



Solar on Multifamily  
Affordable Housing



SOMAH  
**Semiannual  
Progress Report**

Reporting period  
July 1, 2019 – Dec. 31, 2019



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## 1. Executive Summary

The Solar on Multifamily Affordable Housing (SOMAH) program provides financial incentives for installing photovoltaic (PV) energy systems on multifamily affordable housing. The program is designed to deliver clean power and credits on energy bills to hundreds of thousands of California's affordable housing residents. The program was prompted by California Assembly Bill 693, authored by Assemblymember Susan Talamantes Eggman (D-Stockton) and signed by Governor Jerry Brown in 2015. Each solar project is required to provide direct economic benefits to tenants, allocate at least 51% of the clean energy produced to tenants in the form of virtual net energy metering credits and provide job training opportunities.

The SOMAH program serves utility and community choice aggregator customers in the territories of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), Liberty Utilities Company and PacifiCorp. Funded through greenhouse gas (GHG) allowance auction proceeds, SOMAH has a program budget of up to \$100 million annually for 10 years and an overall target to install at least 300 megawatts (MW) of generating capacity by 2030.

The program is designed to be transparent and accountable to the communities it serves. It is administered by a team of nonprofit organizations that provide a host of no-cost services to maximize participation and community benefit. These services include comprehensive technical assistance for property owners and contractors, tenant education resources and job training opportunities. A community advisory council provides input into program implementation and helps ensure the program maximizes benefits to communities.

The SOMAH program began accepting applications on July 1, 2019. Funds across the PG&E, SDG&E, and SCE territories have been fully allocated for the current funding period. As of August 20, 2019, the SOMAH Program Administrator (PA) closed the waitlist for the SDG&E territory to avoid excessive wait times for future funding cycles. SCE and PG&E territories are still accepting applications to their respective waitlists. Liberty and PacifiCorp were not on waitlists at the close of 2019.

## 2. Background

Assembly Bill (AB) 693 (Stats. 2015, Ch. 582) created the Multifamily Affordable Housing Solar Roofs Program, funded at up to \$100 million annually from the share of GHG allowance auction proceeds allocated to each investor-owned utility (IOU). Senate Bill (SB) 92 (Stats. 2017, Ch 26), adopted with the 2017-18 State Budget, further clarified the budget for the program. Decision (D.)-17-12-022 (effective Dec. 14, 2017) implemented AB 693 and changed the name of the program to the Solar On Multifamily Affordable



Housing (SOMAH) program to distinguish it from other state clean energy and low-income solar programs. D.17-12-022 established the program's budget, incentive structure and eligibility policies, among other items.

The SOMAH program is jointly administered by the Association for Energy Affordability, Center for Sustainable Energy®, and GRID Alternatives, in collaboration with the California Housing Partnership and Rising Sun Energy Center. The SOMAH program is overseen by the California Public Utilities Commission (CPUC).

## 2.1 Application Pathways: Track A and Track B

The SOMAH program is designed to accommodate participation at varying stages of a solar PV installation, ranging from initial property owner engagement and assessment of a property's needs to projects whose contractor has already been selected or installations are underway or recently completed. There are two tracks to apply for a SOMAH incentive: Track A and Track B. The SOMAH PA designed the program with two incentive track choices to tailor the user experience based on the stage of a project, i.e., whether the program participant is just starting their journey with going solar, has a shovel-ready project, or has recently completed the installation. Both tracks provide fixed, capacity-based incentives for qualifying solar energy systems, using the Expected Performance Based Buydown (EPBB) methodology.

**Track A** is designed for property owners, operators, or other host customers who receive direct program marketing and outreach from the SOMAH PA and its network of community-based organization (CBO) partners. Track A provides upfront technical assistance (TA) services for property owners to supply them with a well-rounded understanding of their property's energy needs and the educational, technical, and financial resources that are available to facilitate valuable energy efficiency upgrades and a solar installation. Participants that select Track A will have their incentive funding earmarked for the duration of the three-month upfront TA period, prior to a reservation request. Track A participants typically do not have an identified contractor and are guided through a multiple bid process to select an eligible solar contractor for their project.

**Track B** is designed for host customers who receive direct program marketing and outreach from an eligible contractor, project developer, or similar entity. Projects in this track have already identified an eligible solar contractor who has already performed or will provide the client assessment and design services that may include a solar site assessment, initial design, financing options review, contract review, etc. Projects that select Track B are not eligible for upfront TA and may waive the requirement to



participate in the multiple bid process by submitting the Multiple Bid Waiver with the reservation request package. Instead of upfront TA, Track B projects are eligible for standard TA, which is further described in Section 3.4. For Track A and B projects, incentive funding will be reserved for 18 months based on the date the Reservation Approval Notice is issued.

The following graph shows the application steps for Track A and Track B:

**Chart 1 – Track A and Track B Application Steps**



## 2.2 Eligibility Options: Qualification Option A—Low-Income and Qualification Option B—Disadvantaged Communities

Regardless of the application track selected, properties can qualify for the SOMAH program in one or more ways, known as Qualification Option A and Qualification Option B. A property may be eligible for SOMAH by meeting the requirements of Option A, Option B, or both. All properties must be at least five units and meet the definition of deed-restricted, affordable housing in P.U. Code 2852(A)(3)(a)(i) and then also meet Qualification Option A or B. Section 3, Program Process – Key Performance Areas further elaborates on each type of the qualification options for the SOMAH program.

## 2.3 Program Budget

SOMAH has a program budget of up to \$100 million annually, with at least 90% of the funds allocated to incentives and up to 10% allocated to the administrative budget. To ensure transparency for program stakeholders, the SOMAH PA compiles and submits a Semiannual Expense Report (SAER). The SAER tracks expenditures by category, totaling program incentives and administration expenses incurred by the SOMAH PA, CPUC Energy Division (ED), and the IOUs.



### 2.3.1 Program Administrative Budget

The administrative budget is shared by the SOMAH PA, the CPUC ED, and the IOUs. The SOMAH PA tracks the program expenses in four main categories: SOMAH PA Admin; Marketing, Education & Outreach (ME&O); Technical Assistance; and Workforce Development. The following table provides a snapshot from the SAER and outlines total program administrative expenditures through the end of 2019.

**Table 1 – Total Program Administrative Expenditures by Category**

#### Total Expenditures by Category

| Category  |                |
|---|----------------|
| Investor-Owned Utility (IOU) Expenses                             | \$1,423,525.00 |
| SOMAH California Public Utilities Commission (CPUC) Expenditures* | \$0.00         |
| SOMAH Marketing, Education & Outreach (ME&O)                      | \$2,093,509.36 |
| SOMAH Program Admin   | \$5,257,580.65 |
| SOMAH Technical Assistance  | \$232,940.65   |
| SOMAH Workforce Development                                       | \$304,076.68   |
| Grand Total   | \$9,311,632.33 |

\*CPUC expenditures are still pending

More detailed expenditure information can be found at

[https://www.californiadgstats.ca.gov/programs/#\\_subsection\\_17](https://www.californiadgstats.ca.gov/programs/#_subsection_17)

### 2.3.2 Program Incentive Budget

The SOMAH PA publishes updated program incentive budget information for each IOU territory to the California Distributed Generation Statistics [website](#) on a weekly basis.

Because each IOU territory's annual incentive budget varies based on their specific GHG allowance auction proceeds, the SOMAH PA maintains five individual reservation queues and up to five waitlist queues. As of December 31, 2019, the 2019/2020 SOMAH program funds had not been released. Therefore, the SOMAH program has not received any additional incentive funds since the program launched on July 1, 2019. Based on previous timelines with release of Energy Resource Recovery Account (ERRA)/ Energy Cost Adjustment Clause (ECAC) funds, the SOMAH PA anticipates the next round of incentive funding to be dispersed in Q1 2020.



Table 2 summarizes the committed and remaining budget for the SOMAH program.

**Table 2 – Project Capacity and Budget**

|            |         | Waitlist      |             | Earmarked     |             | Pending Reservation |             | Reserved      |             | Completed     |             | Application Totals |             | Total Budget (\$) | Remaining Budget (\$) |
|------------|---------|---------------|-------------|---------------|-------------|---------------------|-------------|---------------|-------------|---------------|-------------|--------------------|-------------|-------------------|-----------------------|
|            |         | Capacity (MW) | Budget (\$) | Capacity (MW) | Budget (\$) | Capacity (MW)       | Budget (\$) | Capacity (MW) | Budget (\$) | Capacity (MW) | Budget (\$) | Capacity (MW)      | Budget (\$) |                   |                       |
| PG&E       | Track A | 0.000         | 0           | 0.000         | 0           | 0.000               | 0           | 0.000         | 0           | 0.000         | 0           | 0.000              | 0           | 45,430,101.00     | 8,831,656.00          |
|            | Track B | 19.416        | 42,786,417  | 0.000         | 0           | 15.923              | 35,087,479  | 0.542         | 1,510,966   | 0.000         | 0           | 16.466             | 36,598,445  |                   |                       |
|            | Total   | 19.416        | 42,786,417  | 0.000         | 0           | 15.923              | 35,087,479  | 0.542         | 1,510,966   | 0.000         | 0           | 16.466             | 36,598,445  |                   |                       |
| SCE        | Track A | 0.000         | 0           | 0.000         | 0           | 0.000               | 0           | 0.000         | 0           | 0.000         | 0           | 0.000              | 0           | 42,482,704.00     | 8,440,646.00          |
|            | Track B | 13.746        | 30,209,109  | 0.000         | 0           | 16.102              | 34,042,058  | 0.000         | 0           | 0.000         | 0           | 16.102             | 34,042,058  |                   |                       |
|            | Total   | 13.746        | 30,209,109  | 0.000         | 0           | 16.102              | 34,042,058  | 0.000         | 0           | 0.000         | 0           | 16.102             | 34,042,058  |                   |                       |
| SDG&E      | Track A | 0.000         | 0           | 0.000         | 0           | 0.000               | 0           | 0.000         | 0           | 0.000         | 0           | 0.000              | 0           | 9,270,000.00      | 740,886.00            |
|            | Track B | 11.048        | 25,480,631  | 0.000         | 0           | 4.078               | 8,529,114   | 0.000         | 0           | 0.000         | 0           | 4.078              | 8,529,114   |                   |                       |
|            | Total   | 11.048        | 25,480,631  | 0.000         | 0           | 4.078               | 8,529,114   | 0.000         | 0           | 0.000         | 0           | 4.078              | 8,529,114   |                   |                       |
| PacifiCorp | Track A | 0.000         | 0           | 0.000         | 0           | 0.000               | 0           | 0.000         | 0           | 0.000         | 0           | 0.000              | 0           | 1,743,854.00      | 1,460,361.00          |
|            | Track B | 0.000         | 0           | 0.000         | 0           | 0.149               | 283,493     | 0.000         | 0           | 0.000         | 0           | 0.149              | 283,493     |                   |                       |
|            | Total   | 0.000         | 0           | 0.000         | 0           | 0.149               | 283,493     | 0.000         | 0           | 0.000         | 0           | 0.149              | 283,493     |                   |                       |
| Liberty    | Track A | 0.000         | 0           | 0.000         | 0           | 0.000               | 0           | 0.000         | 0           | 0.000         | 0           | 0.000              | 0           | 390,768.00        | 224,359.00            |
|            | Track B | 0.000         | 0           | 0.000         | 0           | 0.081               | 166,409     | 0.000         | 0           | 0.000         | 0           | 0.081              | 166,409     |                   |                       |
|            | Total   | 0.000         | 0           | 0.000         | 0           | 0.081               | 166,409     | 0.000         | 0           | 0.000         | 0           | 0.081              | 166,409     |                   |                       |
| TOTAL      | Track A | 0.000         | 0           | 0.000         | 0           | 0.000               | 0           | 0.000         | 0           | 0.000         | 0           | 0.000              | 0           | 99,317,427.00     | 19,697,908.00         |
|            | Track B | 44.210        | 98,476,157  | 0.000         | 0           | 36.333              | 78,108,553  | 0.542         | 1,510,966   | 0.000         | 0           | 36.875             | 79,619,519  |                   |                       |
|            | Total   | 44.210        | 98,476,157  | 0.000         | 0           | 36.333              | 78,108,553  | 0.542         | 1,510,966   | 0.000         | 0           | 36.875             | 79,619,519  |                   |                       |



Table 3 summarizes the program dollars collected by fiscal year to date and identifies application totals and available program funds.

