

Multifamily Affordable Solar Housing
Semiannual Progress Report
January 30, 2015



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Multifamily Affordable Solar Housing Semiannual Progress Report

Southern California Edison Company (SCE), on behalf of the California Solar Initiative (CSI) Program Administrators (PAs), submits this Semiannual Progress Report for the Multifamily Affordable Solar Housing (MASH) Program, in compliance with California Public Utilities Commission (CPUC) Decision (D.) 08-10-036, which requires the PAs to submit joint semiannual reports to the Director of the Energy Division on the progress of the MASH Program.¹

This eleventh edition of the MASH Semiannual Progress Report captures administrative expenses and program data from program inception on October 16, 2008, through December 31, 2014. It includes requirements identified in Appendix A of D.08-10-036 and other data that the Energy Division (ED) has requested to be included in the report.

1. Executive Summary

The MASH Program is one of CSI's two low-income programs and is administered by SCE, Pacific Gas and Electric Company (PG&E) and Center for Sustainable Energy (CSE) in San Diego Gas & Electric Company's service territory. The MASH Program provides incentives for the installation of solar photovoltaic (PV) systems on low-income multifamily housing, as defined in California Public Utilities Code (PUC) Section 2852. The MASH Program was directed to have two incentive tracks, both of which are paid in a one-time lump sum payment referred to as the Expected Performance-Based Buydown (EPBB).

1. Track 1 provides fixed, capacity-based rebates at \$1.90 per watt for solar PV generating systems that offset common area electrical load (Track 1A) or at \$2.80 per watt for offsetting tenant area electrical load (Track 1B).² Track 1 applications are reviewed on a first-come, first-served basis.
2. Track 2 was a competitive application process and provides variable rebates up to 100% of system and ongoing maintenance costs. To receive Track 2 funds, an applicant had to demonstrate direct tenant benefit. Track 2 consists of two

¹ D.08-10-036, Ordering Paragraph No. 9 and Appendix A. In addition, the PAs will file a more detailed reporting of MASH expenses, including VNM implementation, as part of the CSI semiannual administrative expense report.

² D.08-10-036 originally set the Track 1 incentives at \$3.30 per watt for Track 1A and \$4.00 per watt for Track 1B. On July 14, 2011, the incentives were reduced, per Ordering Paragraph 13 of D.11-07-031, to \$1.90 per watt for Track 1A and \$2.80 per watt for Track 1B. The new incentive levels apply to any MASH reservations placed under review on or after the date of the decision.

application cycles per year. As of July 2011, unallocated Track 2 funds were shifted to Track 1, and as a result, Track 2 is closed and no longer being offered.³

The PAs began accepting applications for Track 1 in February 2009 and conducted the first round of Track 2 application evaluations between July and December 2009. In addition, PG&E, SCE and SDG&E began to offer a virtual net metering (VNM) utility tariff option in June 2009 to help with the installation of solar PV generating systems in multifamily affordable housing complexes.

Since the inception of the program, the PAs have paid out more than \$68,036,917 in incentives on 329 completed Track 1 solar projects statewide. As of December 31, 2014, PG&E, SCE and CSE are fully subscribed and the waitlist is currently closed to new applications. To find out about the latest information on funding availability, check the [MASH budget report](#)⁴ and contact your local PA or visit their program website.

Track 2 was eliminated as a program offering in July 2011 because D.11-07-031 required unallocated Track 2 funds to be transferred to Track 1. The Decision noted, “[t]he strong demand for Track 1 incentives indicates that the higher Track 2 incentives are not necessary.”⁵

2. Background

In D.06-01-024, the Commission adopted the staff proposal to set aside a minimum of 10% of CSI Program funds for projects installed by low-income residential customers and affordable housing projects.⁶ In 2006, the California Legislature codified this requirement in Senate Bill (SB) 1 and Assembly Bill (AB) 2723.^{7,8} Subsequently, in D.06-12-033, the Commission directed the PAs to conform the CSI Program to SB 1 and AB 2723 requirements and directed that 10% of the total ten-year CSI budget would be reserved for the low-income residential solar incentive programs that are now referred to as the MASH and the Single-Family Affordable Solar Homes (SASH) Programs.

³ Conclusion of Law 26 of D.11-07-031 provides that all funds remaining in MASH Track 2 should be shifted to MASH Track 1.

⁴ The California Solar Statistics website provides a MASH budget report that is updated weekly: http://www.californiasolarstatistics.ca.gov/reports/mash_budget/

⁵ D.11-07-031, pp. 52 and 53.

