California Energy Commission
07-SB-1
TN 71242
JUN 12 2013

# **BEFORE THE CALIFORNIA ENERGY COMMISSION**

In the matter of,

Docket No. 07-SB-1

COST EFFECTIVENESS OF ROOFTOP SOLAR PHOTOVOLTAIC SYSTEMS ON NEWLY CONSTRUCTED BUILDINGS RE: Cost effectiveness of rooftop solar

## COMMENTS OF DISTRIBUTED ENERGY CONSUMER ADVOCATES ON THE DRAFT CONSULTANT REPORT ON THE COST EFFECTIVENESS OF ROOFTOP PHOTOVOLTAIC SYSTEMS

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June 12<sup>th</sup>, 2013

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Pursuant to the May 17, 2013 workshop notice Distributed Energy Consumer Advocates ("DECA") respectfully submits these comments on draft consultant report.

DECA is a customer choice focused, technology neutral nonprofit education and advocacy organization whose members consist of existing and potential residential and small commercial producer-consumers ("prosumers") of electricity. DECA's members, who live throughout the state of California, represent a great opportunity to increase the efficacy of energy generation and consumption focused policies of this commission by developing engaged producer-consumer of electricity throughout the state. DECA believes policy decisions that support customer choice around energy investments represent some of the best decisions that can be made in transforming both the consumption and production of energy.

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### I. Introduction

DECA comments here in response to the California Energy Commission's ("Commission") request for comment on the findings of the draft report *Cost Effectiveness of Rooftop Solar Photovoltaic Systems for Consideration in California's Building Efficiency Standards* ("Draft Report") prepared by Energy and Environmental Economics, Inc. (E3).

DECA is generally supportive of the report methodology and its findings but asserts that some assumptions are overly conservative relative to expected cost reduction and adoption rates. DECA's comments narrowly focus on the subject area of estimates of installed PV costs for 2020, highlighting in particular fully capturing reductions in permitting costs that are not yet reflected in the CSI database as well as additional incremental cost reduction mechanisms associated with the expansion of solar ready roofs, including requiring roof mounts for PV infrastructure on all new construction as proposed by DECA in the last title 24 building code docket.<sup>1</sup> While DECA agrees with the Draft Report that rooftop solar will be cost-effective in 2020 for much of California, its estimates may be overly conservative for reasons stated below.

### II. Discussion

The Draft Report's estimates of installed PV costs on new construction fail to capture the effects of recent permitting reform legislation and solar ready roof rules as well as the potential benefits of incremental increases in the definition of "solar ready" over time.

DECA believes the cost estimates for installations fail to capture the downstream benefits of recent legislation surrounding permitting, which will better reflect costs on a forward going basis. DECA in particular supports incorporating changes to the permitting cost assumptions as

<sup>&</sup>lt;sup>1</sup> See DECA's April 11, 2012 comments in the title 24 BEES docket.

a separate line item in the cost estimate. The passage of SB1222 along with a host of other permitting cost reduction efforts are not yet captured by the CSI data relied upon to generate the cost estimates.

DECA also supports reflection of higher adoption of PV retrofits and voluntary addition of PV by homebuilders as a result of incremental improvements to the solar-ready roof efforts of this Commission. In particular, consistent with DECA's comments in the BEES docket referenced above, an expansion of solar-ready roofs to include at the time of construction mounting hardware in the "solar ready" areas will increase the penetration rate of rooftop solar before 2020.

#### III. Conclusion

DECA commends the efforts of the Commission, its staff, E3 in the production of this report, and urges adoption of its finding that solar will be cost effective on all new homes by 2020. DECA does urge caution that several factors should be revisited to better reflect expected lower costs of solar not currently captured by the report that may make solar more cost-effective sooner than 2020.

Respectfully submitted this 12<sup>th</sup> day of June, 2013.

By <u>/s/</u> Aram Shumayon

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