**Table 3 – Cumulative Program Budget**

|                   | <b>2016/2017<br/>Budget (\$)</b> | <b>2017/2018<br/>Budget (\$)</b> | <b>2018/2019<br/>Budget (\$)</b> | <b>Application<br/>Totals (\$)</b> | <b>Total Budget (\$)</b> | <b>Remaining<br/>Budget (\$)</b> |
|-------------------|----------------------------------|----------------------------------|----------------------------------|------------------------------------|--------------------------|----------------------------------|
| PG&E              | 1,740,991.00                     | 4,359,110.00                     | 39,330,000.00                    | 36,598,445.00                      | 45,430,101.00            | 8,831,656.00                     |
| SCE               | 2,733,250.00                     | 4,536,250.00                     | 35,213,204.00                    | 34,042,058.00                      | 42,482,704.00            | 8,440,646.00                     |
| SDG&E             | 0.00                             | 0.00                             | 9,270,000.00                     | 8,529,114.00                       | 9,270,000.00             | 740,886.00                       |
| PacifiCorp        | 748,303.00                       | 995,551.00                       | TBD                              | 283,493.00                         | 1,743,854.00             | 1,460,361.00                     |
| Liberty Utilities | 132,440.00                       | 258,328.00                       | TBD                              | 166,409.00                         | 390,768.00               | 224,359.00                       |
| <b>TOTAL</b>      | <b>5,354,984.00</b>              | <b>10,149,239.00</b>             | <b>83,813,204.00</b>             | <b>79,619,519.00</b>               | <b>99,317,427.00</b>     | <b>19,697,908.00</b>             |



### 3. Program Progress – Key Performance Areas

The total SOMAH program budget is divided between incentive budgets and administrative budgets. The administrative budgets are shared among the SOMAH PA, CPUC ED, and the SOMAH-eligible IOUs. The SOMAH PA administrative budget is further divided into four categories: Program Administration, ME&O, Workforce Development, and Technical Assistance. The following sections describe progress to date and notable metrics in each of the four categories.

#### 3.1 Program Administration

The SOMAH program opened on July 1, 2019, which included the opening of the online application database, PowerClerk, for application submissions, launching the online bidding tool and commencing the publication of program statistics through the SOMAH Incentive Budget Report and SOMAH Working Data Set on the California Distributed Generation Statistics website.

##### 3.1.1 Applications and Incentive Statistics

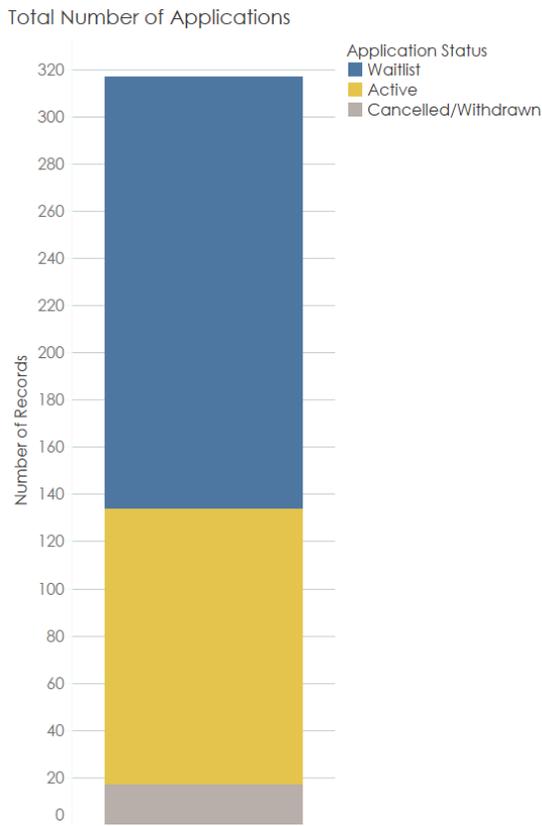
With much anticipation, the SOMAH program opened with more than 200 applications received on day one, and waitlists were started in the PG&E, SCE and SDG&E territories. To avoid excessive wait times and project dropouts, the SDG&E waitlist was closed in August 2019, and the PA internally determined thresholds to assess other waitlists. By the end of 2019, 317 applications had been submitted into the program, with participation in all five SOMAH-eligible IOU territories.

**Table 4 – Application Status by IOU Territory**

| Program           | Active | Waitlist | Canceled/<br>Withdrawn | Complete/<br>Incentive Paid |
|-------------------|--------|----------|------------------------|-----------------------------|
| PG&E              | 53     | 88       | 7                      | 0                           |
| SCE               | 50     | 59       | 7                      | 0                           |
| SDG&E             | 12     | 36       | 3                      | 0                           |
| Liberty Utilities | 1      | 0        | 0                      | 0                           |
| PacifiCorp        | 1      | 0        | 0                      | 0                           |



**Chart 2 – All Applications Received**



The initial SOMAH budget that was available at program launch enabled 130 applications to be moved into a review status, leaving 187 projects on waitlists. Applicants are still encouraged to apply for the open waitlists in SCE and PG&E territories. The SOMAH PA will assess its ability to reopen the SDG&E waitlist after 2019/2020 funds are received. Applicants can check the status of their waitlisted application(s) and their position on the waitlist through weekly updates on [CalSOMAH.org](http://CalSOMAH.org). Any incentive funding that becomes available as a result of active applications being refined after receiving IOU data request results will be applied to waitlisted projects in 2020.

Seven applications were received for Track A, which is discussed further below and in Section 3.4. Thus, the majority of applications received have been Track B projects. The SOMAH PA attributes the high amount of Track B applications, as well as the sheer volume and

rapid submission of applications at opening, to pent-up program demand created from the closed waitlists of the predecessor program, the Multifamily Affordable Solar Housing (MASH) program and the delay of the SOMAH program launch.

The SOMAH PA will undertake targeted marketing, education and outreach (ME&O) efforts to help increase the level of participation for Track A applications in 2020. While a specific target for Track A applications is not set, the SOMAH PA is looking to increase the balance between Track A and Track B applications and continue to engage with property owners who may be eligible and interested in the program.

**Table 5 – Applications by Incentive Track**

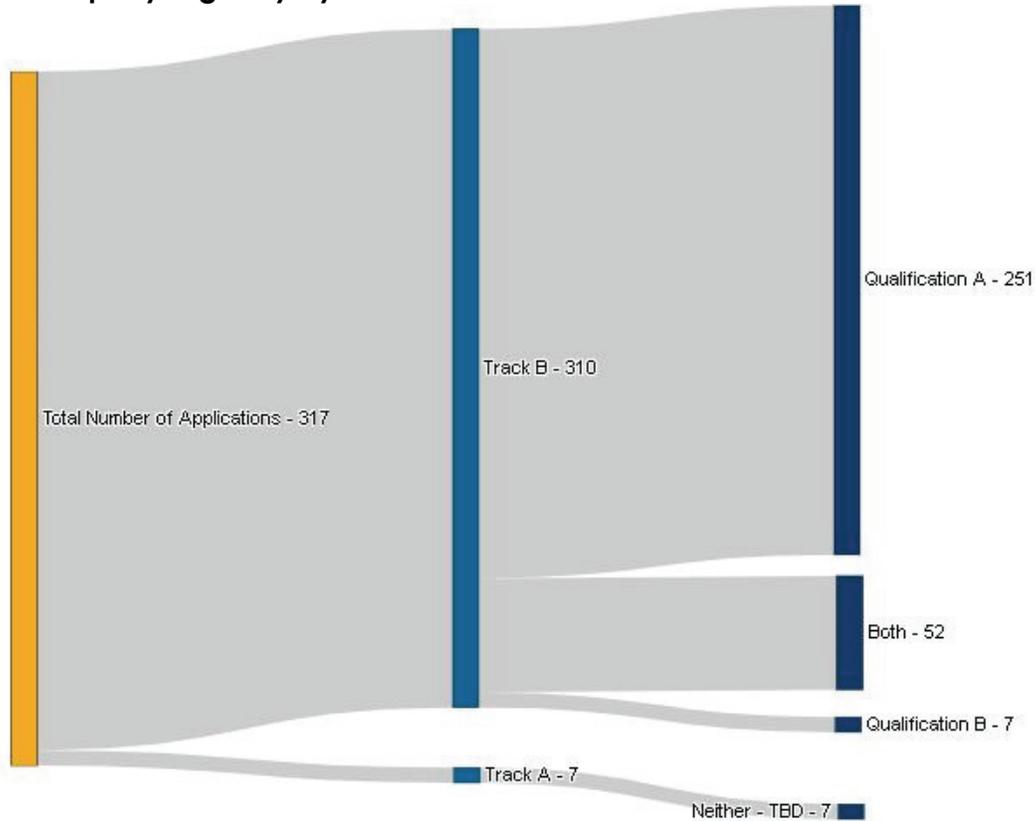
| Assigned Incentive Track | Active | Waitlist | Canceled/Withdrawn | Complete/Incentive Paid |
|--------------------------|--------|----------|--------------------|-------------------------|
| Track A                  | 0      | 3        | 4                  | 0                       |
| Track B                  | 117    | 180      | 13                 | 0                       |



Chart 3 shows the breakdown between eligibility pathways during this period of performance.

- **Qualification Option A:** 80% of property residents have incomes at or below 60% of the area median income as determined by the Department of Housing and Community Development.
- **Qualification Option B:** The property is located in a disadvantaged community (DAC) as identified by the California Environmental Protection Agency.
- **Both:** The property meets the requirement of 80% of property residents having incomes at or below 60% of the area median income and is located in a DAC.