⁶ D.06-01-024, *mimeo.*, pp. 5 and 27, Conclusion of Law 9 at p. 43 (*see also* Appendix A, pp. 2-3).

⁷ SB 1 (Murray & Levine), *Chapter 132, Statutes of 2006*, sets forth specific CSI program requirements regarding program budget, conditions for solar incentives and eligibility criteria.

⁸ AB 2723 (Pavley), Chapter 864, Statutes 2006, required the Commission to ensure that not less than 10% of the CSI funds are used for the installation of solar energy systems on low-income residential housing and authorized the Commission to incorporate a revolving loan or loan guarantee program for this purpose.

On October 16, 2008, in D.08-10-036, the Commission established the \$108.34 million MASH Program as a component of the CSI Program. The MASH Program provides incentives “for solar installations on existing multifamily affordable housing that meet[s] the definition of low-income residential housing established in Public Utility Code § 2852.”⁹

The Commission adopted a two-track incentive structure “with Track 1 providing up-front incentives to systems that offset either common area or tenant load, and Track 2 providing an opportunity to compete for higher incentives through a grant program.”¹⁰

PG&E, SCE and CSE in SDG&E’s service territory administer incentives under the MASH Program. The Commission selected the general market CSI PAs because the target customers of the MASH Program, who are affordable housing building owners, are similar to the commercial and nonprofit customers of the general market CSI Program. The resulting synergy allowed the PAs to incorporate MASH into their existing CSI administrative structures and to implement MASH in a quick and cost-effective manner.¹¹

On October 7, 2013, Governor Brown signed Assembly Bill (AB) 217 into law providing renewed funding for the MASH and SASH program at an additional \$108 Million dollars and extending the program through 2021.

The overall goals for the MASH Program are to:

1. Stimulate adoption of solar power in the affordable housing sector
2. Improve energy utilization and overall quality of affordable housing through application of solar and energy efficiency technologies
3. Decrease electricity use and costs without increasing monthly household expenses for affordable housing building occupants
4. Increase awareness and appreciation of the benefits of solar among affordable housing occupants and developers.

Under the initial funding, the MASH Program would operate either until December 31, 2015, or until all funds available from the program’s incentive budget have been allocated, whichever event occurs first. PUC Section 2852(c)(3) requires that any program dollars unspent on January 1, 2016, are to be used for Low-Income Energy Efficiency programs.

In accordance with AB 217, the MASH program will operate either until December 31, 2021, or until all funds available from the program’s incentive budget have been allocated, whichever event occurs first.

⁹ D.08-10-036, Appendix A, *mimeo.*, p. 1.

¹⁰ D.08-10-036, *mimeo.*, p. 9.

¹¹ D.08-10-036, p. 24-25.

2.1. Incentive Types: Track 1 (A and B) and Track 2

The MASH Program is designed to subsidize solar PV generating systems in low-income multifamily housing. Incentivizing the installation of solar PV generating systems in the MASH Program is not as straightforward as in the general market CSI Program. Although affordable housing building owners are the target market, two different categories of customers may receive the benefits from an installed system: building owners and tenants. The incentive structure and rebate levels of the MASH Program were designed to allow benefits of the solar systems to accrue for both categories of customers.

To accomplish this goal, MASH incentives are divided into two different tracks: Track 1 and Track 2. Track 1 is similar to the general market CSI Program in that the rebate amount is fixed and capacity-based. As shown in Table 1, Track 1 offers different incentives for solar PV generating systems that offset the electric load for common areas and tenant units. The rebates are based only on the Expected Performance-Based Buydown (EPBB) method, which is a one-time lump sum payment made after verification of system installation. In the MASH Program, the EPBB incentive rates are fixed and do not automatically decline as they do in the general market CSI Program; instead, the incentive levels can be revisited, and the administrative law judge assigned to the CSI proceeding has the authority to reduce MASH Track 1 incentives by up to 10% each year.¹²

Table 1: MASH Track 1 Incentive Rates in \$/Watt²

Track 1A: PV System Offsetting Common Area Load	Track 1B: PV System Offsetting Tenant Area Load
\$1.90/watt	\$2.80/watt

Track 1A incentives are available for solar PV system installations that offset common area load; Track 1B incentives are available for systems that offset residential tenant unit electrical load. There is no mandate requiring property owners to install systems that offset tenant unit load in order to qualify for Track 1 incentives; however, the assumption is that the higher Track 1B rate is sufficient to incentivize property owners to provide solar electric benefits to their tenants.

