



December 19, 2012

California Energy Commission
Dockets Office, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512
Docket@energy.ca.gov

California Energy Commission

DOCKETED
06-NSHP-1

TN # 68943

DEC 19 2012

Re: Docket No. 06-NSHP-1; Comments on the Staff Workshop on Solar for New Residential Construction

Dear Sirs,

I am pleased to offer this comment letter with respect to the above captioned matter on behalf of those certain affiliates of Lennar Corporation ("Lennar") who are presently engaged in the building and selling of solar homes within the State of California. Lennar commends the California Energy Commission (the "CEC") for its management of the New Solar Home Partnership ("NSHP"). To date, this program has allowed us to include solar as a part of over 3,000 of our energy efficient homes, making lower utility bills a reality for middle class Californians. More recently, Lennar has introduced a Solar Leasing program which further enhances affordability by eliminating the upfront cost of solar to our customers by permitting them to pay for the clean energy produced by their solar systems over a longer period of time. NSHP is a critical component of this success story.

1. Clarify the Permissibility of Leases and Power Purchase Agreements ("PPAs")

Lennar recently learned of concerns by the IOU's program administrators that confusion exists as to the permissibility of consumer leases and PPAs in combination with the NSHP. We suggest that the CEC clarify in writing that leases and PPAs are permitted under the NSHP, provided that the end purchaser of the energy under these instruments is, in fact, the actual consumer of the energy.

2. Authorize Community-Wide Incremental Increases and Establish a Kilowatt (kW) Banking System.

Given long lead times in housing construction, it is rarely possible to predict with 100% accuracy the ultimate size of solar systems to be installed in certain developments. The NSHP Guidebook appropriately recognizes this challenge and establishes a process to apply for incremental incentives. However, the current process is extremely inefficient. As an alternative, Lennar urges the CEC to adopt additional means of flexibility by revising the NSHP Guidebook to allow builders to request increases in system sizes at the community level, as opposed to the current lot-by-lot construct. A change of this nature will more favorably align program procedures with the realities of the construction industry. Moreover, Lennar suggests that the CEC strongly consider the adoption of a kW banking system whereby a builder may transfer its NSHP registration from one project to a neighboring project with substantially similar energy efficiency qualifications, should market conditions change.

700 N.W. 107th Avenue • Miami, FL 33172 • 305-229-6400

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The housing market is continuing its rebound and market conditions are continually evolving. As such, the marketability of solar as a standard feature on one project could increase significantly within a very short period of time. With the appropriate safeguards put in place, we believe a solar banking system, set up to allow transfer of a builder's reservations from one home to another, is necessary.

3. Refine Current Rebate Reservation and Submittal Process

Lennar supports a streamlining of the current NSHP reservation and rebate process to allow production builders to contribute whole communities into the program, which would reduce the significant lead time and administrative burden of the current process for both builders and solar providers. This will ensure that a greater proportion of dollars invested by both builders and the State goes further toward meeting the laudable goals of the NSHP.

4. Establish a Stakeholder Working Group

Lennar supports and welcomes the opportunity to participate in a working group of affected parties to address any issues relating to the current and future iterations of the NSHP Guidebook. The group should include members from the various disciplines involved in the process, including builders, installers, HERS inspectors and utility program administrators.

Again, Lennar is very appreciative of the opportunity to submit these comments and would urge the CEC to consider these recommendations for the next edition of the NSHP Guidebook.

Respectfully submitted,



David J. Kaiserman
President, Lennar Ventures