**Chart 3 – Property Eligibility by Incentive Track**



Of the 317 applications received, 79.2% qualified for the program through Qualification Option A, 2.2% qualified for the program through Qualification Option B, 16.4% qualified for the program through both Qualification Option A and Qualification Option B, and 2.2% have not designated either qualification option due to being Track A applications.



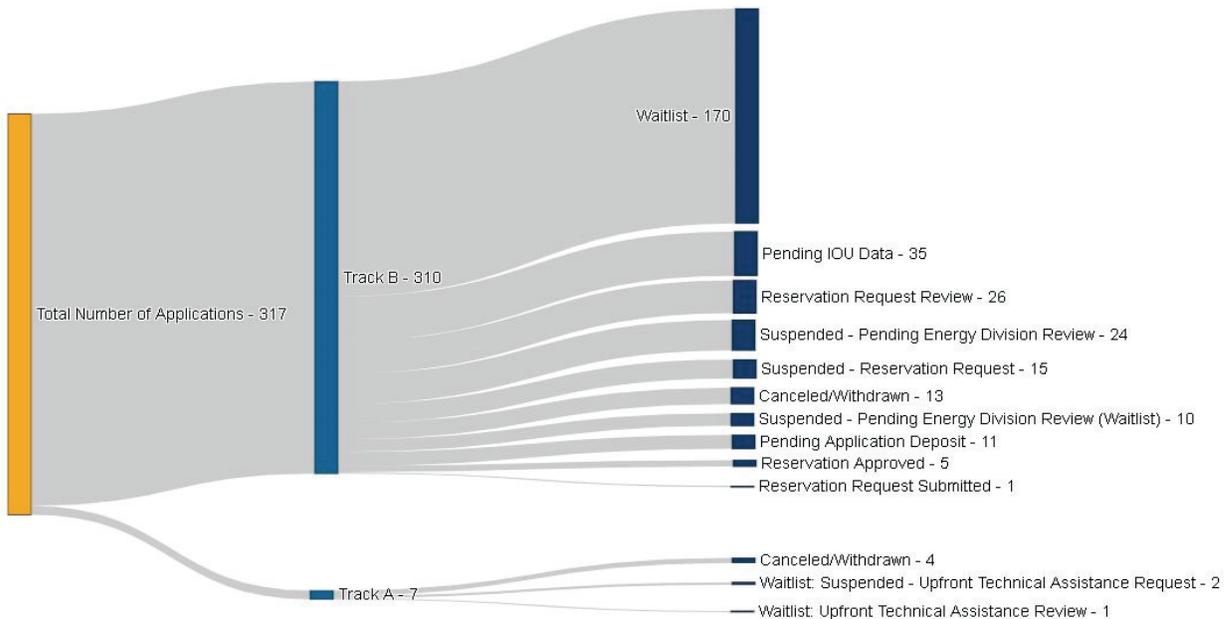
**Table 6 – Property Eligibility by Application Status**

| Property Eligibility   | Active | Waitlist | Canceled/<br>Withdrawn | Complete/<br>Incentive Paid |
|--|--------|----------|------------------------|-----------------------------|
| Qualification A: 80% of property residents have incomes at or below 60% of the area median income as determined by the Department of Housing and Community Development | 86     | 154      | 11                     | 0                           |
| Qualification B: The property is located in a DAC as identified by the California Environmental Protection Agency.   | 4      | 2        | 1                      | 0                           |
| Both Qualification A and B   | 27     | 24       | 1                      | 0                           |

**Reservation Request Package Review**

The reservation request package is the first step of the application process for Track B projects. The reservation request package is a robust and important milestone for all projects, with up to eight required documents and an application deposit before achieving reservation approval. The SOMAH PA reviews the required documents to ensure eligibility and compliance with program requirements. During this first reporting period, five applications have received approved reservations, with 11 close behind pending application deposits.

**Chart 4 – Application Status by Incentive Track**



See Appendix A for a full list of application statuses and descriptions.



As the data request process ramped up in Q4 2019, the SOMAH PA discovered that some projects for SCE, PG&E, and SDG&E would be able to move off the waitlist independently from disbursement of the 2019/2020 incentive funds. The available funding was due to reduced system sizes from the initial reservations submitted, as the data request process acquired the historical consumption for each project site in alignment with the annual energy usage. In December, the SOMAH PA worked to reconcile the attrition funds from the system resizing and plans to start moving some applications off the waitlist in February. Of the projects submitted thus far, the average system cost is \$4.13/watt with a total expected aggregate annual output of 141,640,957 kWh.

**Table 7 – System Size Statistics for Submitted Projects**

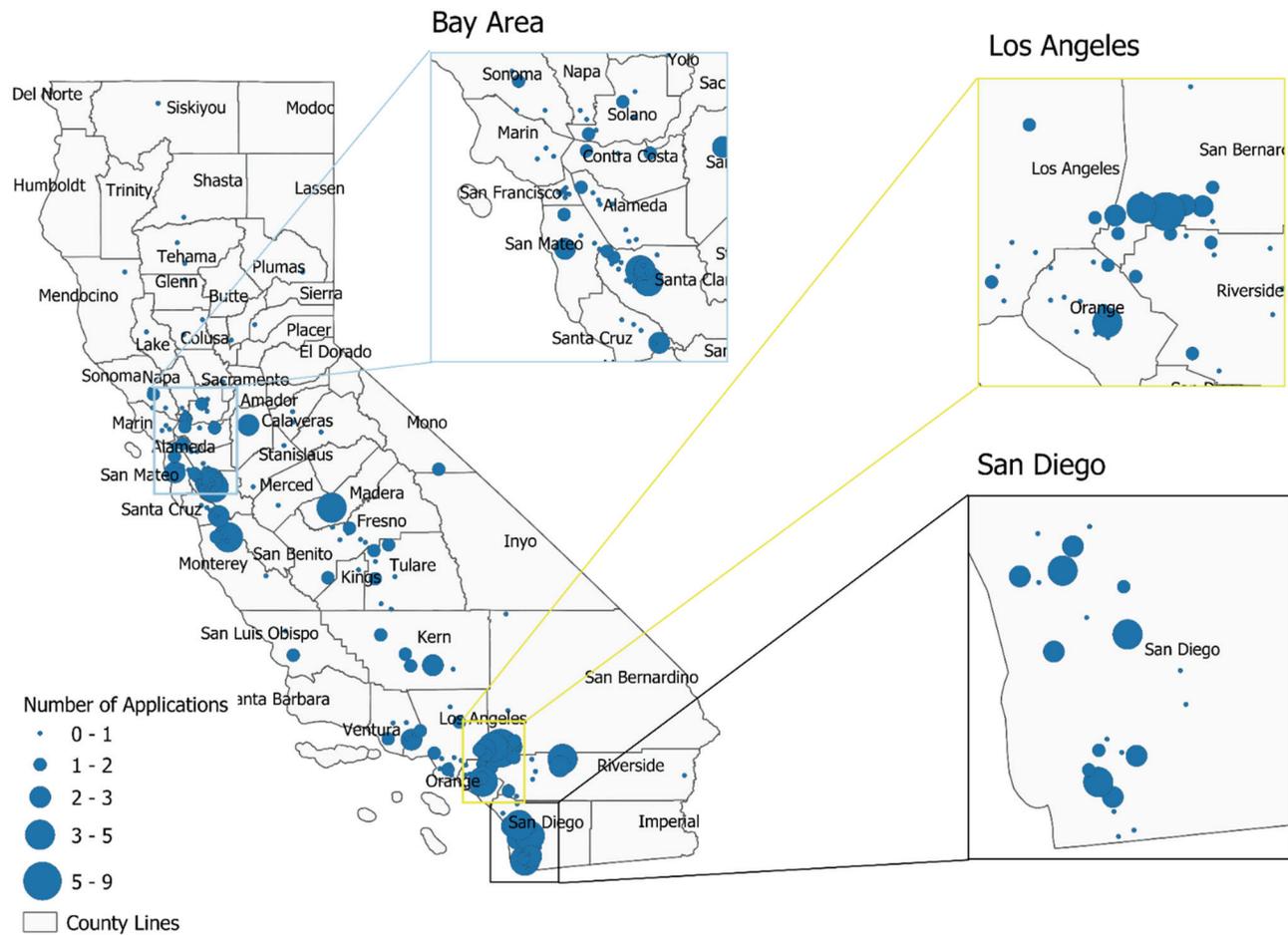
| Average Size of Submitted Projects by Program (in kW) |     | Overall Average Size of Submitted Projects (in kW) | Largest Submitted Project by Program (in kW) |       | Overall Largest Submitted Project (in kW) |
|---|-----|--|--|-------|---|
| Program   |     |  | Program                                      |       |   |
| PG&E  | 258 | 273  | PG&E   | 1,354 | 1,395                                     |
| SCE   | 276 |  | SCE  | 1,010 |   |
| SDG&E   | 315 |  | SDG&E  | 1,395 |   |
| Liberty Utilities                                     | 81  |  | Liberty Utilities                            | 81    |   |
| PacifiCorp  | 149 |  | PacifiCorp                                   | 149   |   |

| Percentage of 300 MW Goal by Program |        |
|--------------------------------------|--------|
| Program                              |        |
| PG&E                                 | 11.96% |
| SCE                                  | 9.95%  |
| SDG&E                                | 5.04%  |
| Liberty Utilities                    | 0.03%  |
| PacifiCorp                           | 0.05%  |

| Overall Percentage of 300 MW Goal |        |
|-----------------------------------|--------|
|                                   | 27.03% |

### Map 1 – Project Density and Location Visualizations

This map shows the geographic dispersion of property locations for applications received thus far. For additional detail, a closer view is provided for areas of higher density in the San Francisco Bay Area, San Diego, and the greater Los Angeles area.





### 3.1.2 Online Bidding Tool

The online bidding tool is a platform used to connect property owners with eligible SOMAH contractors, providing an apples-to-apples bid comparison. The platform is available for all SOMAH participants and supports the three-bid requirement for Track A projects. The online bidding tool maintains a full list of eligible SOMAH contractors that have completed the Contractor Eligibility Training webinar and registered their primary contact information with the SOMAH PA. SOMAH contractors can use the online platform to gain access to job leads, respond to project bid requests, and demonstrate program compliance. Multiple contractor webinars were held throughout 2019, pre- and post-program launch, to ensure and maintain a robust pool of eligible contractors for the program. Based on the current Track A application review and TA timeline, the SOMAH PA expects those program participants to leverage the online bidding tool in early 2020 to meet the three-bid requirement.

