The Climate Access Fund (CAF) is a newly created nonprofit Green Bank in Baltimore, Maryland. CAF is raising social impact capital to drive traditional private investment into the low-income residential energy market, with the goal of substantially reducing home energy bills for thousands of low-income households through access to offsite, or “community,” solar in Maryland.

The opportunity
To date, access to residential solar power in Maryland has been limited to those who own their own homes and can afford the upfront costs of installing rooftop solar. Maryland’s newly launched community solar pilot program has created an opportunity to ensure that renters and low-income households may also save money through solar power by paying for solar that is not generated on their rooftops.

The challenge
The community solar regulation requires that at least 30% of the program’s solar power be reserved for low- and moderate-income (LMI) residents. Yet the regulation does not account for a key market gap: traditional solar investors are typically unwilling to take risks when it comes to low-income consumers’ creditworthiness, particularly on smaller-scale projects.

The solution
CAF was created to address this credit gap and help the smaller-scale low-income market take root. CAF identifies potential community solar sites, builds the necessary community-based partnerships, and offers financial incentives to solar developers who provide sufficient savings to low-income participants.

By demonstrating that affordable solar power can be successfully financed and deployed in underserved communities, CAF aims to help bring the market to scale in Baltimore and throughout Maryland.