The Track 2 category allowed applicants to compete for higher incentive rates if the project provides a quantifiable “direct tenant benefit” (i.e., any operating cost savings from solar that are shared with tenants). Other categories of benefits considered when determining an award included energy efficiency improvements in tenant units, on-site green job creation, training, outreach and education for tenants on sustainability topics.

¹² D.08-10-036, p. 14.

Two Track 2 award cycles were scheduled each year, and the PAs were able to award up to 20 percent of the total Track 2 budget in any given cycle; however, awards were not guaranteed during any cycle. For each winning application, a PA was able to award up to 100 percent of the capital costs for the project as well as ongoing operation and maintenance costs.

To ensure that the PAs applied consistent criteria in evaluating Track 2 applications, the PAs developed a standardized statewide Track 2 application and review process with consultation from members of the affordable housing community.

Track 2 was eliminated as a program offering in July 2011 because D.11-07-031 required unallocated Track 2 funds to be transferred to Track 1. The Decision noted that “the strong demand for Track 1 incentives indicate[d] that the higher Track 2 incentives [were] not necessary.”¹³

2.2. Virtual Net Metering

Following adoption of D.93586 in December 1981, most utilities closed their master meter/submeter tariffs to new installations. PUC Section 780.5 required individual utility metering in multi-unit residential buildings that received building permits after July 1, 1982. While this setup encourages tenants to conserve energy and have more control over their usage, it presented challenges to the low-income multifamily building owners who want to install solar PV generating systems intended to serve tenants. In order to offset energy usage in tenant units, an owner would have to install a separate system with its own inverter for every meter on the property (see Figure 1).

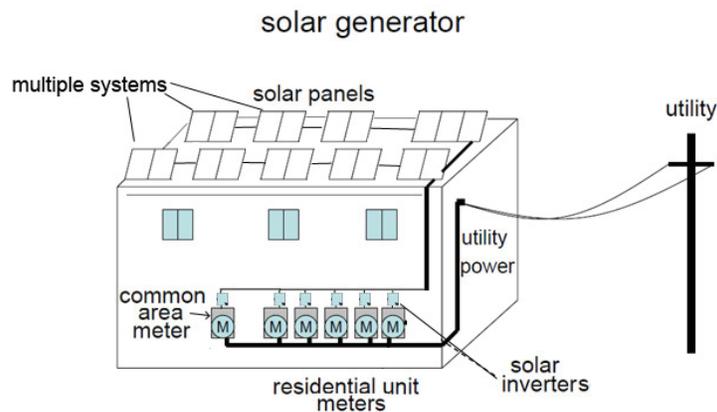


Figure 1: Conventional Solar Systems on Individually Metered Multifamily Housing

¹³D.11-07-031, pp. 52 and 53.

To encourage solar installations on low-income, multi-unit, affordable housing properties through the MASH Program, D.08-10-036 directed SCE, PG&E and SDG&E to file tariffs for an arrangement called virtual net metering (VNM). These tariffs allow multifamily affordable building owners that participate in the MASH Program to install a single solar PV generating system that covers the electrical load of the owner's common areas as well as the tenants' individual meters that are located within the residential complex.¹⁴ A residential complex is defined as all of the real property and apparatus employed in a single low-income housing enterprise on contiguous parcels of land, which may be divided by a dedicated street highway or public thoroughfare or railway; so long as they are otherwise contiguous and part of the same single low-income housing enterprise, they are all under the same ownership.

The virtual net metering process is described as a PV system installation on an individually metered building (see Figure 2) where the electricity generated by the system is fed back into the grid through a generator output meter, which measures the kilowatt-hours produced. Based on a prearranged allocation determined by the property owner, the participating utility allocates the kilowatt-hours resulting from the energy produced by the solar PV generating system to both the building owner's and tenants' individual utility accounts. The energy allocation to the tenant accounts is based on the relative size of the tenant's unit, consistent with the manner in which affordable housing rents are established. The allocated kilowatt-hours are then netted with the customer's usage and then billed in the same manner as a regular NEM customer's account. The VNM tariffs that PG&E, SCE and SDG&E offer are currently available to those customers that receive incentives through either the MASH Program or the California Energy Commission's New Solar Homes Partnership Program. Detailed VNM tariff requirements are located at each utility's website.

