

June 12, 2006 Workshop Attachment A

Questions to consider in the design of the New Solar Homes Partnership:
(Questions regarding non-photovoltaic solar technologies, as well as the affordable housing component of this program, will be addressed at a later date).

Eligible Participants

- Who should be eligible to receive the incentives, whatever those incentives might be?

Eligible Systems and Specifications

- What level of energy efficiency beyond the current Building Standards should be required to be eligible for a solar incentive?
- Would certification of system components promote high-performance systems? If so, what are the standards that would meet the needs of a California solar program?
- What level of certification and warranty should be required of eligible solar systems for use in this solar program?
- What system size limits or other program parameters should be included?

Geographical Scope

- How should areas of the state that experience hot summers (e.g. central valley) and areas with high population growth rates be targeted?
- How can the Energy Commission encourage customer-owned utilities to participate in the design of a solar program that they would want to implement?

Procedures

- What should be included in a photovoltaic performance calculation to encourage builders to address all factors under their control to achieve high-performance solar systems?
- How can third-party verifications be made most effective to ensure high-performing, reliable photovoltaic installations?
- Would monitoring equipment for the homeowner encourage better system maintenance? What equipment would be most useful to the homeowner?

Summary of Comments on Microsoft Word - 06_05_12 NSHP Workshop NOTICE.doc

Page: 5

Author: BP Solar
Subject: Note
Date: 6/5/2006 5:15:07 PM
California New Homes
Dockets Office, MS-4
Re: Docket No. 06-NSHP-1
1516 Ninth Street
Sacramento, CA 95814-5512

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:48:15 PM
The builder should be the targeted recipient of the incentives, as discussed in the Draft Proposal. Alternatively, the purchaser could receive the subsidy. The equipment manufacturer or installer could be designated to receive the incentive. In the case of affordable housing, which tends to be rental property, it may be appropriate to allow a third party to own and operate the solar equipment, and to receive the subsidy.

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:48:36 PM
Requiring energy efficiency beyond the existing Building Standards will tend to limit access to incentives to the larger builders and market participants who have the expertise required to better address these issues. It will also increase the cost to builders to install solar equipment in homes in California. As it is not likely that all new homebuyers who want to purchase solar will also want to purchase additional energy efficiency features, we feel that this will slow the uptake of PV in new homes and is therefore counterproductive to the intent of the program as a whole. Enhancing energy efficiency is a worthwhile goal but solar incentives should not be contingent upon enhanced energy efficiency levels beyond standard requirements in the state.

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:48:47 PM
We believe that consistent industry standards and processes are crucial to reducing the installed cost of PV systems as well as achieving the ultimate goal of grid parity. Therefore, we recommend that the CEC align its standards for components and systems and its subsidy approval procedures for the New Solar Homes program with the CPUC's standards for retrofit residential PV.

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:49:02 PM
See note on question 3

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:49:12 PM
See note on question 3

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:49:22 PM
The draft proposal suggests linking incentives to dynamic electricity tariffs, demand reduction, and relative regional electric system distribution costs. We support this approach as well as the use of monitoring technology to verify system performance and impact in reducing peak demand.

Author: BP Solar

Comments from page 5 continued on next page







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Eligible Participants

1. Who should be eligible to receive the incentives, whatever those incentives might be? 




Eligible Systems and Specifications


2. What level of energy efficiency beyond the current Building Standards should be required to be eligible for a solar incentive? 
3. Would certification of system components promote high-performance systems? If so, what are the standards that would meet the needs of a California solar program? 
4. What level of certification and warranty should be required of eligible solar systems for use in this solar program? 
5. What system size limits or other program parameters should be included? 


Geographical Scope


6. How should areas of the state that experience hot summers (e.g., central valley) and areas with high population growth rates be targeted? 
7. How can the Energy Commission encourage customer-owned utilities to participate in the design of a solar program that they would want to implement?

Procedures

8. What should be included in a photovoltaic performance calculation to encourage builders to address all factors under their control to achieve high-performance solar systems? 
9. How can third-party verifications be made most effective to ensure high-performing, reliable photovoltaic installations? 
10. Would monitoring equipment for the homeowner encourage better system maintenance? What equipment would be most useful to the homeowner? 

