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Staff Proposal: Redlined Disadvantaged Communities – Single-Family Solar Homes Program Handbook

Seventh Edition

[Month Date, Year]

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1. INTRODUCTION

1.1 Overview of the DAC-SASH Program

2 The DAC-SASH program is overseen by the California Public Utilities Commission (CPUC) and
3 provides solar photovoltaic (PV) incentives to qualifying low-income homeowners living in
4 disadvantaged communities (DAC) within the service territories of Pacific Gas & Electric
5 Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric
6 Company (SDG&E), collectively, the California investor-owned utilities (IOU).

7 Legislative and Regulatory Background:

8 Assembly Bill (AB) 327 (Perea), Stats. 2013, ch. 611 directed the Commission to develop a
9 successor to then-existing Net Energy Metering tariffs, and also required the Commission to
10 develop specific alternatives designed to increase adoption and growth of renewable generation
11 in disadvantaged communities (DACs). The Commission issued Decision (D.) 18-06-027 on
12 June 21, 2018, which adopted the DAC-SASH program, along with the DAC-Green Tariff and
13 Community Solar Green Tariff programs.

14 DAC-SASH utilizes the established, vetted, and successful Single-Family Affordable Solar
15 Homes (SASH) program model and framework to address the needs of this low-income
16 customer segment.¹ DAC-SASH modifies the SASH eligibility requirements for participants to
17 target low-income homeowners located specifically in DACs, as further described in Section 4.2,
18 Applicant Eligibility and Application Process.

19 ~~Program Goals: The goal of the DAC-SASH program is to provide opportunities for existing low-~~
20 ~~income customers within disadvantaged communities to overcome barriers to accessing on-site~~
21 ~~solar systems to decrease electricity usage and costs without increasing monthly household~~
22 ~~expenses. In addition to providing low-income homeowners with reduced electricity bills, the~~
23 ~~DAC-SASH program will also benefit the communities it serves by leveraging local green job~~
24 ~~training and workforce development programs to assist with installing the solar systems.~~

25 1.2 Program Administrator

26 GRID Alternatives is the single statewide Program Administrator (PA) for the DAC-SASH
27 program. GRID Alternatives (GRID, or Program Administrator) is a non-profit organization that
28 has also served as the statewide SASH Program Administrator since 2008. In the DAC-SASH
29 program, GRID manages statewide general administrative functions; all marketing, education,
30 and outreach activities; and oversees design, contracting, and installation for all solar electric
31 systems funded through the program. GRID coordinates closely with the CPUC Energy Division
32 on program development and implementation, and coordinates with the IOUs on specific
33 program elements, including referrals to the Energy Savings Assistance (ESA) program (See
34 Section 2.3 Energy Efficiency Requirements) and incentive payment processing (See Section 5
35 Incentive Payment Process). GRID Alternatives and Program Administrator are used
36 interchangeably throughout this document.

37 1.3 Program Budget

38 The CPUC authorized \$10M per year to be collected for DAC-SASH, beginning on January 1,
39 2019 ~~until June 30, 2026~~. The total program will be funded (as described further below) by
40 Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and
41 San Diego Gas & Electric Company (SDG&E) according to ~~the~~ these percentages:

Utility	PG&E	SCE	SDG&E	Total
Percentage	43.7%	46.0%	10.3%	100.0%

42 Funds need not be used in the year in which they are collected. The annual program funding will
43 be allocated to these primary program functions, by percentage:

Administration	10%
Marketing and Outreach	4%
Evaluation	1%
Incentives	85%

44 The administration and marketing and outreach budgets will be allocated 90 percent to the
45 Program Administrator (PA) and 10 percent to the IOUs over the lifetime of the program. The
46 IOUs are not obligated to pay incentives until funds are available.

