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Staff Workshop SB 1 - SCTY Comments

Attached are SolarCity's comments on the Sept 16, 2016 staff workshop on the proposed revisions to the draft guidelines for California's Solar Electric Incentive Programs.

Additional submitted attachment is included below.
September 23, 2016

California Energy Commission
Dockets Office
Re: Docket No. 07-SB-01
1516 Ninth Street
Sacramento, CA 95814-5512

RE: Staff Workshop on the Proposed Revisions to the Draft Guidelines for California’s Solar Electric Incentive Programs (Senate Bill 1)

Dear Commissioners and Renewables Division Staff,

SolarCity respectfully submits the following comments on the draft guidelines for Senate Bill (SB) 1 in response to the September 16, 2016 workshop.

**Background**

SolarCity is California’s leading full service solar power provider for homeowners and businesses – a single source for engineering, design, installation, monitoring, and support. The company has approximately 5,000 California employees based at more than 40 facilities around the state and has installed solar energy systems for over 285,000 customers nationwide as of June 30, 2016.

**Overall Comments**

SolarCity commends the California Energy Commission (CEC) for its timely release of the 6th edition of the California Solar Energy Incentives proposed guidelines as required under SB 1. While the guidebook updates cover a variety of incentives, SolarCity’s comments focus solely on the guidebook updates as they relate to the New Solar Homes Partnership (NSHP) incentive including the proposed flexible installation incentive (FII) approach.

**Flexible Installation Incentive**

SolarCity in previous comments noted that it is open to considering a modification of the NSHP incentive calculator to include the option of a flat rate based on system size (given that the Tilt/Azimuth (AZ) fall within a required range).\(^1\) This type of incentive approach could potentially enable Home Energy Rating System (HERS) raters to test larger sample groups reducing inspection costs and delays and decreasing the total application processing time. The FII approach as outlined in the draft guidebook Chapter 5, Solar Energy System Design and Installation Standards and Incentives, provides such a modification creating greater flexibility for builders. Therefore, SolarCity supports the FII approach as outlined and is interested in engaging in further discussion with the CEC and other impacted stakeholders to determine the appropriate range of values for the tilt and AZ.\(^2\)

One of the outstanding questions that is unclear from the FII approach as outlined in the guidebook is to what extent the impact of the 2016 building code is being taken into consideration when developing the AZ range. Builders will have to meet minimum system sizes to be 2016 code compliant. In certain cases,

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\(^1\) SolarCity comments submitted to CEC July 23, 2016, Docket No. 16-NSHP-01.

\(^2\) Draft Guidelines for California’s Solar Electric Incentive Programs (Senate Bill 1), p.15.
this is only possible by utilizing all possible mounting planes, which could fall outside a normal AZ range. Establishing a minimum production requirement for each mounting plane could be one solution. As it is likely more appropriate to address this question in the 2016 NSHP Guidebook update that is expected to be released later this year, SolarCity will pose additional questions and provide more detailed input once the revised NSHP guidebook is available.

*Field Verification – FII Projects*

The proposed guidelines include an option to increase the HERS sample group when completing the field verification for projects.\(^3\) SolarCity supports increasing the HERS sample group to 1 in 15 (from 1 in 7) for the FII. Under the FII approach, larger sample groups will facilitate a potential reduction in inspection costs, which can positively impact the application processing time.

**Conclusion**

SolarCity thanks the CEC for the opportunity to comment on the proposed FII approach. We look forward to continuing to be an active participant in the stakeholder process for any potential NSHP program updates, such as incentive level re-designs.

Respectfully submitted,

Damon Franz
Director, Policy and Electricity Markets
SolarCity

\(^3\) Draft Guidelines for California’s Solar Electric Incentive Programs (Senate Bill 1), pp.21-22.