



SB 1 Eligibility Criteria and Conditions for Incentives

SB 1 Directives and Policy Overview

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SB 1 Assignments to Energy Commission

- In consultation with the CPUC, Publicly Owned Utilities, Interested Members of the Public
- Establish Eligibility Criteria
 - Design, Installation and Electrical Output Standards or Incentives
- Establish Conditions for Ratepayer Incentives
- Set Rating Standards for Equipment, Components and Systems



SB 1 Specific Expectations

- High Quality Solar Energy Systems with Maximum System Performance to Promote the Highest Energy Production per Ratepayer Dollar
- Optimal System Performance During Periods of Peak Demand
- Appropriate Energy Efficiency Improvements in New and Existing Home or Commercial Structure Where Solar Energy System is Installed



Integrated Energy Policy Report Guidance

- Leveraging Energy Efficiency Improvements Should be Primary Consideration in Deploying PVs
 - EE + PV will lead to proper sizing, contribute to state's efficiency goals, provide maximum benefits to PV purchasers and electricity customers
- Rational Targeting of PV Deployment to Achieve Greatest Cost Benefit
 - Target to Climate Zones with High Peak Demand for Air Conditioning
- Transitioning Away from Capacity-based Incentives to Performance-based Incentives
- Integrating Energy Efficiency and Time-of-Use



California Energy Policy Goals

- Energy Action Plan – Follow the "Loading Order"
- Climate Action Initiative and AB 32
 - Reduce 2020 GHG Emissions to 1990 Levels
 - Energy Efficiency and Renewables Highlighted
- SB 1037 and AB 2021
 - IOUs and POUs first meet unmet resource needs via cost effective energy efficiency
- Green Building Initiative – 20% savings by 2015 for state buildings (encouraged for commercial buildings)



NSHP Policies and Approaches

- Goal: Create a self-sustaining market for solar homes where builders incorporate high levels of energy efficiency and high performing solar systems
- Expected Performance Based Incentive Structure
- Independent Testing and Certification of Performance Characteristics of Modules/Inverters
- PV Calculator – Hourly Time Dependent Determination of Module/Inverter Interaction with Installation/Climate
- Installer and Third-Party Field Verification Protocols



NSHP Energy Efficiency Approaches

- Pursue PV and EE goals in concert
- "Co-Brand" NSHP and Prominent EE Programs
 - Take advantage of EE marketing and incentives
- Tier I – minimum level; = IOU New Construction Level of 15% > Title 24
- Tier II – preferred level; = Building America Level
- Energy Star Appliances when Builder Installed



CPUC and POU PV Programs

- The CPUC has worked vigorously to establish CSI Program in response to CPUC direction and stakeholder input
- POUs have to varying extents operated PV programs over the past 5-10 years; many have programs in place
- These program efforts have resulted in substantial program implementation expertise and buy-in from the industry
- Energy Commission will need to carefully consider comment from CPUC and POUs in developing eligibility criteria, conditions for incentives, rating standards for SB 1
- Energy Commission conclusions that would cause the need for changes in CPUC and POU programs will require adequate time for transition to incorporate these changes
- Commission staff recommends effective date of January 1, 2009 for conformance to eligibility criteria, conditions for incentives and rating standards



Plans for Today's Workshop

- Review Staff Report Recommendations:
 - Energy Efficiency (including Benchmarking/Commissioning)
 - Installation and Component Standards
 - Proposed Effective Date (1/1/09) and Guideline Development Schedule
- Each Topic
 - Staff Presentations
 - Public Comments