- PG&E: [Schedule NEMVMASH](#)
- SCE: [Schedule MASH VNM](#)
- SDG&E: [Schedule VNM-A](#)

¹⁴ D.11-07-031, Ordering Paragraph 1 at p.65, states that within 30 days of the effective date of the decision, SCE and SDG&E shall each file an advice letter to match PG&E's NEMVNMA tariff, and PG&E shall file an advice letter to remove the Dec. 31, 2011, sunset date for the option to serve accounts located at multiple customer service delivery points from its NEMVNMA tariff. Via PG&E Advice Letters 3718-E and 3718-E-A, PG&E modified its Schedule NEMVNMA, Virtual Net Energy Metering (VNM) Service for Individually Metered Residential Units and Owners with Housing Receiving Incentives from the Multifamily Affordable Solar Housing (MASH) Program and the New Solar Homes Partnership Program (NSHP) affordable housing to allow customers meeting certain requirements the option to alternatively elect to serve accounts located at multiple customer service delivery points within their "Eligible Low-Income Development" so as to fully utilize their solar generator(s) of not more than 1,000 kW also sited within their "Eligible-Low Income Development." These options are available to customers who are ready to interconnect no later than Dec. 31, 2011.

Each utility filed an advice letter as required by Ordering Paragraph 1 of D.11-07-031, within the required timeframe. The change to PG&E's and SCE's tariff became effective Sept. 14, 2011. PG&E's advice letter also changed the tariff name from NEMVNMA to NEMVMASH. The revision to SDG&E's tariff became effective Sept. 13, 2011.

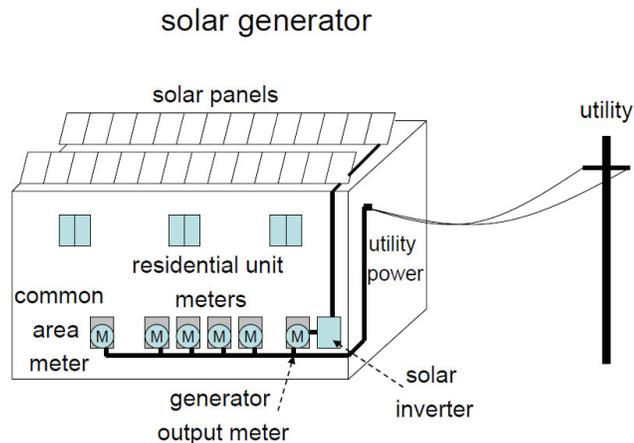


Figure 2: Virtual Net Metering System on Individually Metered Multifamily Housing

As MASH VNM projects begin their initial system design, it is important for the customer and the solar contractor to understand the requirements of the VNM tariff for each utility prior to the installation. MASH PAs work with the contractors and/or the customers to ensure compliance with the tariff.

2.3. Program Eligibility

Eligibility for the MASH Program is based on the characteristics of the affordable housing development, which must:

1. Meet the definition of “low-income residential housing”, as provided in PUC Section 2852
2. Have an occupancy permit¹⁵
3. Be an electric customer of SCE, PG&E or SDG&E

2.4. Budget

In an Assigned Commissioner’s Ruling dated February 5, 2007, in Rulemaking (R.)06-03-004, one-half of the \$216 million low-income CSI Program budget adopted by the Commission in D.06-12-033 (\$108 million) was reserved for multifamily affordable housing; the other half was allocated to single-family affordable homes. The MASH Program budget, shown in Table 2¹⁶, was adopted formally by the CPUC in D.08-10-036.

¹⁵ Conclusion of Law 30 of D.11-07-031 provides that the two-year occupancy requirement for MASH applicants is no longer needed, but projects may not receive incentives from both NSHP and MASH.

¹⁶ Conclusion of Law 26 of D.11-07-031 provides that all funds remaining in MASH Track 2 will be shifted to MASH Track 1. The shift modified the MASH budget allocation amounts between Track 1 and Track 2; however, the combined incentive total for Track 1 and Track 2 remains the same.

Twelve percent of each PA's MASH Program budget is reserved for program administration, including marketing and outreach (M&O) and program evaluation. The PAs must spend two percent on evaluation; however, the remaining ten percent can be split between general administration and marketing and outreach at each PA's discretion.