47 The IOUs will first collect DAC-SASH program funding through available greenhouse gas (GHG)
48 allowance revenues. In the event that there are insufficient funds available from the GHG
49 allowance revenue, then the DAC-SASH program will be funded through customer rates via
50 public purpose funds.⁴

51 **2. PROGRAM REQUIREMENTS**

52 **2.1 The Participants in the DAC-SASH Program**

53 Within the nomenclature of the DAC-SASH program, the person who applies to participate in
54 the program will be referred to as an Applicant. GRID Alternatives is the DAC-SASH Program
55 Administrator and will be responsible for Applicant outreach and system installation.

56 **2.1.1 Applicant**

57 The Applicant completes and submits the DAC-SASH program application and serves as the
58 main contact person for the Program Administrator throughout the application process (see
59 Section 4.2.2, Application & Reservation Process). The DAC-SASH Program Administrator will
60 work directly with the Applicant to assist in filling out the application and collect the required
61 documentation, which minimally includes:

62 1) Proof of income;
63 2) Proof of homeownership;

⁴D. 18-06-027, p. 102

64 3) Most recent utility bill; and

65 4) Electrical usage, if available

66 Applications and submissions from outside entities will not be accepted by the Program
67 Administrator.

68 The DAC-SASH program incentive is only available to qualifying low-income homeowners
69 residing within a disadvantaged community (DAC), and is not available to commercial or any
70 other non-residential projects.

71 A DAC, for the purposes of the DAC-SASH program, is defined as a community that is
72 identified, by using ~~the latest version of CalEnviroScreen 4.0 (or the latest revision to~~
73 ~~CalEnviroScreen)~~, as among the top 25 percent of ~~most disadvantaged~~ census tracts
74 statewide or 22 census tracts in the highest 5 percent of CalEnviroScreen's Pollution
75 Burden that do not have an overall CalEnviroScreen score because of unreliable
76 socioeconomic or health data.

77 See Section 4.2, Applicant Eligibility and Application Process for eligibility requirements.

78 **2.1.2 System Owner**

79 In the DAC-SASH program, the Applicant may or may not be the System Owner, the party who
80 owns the generating equipment. The DAC-SASH program allows for Applicant-owned systems
81 (also called host customer-owned systems). Alternatively, the Applicant may enter into a third-
82 party ownership (TPO) arrangement with a CPUC-approved TPO partner in which the TPO
83 partner is the System Owner. Only the PA is authorized to develop, market, and contract the
84 CPUC-approved TPO model for DAC-SASH participants.²

85 Under the TPO model, GRID Alternatives prepays the costs of a TPO arrangement on behalf of,
86 and removes all financial liability from, the Applicant. The TPO model meets the twelve baseline
87 standards established by the CPUC and stakeholders to ensure iron-clad consumer protection
88 measures are included and that customers receive meaningful savings. These consumer
89 protection measures are further detailed in Section 6, Consumer Protection. GRID Alternatives
90 has a partnership with Sunrun Inc., approved by the CPUC as a TPO partner for the DAC-SASH
91 program in 2019.³ If GRID Alternatives enters into an agreement with a new TPO provider, it will
92 seek CPUC approval through the submission of a Tier 3 Advice Letter, as stated in OP 3 of
93 Resolution E-4719.

94 **2.1.3 Licensed Solar Contractor**

95 GRID Alternatives, as the DAC-SASH Program Administrator, will be responsible for the
96 installation of systems funded through the DAC-SASH program. All systems must be installed
97 by appropriately licensed California contractors in accordance with rules and regulations
98 adopted by the State of California Contractors State Licensing Board (CSLB). Installation

² Resolution E-4719. Pursuant to Decision 15-01-027, GRID Alternatives (GRID) requests approval of a Third Party Ownership (TPO) model for the Single Family Affordable Solar Homes (SASH) Program.

³ Resolution E-5020. Approving GRID Alternatives Advice Letter (AL) 13-E/E-A, Proposed Disadvantaged Communities – Single-family Solar Homes (DAC-SASH) Program Handbook and Program Implementation Plan, Pursuant to Decision (D.)18-06-027.

