

CALIFORNIA ENERGY COMMISSION

1516 Ninth Street
Sacramento, California 95814

Main website: www.energy.ca.gov

DOCKET
06-NSHP-1
DATE JUN 12 2006
RECD JUN 22 2006



In the matter of the Design of the
New Solar Homes Partnership

) Docket No. 06-NSHP-1
)
) Notice of Committee Workshop
) RE: New Solar Homes Partnership
)

Notice of Renewables Committee Workshop on the Design of the New Solar Homes Partnership

The California Energy Commission Renewables Committee will conduct a workshop to discuss the design of the New Solar Homes Partnership. Commissioner Geesman is the Presiding Member and Vice Chair Pfannenstiel is the Associate Member.

June 12, 2006

9:30 a.m.

CALIFORNIA ENERGY COMMISSION

1516 Ninth Street

First Floor, Hearing Room A

Sacramento, California

(Wheelchair Accessible)

Audio from this meeting will be broadcast over the Internet.

For details, please go to:

www.energy.ca.gov/webcast/

To participate in the meeting by phone,
please call 888-791-1856 by 9:30 a.m.

Passcode: SOLAR HOMES

Call Leader: Jeff Wilson

Purpose

The California Energy Commission (Energy Commission) is developing the New Solar Homes Partnership, a solar incentive program for new residential construction. The primary goal of the New Solar Homes Partnership is to help create a self sustaining market for energy efficient, new solar homes. Additional goals include home builders incorporating high levels of energy efficiency and high performing solar systems as standard features and home buyers demanding energy efficient, solar homes. The

Energy Commission intends to provide financial incentives and non-financial assistance in the form of builder and market support as the means to help create this self-sustaining market.

The purpose of this workshop is to solicit comments from interested parties on the *Draft Staff Proposal on the New Solar Homes Partnership* (Draft Staff Proposal). The Draft Staff Proposal and a tentative workshop agenda are available on the Energy Commission website at www.newsolarhomes.ca.gov/.

The Draft Staff Proposal describes the goals of the New Solar Homes Partnership, the rationale for its design, as well as the proposed elements of the New Solar Homes Partnership. This includes eligible participants, eligible systems and specifications, geographical scope, funding and program duration, administration, and incentives. The Draft Staff Proposal also describes builder and market support activities and program transition and coordination issues.

Background

The California Public Utilities Commission (CPUC) recently adopted the California Solar Initiative with the goal of creating a sustainable solar market in California. In a Decision adopting the California Solar Initiative, the CPUC states that it will implement a solar incentive program that addresses the commercial and existing residential market. The CPUC Decision recognized the Energy Commission's intent to implement a solar incentive program for the new residential market as part of the California Solar Initiative. The Decision and an attached Joint Staff Proposal can be found at: [\[http://www.cpuc.ca.gov/static/energy/solar/index.htm\]](http://www.cpuc.ca.gov/static/energy/solar/index.htm). The Energy Commission staff outlined in the Joint Staff Proposal a tentative structure for a new solar program focused on residential new construction.

The Draft Staff Proposal was developed with the state's solar energy goals in mind. These goals are outlined in the *2005 Integrated Energy Policy Report* (IEPR), which recommends: a unified solar program; which integrates high levels of energy efficiency; addresses high peak demand for air conditioning; and achieves the considerable scale of solar penetration outlined by the Governor.

The Energy Commission views the Draft Staff Proposal as a starting point for potential elements of the New Solar Homes Partnership, but recognizes that more substantial analysis and dialogue is needed to arrive at a program that fully realizes Energy Commission policy as established by the *IEPR* and considerably more involvement of California's housing development industry to establish a highly effective program.

The New Solar Homes Partnership will include a separate affordable housing element that has not yet been developed. A subsequent workshop, or workshops, will be scheduled, in consultation with the CPUC, to receive public input on the affordable housing component of the New Solar Homes Partnership.

The New Solar Homes Partnership may also include solar water heating systems, solar-thermal electric generating systems, and solar heating and cooling systems as eligible

technologies, but elements relating to these technologies have not yet been developed. The Energy Commission expects to receive input from the CPUC-ordered pilot solar water heating system program being developed by the San Diego Regional Energy Office. Therefore, evaluation of these potential technologies will be deferred to a later date.

Written Comments

As an aid to staff and participants in having a robust discussion of issues at the workshop a set of questions are included as Attachment A. **Written responses to these questions should be submitted no later than 5:00 P.M. on Monday, June 5, 2006. Written comments on issues discussed at the workshop, or proposed in Attachment A, must be submitted no later than 5:00 p.m. on Friday, June 16, 2006.** Please include the docket number 06-NSHP-1 and indicate New Solar Homes Partnership in the subject line or first paragraph of your comments. Please hand deliver or mail an original plus 10 paper copies to:

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 06-NSHP-1
1516 Ninth Street
Sacramento, CA 95814-5512

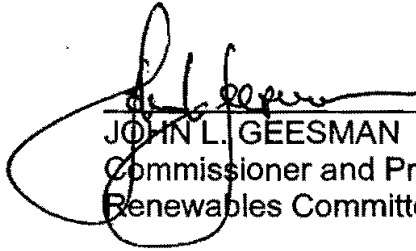
The Energy Commission encourages comments by electronic mail (e-mail). Please include your name or organization's in the name of the file. Those submitting comments by e-mail should provide them in either Microsoft Word format or as a Portable Document (PDF) to: [docket@energy.state.ca.us].

Participants may also provide an original and 10 copies at the beginning of the workshop. All written materials relating to this workshop will be filed with the Dockets Unit and become part of the public record in this proceeding.

Public Participation

The Energy Commission's Public Adviser, Margret J. Kim, provides the public assistance in participating in Energy Commission activities. If you want information on how to participate in this forum, please contact the Public Adviser's Office at: (916) 654-4489 or toll free at (800) 822-6228, by FAX at (916) 654-4493, or by e-mail at [pao@energy.state.ca.us]. If you have a disability and require assistance to participate, please contact Lou Quiroz at (916) 654-5146 at least five days in advance.

Please direct all news media inquiries to Claudia Chandler, Assistant Executive Director, at (916) 654-4989. If you would like a "hard copy" of the Draft Staff Proposal, please contact Janet Preis at (916) 654-4524. If you have questions on the technical subject matter of this forum, please call Jeff Wilson, Project Manager, at (916) 657-4774 or via e-mail at: [jewilson@energy.state.ca.us].



JOHN L. GEESMAN
Commissioner and Presiding Member
Renewables Committee

Mail Lists: 5505
Date Mailed:



JACKALYNE PFANNENSTIEL
Vice Chair and Associate Member
Renewables Committee

Note: California Energy Commission's formal name is State Energy Resources
Conservation and Development Commission.

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

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?

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?