

U.S. Solar Heating & Cooling Alliance

- a Division of



SEIA SHC Alliance Conference Call – Minutes from February 9, 2015

Attending – 26 participants:

	Moderator/Speaker	Company
1	Barbara Bernstein	NH Public Utilities Commission
2	Chip Bircher	SEIA
3	Elizabeth Nixon	NH Public Utilities Commission
4	Katherine Stainken	SEIA
5	Ken Johnson	SEIA
6	Scott Hennessey	SolarCity
7	Sean Gallagher	SEIA
	Name	Company
8	Alonzo Morlesin	ICC
9	Dan Gretsche	SOLARHOT
10	Daniel White	District Dept. of Environment
11	Dave Sizelove	Aquatherm Industries
12	Douglas Falkenburg	Ely Beach Solar
13	Edmond Murray	Aztec Solar Inc
14	Eileen Prado	SRCC
15	Hannah Qu	PiEP Solar
16	Henry Vandermark	Solar Wave Energy
17	James Wilson	Financial Risk Solutions Inc
18	Jim Huggins	SRCC
19	John Alger	Alternate Energy
20	Les Nelson	IAPMO R&T
21	Martin Misenhimer	Atas
22	Matt Carlson	Sunnovations Inc
23	Michael Healy	Nextility
24	Michael Intrieri	SunDrum Solar
25	Nick Toman	Viessmann Manufacturing
26	Peter Bliss	SunEarth

Action Items:

- **Replay of Feb. 9 phone call available:** [Click here to download the audio .mp3 file](#)
- **Mon. Mar. 9:** Next SHC Alliance conference call, 3 p.m. Eastern **with possible change to 4 p.m.** There may also be an open forum session for a half hour open before the conference call.
- **Mon. Feb. 16-Fri. Feb. 20:** Voting open for SHC Alliance Council elections

Minutes:

- 1) SEIA antitrust reminder was read.

2) New Participants

- [Sean Gallagher](#), SEIA V.P. for State Affairs. Sean will focus on accelerating solar's growth at the state level. In 2015, SHC Alliance's primary targets are the programs in California, New York, Massachusetts and Colorado. Previously, Sean was with the California PUC for 10 years, including head of Energy Division from 2005 to 2008. Most recently he worked on utility-scale solar projects.

3) Update: New Hampshire RPS

[Barbara Bernstein](#) and [Elizabeth Nixon](#) from the [New Hampshire PUC](#) updated the group about the renewable thermal program included in the recently-revised [Puc 2500, Renewable Portfolio Standard](#) passed in December 2014. The regulation sets the Total Class I level at 6.00% in 2015, and that increases to 15.00% by 2025. Classes II, III and IV are set at 0.30%, 8.00% and 1.50%, respectively through 2025. Thermal, geothermal and biomass are included as Class I resources, and the carveout for Class I thermal resources rises from 0.60% in 2014 to 2.0% in 2023 and beyond. So far, two large and four small biomass facilities, plus one geothermal system, have applied for the incentive. No solar thermal systems have applied yet. The program covers small systems ($\leq 200,000$ Btu/hr) and large systems ($> 200,000$ Btu/hr). Metering is required under the program. For small systems, "parametric monitoring" is allowed, where, for solar thermal, the operating hours of the pump are recorded and combined with SRCC ratings (mildly cloudy, category C) to calculate the annual energy production. For large systems, full thermal metering is required where flow and temperatures (or pressures) are measured and reported. EN 1434 was used for the accuracy standard. The output is reduced by 3% for parasitic load of the monitoring equipment. The alternative compliance payment (ACP) for thermal systems is around \$25/MWh, whereas Class I electric REC prices are around \$50/MWh. Mike Healy inquired about a multiplier concept that increases the value of solar thermal RECs to account for the higher carbon emissions offset. This has not been considered yet. The rules require independent technical monitors for all systems. These people must be registered with the state. The monitors inspect all systems initially, and the data can be reported quarterly. The independent monitors will work with owners to obtain the data and then enter them into the REC tracking system. The data can be sent electronically from the monitoring system to the independent monitor.