99 contractors must have an active C-10 or C-46 license for photovoltaic (PV) systems. All systems
100 must be installed in conformance with the manufacturers' specifications and with all applicable
101 electrical and building codes and standards.

102 The DAC-SASH Program Administrator will either install the systems under its C-10 or C-46
103 contractor licenses using its volunteer and job-trainee based installation model; or, hire a CA
104 solar contractor through GRID's Sub-Contractor Partnership Program (SPP) to install the
105 system. Information about SPP and the process for contractors to submit an application to
106 participate will be available on GRID Alternatives' website <https://gridalternatives.org>.

107 ~~The DAC-SASH Program is uniquely designed to incorporate job training programs intended to~~
108 ~~promote green-collar jobs in disadvantaged communities where DAC-SASH projects are being~~
109 ~~installed and to develop a trained workforce that will help foster a sustainable solar industry in~~
110 ~~California. Both GRID's volunteer-based installation model and SPP model incorporate a~~
111 ~~workforce development component. For additional details on job training requirements see~~
112 ~~Section 2.8, Job Training/Workforce Development Requirements.~~

113 **2.1.4 Third-party Ownership**

114 Under GRID's Third-party Ownership (TPO) model, GRID prepays all of the costs of the
115 agreement on behalf of the low-income customer and removes all financial liability for the
116 homeowner. This model was fully vetted and approved by the CPUC,⁶ and has been
117 successfully operating since 2015 in low-income communities throughout California through
118 GRID's administration of the SASH Program. GRID's TPO model meets the twelve baseline
119 standards established by the Commission and stakeholders to ensure iron-clad consumer
120 protection measures are included and that customers receive meaningful savings.⁴ These
121 consumer protection measures are further detailed in Section 7, Consumer Protection.

122 GRID has an existing, ongoing partnership with the national leader in this space, Sunrun Inc.,
123 approved by the Commission as a TPO partner in 2017⁵; as such, GRID will not need to seek a
124 new approval to continue working with Sunrun as a TPO partner for DAC-SASH. If GRID enters
125 into an agreement with a new TPO provider, GRID will seek Commission approval through the
126 submission of a Tier 3 Advice Letter, as stated in OP 3 of Resolution E-4719.⁶

127 **2.1.5 Investor-Owned Utility**

128 PG&E, SCE, and SDG&E are the investor-owned utilities (IOUs) that accept interconnection
129 applications from the DAC-SASH Program Administrator and interconnect approved systems
130 with the electric grid. They also disburse program funds to the Program Administrator. To
131 support the Program Administrator's marketing efforts, they generate and transmit to the
132 Program Administrator profiles of customers with a household income at or below the DAC-
133 SASH threshold; a single-family, owner-occupied home; and location in a DAC or tribal area.
134 This will be done on an annual basis from early 2021 until the program is 95 percent reserved in
135 each IOU territory, or until program closure. Further, IOUs collaborate with the Program

⁴ Resolution E-4719, p. 3-4.

⁵ Resolution E-4829. GRID Alternatives (GRID) requests approval of a second Third Party Ownership (TPO) model provider for the Single Family Affordable Solar Homes (SASH) Program. 2 March, 2017.

⁶ Resolution E-4719, p 17.

136 Administrator to market the program in their customer communications. The IOUs also receive
137 referrals to complementary programs from the Program Administrator. Finally, SCE administers
138 the Program Administrator's contract.

139

140 **2.2 Equipment Generator System Requirements**

141 PV systems (i.e., systems that cause direct conversion of sunlight to electricity) are the only
142 technologies eligible to receive incentives from the DAC-SASH program. Non-PV technologies,
143 including solar hot water systems, are not eligible for the DAC-SASH program incentive.

144 **2.2.1 Eligible Equipment**

145 All DAC-SASH PV system components (modules, inverters, **meter socket adapters**, and system
146 performance meters, if applicable) must be certified through the California Energy Commission's
147 (CEC) PV system certification program and meet all requirements for interconnection with the
148 electric utility, including Rule 21 requirements. Equipment must be certified by the CEC in order
149 for a project to be eligible for an incentive payment.

