



November 9, 2011

California Energy Commission
Dockets Office, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512

DOCKET

06-NSHP-1

DATE NOV 09 2011

RECD. NOV 09 2011

RE: Docket No. 06-NSHP-1: New Solar Homes Partnership Program

Dear Commission Staff,

SolarCity supports fully funding the New Solar Homes Partnership (NSHP) program until its 400 MW goal has been reached. We understand there now is a shortfall in program funding. Therefore, we support the staff recommendation to establish a waiting list for the program.

We have reviewed the proposed criteria to be used to establish a waiting list for the NSHP program. SolarCity submits the following comments on proposed Criteria 5, which reads as follows:

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.

SolarCity and other installers submit NSHP rebate reservation applications for new multi-property residential developments that are projected to be built over multiple years. As home owners are identified for these properties, they typically request changes that may result in changes to the project design or solar system size, design or equipment. These changes may cause an increase in the amount of funding necessary for an approved rebate reservation application. This flexibility is necessary because the final version of a solar system on a new home in a larger development may not be decided until months after the reservation has been approved.

SolarCity objects to Criteria 5 because absent the ability to maintain rebate levels while making changes to solar systems on individual properties within a larger development, SolarCity and other installers may not be able to offer a consistent pricing structure for builders. This would make integrating solar as a standard

feature of a home during construction very unlikely. Builders might opt instead to offer solar as an option to buyers and simply retrofit the solar to fully built homes. This would limit the accessibility of solar to a subset of new home buyers.

For these reasons, SolarCity urges staff to revise Criteria 5 to treat requests for additional funding for a previously approved rebate reservation application that are due to good faith changes in the project design or the system size, design, or equipment, as acceptable changes that are not processed as a new rebate reservation application.

Thank you for the opportunity to submit these comments. Please do not hesitate to contact me if you have any questions.

Sincerely,



Sanjay Ranchod
Director of Government Affairs and Senior Counsel

cc: Brady Radovich