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<th><strong>Docket Number:</strong></th>
<th>07-SB-01</th>
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<td><strong>Project Title:</strong></td>
<td>Eligibility Criteria and Conditions for Solar Energy System Incentives (SB1)</td>
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<td>California Solar Energy Industries Association Comments: On Staff Workshop on Proposed Revisions to Draft Guidelines</td>
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On Staff Workshop on Proposed Revisions to Draft Guidelines

Additional submitted attachment is included below.
DATE: September 23, 2016

TO: California Energy Commission
Dockets Office, MS-4
Docket No. 07-SB-1
1516 Ninth Street
Sacramento, CA 95814-5512

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

The California Solar Energy Industries Association (CALSEIA) respectfully submits these comments on the Energy Commission’s proposed Sixth Edition of the SB 1 guidelines. The proposed changes in this edition add a termination date for solar modules on the Energy Commission’s Eligible Equipment List and require module manufacturers to renew their equipment every two years.

The workshop notice dated September 16, 2016 states that the main use of the Eligible Equipment List going forward is for applications to the New Solar Homes Partnership (NSHP). CALSEIA presumes the intention of the Energy Commission is to ensure quality solar installations in that program.

CALSEIA has no objection to that purpose and is equally interested in maintaining high standards for solar installations. However, the list is also relied on by California’s large investor-owned utilities in their net energy metering (NEM) tariffs. The January 28, 2016 decision by the California Public Utilities Commission (CPUC) on the NEM successor tariff required customers to use equipment on the Energy Commission’s “verified equipment list” as a criterion for qualifying for net metering. Because nearly all small customer-generators use the NEM tariff, this is a de facto requirement for interconnection.

Conclusion of Law 27 from CPUC Decision 16-01-044 states:

In order to promote safety and reliability of customer-sited solar PV systems, each IOU should require the applicant to verify, as part of each interconnection request for a NEM successor tariff system, that all major solar system components are on the verified equipment list maintained by the CEC, and other equipment, as determined by the utility, should be verified by the applicant as having safety certification from an NRTL.

There are legitimate reasons that some customers would want to install older equipment. A non-profit may receive donated panels from a customer who has upgraded to a newer system. A customer may increase the capacity of an existing system with matching panels. A customer may buy old panels at a discount.
The workshop notice only mentions solar modules, which presumably indicates that inverters will not be subject to the two-year renewal requirement. If inverters are included, it is even more critical that older models be available to customers even if the manufacturer chooses not to recertify them. Inverter replacement is a normal part of the operating life of a solar system, and customers may need the option of replacing out-of-warranty inverters with a like kind that is compatible with the existing array wiring. If like kind inverters are not available, customers may need to do substantial rewiring to be compatible with the current style of inverter. There is a secondary market for inverters that is likely to become more robust.

The Energy Commission may want to make sure people receiving state incentives use the latest equipment, but that should not preclude people from making use of older equipment. Manufacturers can be expected to renew the listing of their equipment that is still in circulation, but we should expect they will not take the trouble to renew listing of older models that are not actively marketed but are still perfectly acceptable for interconnection purposes.

CALSEIA is also not comfortable that two years is the appropriate length of time for relisting. If relisting requires recertification, that may require more time and effort than is worthwhile on such a regular basis.

If the Energy Commission wishes to cull the list of approved equipment for purposes of the NSHP, CALSEIA requests that it continue to maintain a master list of equipment that is or has been eligible for NHSP or the California Solar Initiative, with a subset of the list that is currently eligible for NHSP. The Energy Commission can also oversee a process for removing equipment that has been determined to be faulty.

If these comments bring up new issues that cannot be resolved quickly, CALSEIA requests additional time to be able to work through them. We regret that we were not aware of the workshop that was previously held.

CALSEIA is highly appreciative of the Energy Commission’s longstanding work to verify that solar equipment is compliant with codes and standards and is otherwise of sufficient quality for the California market. We ask that you continue this work for the purposes of interconnection for customer-generators while not unnecessarily limiting the ability of customers to make use of older equipment.

Thank you for considering these comments and addressing this concern.

Respectfully,

/s/ Brad Heavner
Brad Heavner
Policy Director