150 **2.2.2. System size**

151 The system size eligible for DAC-SASH Program incentives will be optimized for electric bill
152 impact. The maximum system size will be determined by applicable utility interconnection rules,
153 and the minimum system size is 1kW (CEC-AC).

154 GRID Alternatives will review the client's baseline usage, adjusted based on an estimate of
155 energy efficiency savings, and anticipated future load growth (including, e.g.. Electrification,
156 Electric Vehicles, comfort in the home) to determine the maximum system size that can receive
157 Program Incentives. This will be in place up to 150% of past usage and then beyond 150%,
158 future load growth will need to be documented by GRID and the verified homeowners. For
159 customers without historical electrical usage, an estimate of usage and energy efficiency will be
160 utilized to determine the maximum system size.

161

162 **2.3 Energy Efficiency Requirements**

163 ~~GRID Alternatives will provide energy efficiency training and education sessions for every
164 program Applicant, and assist in referring them to providers of additional energy efficiency
165 services. All DAC-SASH Applicants will be referred to the Energy Savings Assistance (ESA)
166 program, a low-income energy efficiency program administered by the IOUs. Applicants meeting
167 eligibility criteria for the program will be contacted by the IOUs for enrollment in ESA. The
168 Program Administrator will compile data on DAC-SASH participants who have been referred to,
169 and enrolled in, the ESA program. The Program Administrator will regularly track efficiency of
170 uptake, analyze this data, and create strategies to improve enrollment. The Program
171 Administrator will report bi-annually on the number of DAC-SASH participants who have been
172 referred to, and enrolled in, the ESA program.~~

173 ~~The Program Administrator will ensure incentives are not paid until feasible ESA program
174 measures are completed, the applicant is on a waiting list for ESA program completion, and/or
175 an energy efficiency training and education session is completed.~~

176 **2.3 Complementary Energy Programs**

177 The Program Administrator will refer all Applicants with completed applications to providers of
178 additional energy efficiency services. The Program Administrator will provide all such
179 Applicants' information to the IOUs for participation in the Energy Savings Assistance (ESA)
180 program, a low-income energy efficiency program administered by the IOUs, and in the
181 California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA)
182 programs, two low-income electricity rate discount programs administered by the IOUs.
183 Applicants are also considered for the Medical Baseline Rate. The IOUs reach out to Applicants
184 meeting eligibility criteria for optional enrollment in the ESA program, and automatically enroll
185 eligible Applicants in the appropriate rate discount program. The Program Administrator will
186 compile data on DAC-SASH participants who have been referred to, and enrolled in, these
187 programs. The Program Administrator will regularly track efficiency of uptake, analyze this data,
188 and create strategies to improve enrollment. The Program Administrator will report bi-annually
189 on the number of DAC-SASH participants who have been referred to, and enrolled in, these
190 programs.

191 **2.4 Warranty Requirements**

192 The Program Administrator will verify all solar panels and inverter(s) come with a manufacturer
193 warranty of between 10 and 25 years, and provide this equipment warranty information to the
194 Applicant. In addition to the manufacturer warranty, GRID Alternatives will provide a 10-year
195 labor and equipment warranty to provide for no-cost repair and replacement of system
196 components for the first 10 years of system operations, as based on the date of system
197 interconnection to the electric utility. Projects utilizing the TPO model will have additional
198 warranty coverage provided by the TPO partner, covering at minimum years 11-20. For projects
199 that are Applicant-owned and do not utilize the TPO model, the Applicant is responsible for all
200 operations and maintenance obligations after the 10-year warranty term expires. Applicants will
201 be educated on any potential costs of system maintenance and repair after the warranty period
202 expires.

