

**DOCKETED**

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*Comment Received From: Steve Uhler*  
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## **BSTD-19-08 Modeling energy savings benefits and changes in ownership**

BSTD-19-08 Modeling energy savings benefits and changes in ownership

Dear Energy Commissioners,

How will the Energy Commission's certified compliance software model energy savings tax benefits and changes in ownership?

Revenue and Taxation Code - RTC 73 says upon completion of the construction of a active solar energy system as part of a new property, a active solar energy system is allowed tax exemptions.

SMUD's Neighborhood SolarShares program is not a active solar energy system constructed, as part of the new property pursuant to Title 24, 10-115.

SMUD will be using Title 24, 10-115 (a) 3. Dedicated Building Energy Savings Benefits Option B or C for the Neighborhood SolarShares program to show actual energy cost performance.

Pursuant to Title 24, 10-115 (a) 2. Energy Performance. The community shared solar electric generation system and/or community shared battery storage system shall be demonstrated to provide the same or better energy performance equal to the partial or total compliance with the energy performance of the onsite solar electric generation and/or battery storage system that would otherwise have been required for the building, computed by compliance software certified for use by the Commission.

Pursuant to CALIFORNIA CONSTITUTION ARTICLE 13A [TAX LIMITATION] (c) For purposes of subdivision (a), the Legislature may provide that the term "newly constructed" does not include any of the following:

(1) The construction or addition of any active solar energy system.

Pursuant to Revenue and Taxation Code - RTC 73. (b) (1) "Active solar energy system" means a system that, upon completion of the construction of a system as part of a new property or the addition of a system to an existing property, uses solar devices, which are thermally isolated from living space or any other area where the energy is used, to provide for the collection, storage, or distribution of solar energy.

Pursuant to Revenue and Taxation Code - RTC 73. (e) (1) Notwithstanding any other law, for purposes of this section, "the construction or addition of any active solar energy system" includes the construction of an active solar energy system incorporated by the owner-builder in the initial construction of a new building that the owner-builder does not intend to occupy or use. The exclusion from "newly constructed" provided by this subdivision applies to the initial purchaser

who purchased the new building from the owner-builder, but only if the owner-builder did not receive an exclusion under this section for the same active solar energy system and only if the initial purchaser purchased the new building prior to that building becoming subject to reassessment to the owner-builder, as described in subdivision (d) of Section 75.12. The assessor shall administer this subdivision in the following manner:

Revenue and Taxation Code - RTC 73. (e) (1) (A) The initial purchaser of the building shall file a claim with the assessor and provide to the assessor any documents necessary to identify the value attributable to the active solar energy system included in the purchase price of the new building. The claim shall also identify the amount of any rebate for the active solar energy system provided to either the owner-builder or the initial purchaser by the Public Utilities Commission, the State Energy Resources Conservation and Development Commission, an electrical corporation, a local publicly owned electric utility, or any other agency of the State of California.

Revenue and Taxation Code - RTC 73. (e) (1) (B) The assessor shall evaluate the claim and determine the portion of the purchase price that is attributable to the active solar energy system. The assessor shall then reduce the new base year value established as a result of the change in ownership of the new building by an amount equal to the difference between the following two amounts:

Revenue and Taxation Code - RTC 73. (e) (1) (B) (i) That portion of the value of the new building attributable to the active solar energy system.

Revenue and Taxation Code - RTC 73. (e) (1) (B) (ii) The total amount of all rebates, if any, described in subparagraph (A) that were provided to either the owner-builder or the initial purchaser.

Revenue and Taxation Code - RTC 73. (e) (1) (C) The extension of the new construction exclusion to the initial purchaser of a newly constructed new building shall remain in effect only until there is a subsequent change in ownership of the new building.

I ask that the Commissioners not approve SMUD's application without docketed Energy Commission certified compliance software modeling for energy savings tax benefits and changes in ownership, thereby providing the commission with the most comprehensive record feasible in the proceeding prior to action being taken on SMUD's application.

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