4) Review of "Shout Out for Solar Day," Fri. Jan. 16

[Ken Johnson](#), SEIA V.P. of Communications, summarized the success of this campaign (see [SEIA website](#)). He began by emphasizing the effectiveness of all solar industry members working together. This collaboration will be critical as the industry works to expand the "solar army" of supporters and extend the ITC beyond 2016. The Shout Out for Solar Day campaign reached 40 million Twitter accounts, creating 105 million impressions from 20,000 Tweets. Nearly 100,000 new Facebook followers were added, bringing SEIA's total to nearly 511,000, which is more than the Chamber of Commerce. The goal through the "Million Voices for Solar" is to have over a million FB followers heading into 2016. Support came from all sectors, including politicians, celebrities and sports stars. On other initiatives, SEIA, in conjunction with the Solar Foundation, on Feb. 12 will release the state-by-state job numbers report. As of last November, the solar industry had 175,000 workers, a 20% increase, with an additional 500,000 workers being affected. The industry will generate \$20 billion in economic activity. Ken also mentioned that the solar industry was included in the highly-respected [American Petroleum Institute's State of American Energy report](#). Specifically for SHC, Ken and his staff continue looking for news stories. SEIA sent out a news release about the incentive changes in California's CSI-Thermal program, and that release was picked up by 250 news outlets. Please contact Ken if you have other newsworthy stories. One other resource is [AmericaSupportsSolar.org](#), a webpage that highlights solar's growing popularity.

5) Residential ITC

[Scott Hennessey](#), [SolarCity](#) joined the call to request support for extending the residential tax credit in residential [Section 25 \(d\)](#) of the tax code. This section is often overlooked in favor of the business ITC in [Sec. 48C](#). Since the changes in 2008 (8-year extension) and 2009 (removal of incentive cap), the residential ITC has not received much attention, and has been forgotten in some key situations. As an example, when Senator Menendez (NJ), Senate Finance Committee member, recently proposed an ITC extension amendment as part of the Keystone XL bill, only the business credit was included

because they had forgotten about the residential credit. Likewise, President Obama's proposed budget extends only the business ITC. Scott H. and Mike Healy, who are both on the SEIA Board, continually raise this issue to keep SEIA's attention on it. To bolster support for the 25d credit, Scott encouraged all solar businesses to motivate the army of 100,000+ homeowners who have rooftop systems to contact their legislators and voice support for extending the 25d credit. In addition, political campaign contributions are important in creating opportunities to make the case to elected officials. Other information about the 25c and 25d credit is available at [IRS Notice 2013-70](#).

6) SHC Alliance Update

[Katherine Stinken](#), [SEIA SHC Alliance](#) updated the group on the Alliance's recent activities.