### 3.1.3 California Distributed Generation Statistics

Updated weekly on the California Distributed Generation Statistics website, the SOMAH Working Data Set reports on all applications received for the program across the five utility territories. California Distributed Generation Statistics (previously named California Solar Statistics) has been a valuable tool for customer-sited solar projects since its inception under the auspices of the California Solar Initiative. The report includes data associated with each waitlisted, pending, installed, withdrawn, or canceled project. Reported data includes, but is not limited to, application data, contractor information, incentive amounts, and solar PV system cost and technical specifications. All personally identifiable information is scrubbed from the data set to ensure customer privacy. Based on feedback received, the working data set has been a frequented resource for program stakeholders and participants to glean insights on program progress and trends. Three new SOMAH data visualizations were added to the Statistics and Chart page in Q4 2019, which reference the SOMAH Working Data Set. The visualizations display the progress toward the program goal of 300 MW, status of reservations and available incentive funds, and a summary of how projects qualify for SOMAH. Section 4, Program Planning and Development, further elaborates on additional public reporting and transparency measures of the SOMAH program.

## 3.2 Marketing, Education and Outreach

The SOMAH program's 2019 marketing, education and outreach (ME&O) plan focused largely on ensuring a robust flow of applications and set the foundation for geographically and demographically diverse participation from key SOMAH audiences. The SOMAH program surpassed the initial targets set forth by the SOMAH PA



of 15 MW on opening day, receiving 74 MW of capacity. With the initial MW target goals met within the first day of launch, the SOMAH PA developed and began to implement strategies to ensure a robust pipeline of applications in future years to reduce the number of potential dropouts, given the long waitlist periods in the large IOU territories. These efforts included outreach to property owners via conferences, webinars, one-on-one portfolio reviews, and co-marketing partnerships with programs that already reach SOMAH target audiences. Support for outreach work was also completed by contracted community-based organizations (CBOs) with an on-the-ground presence in major multifamily affordable housing markets. While work with the CBOs kicked off in 2019, further efforts with workshops and other direct outreach is slated for 2020.

The SOMAH PA has focused on ensuring robust resources are available to stakeholders including a comprehensive program website with specific user experiences that includes an easy-to-navigate HTML-based program handbook, tenant-facing materials, contractor toolkits, a full application guide and program statistics and reports. The website has accumulated a total of 642 email subscribers and an average of 693 unique users per month, enabling the SOMAH PA to provide important email updates and event information to stakeholders. Additionally, the SOMAH PA has developed other online tools to make it easy for program participants to meet program requirements that include a Job Training Portal, where job trainees can apply for jobs and contractors can select trainees; a bidding tool, where property owners can find eligible contractors and receive project bids; and a Solar Sizing Tool, where applicants can ensure they are meeting the energy efficiency compliance requirements set forth by the program.

In 2020, the SOMAH PA will continue to focus on building a multiyear pipeline of projects, specifically focusing on rebalancing the program to promote Track A, as the majority of projects to date are submitted through Track B. In preparation for future outreach to properties across the state, the SOMAH PA is building and maintaining an ME&O customer relationship management (CRM) tool to track communications, disbursement of marketing collateral, and the conversion of outreach to specific properties to submitted applications. The SOMAH PA is developing strategies to reach targeted areas to ensure an equitable distribution of projects across DACs and IOU territories. Given the emphasis on Track A, the SOMAH PA anticipates new projects will also broaden the program's contractor diversity through the competitive bidding process, by giving smaller, local contractors the opportunity to bid on projects. In addition, the SOMAH PA intends to gather information from contractors in order to



understand barriers to participate in the program and alleviate challenges and increase overall contractor diversity.

As projects move into the installation phases, the SOMAH PA will continue to support program participants in meeting the job training and tenant education requirements. From an ME&O standpoint, this includes partnering with eligible job training organizations (JTOs) in order to educate students about SOMAH's job training opportunities, as well as leveraging the PA's partnerships with CBOs to engage with property owners and ensure they are providing key information about SOMAH and its benefits through tenant education materials that are culturally and linguistically appropriate for residents.

In 2019, the SOMAH PA focused on engaging primarily with stakeholders who were familiar with SOMAH and participated in the regulatory and prelaunch processes. In this first reporting period, the SOMAH PA recorded 175 interactions at conferences and other stakeholder events, further spreading the news of SOMAH's launch and the general eligibility requirements. In 2020, the SOMAH PA will expand tactics to reach audiences unfamiliar with the program and provide education and marketing support. Part of this initial engagement and assessment process is through planned targeted surveys. Table 8 outlines the audiences and quantity of surveys completed and planned for the coming year.

**Table 8 – Number of Completed and Planned Surveys by Category**

| Surveys                |                                    |                                  |
|------------------------|------------------------------------|----------------------------------|
| Survey Category        | Number of Surveys Completed (2019) | Number of Surveys Planned (2020) |
| CBO Surveys            | 0                                  | 1                                |
| Contractor Surveys     | 1                                  | 3                                |
| IOU Surveys            | 0                                  | 1                                |
| Job Training Surveys   | 0                                  | 1                                |
| Property Owner Surveys | 0                                  | 3                                |
| Tenant Surveys         | 0                                  | 1                                |

### 3.2.1 Contractors

Given the high volume of Track B applications, where contractors typically act as the applicant on behalf of the property owner, the SOMAH PA had a high level of engagement with this stakeholder group during the first six months of the program. One highlight of contractor engagement was the Contractor Eligibility Training webinar,



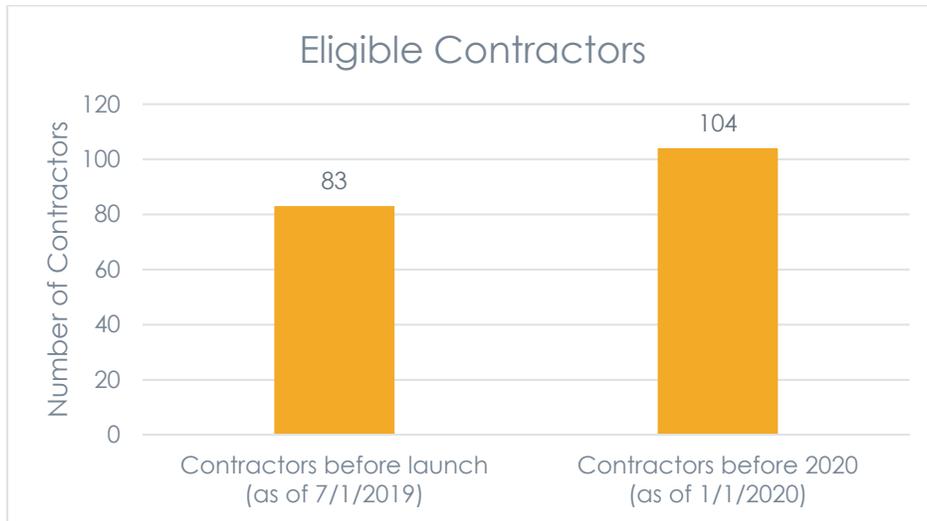
which introduces the SOMAH program at a high level, with a deeper dive into the program requirements and application submission process.

Although the SOMAH PA has effectively recruited a large number of licensed contractors for its eligible contractor list, only a select few have submitted applications. Moving forward, the SOMAH PA will prioritize and enact solutions designed to address barriers to participation in the program by conducting an analysis on geographic, demographic and proficiency characteristics of eligible contractors. Educating all parties about available tools, ensuring contractor diversity across all SOMAH platforms and providing access to resources that help contractors navigate barriers will all be central to the SOMAH PA's 2020 strategy to build and maintain a diverse contractor base. The PA is also collecting information in the PowerClerk application on subcontractors used for each project to better capture and understand involvement of prime and subcontractors in the SOMAH program.

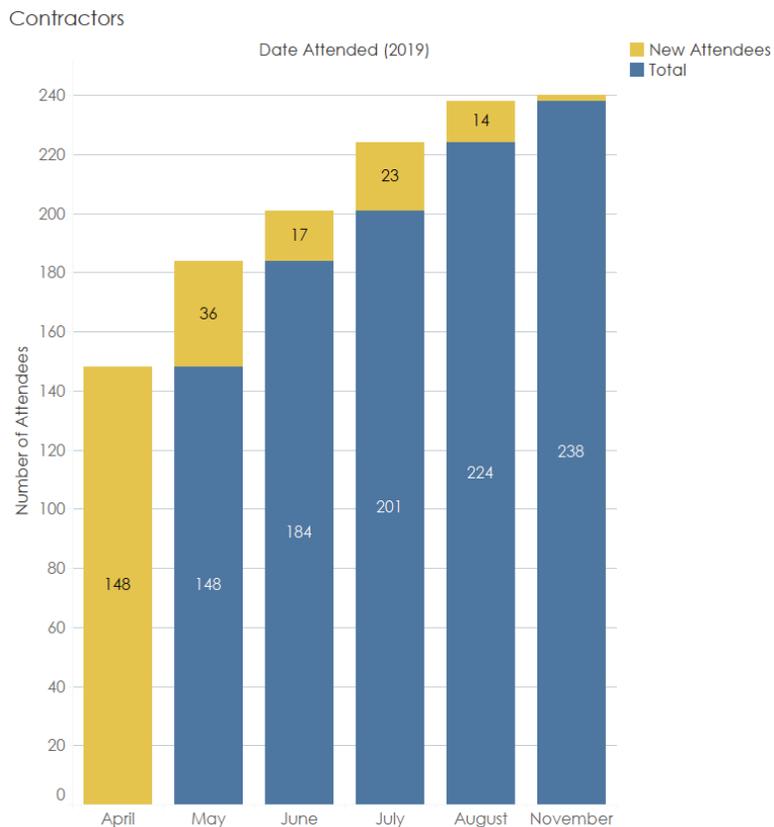
During the beginning and conclusion of each contractor webinar, attendees were asked to provide feedback on their levels of preparedness to explain the SOMAH program to potential clients. Based on the responses, two assumptions can be made: the percentage of poll respondents who did not feel prepared decreased at the conclusion of the webinar, and over two-thirds of respondents identified feeling prepared to explain the program to potential clients. Additionally, upon close evaluation of the 2019 Contractor Eligibility Training webinar data, the SOMAH PA has identified instances in which contractors have participated in the webinar multiple times to expand upon their program knowledge.

Although the Contractor Eligibility Training webinar may serve as the first official point of contact with SOMAH, some contractors may need additional contact with the program in order to increase their understanding of program requirements and the application process. In upcoming program years, the SOMAH PA plans to continue to develop and implement additional tools and resources for contractors to utilize, such as an expanded contractor webinar series.

