



**DOCKET**

**06-NSHP-1**

DATE

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We'd like to thank you for the opportunity to comment on the NSHP program and proposed changes. We have been a California installer for over 30 years and target affordable housing developers. Currently we make up over 22% of MW of all the affordable housing projects and over 3% of all program activity in the entire program. We act as applicant for all of our clients that participate in NSHP. We have dedicated staff that work on processing rebate paperwork for the application and claim, and after 2.5 years still struggle to understand the various levels of details required. Unfortunately, we've have to pass the cost to our clients to process NSHP rebates and we still don't find it viable for smaller installations.

### **Do not decline rebate from step 1**

We believe that the incentive levels should remain in the first step because the new housing market is still challenged with financing limitations and tight credit as well as the recent comments by the governor's office which have brought into question the statues of Redevelopment Agencies throughout the State. Redevelopment Agencies affect the ability of Non-Profit Affordable Housing developers to fund new housing projects – a major source of PV and ST building throughout the Bay Area.

The intention of the 30-day notice is to instill predictability and stability in the creation of the market for PV in new residential construction. The 30-day notice is not enough time to submit a 'complete application' – only 25% of our 31 applications were reserved within 30 days. Additionally, it's impossible for applicants (which as data from KEMA shows is always the installer) to know whether or not additional information will be requested during plan check. By changing the application process to what is proposed in PowerPoint slide 39, it may help with submitting a complete package within a 30-day timeline; however, it does not ensure the applicant that their clients will remain eligible for the rebate and funding is secure, as the installer is the applicant, this reflects bad on the installer and bad on the NSHP program when builders fail to remain eligible for the rebate. The proposed process is beneficial for builders who signed contracts to install PV well before getting a building permit which is what the program should be promoting.

### **Military housing "separate but equitable" allocation should not affect affordable housing allocation**

We do not have a strong opinion on whether this is necessary or would help the success of the program, it's federal housing with a low ROI. We do, however, believe that if an allocation for military housing rebates is approved, it should not affect the affordable housing allocation, which already has fewer Watts available. The affordable housing market is very active, and we should not limit its ability to earn NSHP rebates by setting aside a separate pot for military housing.

### **Transient housing**

We have discussed what types of transient housing should be eligible for NSHP at length. We don't believe that hotels, motels, or boarding houses are being built right now, therefore any effort there should not be



prioritized. However, we believe that Hotels, Motels and University Dorms should be included in the definition of Transient housing and uncapped and eligible under market rate housing.

## Building Energy Efficiency requirements

- 1) Remove the requirement for HERS raters because:
  - a) They are not being used effectively (they are brought in too late)
  - b) Or efficiently (their work is being spread out over long periods of time)
  - c) It adds a lengthy delay to the payment of rebates
  - d) It adds an UNPREDICTABLE, UNSPECIFIED expense to the cost of the system; and
  - e) The arduous nature of the NSHP program makes solar on new homes a luxury item, rather than a viable energy alternative. (Some integrators refuse to do NSHP rebates unless the system is quite large, which is necessarily a luxury home.)
- 2) Instead of a HERS rater: require the Title 24 report and “as built” solmetrics done by the solar integrator. CEC or the PA can do random spot checks.
- 3) Do not require a full plan set of architectural drawings. If certain specific plans are required (like an electric one line or a roof plan), please identify what exactly is required and remove unrelated parts of the plan set.

## Solar Thermal Electric

Net zero homes are prime candidates to meet Tier 2 energy efficiency requirements of NSHP and are almost always new construction. However, they require a heat pump water heater; the current state of the NSHP program promotes builders to heat water through installing photovoltaic instead of solar thermal which is extremely inefficient and a poor use of the program’s money. It would be money well spent in comparison to offer a NSHP solar thermal electric incentive as well.