

**DOCKETED**

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**CCSA Comments on Proposed 2022 California Energy Code**

*Additional submitted attachment is included below.*



June 21, 2021

California Energy Commission  
Docket 19-BSTD-03  
1516 9th Street  
Sacramento, CA 95814

**Subject: Docket 21-BSTD-01 –Comments of the Coalition for Community Solar Access re: Section 10-115 of the Proposed Revisions to the California Building Energy Efficiency Standards, 2022 Building Energy Efficiency Standards, California Code of Regulations, Title 24, Part 1, Chapter 10 and Part 6**

The Coalition for Community Solar Access (CCSA) appreciates the opportunity to comment on the California Energy Commission’s (Commission’s, or CEC’s) Proposed Revisions to the California Building Energy Efficiency Standards, 2022 Building Energy Efficiency Standards, California Code of Regulations, Title 24, Part 1, Chapter 10, and Part 6 (2022 California Energy Code or Title 24), filed on May 6, 2021.

CCSA is a business-led trade organization, comprised of over 60 member companies, that works to expand access to clean, local, affordable energy nationwide through community solar. CCSA’s mission is to empower energy consumers, including renters, homeowners, businesses and households of all socio-economic levels, by increasing their access to reliable clean energy.

For reference, CCSA filed comments in partnership with the Solar Energy Industries Association (SEIA) on March 9, 2021<sup>1</sup>, and then, independently, on May 5, 2021<sup>2</sup>, in response to the draft 2022 Building Energy Efficiency Standards issued on February 22, 2021, under Docket 19-BSTD-03. As with those prior comments, CCSA’s focus here is on the Section 10-115 components of the 2022 California Energy Code, and specifically the ability for community shared solar electric generation systems (and/or battery storage systems) to play a role in supporting compliance that is otherwise required by Section 150.1(b)1 (and potentially other sections considered in the current proposal).

**Section 10-115 – Community Shared Solar Electric Generation System or Community Shared Battery Storage System Compliance Option for On-Site Electric Generation or Battery Storage Requirements**

CCSA has generally been supportive of the directional adjustments and/or clarifications proposed for the 2022 California Energy Code. For example, CCSA strongly supports the proposed “Location” parameters that would require community shared solar systems to be located anywhere in the utility service territory of a participating building so long as that system is on a distribution system. As mentioned in our May 5 comments, this requirement would balance the ability to leverage economies of scale and system optimization while also providing real distribution system level benefits

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<sup>1</sup> <https://efiling.energy.ca.gov/GetDocument.aspx?tn=237103&DocumentContentId=70279>

<sup>2</sup> <https://efiling.energy.ca.gov/GetDocument.aspx?tn=237670&DocumentContentId=70895>

to the grid, comparable to the rooftop solar project that would otherwise be used for compliance. In addition, CCSA appreciates the clarification proposed for “Additionality”, which would confirm that other renewable resources could play a role in filling before and after time gaps that could inevitably occur between solar system development and operation and a participating building. That said, CCSA highlights the following concerns and/or areas deserving further consideration:

