

August 16, 2013

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 06-NSHP-1
1516 Ninth Street
Sacramento, CA 95814-5512



Re: New Solar Homes Partnership Guidebook: Comments of San Diego Gas & Electric on Proposed Revisions to the New Solar Homes Partnership Guidebook

San Diego Gas & Electric (SDG&E) submits these comments to address the considered revisions to the New Solar Homes Partnership Guidebook that were presented and discussed at the California Energy Commission (CEC) Staff Workshop held on Tuesday, August 6, 2013.

SDG&E's Program Administrator's main goal is to streamline this process and maintain program consistency across the board. Our aim is to simplify the process and ease the burden of this multifaceted program on our customers and stakeholders. As, Program Administrators, we want to work together and focus our efforts so we are working towards common and efficient revisions.

Considered Revisions: General Programs Changes

- Removal of 180-Day window – *SDG&E support removing the 180 day window between the issue date of solar permit and the certificate of occupancy. This will be progressive in making the program more straightforward. It supports the fundamental principles of the program to create a self-sustaining market for solar homes that incorporate high levels of energy efficiency and high-performing solar energy systems. The buildings must achieve energy efficiency levels greater than the requirements of the Building Energy Efficiency Standards, Title 24, Part 6. The NSHP program has been functioning for five years with the main objective of the program to “incentivize” and encourage builders to install solar. Currently, with the 180 day window we run into more complications on the program administrator side. This is apparent in time spent on verifying the dates with applicants, builders, homeowners, and city’s building departments.*
- Virtual Net Metering (VNM) – *Virtual Net Metering should have a standard reservation period of 36 months. It’s another delay in the process for the customer/applicant and program administrators if one project is divided into two reservation periods of 18 months or 36 months. By keeping it the way it is, with a project coming as one part at 18 months and another part of the project at 36 months, it will add to the paperwork of an already paperwork intensive program. With Virtual Net Metering becoming a standard reservation period of 36 months this will simplify the process for both customer/applicants and program administrators in processing applications.*
- Leases - *No comment.*
- Incentive Decline Process - *Incentive decline process needs to happen at the project submission. Currently, in the web tool submitting to plan check is when a project is counted towards the MW capacity. Due to workload of project submissions differing across the utilities, it makes sense that the trigger tracker should be activated once a project is submitted through the web tool for utility review.*

This process needs to be improved to accurately capture projects in the correct incentive level. By changing the incentive decline process to submittal, this will accurately account for the decline to the next step objectively between the utilities. This will make the next step more precise and will also allow the customer/applicant/stakeholder to have a better idea of the NSHP incentive level, whereby increasing participant satisfaction. This measure will also avoid the delay and nuisance of going back to the customer/applicant to approve/acknowledge a lower incentive level than what was anticipated.

- Affordable Housing System Owner. Non-tax exempt entity vs. tax-exempt entity - *No comment.*

Considered Revisions: Reservation Phase

- 10 Business Day Correction Period - *There should be a 10 business day correction period allowed for this program. This would go hand in hand with projects submitted at reservation counting towards the MW incentive level decline process. This will be unbiased and objective for customers/applicants within utility territories. It will make applying for the NSHP incentive more customers forthcoming and informative. This will be a consistent process for the program, especially with applicants that deal with multiple utilities.*
- Removal of Forms. Equipment Purchase Agreement, Build Out Schedule, and Progress Report - *Removing the equipment purchase agreement, build out schedule and progress report will streamline the NSHP process. These forms are more of a hassle than any benefit they may provide. The majority of projects will submit a contract that encompasses the whole project equipment purchase agreement and installation contract. By requiring the applicant to only submit a contract and/or installation contract and invoice, it will aid in simplifying the process for both customer and program administrators. The same can be said for the build out schedule which only estimates the construction timeline.*
- Removal of 50% limitation for Solar as an Option projects - *Removing the 50% limitation on solar for an option projects if they are subject to the incentive decline.*
- Exploring flexibility of reservation funding at a project level rather than the sum of site incentives - *No comment.*

Considered Revisions: Payment Phase

- Calculation of increased funding requests - *If a project is requesting a funding increase after an approved reservation it streamlines the process to calculate the increased funds at the time a payment package is submitted. This will eliminate confusion and paperwork on both applicant and program administrators making the process uniform across the utilities.*
- 90 Day Correction Period - *Currently, as the guidebook stands having the 90 day correction period for HERS Verification and Interconnection should be the only grace period allowed on sites. There should be no delay in an applicant submitting the payment claim form, warranty form, and final cost documentation prior to their expiration date.*
- Partial Payment Option - *Partial payment option would only delay the designated NSHP payee receiving their incentive check. Program administrators do not have the resources to split up the*

- *payment into a 70/30 payment option. A partial payment option sounds like it may have some merit, but will ultimately slow down what is already a very long process for customers.*

Considered Revisions: Energy Efficiency

- 2013 Building Code. Update to Tier 1 and Tier 2 - *No Comment.*
- Local Ordinances exceeding the Building Energy Standards - *Allowing cities with reach codes that require 15%+ to bypass internal plan checks has potential merit. However, local jurisdictions' plan review practices should first be reviewed for thoroughness to ensure an adequate review is in place.*
- Explore new incentive structures. Checklist of energy efficiency measures and ZNE - *Adding more incentive structures will likely complicate the process for applicants, builders, and program administrators with determining the payment incentive claim. Ease of structure is critical and efforts should be made to ensure alignment with the California Advanced Homes Program. ZNE efforts in particular are highly encouraged, as California continues to strive to meet the goals of the Long Term Energy Efficiency Strategic Plan.*
- CEA requirement for 2013 Standards. No plan check - *Foregoing the plan review should not be done until the new CEA process is in place and vetted. This probably won't be fully functional until at least April of 2014, after which 2-3 months of quality assurance is recommended.*
- Energy Efficiency Compliance Documents: Documentation Author - *With allowing anyone to be the documentation author this will cause more problems with the plan review which will ultimately delay the process. Keep it lined up with California Advanced Homes Program with requiring a CEA with the new standards.*

Considered Revisions: Minor

- Conformed Form Names - *No Comment.*
- Clarification of Total System Costs. Self-Installs - *No Comment.*
- Inclusion of Language from Overall Program Guidebook - *No comment.*
- Removal of GoSolar Retailer/Installer registration requirement - *It should not be a requirement for retailer and/or installer to be registered with GoSolar Retailer/Installer database. An installer being registered and active with CSLB is sufficient enough. If a company wants to register with GoSolar Retailer/Installer Database this should be an option and not a requirement.*

In conclusion, SDG&E looks forward to collaborating with the Energy Commission, Program Administrators, and Stakeholders to improve the program and achieve the NSHP program goals.

Sincerely,

SDG&E's New Solar Homes Partnership (NSHP) Program Administrators

Cc: Le-Quyen Nguyen