

Go Solar California!

California Solar Initiative, the Golden State's Million Solar Roofs Program

Upcoming Changes to the Solar Photovoltaic Incentive Programs November 13, 2006

Under the new California Solar Initiative, the state's goal to install 3,000 megawatts by 2017 brings together expertise from the current programs of the California Energy Commission (Emerging Renewables Program) and the California Public Utilities Commission (Self-Generation Incentive Program) to move California toward a cleaner energy future through new program offerings.

Beginning in January of 2007, California solar incentives will change!

Application Process

Solar photovoltaic (PV) reservation applications for the Energy Commission's current Emerging Renewables Program (ERP) will continue to be received through close of business December 29, 2006. ERP reservation applications for solar incentives submitted after December 31, 2006, will be rejected and returned to sender. Beginning January 1, 2007, the Energy Commission's New Solar Homes Partnership will focus on PV systems for new residential buildings. The California Public Utilities Commission (CPUC), through program administrators, will provide incentives for all other residential and non-residential customers.

Beginning January 1, 2007, consumers seeking photovoltaic incentives should submit applications as follows:

- **California Energy Commission
New Solar Homes Partnership**
(New residential construction only)
Telephone: 1-800-555-7794
E-mail: renewable@energy.state.ca.us
- **CPUC Program Administrators**
(All other residential, commercial, industrial, and agricultural properties)
Apply to the program administrator in your local area:

Southern California Edison
California Solar Initiative
2131 Walnut Grove Avenue
G01, 3rd Floor, B10
1-800-736-4777

San Diego Regional Energy Office
(customers of San Diego Gas and Electric)
8690 Balboa Avenue, #100
San Diego, CA 92123
1-866-sdenergy or 858-244-1177
E-mail address: csi@sdenergy.org

Pacific Gas and Electric Company
PG&E Integrated Processing Center
P.O. Box 7265
San Francisco, CA 94120-7265
E-mail address: solar@pge.com



California Energy Commission
New Solar Homes Partnership
1516 Ninth Street, MS-45
Sacramento, CA 95814

California Public Utilities Commission
California Solar Initiative Program
505 Van Ness Avenue
San Francisco, CA 94102



www.GoSolarCalifornia.ca.gov

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Please note that the Energy Commission is finalizing requirements for the New Solar Homes Program. For more details on these requirements and continuous updates, visit www.GoSolarCalifornia.ca.gov.

Many facets of the CPUC California Solar Initiative program are already decided. The following changes apply to the CPUC California Solar Initiative:

Program Payment Basis

On January 1, 2007, PV rebates given through the CPUC California Solar Initiative will change from the current capacity-based payments to performance-based incentives that reward properly installed and maintained solar systems. The incentives will be determined according to the system size, as follows:

- For photovoltaic systems greater than or equal to 100 kilowatts in size, incentives will be paid monthly based on the actual energy produced for a period of five years. This incentive path is called Performance Based Incentives (PBI).
- Incentives for all systems less than 100 kilowatts will initially be paid a one-time, up-front incentive based on expected system performance. Expected performance will be calculated based on equipment ratings and installation factors, such as geographic location, tilt, orientation and shading. This type of incentive is called Expected Performance-Based Buydown (EPBB).

Program Payment Levels

- Residential and commercial incentives will receive \$2.50 per watt.
- Government and non-profit organizations will receive a higher incentive (\$3.25 per watt) to compensate for their lack of access to the federal tax credit.
- Incentives will automatically decrease over time based on the quantity of solar energy systems installed. See "Performance Based Incentives" at www.gosolarcalifornia.ca.gov/csi/performance_based.html for detailed information on the System Incentive Schedules and payment levels in 2007.

Program Design Aspects

- ***Incentive cap:*** Applicants can request incentives for up to 1 MW per system installation.
- ***New requirements:*** All incentive recipients must satisfy the following new conditions to obtain the incentives:
 - ❖ Be an electric customer of PG&E, Southern California Edison, or San Diego Gas & Electric. Gas-only customers are no longer eligible to receive incentives through their gas utility.
 - ❖ Install separate meters to measure solar output and report performance back to the program administrator.
 - ❖ Perform an energy efficiency audit.
 - ❖ Comply with new insurance, warranty, and permanence requirements
 - ❖ Regularly inspect large systems (greater than 30kW) and spot-check small systems (less than 30kW)

By December 2006, the Energy Commission and the CPUC will provide program guidebooks and calculators that describe the new requirements and available incentives in detail. For more details on these requirements and continuous updates, visit www.GoSolarCalifornia.ca.gov.

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