Table 2: MASH Budget Allocations by Utility Territory

	PG&E	SCE	CSE	Total
Budget %	43.7%	46%	10.3%	100%
Track 1A and 1B	\$32,923,230	\$34,656,032	\$7,759,938	\$75,339,200
Track 2	\$8,740,000	\$9,200,000	\$2,060,000	\$20,000,000
Administration (12%)	\$5,681,350	\$5,980,368	\$1,339,082	\$13,000,800
Total	\$47,344,580	\$49,836,400	\$11,159,020	\$108,340,000

From October 16, 2008, through December 31, 2014, total MASH Program expenditures were \$80,372,992. Incentive payments make up a significant portion of the total expenses at 95%. Table 3 details expenditures by PA.

Table 3: MASH Program Expenditures by Program Administrator

MASH Program Expenditure Data Oct 16, 2008¹⁷ to December 31, 2014				
Expenditure Type	CSE	PG&E	SCE	Total
Administrative	\$696,845	\$1,641,521	\$1,306,983	\$3,645,349
Marketing	\$90,201	\$37,232 ¹⁸	\$50,480	\$177,913
Measurement & Evaluation	\$72,795	\$433,265	\$29,385	\$535,445
Incentive	\$9,746,363	\$31,946,646	\$34,321,276	\$76,014,285
Total	\$10,606,204	\$34,058,664	\$35,708,124	\$80,372,992

¹⁷ Effective date of Decision 08-10-036.

¹⁸ PG&E conducted some reclassifying between early program marketing and administrative dollars since the last Semi-Annual Progress Report.

3. Program Progress

Since the publication of the last Semiannual Progress Report, six additional Track 1 applications have been completed program-wide for a total of 329 MASH solar projects with a capacity of 21.6 MW.

As shown in Table 4, the total number of completed projects by PA is comprised of 164 projects for PG&E, 126 for SCE and 39 for CSE. At the time of this publication, \$68,036,917 in incentives has been paid to MASH Track 1 projects statewide.

Table 4 also shows that there are a total of 51 MASH Track 1 applications in the pipeline, with incentives totaling \$16,761,819 and an estimated capacity of 6.83 MW.

Chart 1 illustrates the number of applications in each status as of December 31, 2014. One hundred percent of CSE's active¹⁹ projects are completed; approximately 83% of the projects in PG&E's territory and 88% in SCE's territory are finalized and paid.

Per D.11-07-031, MASH Track 2 has been closed, and all unallocated funds were transferred to Track 1. This change allowed the PAs to move Track 1 waitlist projects in their respective territories into active status. Customers and applicants were given the opportunity to revisit their applications and determine their feasibility given the reduction in the incentive rates and application fee requirements.

To access the most current MASH Program data available to the public, go to the California Solar Statistics website at <http://www.californiasolarstatistics.ca.gov/>.

¹⁹ Active status is defined as applications that are either under review, reserved or completed.

Table 4: Summary Data: MASH Track 1 Applications by Status

Summary Data (Track 1)				
UNDER REVIEW APPLICATIONS	CSE	PG&E	SCE	Total
Application (Number)	0	0	2	2
Capacity (MW)	0	0	0.265	0.265
Incentives	\$0	\$0	\$722,119	\$722,119
RESERVED APPLICATIONS				
Application (Number)	0	33	16	49
Capacity (MW)	0	3.214	3.356	6.570
Incentives	\$0	\$7,404,469	\$8,635,231	\$16,039,700
COMPLETED APPLICATIONS				
Application (Number)	39	164	126	329
Capacity (MW)	2.492	9.744	9.392	21.628
Incentives	\$8,927,347	\$29,405,676	\$29,703,894	\$68,036,917
WAITLIST APPLICATIONS				
Application (Number)	91	143	101	335
Capacity (MW)	15.539	23.807	14.366	53.712
Incentives	\$40,020,867	\$59,148,704	\$37,039,440	\$136,209,011
OTHER DETAILS				
Average Project Costs (\$/watt) Completed, before incentive	\$6.29	\$6.62	\$6.36	\$6.46
Average Dropout Rate	9.09%	5.83%	25.00%	13.31%

