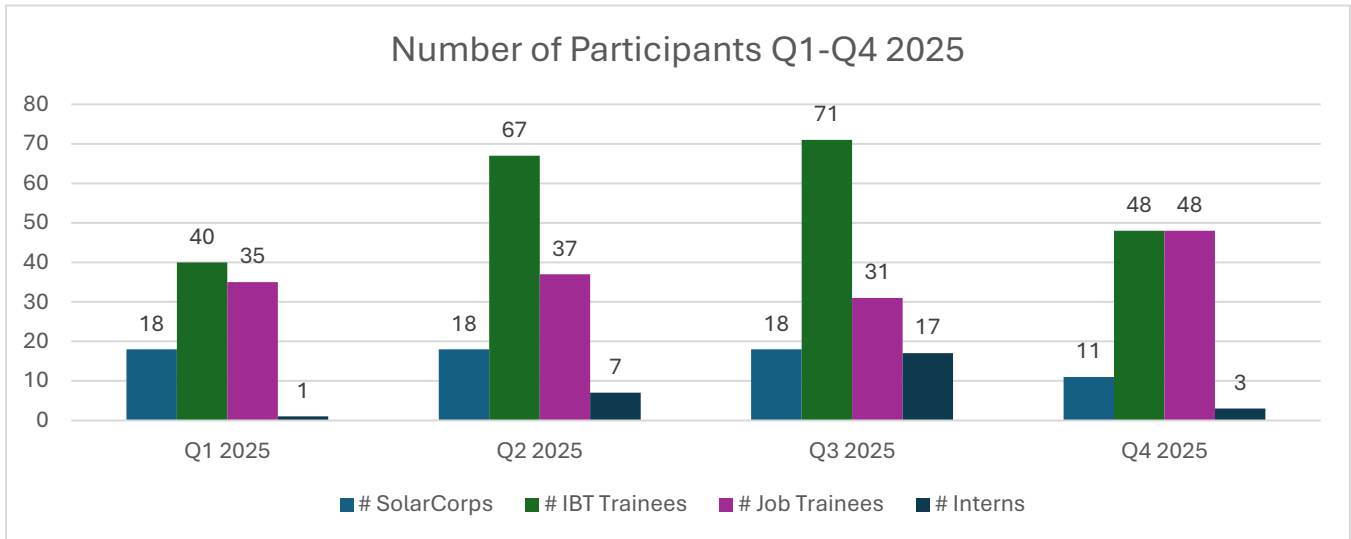


Chart 10. Number of various workforce development or job training participants by quarter for 2024

In 2025, GRID’s workforce development programs demonstrated consistent engagement across several key roles. SolarCorps participation decreased from Q3 to Q4, with 18 fellows contributing a total of 1,600 hours. SolarCorps Fellows are participants in GRID’s 11-month paid apprenticeship program, which offers hands-on training, career development, and nonprofit experience focused on clean energy access in under-resourced communities. Intern participation grew, with 17 interns contributing 914 hours in Q3 2025, compared to lower involvement in earlier quarters. However, this decreased significantly in Q4. While fellows and interns may not always participate in physical installations, they play a critical role in supporting project delivery through administrative and logistical work. Their contributions expand the scope of workforce development by exposing participants to different aspects of DAC-SASH implementation, such as project management to community outreach, broadening the range of skills and experience gained through GRID.

DAC-SASH integrates job training opportunities into every project, creating pathways for individuals from all backgrounds to access well-paying jobs in California’s solar industry and ensuring lasting community impact. Twenty percent of all in-house solar PV installations (installed by GRID staff, not subcontracted) include a job trainee. These trainees may be community volunteers seeking experience, corporate volunteers participating in team-building events, or attendees of community-based events hosted by GRID. Additionally, job trainees may be individuals hired by subcontractors to participate in DAC-SASH-funded installations. Over the last year, job trainee participation steadily increased in the first half of the year, while

participation decreased in the second half of the year with a total of 79 job trainees contributing a total of 4,667 hours.

In parallel, GRID operates the Installation Basics Training (IBT) program in partnership with 47 job training organizations across California. IBT participants gain hands-on installation experience under the supervision of senior installation staff and receive instruction in 11 industry-relevant skills. Although the IBT program is not directly funded by DAC-SASH, it significantly supports the program's workforce development goals. IBT participants also benefit from job referrals, professional networking, and eligibility for the NABCEP certification - the solar industry's leading credential. IBT engagement peaked in Q3 2025 with 71 participants contributing 3,512 hours, totaling 8725.5 hours across the four quarters.

