



New Home Builder Programs

CEC Staff Workshop ~ August 10th, 2015
2016 Building Energy Efficiency Standards

Presented by: Marshall Howen, Director of Sales, Western Region

2016 Update to the Standards

Comments & Thoughts

SolarCity Agenda: We are in the business of providing best-in-class financial products to new home builders to offset the cost of integrating solar into the homes they build.

- **SolarCity** believes that the **Standards** should allow builders the flexibility to use a variety of measures to meet the anticipated demand of their buyer.
- **SolarCity** recognizes that there are significant challenges in the new home market, validating the need to incentivize builders to “Go Green.”
- **SolarCity** believes, in general, that the “Spirit” of the **Standards** needs to be carried forward, not redefined or abandoned.



2016 Standards should allow flexibility to builders

Comments & Thoughts

New Home Builder Agenda: In general, builders evaluate utilizing energy conservation measures and solar in the context of consumer demand and profitability.

New Home Builder Focus:

The “**Three Buckets**” in CA

- **Creating** more selling opportunities;
- **Selling** homes at a higher margin; and,
- **Complying** with mandates.

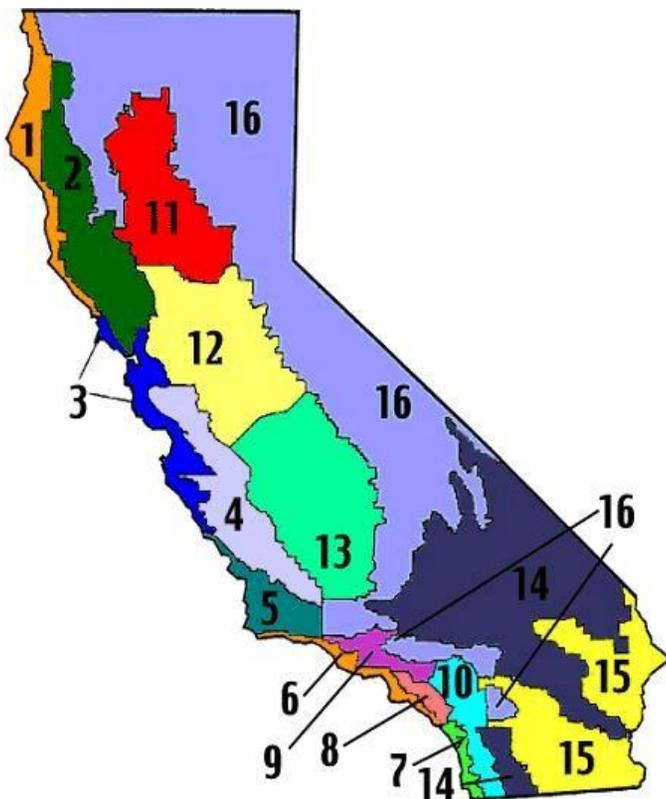


New Home Builders find that, in general, most buyer's have no depth of understanding, but great sentiment, about being “environmentally-conscious.”

2016 Standards should incentivize builders

Comments & Thoughts

CEC Agenda: To properly identify the significant challenges related to costs incurred to implement the conservation and energy measures and incentivize builders properly to ensure the long-term success of the **Standards**.



The “Spirit” & ACM Focus:

- **The Spirit** of the **Standards** have always been rooted in the great diversity of climate regions in California;
- The ideas that link the notion of “tradeoff” and “loading order” are short sighted when you consider that there are **16 clearly defined and distinct zones**; and,
- The **ACM** should continue to enable builders to evaluate their home buyer, project location & home design and **incentivize** the use of conservation and energy production on a **broad scale**.

2016 Standards should recognize that solar credits & incentives are vital to the Goal of Net Zero 2020

Comments & Thoughts

Net Zero 2020 Agenda: To promote a the highest adoption of energy efficiency measures and renewable energy usage in the nation.

There is **real need** to keep solar credits and incentives:

- The **Standards** and utility incentives (**NSHP**) have always rewarded energy efficiency first. New home builders believe that the NSHP is vital to offsetting cost;
- The **CEC** and the **PUC** must continue to work together to bring the “big-picture” in to consideration regarding integrating solar into the new home industry; and,
- The perceived “trade-offs” and other **similar** ideas that support reducing or eliminating solar credits in the updated **Standards & ACM** do not recognize the ongoing and changing dynamic of the relationship between solar and the electric utility.



Alternative Calculation Methods (ACM): Comments & Thoughts regarding Reference Manuals

SolarCity Agenda: We believe that the **ACM** should continue to incentivize the new home builder to use solar.

- 1. SolarCity** is committed to working with the CEC in its efforts to provide the home building industry in:
 - Developing guidance documents that simplify the understanding of the ACM;
 - Understanding, supporting and implementing the tools needed to properly design, build and verify the measures.
- 2. SolarCity** is committed to working with the home building industry to:
 - Driving down the average cost per kW and/or, providing industry leading financial products to assist with the cost;
 - Clearly articulate the value proposition of combining energy efficiency measures and solar, knowing that their home-buyer customers need to understand that value.
- 3. SolarCity** is committed to ensuring that the long-term success of the Standards is achieved by:
 - Advocating for the “big-picture” values of the Standards;
 - Collaborating with the Energy Efficiency community to dispel the myths and generalizations that hinder being committed to a mutually beneficial outcome.