**Chart 5 – Number of Eligible Contractors at Beginning and End of the Reporting Period**



**Chart 6 – Number of Contractor Eligibility Training Webinar Attendees by Event**





**Table 9 – Number of Questions Asked per Contractor Eligibility Training Webinar**

| Q&A*          |     |
|---------------|-----|
| Month of Date |     |
| April         | 156 |
| May           | 44  |
| June          | 20  |
| July          | 14  |
| August        | 5   |
| November      | 1   |

\*Questions asked during the workshops

Throughout 2019, SOMAH aimed to lay the foundation for a geographically and demographically diverse contractor base. The SOMAH PA has invested robustly in communicating the opportunity to participate in the program to a broad and diverse contractor base through communication partnerships with industry groups, contractor-focused conferences such as Solar Power International, and Contractor Eligibility Training webinars. Chart 6 illustrates attendee growth and Table 9 reflects the number of questions asked during the Q&A session for the webinars held

in 2019. Due to SOMAH's requirement that solar contractor companies attend a Contractor Eligibility Training webinar in order to be deemed eligible, the greatest influx of contractor participation occurred prior to program launch. Despite the decrease in the number of potential SOMAH contractors post-program launch, the SOMAH PA will continue to hold Contractor Eligibility Training webinars on a bimonthly basis to ensure that contractors have the opportunity to gain eligibility for the program. In addition, the SOMAH PA expects to see an increase in subcontractors completing the eligibility training in 2020. In 2019, 155 eligible solar contractor companies and more than 220 licensed contractors completed the Contractor Eligibility Training, which will allow them to submit Track B applications themselves or bid on Track A projects led by property owners. In 2020, the SOMAH PA plans to administer two surveys to gather additional feedback from the contractor audience.

1. **Barriers to participation survey** – In an effort to diversify the applicant pool, the SOMAH PA will be gathering additional data from contractors to better understand what barriers prevented contractors submitting applications. The SOMAH PA will use the information to design and implement solutions that will address the lack of contractor diversity in the SOMAH pipeline.
2. **Job trainee performance survey** – A job trainee performance survey will be administered after the submission of the Job Training Affidavit during the Incentive Claim Package and will be conducted on an ongoing basis. The Job Training Affidavit identifies the eligible job training program and job trainee(s) used for each SOMAH installation, trainee contact information, types of job tasks completed, hours worked, and wages. This survey is intended to measure the

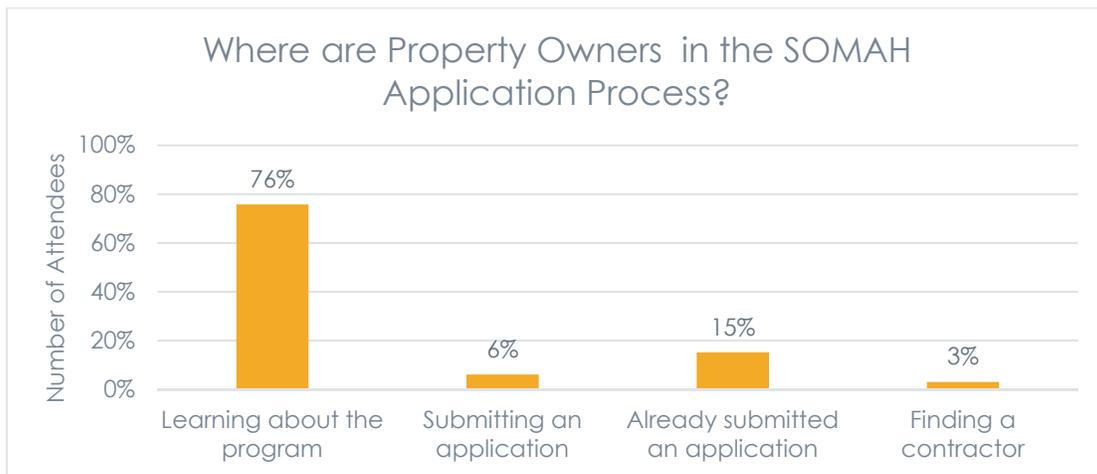


performance of each job trainee, determine if the trainee will be hired as a full-time employee, and evaluate the effectiveness of SOMAH job training resources.

### 3.2.2 Property Owners

As previously mentioned, the PA assumes that the initial pent-up demand evident on opening day of SOMAH was likely due to the closed waitlists of the state's Multifamily Affordable Solar Housing (MASH) program. Working with the assumption that this pent-up demand will not be repeated in future funding cycles, the SOMAH PA began planning to focus heavily on supporting property owners by increasing direct outreach and adapting engagement tactics in order to increase the number of property owner-led (Track A) applications in 2020. The SOMAH PA recognizes that adding solar to an affordable housing property is a complex and intimidating process for property owners. To assist property owners in learning about SOMAH's benefits and navigating the SOMAH application process, the SOMAH PA has and will continue to produce educational resources such as informational flyers, targeted website pages, a Property Owner Webinar series, and other direct outreach.

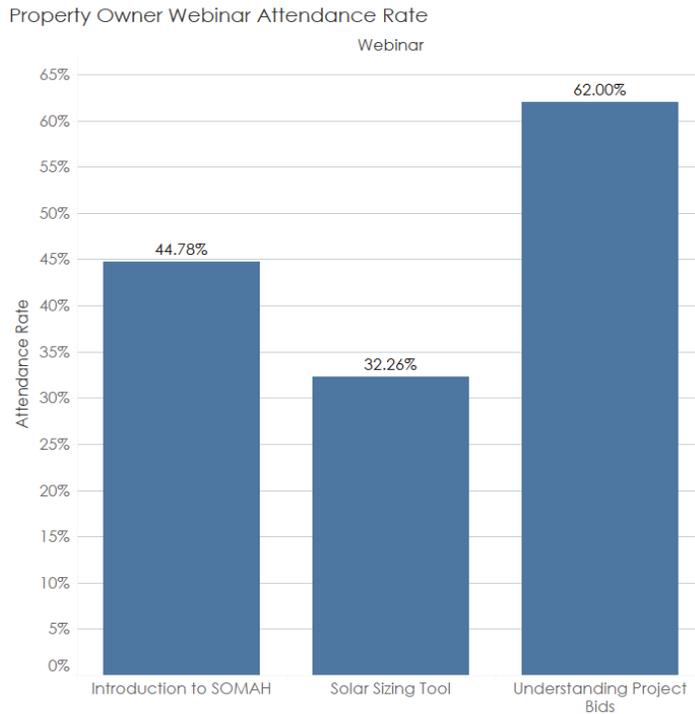
**Chart 7 – Survey Responses from July Property Owner Webinar**



The SOMAH PA has developed and begun to implement strategies that ensure a robust pipeline for future program years. Due to the complexity surrounding the SOMAH application process, property owners may require more information that highlights how to navigate the program. For example, Chart 7 represents data captured from the July Property Owner Webinar and highlights that most attendees had not yet submitted a SOMAH application.



### Chart 8 – Property Owner Webinar Attendance



Many multifamily affordable housing owners have expressed interest in learning more about SOMAH. From this interest and engagement, the SOMAH PA had identified two archetypes of property owners: larger groups who are well-versed in multifamily solar incentive programs and have a larger portfolio of potential projects; and smaller firms that lack prior experience navigating multifamily solar incentive programs. Experienced property owners may not require additional assistance and educational resources due to their previous interactions with incentive programs; therefore, their attendance and engagement with

the SOMAH Property Owner Webinar series may be limited. Conversely, smaller property owners may require additional assistance and information from the SOMAH PA on program topics such as potential costs and benefits, solar suitability, bidding requirements, and energy efficiency opportunities. As projects continue to progress through the application milestones, the SOMAH PA expects property owner engagement to increase as they further engage with the program requirements. In the coming program years, the SOMAH PA will continue to prioritize the production of educational content that focuses on the more technical aspects of the program as a resource for property owners to better understand SOMAH program requirements.

### Tables 10 & 11 Property Owner Question and Poll Responses

#### Property Owner Q&A

| Webinar                    |    |
|----------------------------|----|
| Introduction to SOMAH      | 24 |
| Solar Sizing Tool          | 0  |
| Understanding Project Bids | 22 |

#### Property Owner Poll Response

| Webinar                    |        |
|----------------------------|--------|
| Introduction to SOMAH      | 63.89% |
| Understanding Project Bids | 63.44% |

In 2020, the SOMAH PA will solicit feedback from both property owners who are currently in the SOMAH pipeline and property owners who may not have heard of the



program. The survey for property owners in the SOMAH pipeline will focus on understanding the decision-making process for the application pathway they decide to enter (Track A or Track B), the cost-benefit analysis of participation, and gathering feedback regarding barriers to participation in the program. The survey for property owners who are not yet in the SOMAH pipeline will focus on program awareness, potential barriers to participation, and identifying the needs of the property owners.

### 3.2.3 Tenants

Tenant benefits continue to be a central pillar of the SOMAH program, with a primary objective of ensuring that tenants living in both potentially eligible and participating SOMAH properties, are aware of and able to benefit from SOMAH in an equitable manner.

To engage tenants effectively, the SOMAH PA subcontracted with five CBOs that focus on environmental justice, tenant rights and solar workforce development: Asian Pacific Environmental Network (APEN); California Environmental Justice Alliance (CEJA); Communities for a Better Environment (CBE); Environmental Health Coalition (EHC); and Rising Sun Center for Opportunity. These CBOs are adding capacity and support in targeting outreach efforts to disadvantaged and underserved audiences.

The SOMAH PA worked with IOU representatives and CBOs to complete a suite of tenant engagement materials providing information about SOMAH's benefits, while also providing more holistic and contextual information about accessing clean energy programs in California. To address language barriers and ensure information access, these materials have been translated into six languages: Spanish; Chinese; Arabic; Vietnamese; Korean; and Tagalog. The SOMAH PA concurrently developed and released presentation materials for property owners to meet SOMAH's tenant education requirements, including versions specific to each IOU. The SOMAH PA also launched SOMAH's Tenant Hotline, which offers tenants assistance in English and Spanish, and is expected to be more active in 2020 as projects are underway.

Because direct outreach to tenants will not occur until projects move into the approval phase, 2019 tenant engagement efforts focused on preparing materials and homing in on engagement strategies to deploy in 2020. This includes developing a curriculum of educational activities focused on renewable energy basics, SOMAH eligibility and benefits, and information about job training and energy efficiency programs beyond SOMAH.

Additionally, the SOMAH PA will focus on evaluating the effectiveness of tenant engagement strategies—including tenant educational materials and property owners'



implementation of tenant engagement requirements—with a suite of surveys, targeted focus groups, and interviews. These measures to attain feedback will be conducted in Q2 2020 and analyzed/processed in Q3 2020, aligning with expected project construction timelines.

The data resulting from tenant surveys will be both qualitative and quantitative and will inform how to adjust program tactics around tenant engagement and benefits.

Through surveys, the SOMAH PA intends to:

- Understand whether current tenant education requirements for property owners are adequately preparing tenants for SOMAH solar projects and informing them about the benefits they can receive (i.e., bill credits, job training opportunities, energy efficiency services, etc.)
- Understand whether the required tenant education materials are useful to tenants
- Understand how to improve upon methods for conducting tenant education and which information is most relevant/not as relevant.

The number of tenants surveyed will be based on the total population of tenants in each IOU region who live in SOMAH-participating properties, with a desired confidence level of 80% and a 5% margin of error.

