



CALIFORNIA ENERGY COMMISSION

The Power of Partnerships: Transforming California's New Home Market

SOLAR POWER 2007

September 27, 2007

Long Beach, CA

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California Energy Commission



Today's Housing Market News

Home sales thud to 5-year low point

-CNNMoney.com, September 25, 2007

Housing Price Drop Looms

-Sacramento Business Journal, September 7, 2007

U.S. Economy: Consumer Confidence Slumps, Home Sales Decline

-Bloomberg.com, September 25, 2007

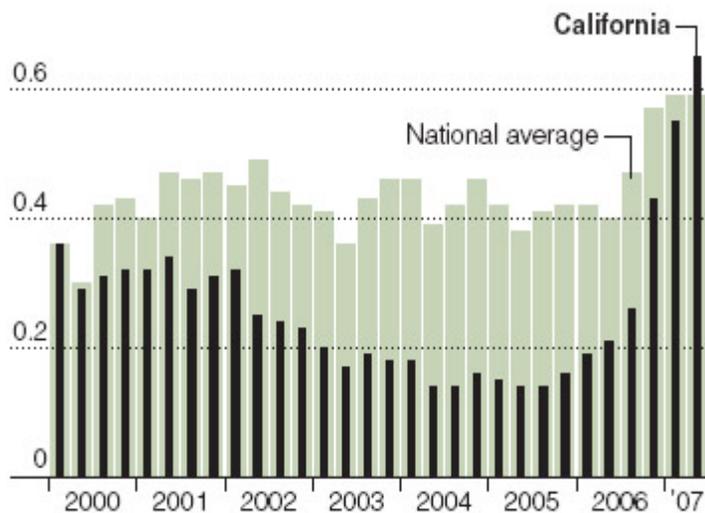




How does California rank vs. the Nation?

MORTGAGE FORECLOSURES STARTED

0.8 percent of all mortgages



Source: Mortgage Bankers Association

THE NEW YORK TIMES

- Foreclosures are on the rise in California
- Percentage of California mortgage foreclosures surpasses the national average in the second quarter of 2007



The Good News... Solar and Energy Efficiency Sell!



Builders are saying...

- “In the beginning some of the other developers probably thought we were crazy to go solar on this project. Now, especially in a down market, they’re all looking to our success and acknowledge that the PV panels make it easy for buyers to choose our community over the rest.”

-Grupe Homes

- “The upfront cost was a bit of a hurdle for us. Most buyers would rather select granite countertops than solar panels. But once we could demonstrate the long-term savings, and could back that up with real numbers, buyers soon saw the value.”

-Shea Homes



Solar Homes are in the News...

Sun-Powered Homes defy a cool housing market

-Los Angeles Times, September 25, 2007

Builder: Solar Energy Systems will be Standard on New Homes

-San Jose Mercury News, August 22, 2007

Forecast for Solar Power: Sunny

-USA Today, August 26, 2007

Stunning Solar Powered Homes

-Forbes, August 16, 2007



-Los Angeles Times



What New Home Buyers Want...



- "It not only helped reduce my monthly bills, added resale value and helps the environment, but it's a cool technology to show my friends and family when they come over to visit."
- "I wanted to do as much as I could for the environment while still enjoying a new home."
- "The cost was the same as other builders without the panels."



What is our role?



- New residential and affordable housing construction
- \$400 million over ten years
- 160,000 energy-efficient solar homes
- Solar as a standard feature
- Exceed Title 24 requirements for energy efficiency



NSHP exceeds Building Standards

- NSHP Requires Energy Efficiency Beyond Standards
 - ◇ Minimum is **Tier I**: 15% savings beyond 2005 Building Standards, consistent with current utility “New Construction” efficiency programs
 - ◇ Preferred is **Tier II**: 35% savings beyond 2005 Building Standards, plus 40% beyond cooling budget
- Both levels include Energy Star appliances, where applicable
- Efficiency incentives from utility programs



The Power of Partnerships

- With Builders: Increasing sales of new homes
- With Solar Industry: Opportunities to work with major builders
- With Utilities: Connections to customers and builders
- With Efficiency Providers: Minimize energy use in a new home
- With Local Communities: Help with “smart” growth
- With CPUC: Coordination between programs



NSHP Builder and Solar Industry Partnerships

- Increase partner recognition
- Provide marketing support
- Higher adherence to program goals
 - ◇ Platinum - - - - - Highest EE/Solar Standard
 - ◇ Gold - - - - -
 - ◇ Silver - - - - -
 - ◇ Bronze - - - - - Lowest EE/Solar Option





NSHP Utility Partnerships

- Contract With Utilities for Program Administration
- Significant Synergy with Utilities
 - ◇ New Construction Planning
 - ◇ Energy Efficiency Administration
 - ◇ Interconnection Services
 - ◇ Solar Rate Designs
 - ◇ Advanced Metering Infrastructure Rollout





NSHP Local Government Partnerships

- Model Ordinances
 - ◇ Assist local governments to advance high energy efficiency, solar communities
- Building Official Outreach
 - ◇ Education-Develop a uniform solar energy code
- Smart Growth and Land Use
 - ◇ Reduce the need for future development of power plants and to ensure that the State meets AB 32 green house gas emission reductions





Increasing Public Awareness of Solar and Energy Efficiency

- Marketing Research
- Engage and Educate Builders through Outreach
- Solar Education Workshops
- Community Events
- Media Relations