- [Christopher Mansour](#) from SEIA mentioned that SEIA does lobby on behalf of all the components of the ITC, including 25d. SEIA is developing a factsheet on the 25d tax credit that will be circulated to everyone. He also emphasized the impact of having homeowners contact their Congressional representatives.
- For SPI, a separate SHC pavilion is being planned. Marketing materials are being prepared and will be available from Katherine S. soon. Thanks to everyone who responded to the survey about SPI.
- In New York, SEIA has been in communication with NYSERDA, and the final rules for the 2015 program should be coming out within the next few days. This program has a budget for fuel-neutral systems of \$3.5 million in addition to the \$3.5 million for the electric program. For the proposed Clean Energy Fund program that will launch in 2016, SEIA will be filing comments by March 20. Mike H. mentioned that the NY Governor's Office told him that the renewable thermal program could be up to \$500 million. He also mentioned that New York is looking for a person to manage the renewable thermal program. Contact Mike H. or Katherine S. if you know of potential candidates.
- In Massachusetts, [SB 2214](#), which adds solar and other thermal technologies to the state's AEPS, was passed by the legislature last summer. David O'Connor is SEIA's lobbyist, and he is working to make sure SHC is included appropriately and that AECs are allocated properly. Financing and multipliers are two other issues that are being discussed. SEIA is also hoping to insert a clause that will allow the incentives to be retroactive to January 1, 2015. Please contact [Katherine S.](#) if you would like to be involved in these discussions.
- On the federal side, work continues to have solar thermal added to the definition of renewable energy under the Federal Purchase Requirement. This would be added as an amendment to energy bills that may be proposed this spring. With the changes in Congress, SEIA is seeking new sponsors on both the Republican (Gardner, CO and Capito, WV) and Democratic (King, NY and Franken, MN) sides for the amendment. In the House, SEIA will be reaching out to Representatives Rush, IL and Shimcuss, IL, who supported the amendment in the last session.
- SEIA was contacted by the United Nations Environmental Program to provide information on SHC policies for inclusion in the [REN 21 Global Status Report](#). Meister Consultants, along with Les Nelson, may be contacting some SHC Alliance members for input.
- IEA contacted SEIA to request solar industry data. Les Nelson may be contacting members for information.
- A [SEIA Lobby Day for western states](#) is coming up on March 18 in Washington, D.C., and a Lobby Day for southeastern states is also being planned for later this spring.

7) Wicker amendment to Senate Keystone XL pipeline bill

This amendment, proposed by Senator Wicker, MS, would have eliminated the requirement for third-party certification standards of products under the Energy Star program. SEIA submitted a letter opposing this amendment, and it was eliminated by a large majority.

8) SHC Alliance Elections – Nominee Presentations, Revised Schedule

- SHC Alliance Council annual elections are underway. The schedule has been modified:
 - 1/14: Nominations opened
 - 1/31: Nominations closed
 - 2/6: Nominations announced
 - 2/9-13: Campaigning

- 2/16-20: Voting; 1 vote per SHC Alliance company
- 2/23: Announcement of election results
- Elected officers include Chair, Vice Chair and Outreach Officer, who all serve for two years, as well as two rotating members who serve one-year terms. Candidates are:
 - Chair
 - Mike Healy, Nextility
 - Les Nelson, IAPMO
 - Vice Chair
 - John Alger, AET
 - Outreach Officer
 - Eileen Prado, SRCC
 - Rotating Members
 - Peter Bilss, SunEarth
 - Victoria Hollick, Conserval
 - Mick Humphreys, Apricus
- Several candidates made presentations during the call, and those can be heard on the conference call recording. [Click here](#) and fast forward to timestamp 59:00 minutes.

9) California PUC Approves CSI-Thermal Incentive Caps

[Les Nelson](#), [IAPMO](#) summarized the recent changes in the CSI-Thermal program approved by the CPUC on Feb. 4 (see [CPUC Decision Granting Petition for Modification](#).) With this change, which is retroactive to July of 2014 when the petition was submitted, the incentives will increase by about 50% for residential and 30% for multifamily/commercial systems. The incentive for single family residential will jump from about \$2,000 to \$4,000 per system. Typical system prices are \$7,000-\$8,000 in California. In California, 95% of residential water heaters use natural gas, so solar water heating faces a challenging sale. The total incentive funding remains unchanged, and the legislation requires that the incentives ramp down in steps as the number of installations increase. Therefore, the new increases will result in lower incentives in subsequent steps. Thanks to Les and CALSEIA who worked on getting these changes made.