### 3.2.4 Other Stakeholders

There are other stakeholders that have vested interests in SOMAH. The SOMAH PA identifies these other stakeholders as audiences whose interests in the program lie outside of submitting applications, but who have interests in SOMAH and its impact on their communities and/or constituents. These entities include IOUs and community choice aggregators (CCAs), state and local government officials, industry associations, regional agencies, the CPUC, and other non-SOMAH contracted CBOs.

The SOMAH PA has focused on equipping these stakeholders with high-level program information and basic resources to share with their constituents and to help co-market and promote SOMAH along with their relevant programs and priorities.

In 2019, the SOMAH PA focused on engaging with stakeholders already familiar with SOMAH by sharing information through the SOMAH email list and monthly IOU Working Group meetings to report progress and leverage IOU resources and networks. The SOMAH PA also participated in a speaking engagement at the California Solar & Storage Association (CalSSA) “Solar & Storage Worker Lobby Day and Info Fair” in August 2019 at the state Capitol and met with lawmakers about SOMAH.



Stakeholder engagement in 2019 helped lay the groundwork for the PA's engagement efforts in 2020, which will primarily focus on reaching new stakeholders less familiar with SOMAH and sharing success and impact stories to build support, awareness, and participation in the program.

### 3.3 Workforce Development

A primary goal of SOMAH centers on promoting economic development in low-income and disadvantaged communities through job training opportunities and local targeted hiring.

In 2019, this work focused on engaging job training organizations (JTOs) in promoting SOMAH to their students and trainees, helping SOMAH contractors meet the program's job trainee hiring requirements, and ensuring trainees have the information and resources they need to successfully participate in SOMAH-related installation projects. To support these aims, the SOMAH PA launched its Job Training Portal with the full program website in June 2019. The Job Training Portal includes:

- A job board to post and manage open SOMAH trainee positions
- A resume bank where contractors can search for eligible trainees
- A job training organization directory
- Resources for trainees to support their experience and further professional development.

To date, the SOMAH PA has confirmed the eligibility of approximately 60 JTOs across California and is actively vetting another 300 organizations. Additionally, through broad-based and targeted outreach efforts, including participating in five solar job fairs, four webinars, and outreach communications and site visits with JTOs, SOMAH has over 130 trainees in the resume bank ready to participate in installations or other project-related work.

To support SOMAH's workforce development efforts, the SOMAH PA subcontracted with Rising Sun Center for Opportunity to help engage JTOs and produce resources for JTOs and contractors that include a best practice guide for hiring disadvantaged workers designed for solar contractors and hiring firms.

In Q1 2020, the SOMAH PA will be developing a JTO Task Force comprised of seven individuals representing JTOs across the state. This group will provide guidance and shape strategies for engaging job trainees and resources, to ensure that trainees extract maximum benefit from training opportunities on SOMAH installation projects.



In 2020, the SOMAH PA, with the support of JTOs, will continue to build trainee participation in the SOMAH Job Training Portal and ensure that the trainee pipeline includes tenants. Property owners will be provided tenant educational materials to distribute on-site that will promote the job training opportunities available for residents. Lastly, the SOMAH PA will work with contractors to better understand trainee hiring barriers and challenges and gather feedback on job training experiences through surveys to assess how many permanent versus temporary positions are being created.

### 3.3.1 Local Hiring and Job Training

As mentioned, more than 130 trainees have signed up on the portal. Due to the limited number of projects that have begun construction, the SOMAH PA has only been able to provide projections as placeholder data for key metrics such as total number of trainee hours and number of jobs generated. This data is based on current SOMAH project application data (including reservation and waitlisted projects). Data on trainee job advancement (i.e., the number of SOMAH trainees who become full-time solar employees) and the number of local jobs generated will also be collected in 2020 through surveys and the SOMAH [Job Training Affidavit](#).

**Table 12 – Job Trainee Count and Metrics**

#### Job Trainee Count

**Number of Job Trainees**

|                                 |     |
|---------------------------------|-----|
| Number of Trainees (registered) | 138 |
|---------------------------------|-----|

#### Job Trainee Metrics

| Metric                                     | Reservation Count | Waitlist Count | Total  |
|--|-------------------|----------------|--------|
| Number of Projects                         | 117               | 180            | 297    |
| Number of Unique Job Trainee Opportunities | 231               | 337            | 568    |
| Job Hours                                  | 17,560            | 24,280         | 41,480 |
| Job Weeks (40 hours/week)                  | 439               | 607            | 1,046  |
| Job Years                                  | 8                 | 12             | 20     |



### 3.4 Technical Assistance

The SOMAH program offers two technical assistance (TA) offerings: upfront TA and standard TA. Upfront TA services are designed for property owners participating in Track A and who request preliminary TA services primarily to assess solar feasibility. Upfront TA services can assist the property owner in understanding the solar potential for their site and the associated costs and benefits of moving forward with a SOMAH project. Standard TA services are designed for projects in both Track A and Track B and may be conducted at multiple stages within the project life cycle and can be requested by both property owners and contractors. Standard TA services relating to energy efficiency, general project management, construction support and project financing may be requested via email to the SOMAH PA or at [CalSOMAH.org](http://CalSOMAH.org) at any point after the reservation request package has been submitted.

While the number of Track A application submissions in the first six months of the program was lower than anticipated, the SOMAH PA has spent time preparing to engage with the Track A applications submitted to the waitlist, and future applications are anticipated in 2020. The SOMAH PA has prepared with capacity-building activities, including process and database development, software configuration and template creation for host customer technical assistance reports, and coordination with related programs for leveraging energy efficiency, electric vehicles (EVs) and EV charging, as well as energy storage resources and incentives. Internally the SOMAH PA has held reoccurring coordination meetings for TA and developed a detailed process flow for TA handoff to ensure seamless experiences for both upfront and standard TA requests.

By December 2019, seven Track A applications were submitted for upfront TA and were held on the waitlist. Per section 4.9.2 of the SOMAH Program Handbook, projects may proceed with receiving upfront TA from the SOMAH PA and participate in the multiple bid process during the waitlist period. In November, the SOMAH PA shifted these seven waitlisted Track A applications into review status and continue to work with the applicants to complete the initial upfront TA request review and IOU data request. At the closure of 2019, no upfront TA requests had been approved yet.



**Table 13 – Upfront Technical Assistance Request Areas of Interest for Support**

TA Interest

| Metric  |        |
|---|--------|
| Contractor Bidding Support                                | 85.71% |
| Coordination with Non-SOMAH Energy Programs and Upgrades  | 42.86% |
| Financing   | 71.43% |
| Solar Feasibility (sizing and savings potential analysis) | 71.43% |
| SOMAH Reservation Support                                 | 71.43% |

A selection on the Upfront TA Request form asks the applicants what type of TA support they are interested in through the SOMAH PA's offerings for Track A projects. The highest area of interest for TA was contractor bidding support with nearly 86% selecting this option. SOMAH reservation support, solar feasibility (sizing and saving potential analysis), and financing were of interest to 71% of respondents. The final option, coordination with non-SOMAH energy programs and upgrades was a point of interest of roughly 43% of Track A submissions.

## 4. Program Planning and Development

In order to preserve long-term program growth, the SOMAH PA takes a reflective approach to ensure that feedback is regularly solicited and communicated to program participants and stakeholders.

The SOMAH PA implements the program and makes program development decisions transparently and in close partnership with all program stakeholder types, while remaining accountable to the communities SOMAH was intended to benefit. The following section provides information on the SOMAH PA's maintenance of official records as well as efforts to collect feedback regarding program implementation and development from key stakeholders and community beneficiaries.

### Official Record Maintenance

- SOMAH Incentive Budget Report and Working Data Set (updated weekly)
- Semiannual progress reports
- Semiannual expense reports
- Annual marketing, education and outreach (ME&O) plans
- Special reports to the California Legislature
- Third-party evaluation reports



Place of record: [californiadgstats.ca.gov/programs](https://californiadgstats.ca.gov/programs).

During this first reporting period, the SOMAH PA highlights three areas of growth and focus: 1) establishment of reporting, feedback, and accountability mechanisms; 2) expansion of program eligibility to include HUD properties;<sup>1</sup> and 3) focus on increasing diversity and participation in the program.

## 4.1 Reporting, Feedback, and Accountability Mechanisms

### 4.1.1 Public Forums

SOMAH public forums are quarterly events that allow the SOMAH PA to share program updates, such as statistics regarding program implementation, to propose modifications to program implementation to better attain program objectives, and to hear from stakeholders about their user experience and potential improvements.

#### **SOMAH Public Forum, Q4 2019: October 25, 2019, San Diego**

SOMAH's inaugural public forum was held in Q4 2019 and covered the following agenda items.

- Session 1: Welcome & Introductions
- Session 2: Program Overview & Updates
- Session 3: Application Waitlist Update & Discussion
- Session 4: Opening Listening Session
- Session 5: Wrap-up & Thank You

Major stakeholder discussion themes included the program's energy efficiency requirements, their costs and related tenant experience, as well as SOMAH's waitlist and proposed adjustments to SOMAH's application processing and waitlisting procedures via a pace-dependent lottery system.

The SOMAH PA published its presentation slide deck and comprehensive meeting notes, including stakeholder questions and SOMAH PA answers via the CalSOMAH.org website following the event.

<sup>1</sup> HUD properties are defined as a property receiving funding from the U. S. Department of Housing and Urban Development (HUD).



Place of record: <https://www.calsomah.org/event-detail/50>

- [SOMAH Public Forum Q4 2019 Presentation](#)
- [SOMAH Public Forum Q4 2019 Notes](#)

#### 4.1.2 SOMAH Advisory Council

The purpose of the SOMAH Advisory Council (SOMAH AC or AC) is to ensure that equity-focused community advocates' and key stakeholders' voices and interests remain at the center of the SOMAH program for its duration and that SOMAH maximizes benefits to low-income tenants and DACs by advising the SOMAH PA on program development and implementation.

The place of record for the SOMAH Advisory Council is [calsomah.org/advisory-council](https://www.calsomah.org/advisory-council).

#### **Concept and Member Selection Process**

The framework for the SOMAH AC is generally modeled on the existing Senate Bill (SB) 350 Disadvantaged Communities Advisory Group (DAC-AG). Because DAC-AG was created by statute and is co-organized by the CPUC and the California Energy Commission, there are inherent differences between the DAC-AG and SOMAH AC, such as reporting requirements and council appointments. However, the SOMAH AC serves a similar purpose in ensuring that the SOMAH program maximizes benefits to participating communities. In addition, the SOMAH PA leveraged the DAC-AG's development framework for the SOMAH AC by initially releasing a draft proposal and soliciting responses to questions from stakeholders and then releasing a call for applicants and maintaining a transparent process to select members. Like the DAC-AG, the SOMAH AC was envisioned to include a diverse membership representing community voices from throughout California's regions.