Cumulatively, GRID supported 47 active Job Training Organizations (JTOs) over the past two years, with 17 of those located in Disadvantaged Communities (DACs). Over the last two years, 228 job trainees resided in DACs, contributing to an all-time total of 655. Notably, 197 participants secured employment after their involvement with GRID in the past two years, with a total of 545 job placements recorded to date.



Figure 2. Volunteers installing PV at a DAC-SASH funded installation (October 2024)

4. Subcontractor Partnership Program

GRID’s Subcontractor Partnership Program (SPP) is a proven model for engaging local installers as subcontractors while also providing paid work opportunities for job trainees. Through SPP, GRID partners with vetted contractors to install PV systems, allowing regional offices to strategically outsource portions of the installation process to stay on track with install goals. In many cases, only the installation portion is subcontracted, while GRID staff continue to manage system design and other project aspects. This approach not only helps maintain installation timelines and meet projections but also increases overall efficiency by enabling GRID to leverage internal design capacity while staying on top of install schedules through trusted contractor partnerships.

Table 4. Summary of completed SPP projects by year (all-time¹¹).

Services Actual Completion Date	Sum of CEC-AC rating, kW	Average CEC-AC rating, kW	Average Cost per AC Watt (calculated)	Average System Cost	Record Count
2020	24.8	3.5	\$3.61	\$12,482.04	7
2021	62.2	3.5	\$3.77	\$12,949.24	18
2022	292.2	4.1	\$4.84	\$19,623.60	72
2023	423.2	4.4	\$5.57	\$23,754.19	97
2024	398.5	4.4	\$6.05	\$26,233.06	91
2025	162.1	4.5	\$10.36	\$44,917.26	36
All-time Data	1363.0	4.1	\$5.70	\$23,326.56	321

There are logistical and quality challenges associated with managing subcontractors, but mission-aligned partnerships add significant capacity and efficiency, particularly during the busy summer season when GRID’s construction staff are often spread thin. While subcontractors handle design and installation, GRID’s outreach teams in the Inland Empire, Los Angeles, and North Valley manage all client-facing interactions, ensuring quality service and community engagement.

In Q3 and Q4 2025, subcontractors completed 13 installations. This is a decrease from the first half of the year that saw 23 installations. The average system size slightly increased in Q3 and Q4 at 4.69 kW (CEC-AC) compared to Q1 and Q2 with an average system size of 4.34 kW (CEC-AC). However, the average cost per watt has increased significantly, primarily due to the inclusion of BESS. These paired installations require longer installation times, additional materials, and expanded services to ensure the home is properly

¹¹ There were zero subcontracted projects completed in 2019.

equipped for both PV and BESS. Additionally, many of these projects were located far from the warehouses, resulting in extra costs for mileage reimbursement.

To uphold installation quality, most SPP projects undergo third-party independent Quality Assurance (QA) inspections. In 2025, GRID continued to work with third-party inspectors to conduct remote inspections, reducing on-site inspections to save time and program costs. Additionally, each subcontractor is required to hire at least one paid job trainee per DAC-SASH project, reinforcing GRID's workforce development commitments.



Figure 3. PV array installed by a subcontractor (August 2024)

5. Utility Referrals

5.1 Referrals to IOUs

Each month, GRID sends reports to all three IOUs detailing completed projects. These reports serve two key purposes. The first of these is for CARE/FERA enrollment. This process supports the enrollment of clients in CARE or FERA if they are not already participating. Since DAC-SASH participation is a reliable indicator of income eligibility, it provides the IOUs with a straightforward way to confirm and enroll eligible clients.

In Q3 and Q4, a total of 290 applications were submitted to GRID. 226 of these 290 applicants were already enrolled in CARE or FERA, leaving 64 to be referred. This is a decrease in applications compared to Q1 and Q2, which had a total of 378 applications submitted, with 312 already enrolled, leaving 63 clients that were referred. To date, GRID has referred 5,202 clients to the IOUs for these programs.