10) Articles and Publications

- 1) [California Ramps Up Solar Thermal Program](#), Feb. 4, Sacramento Bee
- 2) [National Solar Jobs Census 2014](#), Jan. 2015, The Solar Foundation, available at: www.TSFcensus.org
- 3) [2013 NREL Renewable Energy Data Book](#), Jan. 20, Sean Esterly and Rachel Gelman, NREL
- 4) [SEIA Applauds Proposal to Make Solar ITC Permanent](#), Feb. 2, Rhone Resch, SEIA
- 5) [Pro Sports Teams, Organizations Embracing Solar Energy](#), Jan. 28, Rhone Resch, SEIA
- 6) [Environment, not cash, encourages L.A. residents to save electricity](#), Jan. 12, Monte Morin, LA Times
- 7) [Getting Homeowners to the Yes: 8 Expert Tips To Speed Up the Solar Sales Process](#), Feb. 3, Jonathan Doochin, RenewableEnergyWorld.com
- 8) [Senate votes that climate change is real](#), Jan. 21, Laura Barron-Lopez, The Hill
- 9) [IRS Opens the Door to Expanded Use of Residential Section 25D Credit in Offsite Solar and Other Renewables Projects](#), Nov. 7, 2013, Energy & Cleantech Counsel
- 10) [U.S. DOE Launches \\$13 Million Program To Reduce Solar Soft Costs](#), Feb. 6, Solar Industry Magazine
- 11) [The Sun Also Sets: Regulators Consider West-Facing Incentives For Solar](#), Jan. 15, Solar Industry Magazine
- 12) [Expanding Solar Access Through Utility-led Community Solar](#), Sept. 2014, Solar Electric Power Association
- 13) [SunShare And Mortenson To Partner On Community Solar In Minnesota](#), Jan. 13, Solar Industry Magazine
- 14) [The Role of Municipal Utilities in Driving Solar Development](#), May 2013, The Solar Foundation

- 15) [Solar Education Week 2015](#), Jan. 27, RE-volv
- 16) [Seven Reasons Cheap Oil Can't Stop Renewables Now](#), Jan. 30, Tom Randall, Bloomberg, for RenewableEnergyWorld.com
- 17) [Renewables Beat Natural Gas, Provide Half of New US Generating Capacity in 2014](#), Feb. 4, Ken Bossong, RenewableEnergyWorld.com
- 18) [Resilient Power – Evolution of a New Clean Energy Strategy to Meet Severe Weather Threats](#), Sept. 2014, Clean Energy Group

11) Upcoming Conferences & Webinars (updated for February 2015)

- 1) SEIA Webinars:
 - [Trade Update – What Happened Last Week?](#), Tues., Jan. 13, 1 p.m. Eastern (SEIA members only)
- 2) [Archive - RPS Collaborative Webinar: The Effect of State Policy Suites on Solar Markets](#), Feb. 2, Clean Energy States Alliance
- 3) [ACEEE Hot Water Forum](#), Feb. 22-24, 2015, Nashville, [See agenda](#) and [Register online](#)
- 4) [2015 Solar Power Colorado](#), Feb. 23-25, 2015, Broomfield, CO; [See agenda](#) and [Register online](#); Call 303-333-7342 for more information.
- 5) [SEIA Finance & Tax Seminar](#), Feb. 26-27, 2015, New York, NY; [See agenda](#) and [Register online](#)
- 6) [NABCEP Continuing Education Conference](#), Mar. 30-Apr. 1, Albany, NY; [Register online](#)
- 7) [GTM Solar Summit 2015](#), Apr. 14-16, Phoenix; [See agenda](#) and [Register online](#)
- 8) [2015 Good Jobs, Green Jobs Conference](#), Apr. 13, Washington, D.C.; [See agenda](#) and [Register online](#)
- 9) [New York Solar Summit 2015](#), Jun. 10, 2015, John Jay College, New York
- 10) [Intersolar North America 2015](#), Jul. 14-16, 2015, San Francisco; [Preliminary inquiry](#)
- 11) [Solar 2015 \(ASES\)](#), Jul. 28-30, Penn State, Pennsylvania, [Submit abstract](#) by Feb. 13
- 12) [Solar Power International 2015](#), Sept. 14-17, Anaheim

12) Other Program/Industry Updates

Submitted by: [Chip Bircher](#)
 Time estimate: As time allows
 Proposed outcome: Discussion
 Additional material: None

13) Date for Next SEIA SHC Alliance Meeting

- **Monday, Mar. 9, with a change to 4 p.m. Eastern.** There may also be an open forum session for a half hour open before the conference call.

Chip Bircher



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