Subject: Note
Date: 6/5/2006 4:49:32 PM
 see note on question 3

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:49:45 PM
 see note on question 3

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:49:55 PM
 We support the integration of monitoring equipment as part of the system installations for new homes. As there is the potential for synergy between this function and the metering function at the homes, we further suggest that functional requirements for both system monitoring and electricity metering be developed and the market be allowed to determine the best approaches to meet both these requirements, rather than require that advanced metering be performed by the investor-owned utilities.

Administration

11. Are the current Emerging Renewables Program application-reservation-payment procedures suitable for the New Solar Homes Partnership?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:47:49 PM
see note on question 3. We concur with the draft proposal in allowing a single submittal for each development rather than requiring individual submittals for each home.

12. Are there approaches other than the application-reservation-payment approach that might be more effective?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:50:15 PM
2 years minimum is required to support the new homes market.

13. If a reservation process is used in a new solar program, what would be the most suitable time frame for reservations?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:50:25 PM
yes, consideration should be given to allocation of funds across a broad range of builders, communities, and regions within the state.

14. Should allocation methods other than first-come, first-served be considered?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:50:34 PM
It is critical that program administration be performed by an agency which can maintain complete independence and promote transparency.

16. What solar program information should be made available on the Energy Commission's Web site?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:51:31 PM
In the interest of transparency and sharing of best practices, program and project information should be shared as much as possible.

17. Should the Energy Commission contract out for program evaluation?

18. How should program success be measured?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:51:46 PM
criteria should include a mix both peak demand reduction and energy production

Incentive Structure

19. Should a greater incentive be provided for PV as a standard feature than for PV as an option?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:51:58 PM
No, there are considerable cost reduction enjoyed when PV is a standard which should incentivize builders to make PV a standard feature rather than an option.

20. What factors, such as solar insolation, orientation and shading, should be addressed in an expected performance-based incentive?

21. Should an equivalent "economic impact" of an incentive be calculated for custom homes vs. production home market vs. affordable housing? That is, should different incentive levels be offered for different segments of the housing market?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:52:08 PM
see comments on note 3

Builder and Market Support Activities







22. Are builder and market support activities of value to the builder? If so, which ones?

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:55:03 PM
We recommend that consideration be given to the definition of separately funded market segments for production builders, smaller builders, multifamily, and affordable housing builders.




23. Assuming that support activities have value, how does that value compare to monetary incentives? In other words, how much funding should be set

Author: BP Solar
Subject: Note
Date: 6/5/2006 4:52:34 PM
Yes, but in general the market should determine the value of this support. The exception is enhancing the entitlement process and accelerating permitting, which offers a significant potential incentive to the builder, and cannot be addressed by market dynamics.


Administration

11. Are the current Emerging Renewables Program application-reservation-payment procedures suitable for the New Solar Homes Partnership? 
12. Are there approaches other than the application-reservation-payment approach that might be more effective?
13. If a reservation process is used in a new solar program, what would be the most suitable time frame for reservations? 
14. Should allocation methods other than first-come, first-served be considered? 
15. Should a solar program be administered by an outside agent? 
16. What solar program information should be made available on the Energy Commission's Web site? 
17. Should the Energy Commission contract out for program evaluation?
18. How should program success be measured? 

Incentive Structure

19. Should a greater incentive be provided for PV as a standard feature than for PV as an option? 
20. What factors, such as solar insolation, orientation and shading, should be addressed in an expected performance-based incentive? 
21. Should an equivalent "economic impact" of an incentive be calculated for custom homes vs. production home market vs. affordable housing? That is, should different incentive levels be offered for different segments of the housing market? 

Builder and Market Support Activities

22. Are builder and market support activities of value to the builder? If so, which ones? 
23. Assuming that support activities have value, how does that value compare to monetary incentives? In other words, how much funding should be set

aside for support activities that would have otherwise gone to financial incentives?



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Author: BP Solar

Subject: Note

Date: 6/5/2006 4:52:47 PM



None. Rather than divert funds to this from direct incentives, solar product suppliers can and will provide this support to builders to the extent that this is valued in that marketplace.