The second purpose for sharing these reports is to support an increased participation rate in the IOUs' Energy Savings Assistance Program(s) (ESAP), which offers no-cost weatherization services to eligible low-income households. These upgrades (attic insulation, efficient refrigerators, furnaces, weather stripping) help reduce utility costs through improved energy efficiency. The IOUs have cited several challenges in the ESAP enrollment process such as difficulty contacting clients, with leads deemed non-viable after three unsuccessful outreach attempts, and delays in subcontractor follow-through, even when clients responded. SCE noted that its ESAP processing team was undergoing an internal data cleanup, which may have contributed to the lack of progress.

To address these issues, GRID engaged in discussions with the IOUs during Q1–Q2 2025 to reinstate the ESAP referral process and improve outcomes moving forward. In Q3 and Q4 of 2025, the IOUs have reported to have initiated outreach to the clients referred to them through 2025, and data on this progress will be shared in the next SAR.

5.2 Referrals from IOUs

In accordance with Decision 20-12-003, IOUs are required to share DAC-SASH eligible customer profiles (or leads) with GRID Alternatives annually, beginning in February 2021. However, over the past four years, there has been a noticeable decline in the number of ESAP leads shared. Additionally, previous datasets often included incomplete contact information and duplicate entries, which limited their effectiveness for

outreach. The lack of a standardized data format across IOUs has further complicated GRID's ability to efficiently process and integrate the information into its internal tracking systems.

GRID remains committed to strengthening coordination with IOUs, improving data integrity, and enhancing DAC-SASH participation among ESAP-eligible clients. To address these challenges, GRID conducted a comprehensive review of lead data from the past four years with each IOU to confirm receipt and accurate processing. As a result, all leads received prior to May 2025 were successfully uploaded into GRID's internal project tracking system.

In May, IOUs provided a new batch of leads. The datasets included potential DAC-SASH leads based on ESAP enrollment status. The initial review revealed a significant number of older leads (some dating back more than 10 years) many of which were already present in GRID's system. Nonetheless, receiving these comprehensive datasets was valuable in ensuring that all possible leads were captured.

So far, the volume and quality of leads received in 2025 show improvement compared to 2024. However, GRID has identified follow-up questions regarding the data and will continue working with IOUs to refine the referral process. Collaboration on these efforts continued through Q3 and Q4 of 2025.

6. Complementary Programs

GRID seeks to integrate the DAC-SASH program into the full landscape of CA programs that can benefit disadvantaged communities. These include, but are not limited to, energy efficiency programs, electric bill payment assistance programs, electric vehicle (EV) and electric vehicle supply equipment (EVSE) programs, the SCE Charge Ready Home (CRH) program, and SGIP. In concert, these programs expand access to clean energy, improve solar readiness, enhance energy resilience, and support the transition to electric transportation.

6.1 SGIP Integration

SGIP supports battery storage adoption with a focus on benefiting disadvantaged communities. In 2019, Decision 19-09-027 expanded SGIP eligibility to DAC-SASH participants under the Equity and Equity Resiliency budgets, increasing access to solar and battery storage solutions. In 2024, GRID intensified outreach efforts targeting the SGIP Equity budget, which offers battery incentives at \$0.85/Wh. In March 2024, GRID shifted its strategy to pair DAC-SASH projects with RSSE funds, a new budget category in SGIP that aimed to provide no-cost PV + battery storage installations.

Applications

While SGIP began around 2020, GRID did not begin actively marketing and conducting outreach to encourage client participation until around 2023. That year marked a turning point, with a noticeable increase in approved applications for projects that included both PV systems and BESS, allowing clients to participate in DAC-SASH and SGIP simultaneously. GRID also began reconnecting with past SASH and DAC-SASH clients to invite them to participate in SGIP, as participation in these programs qualifies clients for SGIP.

In 2023, 43 out of 1,132 approved applications were paired with SGIP, representing 4% of the total. These included 30 applications in PG&E territory, 3 in SCE, and 10 in SDG&E. In 2024, the number of paired applications rose significantly to 710 out of 1,230, accounting for 37% of all approved applications. This included 369 in PG&E, 322 in SCE, and 19 in SDG&E. Through Q4 2025, 392 out of 693 applications have been paired with SGIP, representing 56% of approvals. The breakdown includes 135 in PG&E, 236 in SCE, and 21 in SDG&E.