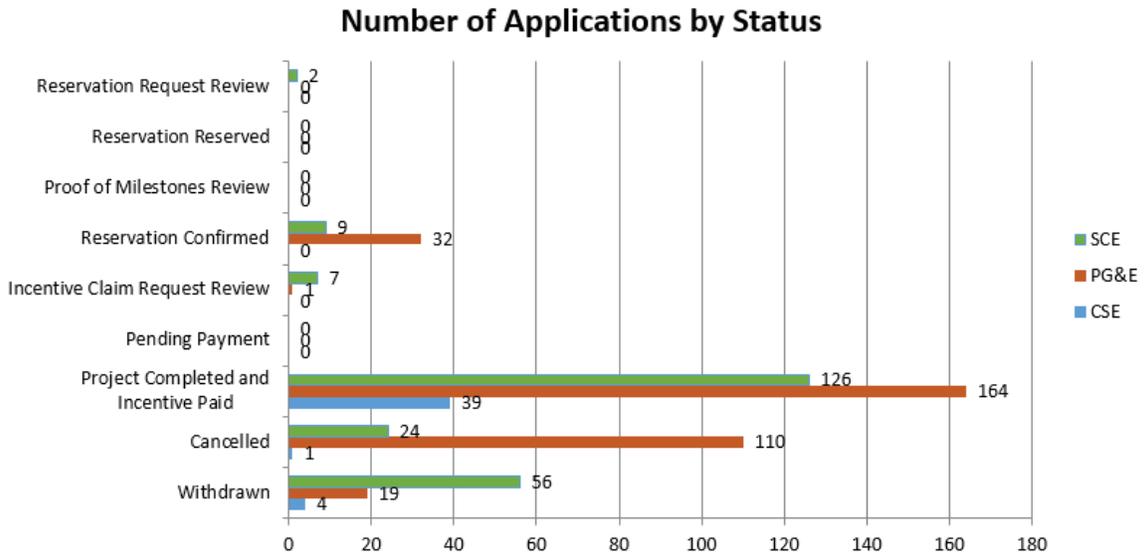
Data: October 16, 2008 – December 31, 2014

Source: PowerClerk and www.californiasolarstatics.ca.gov

Note: All system capacity measured in CEC-AC MW

Chart 1: Track 1 Applications by Status

To access the latest MASH Program statistics including waitlist status, customers and stakeholders are encouraged to visit the Go Solar California website at <http://www.californiasolarstatistics.ca.gov/>.



Data as of December 31, 2014
 Source: www.californiasolarstatistics.ca.gov

3.1. MASH Track 1 Activity

The charts and tables in this section illustrate detailed MASH Track 1 activity based on several data points, such as application status, number of active applications, system capacity and incentive dollars.

To illustrate program subscription under Track 1A (common area) and Track 1B (tenant area) incentives, the information has been separated between the two incentive tracks.

With a total of 34% of incentive dollars allocated for Track 1A and 66% for Track 1B, PV system investments appear to lean toward those that offset tenant electrical usage.

Table 5 shows that there are currently 1.513 MW reserved and 0.020 MW of capacity under review for Track 1A incentives. Across all PA territories, there is a total of 12.756 MW on the waitlist. So far, 9.407 MW of solar projects have been completed under Track 1A.

Table 5: Detailed Data: MASH Track 1A (Common Area) Applications by Status

UNDER REVIEW	CSE	PG&E	SCE	Total
Capacity (MW)	0.000	0.000	0.020	0.020
Incentives	\$0	\$0	\$37,881	\$37,881
RESERVED				
Capacity (MW)	0.000	0.744	0.769	1.513
Incentives	\$0	\$1,247,939	\$1,471,293	\$2,719,232
COMPLETED				
Capacity (MW)	0.437	4.706	4.264	9.407
Incentives	\$1,273,848	\$12,553,550	\$12,250,549	\$26,077,947
WAITLISTED				
Capacity (MW)	3.672	5.816	3.268	12.756
Incentives	\$6,918,535	\$10,626,512	\$6,157,971	\$23,703,018

