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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Investigation on the Commission's own motion into the feasibility of establishing various methods of providing low-interest, longterm financing of solar energy systems for utility customers.

OII 42 (Filed April 24, 1979)

<u>O P I N I O N</u>

The Governor's SolarCal Council (SolarCal) filed its petition on April 26, 1982 to modify Decision (D.) 92251 to include long-term residential care facilities and college or university dormitories in the definition of multifamily residential units. According to SolarCal, only 2% of the Commission's goals for the multifamily element of the demonstration program have been fulfilled. Broadening the definition of multifamily unit will allow more structures to qualify for rebates.

SolarCal served its petition on the parties to Order Instituting Investigation (OII) 42. Many responses have been received, all favorable.

Filed Responses

San Diego Gas & Electric Company (SDG&E) filed on May 26, 1982 a petition requesting leave to join with SolarCal in its petition and asking that SolarCal's petition be granted expeditiously and in full. SDG&E alleges that its multifamily solar program is only 9% subscribed and that expanding the definition of multifamily unit will pose no substantial technical problems.

Pacific Gas and Electric Company (PG&E) also petitions for modification of D.92251 to broaden eligibility for multifamily

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installations of solar water heating equipment. In addition to supporting SolarCal's petition, PG&E asks that the definition of multifamily dwelling be broadened still further to include residence hotels. PG&E alleges that it has received numerous inquiries from owners of residence hotels and other multifamily dwellings which are not apartment buildings per se but which have hot water usage similar to apartment buildings and dormitories. PG&E believes there is no logical reason to exclude residence hotels or other similar buildings if dormitory and nursing homes are made eligible for rebates. Accordingly, PG&E proposes that the Commission adopt the following general guideline for multifamily eligibility: the program should be open to all multifamily dwellings with three or more dwelling units which all have minimum lease periods of not less than one month. The one-month minimum lease period is necessary to exclude transient-occupied dwellings such as hotels and motels which do not constitute the principal residences for which the demonstration program was intended. PG&E expects that no significant revision in its program administration will be required by adoption of this change.

Southern California Gas Company also filed a pleading supporting SolarCal's petition.

The staff observes that the issue of nontypical multifamily dwellings was not discussed in any prior decisions in this proceeding. To determine eligibility for rebates, the utilities have defined eligible housing as units with sleeping, toilet and bathing, and cooking facilities self-contained. The staff believes that a broader definition of eligible housing should be applied and recommends that PG&E's definition be adopted with one further qualification - rebates should be limited to dwellings that are occupied essentially year around, i.e. at least nine

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months out of the year. Seasonal facilities, such as summer camps or ski resorts, should not qualify for rebates. The staff asserts that PG&E's definition will include dormitories and nursing houses, and exclude motels and hotels and that specific definitions of dormitories and nursing houses are not necessary.

The staff also recommends that solar water heating systems installed on any building eligible under the new definition should comply with current policies on sizing. Thus, each installation should have:

- a. A minimum of 20 gallons per bedroom of storage heated by solar only, and
- b. A collector panel area per bedroom at least as large as one-half the minimum panel area per bedroom for a three-bedroom single-family dwelling specified in the nomographs, or in the case of nontraditional systems specified in the memorandum of understanding or decision issued to the manufacturer or contractor.

In addition, those solar water heating systems should comply with all applicable provisions of the Commission's checklist unless the system has been exempted by the Commission. Other Responses

The following persons or entities wrote letters $\frac{1}{}$ to the Commission supporting SolarCal's petition: American Baptist Homes of the West, Inc., Mission Viejo Solar, Inc., Raypak, Inc., Stanford University, University of San Francisco, College of Notre Dame, University of California, and Conserdyne Corporation.

1/ The letters have been placed in the correspondence file for OII 42.

Discussion

All parties filing comments or other responses favor the petition of SolarCal and urge us to grant it. The action requested will increase the pool of buildings eligible for rebates with no additional direct or indirect costs to the utilities. It will also make rebates available for the first time to some senior citizens, to educational institutions, and to low-income sectors of the housing market. We will grant SolarCal's petition with the refinements suggested by PG&E and the staff. However, we intend for the word "lease" as used in those refinements to refer to all types of agreements creating a term of residence of at least 30 days. Findings of Fact

1. The multifamily element of the solar demonstration financing program is undersubscribed.

2. Modification of the definition heretofore applied by the utilities for determining multifamily dwellings eligible for rebates will increase the pool of buildings potentially eligible for rebates.

3. SolarCal's petition is unopposed.

4. A public hearing is not necessary.

Conclusions of Law

1. Rebates should be available to all multifamily dwellings with three or more dwelling units, all having minimum lease periods of not less than one month.

2. Rebates should be limited to dwellings that are occupied essentially year around, i.e. at least nine months per year.

3. Solar water heating systems installed under the following order should comply with the sizing criteria now in force and with all applicable provisions of the Commission's checklist, unless the system has been specifically exempted from such compliance by the Commission. 4. The petition of SolarCal, filed April 26, 1982, should be granted.

5. The petition of SDG&E in support of the SolarCal petition should be granted.

6. The petition of PG&E should be granted.

7. Since the petitions are unopposed, there is no reason to delay the effective date of this order.

O R D E R

IT IS ORDERED that:

1. The respondent utilities shall make rebates available for the duration of the demonstration solar financing program to owners of multifamily buildings with three or more units, all having minimum lease periods of not less than one month and who meet all the other requirements of the program.

2. Rebates shall be limited to dwellings occupied at least nine months per year.

3. Solar water heating systems installed under paragraphs 1 and 2 shall comply with the sizing criteria now in force and with all applicable provisions of the Commission's checklist, unless the system has been specifically exempted from such compliance by the Commission.

4. The petition of SolarCal Council, dated April 26, 1982, is granted.

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5. The petition of San Diego Gas & Electric Company is granted.

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6. The petition of Pacific Gas and Electric Company is granted.

This order is effective today. Dated ______, at San Francisco, California.

> JOHN E. BRYSON President RICHARD D. CRAVELLE VICTOR CALVO PRISCILLA C. CREW Commissioners

Commissioner Leonard M. Crimes, Jr., being necessarily absent, did not participate.

I CERTIFY THAT THIS DECISION WAS APPROVED BY THE ABOVE COMMISSIONERS TODAY. Joseph E. Bodovizz, Executive Dar

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