

**BEFORE THE COMMITTEE WORKSHOP OF THE CALIFORNIA ENERGY
COMMISSION RENEWABLES COMMITTEE
OF THE STATE OF CALIFORNIA**

Proposed changes to the Guidelines for
California's Solar Electric Incentive Programs
pursuant to Senate Bill 1

Docket #07-SB-1

DOCKET

07-SB-1

DATE SEP 29 2008

RECD. OCT 02 2008

**COMMENTS OF SOLFOCUS, INC ON THE PROPOSED CHANGES TO THE
GUIDELINES FOR CALIFORNIA'S SOLAR ELECTRIC INCENTIVE PROGRAMS
PURSUEANT TO SENATE BILL 1**

SolFocus, Inc.

Prepared by: Kelly Desy and Warren Nishikawa
Telephone: (650) 623-7100
Facsimile: (650) 623-7230
Email: warren_nishikawa@solfocus.com
Email: kelly_desy@solfocus.com

Date: September 29, 2008

Associates of SolFocus, Inc.

**BEFORE THE CALIFORNIA ENERGY COMMISSION
OF THE STATE OF CALIFORNIA**

Proposed changes to the Guidelines for
California's Solar Electric Incentive Programs
pursuant to Senate Bill 1

Docket #07-SB-1

**COMMENTS OF SOLFOCUS, INC ON THE PROPOSED CHANGES TO THE
GUIDELINES FOR CALIFORNIA'S SOLAR ELECTRIC INCENTIVE PROGRAMS
PURSUANT TO SENATE BILL 1**

The Energy Commission document, *Guidelines for California's Solar Electric Incentive Programs Pursuant to Senate Bill 1*, established eligibility criteria, conditions for incentives, and equipment rating standards for all ratepayer-funded solar energy system programs in California. Since the first edition of the *Guidelines for California's Solar Electric Incentive Programs* was released in 2007, the solar technology landscape has advanced, providing new solar electricity system options for Californians. As written, the existing guidelines set unintended barriers to these new technologies in participating in the California Solar Initiative and other rate-payer funded incentive programs administered under SB1. The changes to the guidelines reflect the CEC's recognition that new and improved technologies are available in the California marketplace and provide consumers additional choices to meet their solar energy needs, and the CEC's commitment to facilitating the addition of solar technology offerings. The addition of new solar technologies are key to the State of California as we strive to meet policy objectives of increasing solar energy generation statewide and renewable portfolio standard targets, as well as lead the nation in solar energy usage.

Below are SolFocus, Inc.'s comments to the proposed changes in the second edition of the *Guidelines for California's Solar Electric Incentive Programs*. As you read through our comments, please note that SolFocus feels the most notable changes to the Guidelines (listed in order of importance) are the change to the definition of "other solar electricity generating technologies", field verification requirements, and the eligibility requirements for other solar generating systems.

I. COMMENTS ON PROPOSED SUBSTANTIVE CHANGES

1. (Chapter 1) Add audit requirement that will facilitate the Energy Commission to conduct random audit annually to evaluate operational performance of systems so that utilities are informed.

Performance audits are an important element to ensuring that CEC listed systems meet the electricity generation expectations of solar technology users, as well as for incentive budgeting purposes. We recognize the importance of performance audits; however recommend that the wording be altered in this section to allow for consideration of operation and maintenance schedules of systems. Performance audits with a 1 week prior notice would allow system owners to verify that the audit does not fall at the end of regularly scheduled maintenance term and a potentially undesirable performance audit outcome that is not representative of true overall system performance.

2. Extend implementation date from January 1, 2009, to July 1, 2009, for Chapters 3, 4, and 5.

We support the proposed changes.

3. (Chapter 2) Address other covered solar electric generating systems under Solar Energy System Definition and Solar Energy System Components.

We applaud this change to the guidelines and feel the clarification made to “other technologies” will help reduce barriers for non-traditional, new solar electricity technologies to participate in California’s Solar Initiative (CSI) and other ratepayer funded incentive programs outlined in SB1. The proposed language changes allow for broader technology participation and this change further reflects the CEC’s recognition that new and improved technologies are available in the California marketplace, thus providing consumers additional choices to meet their solar energy needs. SolFocus worked closely with representatives from the CEC and CPUC to attain the necessary field and safety certifications for its concentrator photovoltaic technology (CPV), as increasingly, California customers want to install the technology and participate in the CSI program.