Installations

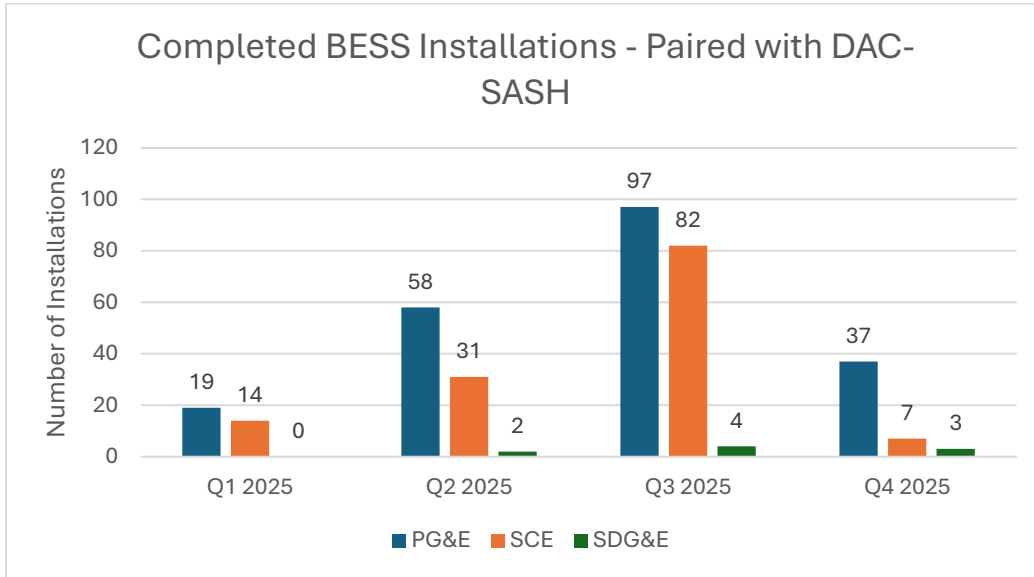


Chart 11. Number of projects installed each quarter in 2025 that were PV + BESS broken out by IOU territory.

In 2025, GRID completed a total of 354 installations paired with DAC-SASH across PG&E, SCE, and SDG&E territories. The most installations in 2025 happened in Q3. PG&E led the effort with a total of 211 installations, including a peak of 97 in Q3 2025. SCE followed with 134 installations, showing steady growth each quarter until dropping off in Q4. SDG&E had minimal activity, completing a total of 9 installations in 2025. This data reflects continued progress in paired project completions, particularly in PG&E and SCE service areas.



Figure 4. GRID staff inspecting a battery they just installed (November 2024)

6.2 EV Charger and Clean Mobility Programs

GRID administers several low-income EV programs for the California Air Resources Board (CARB), an Air Quality Management District, and the Empower EV Program for PG&E. These initiatives support DAC-SASH participants in accessing clean mobility solutions by providing EV incentives and home chargers alongside solar PV installations.

- 36 participants received a car charger through GRID’s programs over the last several years.
- There was an increase in EV + PV combo projects of 16 total installs in 2025, compared to the 12 installations in 2024.
- EV charger installations in 2024 totaled 5, and in 2025 there was only 1 installation.

6.3 SCE CRH Program

The CRH program, administered by SCE, provides crucial solar PV-readiness and EVSE support to qualifying households. As part of GRID’s broader effort to integrate complementary programs, CRH presents an opportunity to address a major barrier to solar PV adoption: the need for Main Service Panel (MSP) upgrades. The program began accepting applications in March 2024.

Many low-income households require MSP upgrades to support solar PV, a common challenge that has prevented DAC-SASH projects from moving forward in the past due to lack of funds available to cover the

upgrade work. CRH helps cover the MSP upgrade cost, ensuring more qualified homes are able to accommodate solar PV. Additionally, to qualify for CRH funding participants must install a level 2 EV Charger as part of the MSP upgrade project. This requirement ensures that households receiving CRH funding are also equipped for future EV adoption, supporting GRID's broader transportation electrification goals. GRID will continue working with the CRH program to maximize benefits for DAC-SASH participants and support holistic solar PV + EV adoption.

Since the program launched, GRID's utilization of the CRH program in SCE territory has been closely integrated with DAC-SASH. In 2024, GRID submitted 45 CRH applications, 43 of which were for DAC-SASH projects. This reflects a strong alignment between the two programs, with DAC-SASH households making up the vast majority of CRH participation to date.

In 2025, GRID submitted 220 CRH applications, 117 of which were for DAC-SASH projects. This continued overlap highlights the ongoing synergy between CRH and DAC-SASH, reinforcing the role of DAC-SASH as a key driver of CRH engagement.

