



California Public Utilities Commission

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PRESS RELEASE

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CPUC ESTABLISHES INCENTIVE PROGRAM FOR MULTIFAMILY AFFORDABLE SOLAR HOUSING

SAN FRANCISCO, October 16, 2008 - The California Public Utilities Commission (CPUC) today announced that solar rebates will be available for qualifying affordable housing developments under a new \$108 million solar incentive program for Multifamily Affordable Solar Housing (MASH) as part of the California Solar Initiative (CSI).

The MASH program will provide solar rebates to qualifying affordable housing developments, as defined in state law. Incentive levels depend on whether the solar installation provides power to common areas of the affordable housing complex or directly to tenant units, with incentive levels of \$3.30 per watt for systems offsetting common area load, and \$4 per watt for systems offsetting tenant load. Applicants for MASH incentives may also apply for higher incentive levels through a competitive application process.

“According to a study done for the CPUC, approximately 50 percent of low income households in California, or approximately two million households, live in multifamily dwellings that may meet the definition of low income residential housing,” said CPUC President Michael R. Peevey. “Our Multifamily Affordable Solar Housing program is designed to address the unique challenges of deploying solar in a multi-tenant, affordable housing context. Given that a significant number of low income families in California are tenants living in multi-unit buildings, it is essential that affordable housing owners be provided meaningful incentives to invest in these systems.”



“The Multifamily Affordable Solar Housing program is another positive addition to our current family of programs that provide assistance to California households with less financial means,” said Commissioner Dian M. Grueneich. “This solar incentive program not only helps these households by decreasing monthly energy bills, but also helps California by decreasing its statewide energy consumption.”

“This program will help a million solar roofs bloom on apartment houses in addition to single family homes all over California,” commented Commissioner Rachele Chong. “This allows those building owners and occupants to go solar too.”

Today’s decision establishes MASH program budget and evaluation details and specifies that the program will be administered by the existing CSI Program Administrators, which are Pacific Gas and Electric Company (PG&E), Southern California Edison, and the California Center for Sustainable Energy.

The goals of the MASH program are to:

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

In order to encourage solar installations on multi-tenant affordable housing properties through the MASH program, this decision directs PG&E, Edison, and San Diego Gas and Electric Company to file tariffs for a “virtual net metering” program. Virtual net metering will allow the electricity produced by a single solar installation to be credited to the benefit of multiple tenants in the building without requiring the system to be physically connected to each tenant’s meter.



The CPUC set the following milestones for the MASH program:

- Within four months, the MASH program will be implemented in the service territories of PG&E, Edison, and SDG&E such that applications are available to the public.
- By the end of 2012, 50 affordable housing buildings should install solar energy systems through the program.
- By the end of 2010, the Program Administrators will have made reasonable efforts to identify the eligible population across the state within the PG&E, Edison, and SDG&E service territories, and have attempted to contact them about the MASH program.

In 2006, the CPUC created the CSI to support widespread deployment of distributed solar throughout the state of California. As part of that decision and pursuant to Senate Bill 1, the CPUC earmarked 10 percent of the program budget, or \$216 million, to provide incentives specifically targeting the low income community. Half of that budget, or \$108 million, was allocated to a low income single family program, which the CPUC established last November. Today's decision allocates the remaining low income CSI budget to address the unique challenges of multi-family affordable housing.

The proposal voted on today by the CPUC is available at:

http://docs.cpuc.ca.gov/word_pdf/AGENDA_DECISION/92166.doc.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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