After the release of the call for applications, total outreach encompassed over 600 contacts. After a five-week application period, an independent selection committee, excluding members of the SOMAH PA and its contractual partners, reviewed all application materials, shortlisted candidates for interviews, conducted interviews and made final selections for nine AC members by unanimous agreement, covering the focal areas of environmental justice, workforce development/labor, tenant rights, affordable housing, and the solar industry.



## Bylaws

The SOMAH PA, in partnership with independent contractors and SOMAH AC members, implemented a consensus-building approach to finalize bylaws initially drafted by the SOMAH PA's independent consultants. Bylaws are currently organized into the following articles.

- Article I: Name
- Article II: Purpose
- Article III: Roles of the SOMAH Advisory Council
- Article IV: Members and Terms
- Article V: Officers
- Article VI: Conflicts of Interest, Resignations, Replacements, Removals & Accountability
- Article VII: Decision-making and Limitations
- Article VIII: Meetings
- Article IX: Compensation
- Article X: Amending Bylaws

1. SOMAH Advisory Council, Q2 2019: July 2019, Jarupa Valley
2. SOMAH Advisory Council, Q3 2019: September 2019, Compton
3. SOMAH Advisory Council, Q4 2019: December 2019, Oakland

### 4.1.3 Monthly IOU Working Group

The SOMAH PA hosts a monthly IOU Working Group meeting with attendance from program manager representatives from each of the five SOMAH-eligible IOUs and the CPUC ED. This regular working group is a time for the SOMAH PA to provide program updates for the IOUs and solicit feedback on various aspects of the program. Discussion topics from past IOU Working Group meetings included coordinating the exchange of Energy Saving Assistance (ESA) Program referral information, project data request process, MASH and SOMAH project participation, and timelines for interconnection. The SOMAH PA works closely with the IOUs to ensure successful implementation of the program, and this working group is an example of the committed partnership among many stakeholders.

### 4.1.4 SOMAH Regional Job Training Organization Task Force

In order to engage JTOs and ensure that their voices and interests remain at the forefront of the SOMAH program's job training efforts, the SOMAH PA began work in 2019 to select and convene a Regional Job Training Organization Task Force (JTO Task Force). The JTO Task Force will shape strategies for engaging job trainees and resources



to ensure that trainees obtain maximum benefit from training opportunities on SOMAH installation projects including subsequent full-time job offers in the solar industry and, over time, career advancement and wage growth.

This task force will be comprised of regionally diverse representatives from JTOs, such as California Community Colleges, career technical education programs, PV training programs offered to the public by local government workforce development programs, community nonprofits, private enterprises, IOUs, or electrical worker unions with 40+ hours of instructional and/or hands-on PV installation and design training or green building training.

Because SOMAH is a statewide program that will have solar installation projects and job training opportunities across California, it is crucial that task force members represent all regions. The membership must include at least one representative from the following regions: San Francisco Bay Area; Central Coast; Central Valley; Inland Empire; Los Angeles; San Diego; and Northern California. Task force members will also be representative of both rural and urban areas of the state.

The JTO Task Force supplements the SOMAH AC in providing advice to the SOMAH PA specifically on the job training requirements of the program and will help realize requirements of AB 693 to drive economic benefits to DACs through local and targeted hiring by highlighting the voices and needs of job trainees from DACs and low-income communities.

The SOMAH PA released its SOMAH Regional JTO Task Force Structure and Framework Proposal and a call for applications in December 2019 and is slated to close the application period in February 2020. The SOMAH PA anticipates that the competitive selection process will culminate in member announcements and an inaugural meeting by the end of Q1 2020.

Place of Record: [calsomah.org/job-training-organizations](https://calsomah.org/job-training-organizations)

#### 4.1.5 Third-Party Evaluation

The SOMAH PA will participate in a third-party program evaluation in the first half of 2020. The SOMAH PA is currently undergoing coordination with the third-party evaluator with the goal to reduce duplicative efforts of planned program surveys, interviews, and focus groups. In reflection of other feedback and accountability mechanisms, the SOMAH PA looks forward to the insights and responses gleaned from this evaluation process.



## 4.2 Expansion of Eligibility to HUD properties

At the time of the SOMAH program launch, properties financed through various Department of Housing and Urban Development (HUD) programs were ineligible for participation in SOMAH because existing utility allowance (UA) policies for several HUD programs required adjustments that would recapture resident financial benefits from solar generation. These HUD properties accounted for 30% (1,112 properties) of all potential SOMAH-eligible properties. In an effort to ensure HUD funded properties could participate in the SOMAH program, the California Housing Partnership, in its role as an authorized SOMAH representative, led the effort to directly engage HUD staff and advocate for a memo that would allow the exclusion of solar credits from UA calculations. As a result of these efforts, in July 2019, HUD's Office of General Counsel issued guidance to the department's Office of Multifamily Housing Program's staff on the treatment of on-bill solar credits under the SOMAH program. In a victory for low-income tenants and the mission-driven housing owners who serve them, the HUD memo states that solar credits allocated to residents under SOMAH should be excluded when calculating UAs. The memo also clarified that solar credits allocated to residents under the program would not be counted as income, thus protecting residents against rent increases related to SOMAH program participation. In practice, this guidance declares the vast majority of the 1,112 HUD-funded properties in California as now eligible to participate in SOMAH.

## 4.3 Ensuring Consumer Protection and Supporting Marketing Development

### 4.3.1 Ensuring Tenant Benefits: Strengthening Clawback Provisions for Noncompliant Rent and Utility Allowance Changes

The SOMAH PA became aware in Q2 2019 of a hypothetical potential for property owners to recapture tenant benefits, which neither aligns with the SOMAH program requirements nor the intent of AB 693. This ineligible approach encourages property owners to take on the responsibility of paying tenant utility bills in exchange for the elimination of tenant utility allowances. Ultimately, this approach would encourage property owners to charge maximum rent and could diminish tenants' direct economic benefits from SOMAH participation. SOMAH participation requires host customers to agree that tenants shall not bear any additional costs through increased rents, adjustments to utility allowances, or other mechanisms resulting from the participation in SOMAH via a legal affidavit due with the Incentive Claim Package.



To ensure that tenants receive the utmost required benefits of the SOMAH program, the SOMAH PA has implemented the following protective measures.

- **Affidavit Ensuring 100% Tenant Economic Benefit:** The SOMAH PA updated this affidavit to include a disclaimer highlighting that failure to comply with the affidavit may result in disqualification and a ban from the SOMAH program for any associated properties.
- **SOMAH Program Handbook:** The SOMAH PA will conclude a program handbook update in 2020 that will be explicit in reiterating the prohibition against these and other approaches at odds with the intent of SOMAH's tenant benefit requirements, including more information about the SOMAH PA's recourse on such actions, including clawback of the incentive payment.
- **Training:** The SOMAH PA included information about this prohibited approach in relevant webinars, including property owner and contractor-facing trainings and will continue to do so throughout 2020.
- **Monitoring:** The SOMAH PA, in assessing the effectiveness of tenant education materials, will conduct routine tenant surveys. These surveys present the SOMAH PA an opportunity to informally monitor tenants' receipt of on-bill credits, as well as perceptions about their meaningfulness in decreasing combined energy and housing burdens. As highlighted in Section 3.2.3, the SOMAH PA also maintains a Tenant Hotline and other means for collecting consumer protection information related to SOMAH installations.

#### 4.3.2 Cost Data Reporting, Bidding Tool/Standard Bidding Form and Emphasis on Competitive Bidding via Track A Prioritization

##### **Cost data reporting**

As required in the SOMAH Program Handbook Section 3.2.4: Reportable Project Costs, all systems receiving a SOMAH incentive are required to provide the following cost components, which allow the SOMAH PA to report project cost data:

- PV modules
- Inverters
- Carport mounting surface material and installation (when applicable)
- On-site system measurement, performance monitoring and reporting service (PMRS) providers and data acquisition equipment and/or services
- Permitting fees charged by the permitting agency
- Balance of system costs
- For solar power purchase agreements (PPAs) and similar agreements
  - \$/kWh
  - Escalator



- Any additional associated costs
- Term
- For solar leases
  - Monthly payment amount
  - Escalator
  - Any additional associated costs
  - Term

The receipt of this data allows the SOMAH PA to publicly report cost data. By providing this cost data, the SOMAH PA improves understanding about the multifamily market segment. When accessed by prospective host customers, the data facilitates informed decision-making about contractors' bids and proposals.

### **SOMAH Online Bidding Portal and Project Bid Form**

Further augmenting host customers' ability to make informed decisions about installing solar, the SOMAH program includes the online bidding portal and a standardized Project Bid Form as bidding resources for participants. Track B host customers opting out of multiple bids must sign a Bid Waiver Form, which ensures that at a minimum they are aware of the option to leverage program resources that could facilitate their receipt of additional contractor bids and proposals. Together, these resources help ensure that high-quality and high-performing solar electric systems are installed in a cost-competitive manner by presenting contractors' value propositions in an apples-to-apples comparison.

The online bidding tool serves three distinct functions. First, it allows the host customer to indicate their interest in receiving a bid from three contractors of their choice. This places the onus on the customer to do basic research on a contractor ahead of time, such as researching reviews or Better Business Bureau scores. After the customer's selection of bidders, the tool notifies the SOMAH-eligible contractor, who then gets in touch to begin the process of building a site-specific proposal. Once all three contractors have completed proposals, the tool aggregates basic information about the proposal into a single user interface, which allows the host customer to compare topline proposal information including project cost, size, estimated date of completion, and ownership type. The tool also links to more detailed Project Bid Forms. Lastly, the tool allows contractors to bid on projects of their choice.

The online bidding tool integrates with SOMAH's Project Bid Form. Whereas contractors have unique proposal generation tools and layouts with different underlying assumptions, SOMAH's requirement of a standardized bidding form harmonizes the



detailed elements of a proposal into a consistent format containing objective and verifiable information.

The SOMAH PA looks forward to reporting usage metrics and information for both resources in subsequent semiannual progress reports.



**Table 14 – Online Bidding Tool Bid Comparison Page**

**Your bids are in!**  
Below is a comparison of bids from the three service providers you selected. When you select a winning bidder, all bidders will be notified and the winner will reach out to you to schedule installation. Congratulations, you are on your way to a new solar project!

|                                | Comp A       | Comp B       | Comp C       |
|--------------------------------|--------------|--------------|--------------|
| <b>Project Cost</b>            | \$20,571     | \$19,999     | \$26,500     |
| <b>System Size</b>             | 155 kW       | 155 kW       | 172 kW       |
| <b>Est. Project Completion</b> | 9/1/19       | 12/15/19     | 11/30/19     |
| <b>Ownership Type</b>          | Customer Own | Customer Own | Customer Own |
| <b>CSLB Number</b>             | 123456       | 789101       | 112131       |

[View Bid](#) [View Bid](#) [View Bid](#)  
[Choose](#) [Choose](#) [Choose](#)

### **Emphasis on Competitive Bidding via Track A Prioritization**

The potential consumer protection and market development benefits of competitive bidding in this nascent market sector are significant and informed the SOMAH PA's design of Track A in the lead up to SOMAH's launch. Due to the high volume of Track B applications since launch—and in light of the need to improve SOMAH's geographic, contractor and property size diversity—the SOMAH PA began a process to ideate and collect feedback on corrective measures in 2019. The PA has opted to wait for additional data before considering any more stringent measures beyond a limited Track A prioritization.