Data: October 16, 2008 – December 31, 2014

Source: PowerClerk and www.californiasolarstatics.ca.gov

All system capacity measured in CEC-AC MW

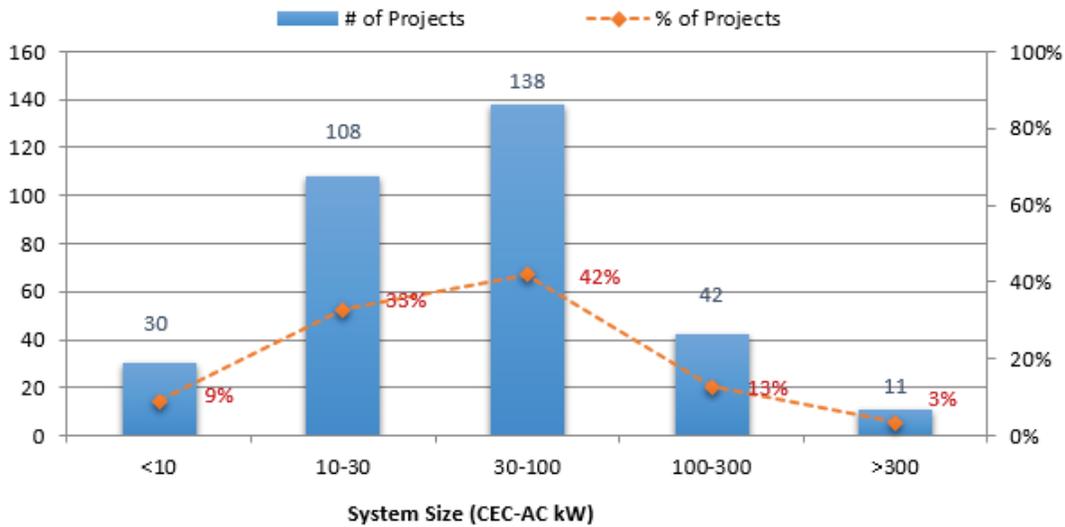
In comparison, Table 6 below shows that there are 5.057 MW reserved and 0.245 MW of capacity under review for Track 1B incentives. Across all PA territories, there is a total of 40.956 MW on the waitlist. So far, 12.221 MW of solar projects have been completed under Track 1B.

Table 6: Detailed Data: MASH Track 1B (Tenant) Applications by Status

UNDER REVIEW	CSE	PG&E	SCE	Total
Capacity (MW)	0.000	0.000	0.245	0.245
Incentives	\$0	\$0	\$684,238	\$684,238
RESERVED				
Capacity (MW)	0.000	2.471	2.586	5.057
Incentives	\$0	\$6,156,531	\$7,163,938	\$13,320,469
COMPLETED				
Capacity (MW)	2.055	5.038	5.128	12.221
Total Incentives	\$7,653,499	\$16,852,125	\$17,453,345	\$41,958,969
WAITLISTED				
Capacity (MW)	11.867	17.991	11.098	40.956
Incentives	\$33,102,332	\$48,522,192	\$30,881,469	\$112,505,993

Data: October 16, 2008 –December 31, 2014
 Source: PowerClerk and www.californiasolarstatics.ca.gov
 All system capacity measured in CEC-AC MW

Chart 2: Projects by System Size

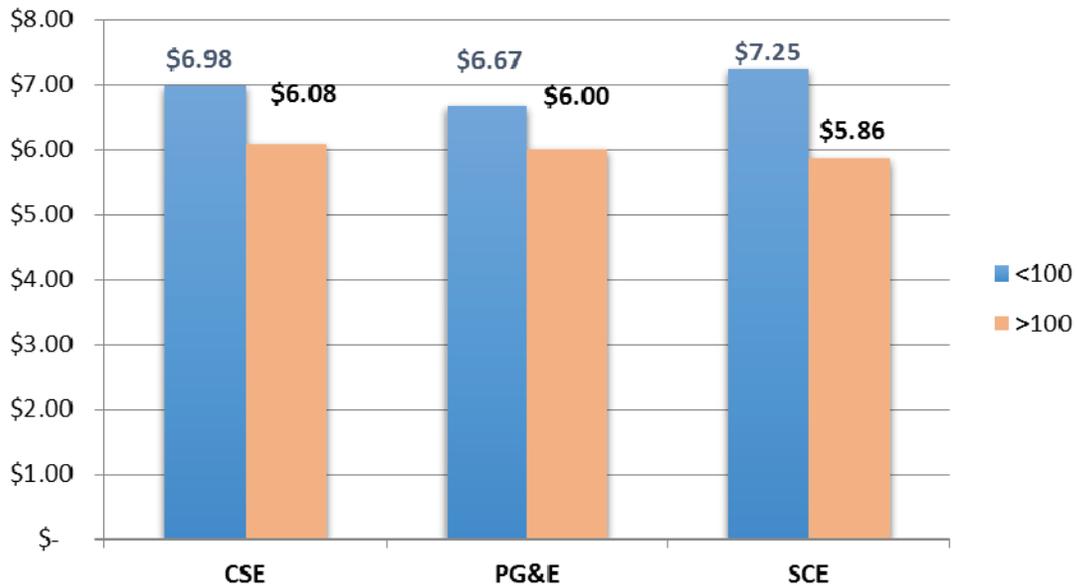


Data as of December 31, 2014
 Source: www.californiasolarstatics.ca.gov

In analyzing overall system size per project, 329 active projects were reviewed, and the average project size is 64 kW-AC. This is a slight decrease of 1 kW from the

average size reported in the last Semiannual Progress Report. Chart 2 indicates that most projects across all PA territories are in the range of 30 to 100 kW CEC-AC.