- **Establishment of Community Solar Tariffs and Programs** – As CCSA and SEIA raised in our March 9, 2021 comments, without a viable community solar tariff in investor-owned utility (IOU) territory community shared solar will not be able to support Title 24 compliance for the vast majority of new construction occurring in California. In our May 5, 2021 comments, we highlighted our current efforts to establish a viable community solar program in IOU territory. This includes a value-based community solar program tariff proposal in the Net Energy Metering tariff proceeding, R.20-08-020 (hereafter the “net metering revisit” proceeding); as well as a Petition for Modification with the CPUC to provide rate stability in the Enhanced Community Renewables (ECR) program (part of the Green Tariff Shared Renewable program). While an improved rate structure for the ECR program could potentially enable it to support Title 24, it would only offer a short-term community solar solution as its limited by capacity (just a couple hundred megawatts) as well as geography (for bundled IOU customers only). Hence, in order for community solar to become an ongoing option for Title 24 compliance a tariff, such as what CCSA has put forth before the CPUC, is needed. As noted in our March 9, 2021 comments, CCSA urges the Commission to coordinate with the CPUC to develop tariffs and programs that will support the development of community solar projects at scale.
- **Participating Building Energy Savings Benefits.** CCSA recommends a clarification and/or consideration of an additional scenario (if needed) by which a “reduction in the building’s energy bill” could be demonstrated. Section 3.c states that “payments to the building that will have an equivalent effect as energy bill reductions,” may be used to demonstrate a reduction in the building’s energy bill. CCSA clarifies that while this bill reduction could be in the form of an actual “payment,” it would more likely be a direct monetary credit applied to the participant’s electricity bill. This may be the current assumption for the code language, but the language is somewhat unclear. Notably, CCSA’s proposal in the net metering revisit proceeding includes the option to utilize “net crediting”, whereby the utility would deduct the customer’s bill and remit the subscription price to the community solar system owner. This provides an even further simplified billing experience for the customer where they do not need to worry about multiple transactions.
- **Durability and Building Opt-Out.** CCSA generally supports flexibility for participants to subscribe to, or drop out from, a community solar project. It is a consumer protection which CCSA advocates for as a general policy in community solar programs across the country. That said, this policy is premised on the ability to backfill subscriptions by replacing any participants that exit before the end of the project life or supporting tariff. In a healthy community solar market, this is not a major issue as there are typically waitlists of consumers that would be interested in subscribing, regardless of whether there is 20 years remaining on the subscription or 5 years. However, in California, if a community shared solar provider intended to only serve buildings for Title 24 compliance, it could be more difficult to find replacement (backup) buildings. This is particularly true if the shared solar project was no longer able to offer 20-year agreements due to the remainder of its project life, tariff, or other community solar program (such as ECR) limitations.

- **Additionality.** As noted previously, CCSA appreciates the effort in the proposed 2022 California Energy Code to clarify that “other renewable resources” can be leveraged for filling front and/or back-end gaps for serving participating buildings. That said, CCSA would clarify that these community shared solar systems can in fact also serve other customers not associated with Title 24 compliance. This flexibility is critically important, especially in light of the currently proposed “opt-out” provisions.
- **Original Building Purchaser Choice.** CCSA recommends deleting this component of the proposed Title 24 revisions, as it seems disruptive to market realities and project development timelines. Both solar project (particularly community-scale) and home construction can work on long timelines, from early development and financing to ultimate construction and completion. Depending on who the “original building purchaser” is, this entity may not be a part of the equation when such a decision is made.
- **Application for Commission Approval.** CCSA recommends the Commission clarify who is considered the “administrator” of a community solar generating system in the context of a community solar program where there are multiple independently developed/owned projects under a common set of program rules. This currently remains unclear under the regulations and guidance documents.
- **Executive Director Approval of Revised Applications.** CCSA appreciates the process proposed here for a revised application to go through the Commission’s Executive Director. However, CCSA is concerned with the potential risk inherent in requiring a revised application anytime the “Commission modifies the requirements of Section 10-115 in a building standards rulemaking”. This creates uncertainty with regards to potential implications, economic or other, on a community shared solar project that was unforeseen at the time the project was originally approved as a compliance mechanism. Projects should be able to be safe-harbored in the requirements they were under at the time they were approved to operate in the program. This is general best practice and an important assumption regarding regulations across market sectors. Things should change going forward, but the uncertainty of retroactive impacts can undermine project financeability.

CCSA appreciates the opportunity to comment on the proposed revisions to the 2022 California Energy Code draft. While generally moving the right direction, CCSA is concerned with some of the layers of complexity and associated risks that could undermine the role community solar could or would play in supporting Title 24 compliance. All that said, California first needs viable community solar programs that can actually serve the majority of the California’s new construction mandates, particularly as it moves toward an electrified economy.

/s/ Charlie Coggeshall  
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Coalition for Community Solar Access