



September 30, 2011

California Energy Commission  
Dockets Office, MS-4  
1516 Ninth Street  
Sacramento, CA 95814-5512

DOCKET	
06-NSHP-1	
DATE	SEP 30 2011
RECD.	SEP 30 2011

**RE: Docket No. 06-NSHP-1: Staff Workshop on the Proposed Revisions to the NSHP Guidebook**

Dear Staff,

SolarCity has reviewed the proposed revisions to the New Solar Homes Partnership (NSHP) Guidebook. SolarCity is submitting the following comments on the proposed revisions.

Rebate must be submitted prior to walls being enclosed and removal of the 180-day window between the issue date of a solar permit and the issue date of a certificate of occupancy. A building permit for a solar energy system must be issued prior to the issuance of the certificate of occupancy.

These two changes are extremely limiting to the current builder market. Since the credit crisis of 2009, the housing market has been at an all time low. Home builders are struggling; the ones that will survive need to be nimble to design homes that fit the ever-changing market.

SolarCity recently signed up several developments that were not originally designated for NSHP. Many of these would not have qualified under the new rules. We need time to negotiate the contract, review the community, design the systems, apply for the building permit, and then install the systems. This process can take months. By the time we set foot on the development, we may need to play catch-up to the builder. In many cases, the model homes are finished, and we end up retrofitting the solar to fully built homes. Under the new rules, it would be very difficult to install solar on a large percentage of developments.

This sort of change appears to benefit companies that already have contracts in place, as it appears to be nearly impossible to work with a new builder far enough in advance to be able to comply with the new rules.

Finally, the above requirements make a "solar as option" community impossible. The option to add solar needs to be available to a new home owner during the

entire build process, and often after the house is built. If a spec home is purchased by a new homeowner, and solar is to be offered as an option, it will be installed after the house is finished. In many cases, due to the lender's requirements, the solar will be installed after the home receives the certificate of occupancy. This sort of requirement is akin to saying that a retrofit customer needs to apply for a solar rebate before signing a contract.

Removal of system sizes that are increased after initial NSHP reservation approval time receiving the same original incentive level that the NSHP reservation was initially approved

This change would severely affect a "solar as option" community. Because this type of community offers solar as an option, the final size is often not decided for a specific lot until months after the reservation has been approved.

HERS inspector must perform an EE inspection before walls are enclosed and fill out the CF-4R-EE (Part 1)

NSHP already has many requirements above and beyond Title 24. This requirement would make the NSHP program stricter than the current CAHP program. NSHP's current 15% over Title 24 requirement is one of the main reasons why smaller builders may not gain access to this program. Increasing the requirements for very minor energy gains is not advisable.

Thank you for the opportunity to comment on the proposed guidelines. Please do not hesitate to contact me if you have any questions.

Sincerely,



Sanjay Ranchod  
Director of Government Affairs and Senior Counsel