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Comments and Questions in response to Notice to Consider Establishing a Waiting List for the New Solar Homes Partnership Program Docket No. 06-NSHP-1

Thank you for the opportunity to make official comment on this notice. We have been a California installer for over 35 years and target affordable housing developers. We act as applicant for all of our clients that participate in NSHP, and we have dedicated staff that work on processing rebate paperwork for the application and claim. Currently we make up over 50% of MW of all the affordable housing projects and over 5% of all program activity in the entire program. Since 2007 we have submitted 63 project applications, totaling almost 2MW and over \$3.5 million in reserved incentives. Below we have excerpted some sections of the notice and directly responded to those points.

“Beginning August, 2011, the Energy Commission has seen a temporary surge in the number of rebate reservation applications received for NSHP funding. Due to this surge in program activity, the amount of funding requested will exceed current program funds.”

- Please clarify whether this notice refers to funding for Step 1 or the program as a whole, thus affecting all subsequent steps?
- We were not informed of NSHP’s funding status or risks in order to prepare ourselves or our clients for the loss or “on hold” status of this incentive program. The Guidebook only states a 400MW install goal and does not mention funding constraints; therefore what will the program do to reach that?

“Energy Commission staff recommend the following criteria be used to establish a waiting list for the NSHP.

- 1) Complete rebate reservation applications that have not already been issued a reservation by the Energy Commission will be placed on the waiting list based on the time and date the application is submitted to the Energy Commission’s program administrators. These program administrators are Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company. The Energy Commission is the program administrator for Bear Valley Electric Service.”
 - We suggest that all applications that were submitted by the Step 1 deadline be granted a reservation (and not automatically put on a waiting list) if they meet eligibility criteria and deadline for submitting information.
 - The speed and/or order of the reservation processing by program administrators and plan checking agencies are not transparent and we suspect this varies per project based on size and complexity. For example, it would not be fair that luxurious single family homes can more quickly get approved at the expense of multiple-family affordable housing



developments. No projects that SLP submitted by the Step 1 deadline have received reservations and these affordable housing projects were sold with the understanding that NSHP funding would be available (whether in Step 1 or 2).

- Multifamily Affordable Housing projects in many cases depend on the incentives provided by the NSHP rebate in order to subsidize PV installations that help the buildings meet energy efficiency requirements. Losing access to this incentive would severely jeopardize the feasibility of affordable housing projects.
- This unexpected change from the CEC would make integrators/installers seem uninformed or worse lack integrity, and would further damage the reputation of the solar industry as a whole.
 - The program has fallen extremely short of its original goals. Concentrating specifically on affordable housing, approximately 4MW have been approved out of a 36MW goal. Even if we add in the MW under review the program has not even met 20% of the stated goal. (Source: <https://www.newsolarhomes.org/RebateLevels.aspx?f=ah>)
 - Curtailing NSHP incentives at this stage only serves to erode trust in the very markets the program is attempting to develop. Instead of promoting a self-sustaining market for solar homes, this abrupt change in policy creates rampant uncertainty. In the context of a floundering economy this is especially damaging, particularly for multi-family developments that already face numerous funding challenges. In short, abandoning the stated goals of the program fosters confusion and instability. This will have a devastating effect across the industry not only in California but in regions that look to California as a model market for solar.
- The thoroughness of the original application should also be taken into consideration, not just the date stamp. Applications with more complete documentation (forms submitted and the quality of those forms) should be given a higher priority when compared to an application with the same date stamp.
- Projects on the waiting list should be given an application number, the list should be made publicly available online for download and updated at least once a month.
- Notices that projects can get off the waitlist upon submitting any remaining pieces of information or information for clarification should be given a deadline of at least 30 days, similar to the CSI MASH program.

4) Incomplete rebate reservation applications will **not** be added to the waiting list and will be returned to the applicant. Applicants with incomplete applications may re-apply for program funding by submitting a new rebate reservation application. The new rebate reservation application will be subject to the requirements, including the declining rebate levels, of the Guidebook in place at the time the new application is submitted.



- Submitting entirely new applications is a heavy administrative burden for Applicants. We recommend that projects that don't qualify for Step 1 (or the waiting list for Step 1), be kept on file with the Program Administrators as the Applicants make progress to submitting missing documentation in order to secure a reservation at the next available Step. Returning and resubmitting paperwork will take up additional time and cost, which would be inefficient.

5) Requests for additional funding for a previously approved rebate reservation application, due to changes in the project design or the system size, design, or equipment, will be processed as a new rebate reservation application and placed on the waiting list based on the date and time that the complete application is submitted to the program administrator.

- We strongly disagree with this approach because it includes too much uncertainty and additional administrative burden. System changes are ordinary and a solar rebate program should be designed to accommodate the industry it's supposed to support. A project's reserved incentive amount should not be jeopardized or forfeited due to a system increase. Rather, we suggest that the original system size get incentivized at the reserved amount, and the *increased difference* in system size be incentivized at the current Step (i.e. Step 2) instead of the Step that the rest of the system was reserved at (i.e. Step 1).