



CALIFORNIA SOLAR ENERGY INDUSTRIES ASSOCIATION

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**DOCKET**

**06-NSHP-1**

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June 11, 2007

The Honorable Jackalyn Pfannenstiel, Chairman and Presiding Member  
The Honorable John L. Geesman, Commissioner  
2007 New Solar Home Partnership Committee  
California Energy Commission  
1516 Ninth St.  
Sacramento, CA 95814

**Re: Docket # 06-NHSP-1**  
**CALSEIA Comments on Proposed Changes to the New Solar Homes Partnership**  
**Guidebook**

Dear Chairman Pfannenstiel and Commissioner Geesman:

On behalf of the California Solar Energy Industries Association (CALSEIA), I would like to provide the following comments to the Committee on the proposed changes to the New Solar Homes Partnership (NSHP) Guidebook.

CALSEIA was founded in 1977. CALSEIA represents solar electric and solar thermal manufacturers, distributors, contractors, designers, consultants, engineers and associated businesses who do business in California. CALSEIA supports the widespread adoption of solar thermal and solar electric systems. There are currently over 180 CALSEIA Member companies.

CALSEIA recommends the following changes to the NSHP Guidebook:

1. Solar thermal technologies. While there currently are no statewide incentives or other programs to encourage solar water heating, solar space heating, or solar cooling technologies, CALSEIA believes it is important that the NSHP specifically call out and encourage the use of solar thermal technologies. Solar water heating products can displace half or more of the natural gas demand for water heating, which is important for reducing greenhouse gas emissions and extending supplies of natural gas for use in other applications, such as electricity generation. CALSEIA

respectfully requests that, at a minimum, the following statement be inserted in Section B on page 9:

“Should state-authorized rebates become available for solar water heating systems as a result of legislative or regulatory action, the Commission will incorporate Solar Water Heating (SWH) into the NSHP.”

2. Cost of compliance. The NSHP should carefully review and evaluate compliance costs for custom homes to participate in the program. For example, a certified energy practitioner’s review of a home’s energy efficiency features will cost \$1,000. The evaluation by the Home Energy Rating System will cost \$300. Developers build numerous homes with identical features and amortize these costs across the total number of homes built to that specification. Custom home builders cannot. This is a large economic barrier to participation that will result in many lost opportunities for greater energy efficiency. Some estimates indicate that half of all homes built are custom homes. The Energy Commission should consider and implement methods that can reduce the barriers to participation for custom home builders.
3. Transition issues. There is one transition problem that is occurring that the Commission may want to address. This applies to homes that were permitted before the NSHP was created. The NSHP requires that home meet current efficiency standards plus 15 %. However, for homes that were permitted prior to January 1, 2007, this would be a difficult and very expensive proposition. These homes that are now being built are a lost opportunity to bring into the program. CALSEIA suggests that the Energy Commission allow homes permitted prior to January 1, 2007 to be included in the NSHP by exceeding the energy efficiency levels allowed by the permit when it was issued, plus 15 %. This would be a one-time consideration for those homes that were already issued permits prior to January 1, 2007. This is particularly important because solar companies are attempting to actively sell solar to these customers during the construction process and they are not able to convince these homeowners to add solar because of the burdensome costs. Unfortunately, CALSEIA does not have sufficient information to quantify the number of homes that would be allowed into the program if the Energy Commission made this proposed change.
4. Interaction with CSI program for Certain Building Types. The Guidebook proposes rules for buildings with combined uses (residential and non-residential) where the residential portion of the building would be allowed NSHP rebates but the non-residential portion is not. While this is a good bright line, it is not a practical reality to consider a single system that serves both loads separately. CALSEIA recommends that the Energy Commission and Public Utilities Commission staff work together to develop a simple method to provide rebates through a single application for both programs.

5. Transaction Costs. CALSEIA would respectfully request the Energy Commission to evaluate the cost of compliance with the NSHP and publish its results. The idea behind this request would be to help actively monitor and assess if the cost of compliance is less than, equal to, or greater than program benefits to various classes of customers (single family production, single family custom, multifamily, mixed use, etc.). For example, the cost of compliance with the California Solar Initiative is currently estimated at around \$1,500 per application. This cost is borne out in the total cost to the customer and has contributed to longer solar electric system payback periods. This means fewer program participants and lost opportunities. This information would be useful to the Energy Commission to use for generating future program modifications and enhancements.
6. Maintenance Requirements. The proposed maintenance requirements are not sufficiently detailed enough to identify "who" is required to perform the maintenance. Is it the system owner or the building owner? It is not clear who will enforce this requirement not what the consequences are to non-compliance. While CALSEIA applauds having a maintenance requirement, we suggest that this be revised to identify simple, reasonable maintenance that could be performed by the building owner (such as panel cleaning or recording a monthly log of system output). The requirement to provide on-site inspections annually should be revised to provide an on-site inspection a few months after the system has been energized and another on-site inspection following the first winter season. The purpose of the on-site visit would be to inspect and tighten wire connections as needed. Another on-site visit would be appropriate several years thereafter, unless the recorded log of output indicates that a significant drop in performance has

CALSEIA thanks the Energy Commission for the opportunity to file these comments and looks forward to working with the Energy Commission on a successful NSHP program and on the other issues affecting the development of a sustainable market for all solar technologies in California.

Sincerely,



Sue Kateley  
Executive Director