Chart 3: Average Cost per Watt by Project Size



Data as of December 31, 2014
Source: www.californiasolarstatics.ca.gov
Completed Track 1 Projects Only

When looking at the MASH Program, it is important also to look at the average cost per watt. In order to provide the most accurate cost information for this analysis, the data set used for Chart 3 is limited to Track 1 projects that have been completed. As shown in the chart, there is some cost variability between the PA territories. Overall, the average cost per watt for systems that are less than 100 kW CEC-AC are higher than those for systems 100 kW and greater. This is consistent with the general market CSI Program, where economies of scale lead to cost efficiencies in larger systems. The analysis consists of 329 Track 1 projects, and it is comprised of eight CSE projects greater than 100 kW and 31 projects less than 100 kW, 23 projects greater than 100 kW and 103 less than 100 kW attributed to SCE applications, and PG&E adds 22 projects greater than 100 kW and 142 less than 100 kW.

3.2. MASH Track 2 Incentives

Prior to the closure of Track 2, 13 distinct Track 2 projects were awarded across all PA territories. PA-specific Track 2 program information is in Table 7.

As reported in the previous Semiannual Progress Report, all MASH Track 2 projects have been completed across all service territories.

In summary, a total of 1.301 MW of capacity was installed, and \$7,977,314 of MASH Track 2 incentives was paid across all PA territories.

Table 7: Summary Data: Total MASH Track 2 Applications by Status

Summary Data (Track 2)				
RESERVED APPLICATIONS	CSE	PG&E	SCE	Total
Application (Number)	0	0	0	0
Capacity (MW)	0.000	0.000	0.000	0.000
Incentives	\$0	\$0	\$0	\$0
COMPLETED APPLICATIONS				
Application (Number)	2	7	4	13
Capacity (MW)	0.110	0.512	0.679	1.301
Incentives	\$818,964	\$2,540,968	\$4,617,382	\$7,977,314

Data: October 16, 2008 – December 31, 2014

Source: www.californiasolarstatics.ca.gov

Note: All system capacity measured in CEC-AC MW

3.3. Virtual Net Metering Activity

As discussed in Section 2.2, virtual net metering (VNM) is offered to MASH participants as an option for the installation of solar systems on multi-unit affordable housing properties. Since the VNM tariffs became available to SCE, PG&E and SDG&E customers, property owners have used VNM to pass on the benefits to their tenants.

Participating tenants receive monthly allocation of the energy produced by the solar PV system resulting in a reduction of their electric bill. As of December 31, 2014, a total of 6,315 tenant units are being served by VNM tariffs offered by the utilities. The number of participating tenants by PA territory is in Table 8.

Table 8: Tenant Units Served by Virtual Net Metering (VNM) Tariffs

	CSE	PG&E	SCE	Total
MASH VNM Tenant Units	1,160	3,857	1,298	6,315

Data through December 31, 2014

4. Regulatory Update

On July 23, 2014 the Advice Letter (AL)²⁰ that was jointly filed by the MASH PAs on June 23, 2014, was approved by the CPUC Energy Division and became effective. The AL proposed more detailed and comprehensive low-income eligibility documentation standards for the MASH programs and removed language regarding the MASH Track 2 incentive process.

On December 15, 2014, the Commission issued its Proposed Decision (PD) to implement Assembly Bill 217 (Stats. 2013, Ch. 609) and extend the MASH and SASH Programs. The PD outlines the proposed program changes and timeline for implementation. A final Decision is pending.

Conclusions

- A total of \$68,036,917 in incentives have been disbursed, and 21.628 MW of capacity have been installed through Track 1, with an additional 6.83 MW of capacity expected from active reservations.
- During 2015, there will be significant activity related to pending changes to the MASH Program. The MASH Program Administrators look forward to working with the affordable housing community to ensure the continued success of the MASH program moving forward.

²⁰ CCSE Advice 48 / PG&E Advice 4447-E / SCE Advice 3063-E, June 23, 2014.