7. Program Budget & Financing

The Commission authorized \$10M per year to be collected for DAC-SASH, beginning on January 1, 2019, and continuing through December 31, 2030. The Decision describes that the state's IOUs will first collect DAC-SASH program funding through available GHG allowance revenues. In the event that there are insufficient funds available from those revenues, the DAC-SASH program will be funded through customer rates via public purpose funds.¹² The \$120M program is funded by PG&E, SCE, and SDG&E according to the percentage allocations listed in Table 5. The tables below represent projects that were completed and invoiced. The amount of incentive funding reserved through Q4 2025 is over \$48 million, which is over \$6 million greater than the amount invoiced. As described in the Projects Summary section, many projects are experiencing delays that have prevented them from being completed and invoiced prior to the end of Q4, leaving over 177 projects that have begun installation but have yet to be completed. These 177 projects amount to over \$2.6 million in funding.

Table 5. Budget allocations by utility service territory.

	PG&E	SCE	SDG&E	Total
Budget %	43.7%	46.0%	10.3%	100%
Budget through 2025 (\$ in millions)	\$30.59	\$32.20	\$7.21	\$70.00
Remaining Program Budget 2025-2030 (\$ in millions)	\$21.85	\$23.00	\$5.15	\$50.00
Total Program Budget (\$ in millions)	\$52.44	\$55.20	\$12.36	\$120.00

Table 6. Budget allocation by program function.

	Budget %	Budget through 2025 (\$ in millions)	Expensed Q1- Q4 2025	Expensed prior to 2025	Remaining in 2025 Program Budget
Incentives	85%	\$59,500,000	\$6,495,540	\$35,621,928	\$17,382,532
Administration	10%	\$7,000,000	\$1,000,000	\$6,000,000	\$0
Marketing and Outreach	4%	\$2,800,000	\$400,000	\$2,400,000	\$0
Evaluation	1%	\$700,000	Budget resides w/ CPUC	Budget resides w/ CPUC	Budget resides w/ CPUC
Total Program Budget	100%	\$70,000,000.00	\$7,895,540	\$44,021,928.00	\$17,382,532

¹² D. 18-06-027, p. 31.

Table 7. Incentive budget by utility service territory.

	PG&E	SCE	SDG&E	Total
Budget %	43.7%	46.0%	10.3%	100%
Budget through 2025 (\$ in millions)	\$26,001,500.00	\$27,370,000.00	\$6,128,500.00	\$59,500,000.00
Expensed through Q4 2025 (\$ in millions)	\$23,974,359.00	\$16,981,155.00	\$1,161,954.00	\$42,117,468.00
Remaining Incentives (\$ in millions)	\$2,027,141.00	\$10,388,845.00	\$4,966,546.00	\$17,382,532.00

8. Barriers to Participation

Clients living in low-income households face multiple barriers to accessing solar PV energy, both independently and through statewide and local solar PV programs. These challenges include financial, structural, and outreach-related obstacles. GRID's approach, which is both community-centric and customer-centric, effectively addresses many of these barriers using proven strategies for engaging low-income households. For example, GRID helps families overcome financial barriers by covering the cost of solar PV systems. However, there are limitations, such as financial constraints related to inverter replacements after ten years for non-TPO projects. Additionally, eligibility requirements present challenges to participation in the DAC-SASH program.

8.1 Income Eligibility Limitations for Homeowners

The DAC-SASH program requires participating households to meet the statewide low-income definition based on the CARE/FERA eligibility criteria. However, a single income threshold across the state limits participation in regions with a higher cost of living, such as San Diego. For example, nearly 50% of SDG&E households that qualified for the SASH program¹³—which uses Area Median Income (AMI) to account for regional cost-of-living differences—would not meet the income requirements for DAC-SASH. Similar trends are observed in the Bay Area and Los Angeles, where many households are disqualified under the CARE/FERA benchmark.

Furthermore, most affordable housing organizations operate within the 80% AMI income threshold. As a result, many new construction homeowners—who must incorporate solar PV systems under state mandates and often have new roofs suitable for long-term solar PV deployment—do not qualify for the program.

8.2 Need for Gap Financing

Gap financing refers to the difference between total project costs and the DAC-SASH incentive on a per-watt basis. While GRID leverages the DAC-SASH TPO model to cover financing gaps for most projects, 10% to 15% of DAC-SASH projects do not qualify for this model. Additionally, some projects incur higher costs due to factors such as electrical service upgrades or the installation of small or ground-mounted systems.

