



# California Solar Initiative

Powering Your Business with Solar Energy

## Business Customer Fact Sheet

Solar-powered businesses can gain a competitive edge by installing photovoltaics. The California Public Utilities Commission (CPUC), through ratepayer funding, offers cash incentives for installing on-site photovoltaic systems in commercial, industrial and agricultural projects in order to:

- Diversify our supply of electricity
- Ease demand on traditional power grids
- Reduce or eliminate electric bills
- Improve air quality

### THE CALIFORNIA SOLAR INITIATIVE (CSI)

The California Solar Initiative is designed to move the state toward a cleaner energy future and help lower the cost of solar systems for California consumers by installing 3,000 megawatts (MW) of new, customer-side solar photovoltaic (PV) projects by 2017. The California Public Utilities Commission provides incentives for all solar installations in existing structures.

### BENEFITS OF GOING SOLAR

Cash incentives combined with tax credits make going solar affordable, while consumers' growing interest in supporting 'green' businesses makes going solar attractive. Businesses need not worry about property tax increases once a system is installed—as solar is exempt from property tax.

### CASH INCENTIVES FOR QUALIFYING CUSTOMERS

To qualify, an installation site must be located in either the Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), or San Diego Gas and Electric (SDG&E) service territories, and must also receive retail electric distribution. Customers and system owners may jointly consent to have incentives paid to third-party contractors, energy service companies and equipment suppliers.

The California Solar Initiative pays two types of incentives to solar customers:

1. **Expected Performance-Based Buydown (EPBB):** for solar projects less than 50 kW, payment is via an up front incentive based on an estimate of the system's future performance. Projects eligible for EPBB may opt-in to PBI prior to receiving their incentive payment.
2. **Performance-Based Incentives (PBI):** a flat cents-per-kWh monthly payment for all metered output from eligible solar systems equal to or greater than 50 kilowatts (kW) over the initial five years of operation.

Current incentive levels may be viewed online at [www.csi-trigger.com](http://www.csi-trigger.com). Government and non-profit entities qualify for higher incentives, as they are unable to take advantage of the federal tax credits typically available for solar installations. To receive help in calculating the incentive for a specific project, please visit [www.csi-epbb.com](http://www.csi-epbb.com).

### APPLICATION FEE

Application fees are not required for non-residential systems smaller than 10 kW. The California Solar Initiative application fee is 1% of the unadjusted California Solar Initiative EPBB incentive amount as displayed on the EPBB calculator. Application fees are rounded to the nearest dollar amount.

### FINANCING

Your solar professional may be able to work with you on securing financing for large projects. These arrangements may include partnering with a third party and utilizing a Power Purchase Agreement (PPA). This often works for government and non-profit agencies that partner with a for-profit third party to ensure all available benefits may be realized.

### EQUIPMENT ELIGIBILITY

The California Solar Initiative's incentives focus on PV systems, but other technologies such as non-PV solar thermal may be eligible for incentives if they displace traditional electric usage and meet the California Solar Initiative program requirements. See the California Solar Initiative Handbook for eligibility for all technologies.

### WHAT SYSTEM SIZES ARE ELIGIBLE?

In order to receive a California Solar Initiative incentive, solar systems must be designed to offset the utility-provided electric load at the installation location. Incentives will be paid to qualifying systems as small as 1 kW and as large as 1 MW. Those with systems up to 5 MW may apply, however incentive payments will be prorated to 1 MW.

### HOW DO I APPLY? HOW WILL I RECEIVE MY INCENTIVE PAYMENT?

Both the EPBB application process and the PBI application process begin when you submit an initial reservation request packet. The process concludes with the respective Program Administrator's receipt of your complete incentive claim documentation. The necessary documentation includes all application forms, proof of service, worksheets, energy audit documentation, executed purchase agreements, and proof of project milestones, including the fulfillment of all inspection requirements as described in the California Solar Initiative Handbook. Once the documentation requirements are fulfilled, you will receive your incentive. The California Solar Initiative Handbook can be viewed online via Program Administrator Web sites, listed below on the reverse side.

### The Benefits of Going Solar Add Up

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> Cash incentives     | <input checked="" type="checkbox"/> Long-term energy savings | <input checked="" type="checkbox"/> Solar is exempt from property tax |
| <input checked="" type="checkbox"/> Tax credits         | <input checked="" type="checkbox"/> Civic leadership         | <input checked="" type="checkbox"/> Accelerated depreciation (MACRS)  |
| <input checked="" type="checkbox"/> Reduced energy bill | <input checked="" type="checkbox"/> Increased property value | <input checked="" type="checkbox"/> Reduced greenhouse gas emissions  |

## NET ENERGY METERING

Installing solar makes you a generator of clean, renewable electricity. It also enables you to participate in your utility's Net Energy Metering (NEM) program. This program provides credit on your bill for your unused generated electricity. Additional benefits for installing solar systems may include federal tax credits, property tax exemptions for the solar equipment, Renewable Energy Credits (RECs), and improved property values.

## TRAINING AND WORKSHOPS

All of the California Solar Initiative Program Administrators provide free training at least once per month on topics related to the California Solar Initiative, installation practices, the application process, and a whole host of other workshops and training. Contact your local Program Administrator for times, dates, and locations.

## WARRANTY REQUIREMENTS

All systems must have a minimum 10-year warranty on PV modules (panels) and inverters. Meters must have a one-year warranty. This warranty can be met in conjunction with the manufacturers' warranties as well as the installer's warranty.

## ENERGY EFFICIENCY

Solar works best when used in conjunction with appropriate energy efficiency measures. All project sites must have an energy efficiency audit performed and included with the requisite Reservation Request packets.

## METERING AND MONITORING

For EPBB installations, a meter with accuracy of  $\pm 5\%$  is required. The  $\pm 5\%$  meter may be inverter integrated. A performance monitoring and reporting service (PMRS) may also be required. All PBI systems need to be equipped with a stand-alone interval data meter accurate to  $\pm 2\%$  as well as a PMRS. The California Energy Commission's list of qualifying meters and performance monitoring providers can be found online at [www.energy.ca.gov](http://www.energy.ca.gov).

## STREAMLINING THE PROCESS FOR CALIFORNIA SOLAR INITIATIVE PARTICIPANTS

The California Solar Initiative Program Administrators are ready to help California Solar Initiative participants make informed decisions about solar and PV. Help includes education about available solar options, directions to third-party resources, calculation and information tools, and access to a California Solar Initiative eligible vendor database. To learn more about the California Solar Initiative, please visit [www.gosolarcalifornia.ca.gov](http://www.gosolarcalifornia.ca.gov).

## RESOURCES

- To obtain a copy of the California Solar Initiative Program Handbook or to receive further California Solar Initiative program details, visit [www.GoSolarCalifornia.ca.gov](http://www.GoSolarCalifornia.ca.gov).
- The EPBB Calculator can be found at [www.csi-epbb.com](http://www.csi-epbb.com) to assist you with a preliminary evaluation of a site's potential for solar.
- To view a list of participating installers, please visit the CEC Web site at [www.consumerenergycenter.org/erprebate/database/fulllist.php](http://www.consumerenergycenter.org/erprebate/database/fulllist.php).

## PROGRAM ADMINISTRATORS

**California Center for Sustainable Energy**  
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**Pacific Gas & Electric Company**  
Attn: California Solar Initiative  
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**Southern California Edison**  
Attn: California Solar Initiative  
Program Administrator  
6042A North Irwindale Ave.  
Irwindale, CA 91702  
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**Pacific Gas and  
Electric Company**



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