### **Value of Prioritizing Track A**

Though there is no explicit directive in the SOMAH implementation decision for a Track A by name, there are specific program goals and decision directives that the PA has designed Track A to address.

These SOMAH program goals and objectives include:

**Geographic Diversity:** Geographic diversity is an explicit requirement of AB 693. Track A is designed in part to reach property owners in areas of the IOU territories that the contractor market may not reach or prioritize on its own. By targeting marketing,



education and outreach to underrepresented areas, the SOMAH PA expects that Track A will help ensure a broad geographic footprint.

**Actionable Cost Data:** In the SOMAH decision, the CPUC states, “[m]ost parties are in agreement that solar system installation costs in affordable housing markets are not publicly known. This is due principally to the absence of affordable housing markets for solar installations beyond the incentives provided by the MASH program. Indeed, strengthening that nascent market is a large part of the purpose of AB 693.”<sup>2</sup> While the SOMAH PA will publish aggregate cost data, the online bidding tool and standardized Project Bid Form provide property owners considering contractors and their proposals actionable comparisons of potential cost on their specific project.

**Consumer Protection:** In light of the lack of robust cost data for this market sector, competitive bidding, as required and facilitated by Track A, provides a consumer protection benefit by ensuring host customers have reference points (via other bids) for their specific projects.

**Broad Participation by Diverse Contractor Base:** Because Track A requires multiple bids on a project, it will expand opportunities for a broader set of contractors to participate beyond the nine that submitted applications in 2019. As the bidding portal essentially provides “warm leads” to the selected contractors, Track A also helps to address customer acquisition costs, an impediment to business development industrywide. A broader base of participating contractors may enhance the program’s positive impact on local economic development.

### **Stakeholder engagement process**

In reacting to program application statistics, the SOMAH AC recommended that the SOMAH PA explore options for expanding Track A and implementing a lottery system. The resultant proposal from the SOMAH PA integrates targeted ME&O efforts with a novel approach to application processing and waitlisting policies and procedures. Together these changes would provide Track A applications a limited priority over Track B application but in a more moderate fashion than a Track B cap, Track A carve-out, or limits on individual contractor participation.

<sup>2</sup> Decision 17-12-022, p 40.



Due to the importance of these potential changes, the SOMAH PA has prioritized stakeholder engagement and the collection of feedback on the proposed approach, including consultation with the SOMAH AC, CPUC ED, and the program's CBO partners, in addition to the proposal's public introduction at the SOMAH Q4 2019 Public Forum. The stakeholder engagement effort will continue into the first half of 2020 ahead of SOMAH Program Handbook modification and the regulatory process.

## 4.4 Increasing Diversity and Participation

Despite the large number of applications submitted to the program, contractor diversity remains low, with only seven contractors submitting all Track B applications. The low contractor diversity was somewhat expected because, as seen in similar programs, there are few contractors that have experience installing in the multifamily affordable housing market. Increasing contractor diversity is a primary objective, and the SOMAH PA has invested largely in communications about the program to a diverse contractor base and industry groups. As evidenced by this effort, a total of 154 eligible contractor companies with more than 220 licensed contractors have become eligible contractors in the program. The SOMAH PA is anticipating a large amount of subcontractor work for installation of the projects already submitted. As a result, the incentive application process will capture this subcontractor information to help determine if additional diversity is being captured through the subcontractor process. Subcontractor information will be included in future reports as projects progress through the program milestones and complete installation of their systems.

From this first round of applications, the SOMAH PA is reviewing geographic data for project locations with consideration of potentially eligible properties. This information will help inform targeted outreach for future project pipelines and guide the goals for increasing diversity and participation, both with project locations and contractor participation. Also valuable to note is that a large portion of the initial applications submitted to the program were submitted by larger property owner organizations with portfolios of multiple SOMAH-eligible properties. While submission of these large portfolios was expected and welcomed for the significant contribution to program MW goals, the SOMAH PA also looks forward to cultivating relationships with smaller property owners and increasing diversity with additions of small, single-location property owners in the future program pipeline.



## 5. Conclusions

The first six months of the SOMAH program exhibited strong progress toward the program's 300 MW goal, stakeholder engagement, and overall program awareness. The SOMAH PA gained helpful feedback and insight through the various working groups, advisory council meetings, comment periods, public forums, and general participant engagement. This feedback has been taken into consideration as the SOMAH PA prepares for a program handbook revision in early 2020. Stakeholder feedback also greatly shaped current and future planned ME&O activities. These updates include, but are not limited to, enhancements to the user experience on various platforms as well as continuous improvements and new content creation for CalSOMAH.org website, program collateral, toolkits, and additional educational resources. The SOMAH PA's partnerships with the program's subcontracted CBOs has developed a foundation for outreach and engagement to tenants, JTOs, and job trainees. These partnerships will continue through 2020 with CBOs focusing toward direct outreach and refining educational and informational materials in order to build job trainee participation and ensure that tenants understand and receive the program's intended benefits.

As the SOMAH program progresses into 2020, the SOMAH PA expects to see an expanded number of participating contractors submitting applications and an increase in total number of registered eligible contractors in the program. With participant growth on the horizon for both contractors and property owners, the geographical diversity of property locations is expected to expand for new projects and the long-term application pipeline. With the ME&O focus on expanding Track A participation, use of the online bidding tool should increase concurrently. As more projects progress to future milestones, culminating with installation, interaction with all facets of the program requirements will continue to help shape program improvements. Project progression will also yield more interactions with the Job Training Portal, and data on the job trainee requirements will also help inform future program planning and execution.

While the rapid influx of applications was not anticipated at the scale the program experienced, it was a welcomed success to receive a high level of applications at program opening. The SOMAH PA will maintain the project pipeline with the reconciliation of current incentive funds and upcoming receipt of 2019/2020 funding to reduce the waitlist. The high level of stakeholder engagement and interest in the program is both notable and rewarding. Expanding on the broad resources, trainings, and platforms is something that the SOMAH PA is eager to accomplish in 2020. The SOMAH PA looks forward to collecting more valuable project information to expand



internal metrics tracking and external data reporting, which will promote growth and overall transparency for years to come.

## 6. Appendix A

### Description of PowerClerk statuses

#### *Reservation Request Package*

- **Reservation Request Submitted:** Applicant has entered the required information and uploaded the reservation request documentation for review.
- **Reservation Request Review:** Reservation request is in queue for review by the Program Administrator.
- **Suspended – Reservation Request:** Errors were found during reservation request review and require corrections by the applicant. The Program Administrator sent correction information via email from the PowerClerk portal.
- **Pending IOU Data:** Electric usage data has been requested from the IOU and is pending review by the Program Administrator.
- **Pending Application Deposit:** Reservation request is free of errors and pending receipt of the application deposit before moving to reservation approved status.
- **Reservation Approved:** Reservation request requirements have been met and the application deposit has been received. The project's funding will be reserved for 18 months, starting from the reservation approval date.

#### *Waitlist*

- **Waitlist:** Applicant has entered the required information and uploaded the Technical Assistance Request or reservation request documentation for Program Administrator review in a fully subscribed program.
- **Waitlist: Upfront Technical Assistance Review:** Technical Assistance Request is in queue for review by the Program Administrator in a fully subscribed program.
- **Waitlist: Suspended – Upfront Technical Assistance Approved:** Waitlisted Technical Assistance Request is incomplete or requires further action by the applicant. The Program Administrator sent correction information via email from the PowerClerk portal.
- **Waitlist: Pending IOU Data:** Electric usage data has been requested from the IOU and is pending review by the Program Administrator in a fully subscribed program.
- **Waitlist: Resubmitted – Upfront Technical Assistance Request:** The Upfront Technical Assistance Request form has been resubmitted with corrections and is in queue for review by the Program Administrator in a fully subscribed program.



- **Waitlist: Upfront Technical Assistance Approved:** Program Administrator has reviewed and approved the Technical Assistance Request in a fully subscribed program. The project may now submit a reservation request package.

*Other statuses*

- **Canceled:** The application is no longer eligible due to missing a deadline or project requirement. The project can be resubmitted with a new application at the current incentive rate.
- **Withdrawn:** Host customer or applicant requested that the application be removed and permanently marked with the inactive, withdrawn status. Withdrawn applications are moved to canceled status after 14 days.
- **Suspended – Pending Energy Division Review:** The application is currently suspended pending eligibility review by the CPUC's Energy Division.
- **Suspended – Pending Energy Division Review (Waitlist):** The waitlisted application is currently suspended pending eligibility review by the CPUC's Energy Division.



## 7. Appendix B

### Independent Advisory Council Selection Committee

| Name                  | Title                        | Organization/Affiliation   |
|-----------------------|------------------------------|--|
| Betony Jones          | Founder                      | Inclusive Economies  |
| Isaac Sevier          | California Coalition Manager | Energy Efficiency for All  |
| Madeline Stano        | Legal Counsel, Energy Equity | The Greenlining Institute  |
| Anthony Giancattarino | Independent Consultant       | Formerly, Director at Center for Social Inclusion                  |
| Strela Cervas         | Independent Consultant       | Formerly, Co-Director at California Environmental Justice Alliance |

### Advisory Council Members

| Name            | Title                              | Organization/Affiliation        | Focal Areas                    |
|-----------------|------------------------------------|---------------------------------|--------------------------------|
| Sochiata Vutthy | Senior Asset Manager               | Community Housing Works (CHW)   | Affordable Housing             |
| Kenneth Wells   | CEO & Founder                      | O&M Solar Services              | Industry                       |
| Andres Ramirez  | Policy Director                    | Pacoima Beautiful               | Environmental Justice          |
| Andrea Barnier  | Senior Asset Management Specialist | Self-Help Enterprises           | Affordable Housing and Tenants |
| Allen Hernandez | Executive Director                 | Center for Community Action and | Environmental Justice          |



|                                   |                            |  |   |
|-----------------------------------|----------------------------|--|---|
|                                   |                            | Environmental Justice (CCA EJ)                 |   |
| Noemi Gallardo<br>(former member) | Sr. Manager, Public Policy | Sunrun   | Industry                                  |
| Lauren Randall<br>(new member)    | Manager, Public Policy     | Sunrun   | Industry                                  |
| Cynthia Strathman                 | Executive Director         | Strategic Actions for a Just Economy (SAJE)    | Tenants                                   |
| Agustin Cabrera                   | Senior Community Organizer | Los Angeles Alliance for a New Economy (LAANE) | Workforce/Labor and Environmental Justice |
| JB Tengco                         | West Coast Director        | BlueGreen Alliance                             | Workforce/Labor                           |