4. (Chapter 3) Eligibility requirements for other Solar Electric Generating Systems Component.

We understand that there is a learning curve with regards to production and performance of newly listed technologies, which has lead to a reluctance to offer the EPBI to CSI participants opting to utilize these technologies. However, we have noted that customers wanting to try new solar technologies and understand them better before installing greater capacity, favor installing systems with capacity under 50kW. Allowing these customers the choice of EPBI or PBI is important, as many early technology adopters in California do rely on the EPBI for the up-front financing of these systems, thus improving their appetite to be early adopters. The CSI program was designed to

incent new solar technology deployment, and allowing CSI participants different incentive options to best meet their solar system financing situation. If “other solar electric generating technologies” are restricted to only performance-based incentives, prospective CSI participant options will be limited, and this could add an unintended barrier to the facilitation of said technologies in state incentive programs. We hope that the CEC considers allowing other solar technologies the choice of either EPBI or PBI in future revisions to the handbook.

5. (Chapter 4 and Appendix 2) Shading and incentive calculation tolerance. Address shading estimation and methodology for retrofit and larger commercial scale systems. Allow Program Administrators or utilities up to 5 percent tolerance related to incentive calculation, claim and field verification.

We support the proposed changes.

6. (Chapter 4 and Appendix 2) Field verification requirement for PV installers.

We endorse the general wording proposed regarding field verification requirements, however, urge the CEC to allow nationally recognized technology laboratories (NRTLs) to endorse test plans for new technologies, and not have this endorsement tied to a specific list of certifications. As the solar industry is rapidly evolving, it is not adequate to classify all technologies under specific test plans conducted by one NRTL. Allowing various NRTLs to endorse test plans would allow technology providers/manufacturers additional options for field verifications, thus decreasing time to CEC listing, which has lagged due to a testing backlog, as well as maintaining an environment that lends itself to competitive pricing for testing.

7. (Chapter 5) Update the newly constructed buildings' energy efficiency requirements by defining the Tier I and II levels to reflect the adopted 2008 Title 24 (Part 6) Building Energy Efficiency Standards which will take effect July 1, 2009 onwards.

We support the proposed changes.

8. (Chapter 5) Remove the benchmarking exemption for Performance Based Incentive applications.

We support the proposed changes.

II COMMENTS ON PROPOSED NON-SUBSTANTIVE CHANGES

1. (Chapter 1) Clarify schedule.

We support the proposed changes.

2. (Chapter 2) Clarify system warranty.

We support the proposed changes.

3. (Chapter 3 and Appendix 1) Adopt the 5 percent inverter-integrated meter testing protocol for performance meters developed by the California Solar Initiative metering working group to be implemented by January 1, 2010.

We support the proposed changes.

4. (Chapter 5) Clarify language under Alternative Portfolio Energy Savings.

We support the proposed changes.

5. (Chapter 6) Modifications beginning in 2009 reporting requirements and forward: clarify that rejections include cancellations under number of submitted applications, clarify public goods charge funds as solar funds, itemize solar incentive expenditures by category, provide breakdown of installed systems for Tier I and II levels for new construction buildings, modify amount of added solar capacity and expected generation for all solar energy systems and provide description of other solar electric generating systems deployed, remove goals for each reporting period in terms of capacity (kilowatt), and remove solar energy system and energy efficiency implementation impacts. Only require submission of report electronically.

We support the proposed changes.

III COMMENTS ON ADDITIONAL CHANGES NOT SPECIFIED IN PROPOSED CHANGES

1. Production measurement for other solar electric generating technologies, language on p13 – “Additionally, each manufacturer must work with the appropriate Program Administrator to determine suitable estimates of capacity and energy production prior to reservation of funds”

We recognize the importance of the Program Administrators in understanding the electricity generation potential of new solar technologies listed as “other”, and request further clarification and definition of determining suitable estimates of performance as it relates to capacity or production. What will be the standard means of performance measurement for these “other” technologies? Instead of commissioning an additional third party to re-invent a calculator for other technologies, we recommend using the National Renewable Energy Laboratory’s (NREL) Solar Access Model (SAM). This is a nationally recognized model and takes into account the various attributes of all solar technologies and solar irradiation levels in specific areas of the country, by zip code. SAM is free and publically available.