¹³ SASH uses 80% or less of AMI to meet the low-income threshold, which is set in PU Code 2852(a)(1) and detailed in Chapter 2 (commencing with Section 50050) of Part 1 of Division 31 of the Health and Safety Code.

Securing additional gap financing is essential, as low-income participants are not expected to contribute financially. GRID supplements funding through local grants, foundation support, in-kind donations, and philanthropic contributions. However, these resources are insufficient to meet demand. As a result, long waiting lists exist for homeowners requiring new roofs or other essential upgrades before participating in the program.

8.3 Additional Structural Costs

Many homes eligible for DAC-SASH are older and require significant structural improvements, including roof repairs, property rehabilitation, or updates to outdated electrical systems beyond a standard main service panel upgrade. While GRID has established regional partnerships to provide roof repair and replacement assistance—such as agreements with the cities of San Francisco and Richmond and a philanthropic fund supporting veteran homeowners in Los Angeles—these resources are geographically limited and cannot meet the overwhelming demand.

Homeowners requiring these structural upgrades face substantial barriers to DAC-SASH participation, as existing funding sources are insufficient to cover all necessary improvements.

8.4 Challenges with SGIP

While SGIP presents an opportunity for clients to receive additional benefits, navigating the program has posed significant challenges for both clients and GRID staff. Several factors have contributed to difficulties in guiding clients through the SGIP process:

- **Complex and Evolving Program Rules** – SGIP’s eligibility criteria and program requirements have been unclear and subject to frequent changes. These ongoing modifications, combined with delays in finalizing the new program handbook, have created confusion for both clients and GRID staff.
- **Delays in Funding Release** – The slow release of SGIP RSSE funds has further complicated program implementation, impacting the timing and feasibility of project installations.
- **Administrative Burden** – Due to program ambiguities and rule changes, applications and contracts often require multiple revisions and additional signatures, creating frustration among clients.

These challenges have led to a decline in client trust, with some participants opting out of the program entirely. While GRID staff have made extensive efforts to mitigate dissatisfaction and communicate that SGIP is not administered by GRID, the complications surrounding the program have nonetheless affected

GRID's reputation. The long-standing trust that GRID staff have built over the years has been strained by program inconsistencies, underscoring the need for greater clarity and stability in SGIP's implementation.

9. Conclusion

In 2025, GRID executed a strategic shift from emphasizing high application volumes to prioritizing project completions and the integration of SGIP-funded battery systems with DAC-SASH-funded PV systems. Although application submissions and approvals were higher during the first half of the year, the second half demonstrated GRID's focus on closing out a large backlog of delayed projects. Staff maintained a strong approval rate throughout the year while concentrating on advancing a substantial pipeline of projects with long-standing approved applications and signed contracts.

Interconnection volumes dipped early in the year due to seasonal and technical factors but increased significantly in the latter half. This period also saw a higher proportion of paired PV-plus-storage systems being interconnected, though pairing PV systems with SGIP-funded battery systems contributed to delays in installation starts and extended installation timelines.

Q3 and Q4 brought several major changes for both the program and GRID Alternatives. The transition of system ownership model from the TPO model to GRID-owned, driven by the wind-down of GRID's partnership with Sunrun and the approval of AL 19-E, which authorized GRID-owned systems in the program handbook, required rapid shifts in both strategy and staffing capacity. Despite the unexpected nature of this change, GRID completed the transition successfully. The GRID-ownership model streamlines the project lifecycle and is expected to improve project management efficiency.

Another significant development was the organizational restructuring that occurred in mid-Q4. Both regional and headquarters staffing levels were reduced, and management structures were realigned. Although this caused a temporary slowdown of a few weeks as roles and responsibilities were reassessed, teams stabilized quickly. Additional refinements to the organizational structure will continue through 2025 and into early 2026.

Overall, 2025 was a demanding but productive year for GRID staff, particularly given the large volume of previously delayed projects that advanced. In 2026, GRID aims to continue implementing the program to expand access to on-site solar PV for low-income homeowners in DACs, reducing energy usage and bills without increasing household expenses. Despite the challenges of 2025, the coming year is expected to bring opportunities to serve even more clients statewide and to further advance the policy framework supporting renewable energy adoption in DACs.