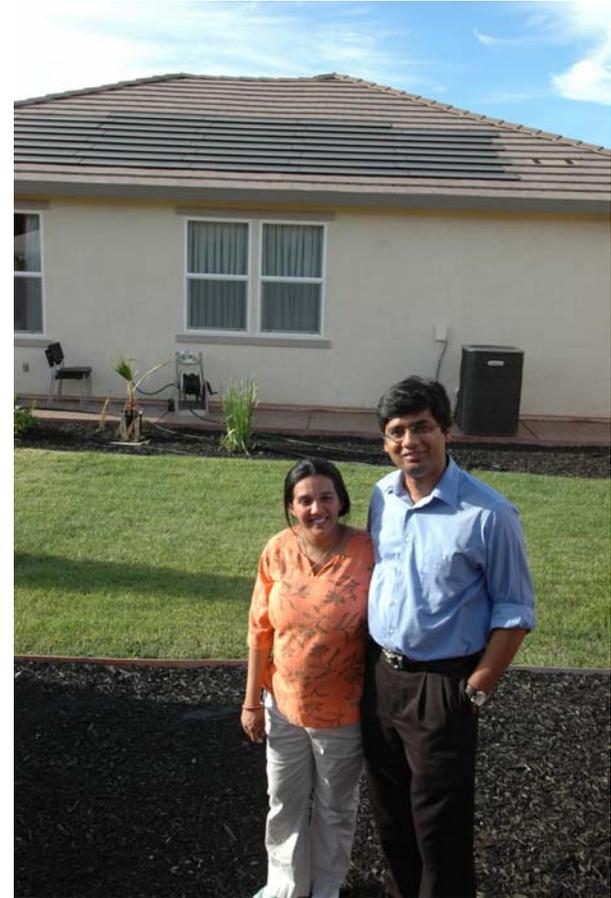




NSHP Market Research-Consumers Want Solar!

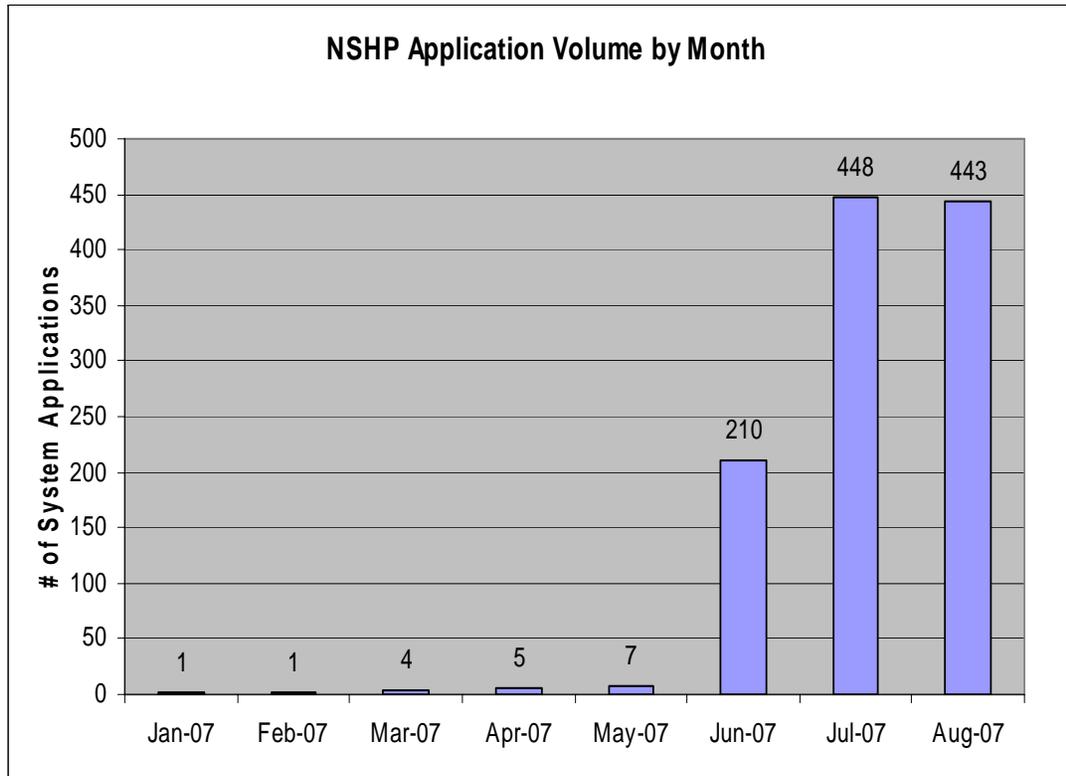
The NSHP survey of recent and prospective new home buyers found:

- 91% of Californians view a home's energy efficiency as an important factor when considering the purchase of a new home
- 70% said that the cost of the monthly electricity bill was an important factor in their decision to buy a new home
- Over 50% of Californians think home builders should definitely make roof-top solar electric systems a standard feature in all new single residence homes they build





NSHP Program Participation



- *1119* home applications to date
- Includes *34* affordable housing applications



CALIFORNIA ENERGY COMMISSION

Solar Information

Solar for NEW Homes

Solar for Your EXISTING Home

Solar for NON-Residential Buildings

Solar for Low-Income & Affordable Housing

Solar for Municipal Utility Customers

News, Calendar & Search

Go Solar California!

Current Program Updates

California has set a goal to create 3,000 megawatts of new, solar-produced electricity by 2017. From this page, you'll be able to go to the websites for solar on new or existing homes and solar for businesses, schools and public buildings.



The California Energy Commission funds solar electricity systems on **NEW** homes.



The California Public Utilities Commission funds solar electricity systems on **businesses** and **EXISTING** homes.

Information in Spanish • Chinese • Japanese • Korean • Tagalog • Vietnamese

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