203 **2.5 Permanency Requirements**

204 Equipment installed under the DAC-SASH program is intended to be in place for the duration of
205 its useful life. Only permanently installed systems are eligible for incentives. This means that the
206 solar system must demonstrate to the satisfaction of the Program Administrator adequate
207 assurances of physical permanence prior to receiving an incentive.

208 Physical permanence is to be demonstrated in accordance with industry practice for
209 permanently installed equipment. Equipment must be secured to a permanent surface. Any
210 indication of portability, including but not limited to temporary structures, quick disconnects,
211 unsecured equipment, wheels, carrying handles, dolly, trailer, or platform, will make the system
212 ineligible.

213 **2.6 Installation Standards**

214 To qualify for DAC-SASH Program incentives, an installation must meet a minimum
215 performance requirement, which is 85% of the Design Factor (DF) based on a modified

216 Expected Performance Based Buydown (EPBB) calculation.⁷ If the modified Design Factor is
217 less than 85%, the system does not qualify for the DAC-SASH program incentive.

218 The modified EPBB Design Factor calculation for the DAC-SASH program must be calculated
219 without the geographic correction (i.e. the geographic correction will always be 100%). Since the
220 current online EPBB calculator auto-fills the geographic correction based on the Site's ZIP code
221 and the value may be less than 100%, the DAC-SASH program's modified Design Factor may
222 need to be re-calculated manually using the formula in Exhibit A.

223 **2.7 Inspection Requirements**

224 **2.7.1 System Inspections**

225 ~~In-line with the requirements of the SASH program, the~~ The DAC-SASH Program Administrator
226 will ensure that at minimum, 1 in 12 DAC-SASH system installations are inspected for proper
227 installation and operability by an independent third party system inspector. Incentives will be
228 paid only after the system has passed this third-party inspection.

229 The system inspection will include, but is not limited to the verification of the following
230 information:

- 231 • System size and nameplates of equipment used;
- 232 • Design considerations: tilt, azimuth, standoff height, shading analysis;
- 233 • 85% modified Design Factor, minimum requirement;
- 234 • Address and location of system, verifying that it is located in a qualified DAC;
- 235 • Operability; inverter production reading; **and**
- 236 • **Permanency**.

237 If the inspector finds that an installed system does not comply with program and inspection
238 guidelines, no incentive payment will be made for that system until the system is modified to
239 meet DAC-SASH program guidelines or **(if the system size has been reported inaccurately)** the
240 incentive amount is recalculated.

242 For SPP-installed projects, initially one hundred percent of each sub-contractor's installations in
243 the DAC-SASH program will receive a Quality Assurance (QA) inspection conducted by an
244 independent, third-party inspector. The QA inspection will verify that the system was installed
245 using industry-standard best practices, and meets all of GRID's installation quality requirements.
246 The Program Administrator may reduce the QA inspection percentage over time for consistently
247 high-performing sub-contractors.

249 It is recommended, but not required, that the Applicant attend the inspections. However,

251

- 252 • If the Applicant is not present for an in-person inspection, the inspector will not conduct
253 the inspection unless permission was previously obtained in writing or via e-mail allowing
254 the inspector to conduct the inspection without the Applicant present, and;
- 255 • Access to all the equipment must be provided for in-person inspections or the inspector
will not conduct the inspection. For remote or "desktop reviews," the inspector will apply

⁷ <https://www.csi-epbb.com>

256 the same standards as an in-person inspection using comprehensive photos taken of the
257 site.

258 **2.8 Job Training/Workforce Development Requirements**

259 ~~The DAC-SASH Program will incorporate job training programs intended to promote green-~~
260 ~~collar jobs in disadvantaged communities and to develop a trained workforce that will help foster~~
261 ~~a sustainable solar industry in California. Each project installation must include at least one~~
262 ~~eligible job trainee⁸ to work on the installation.⁹~~

263 ~~Job training requirements for DAC-SASH will similarly follow those in place for the SASH~~
264 ~~program. Projects installed using GRID's volunteer and job trainee-based model must meet one~~
265 ~~of the 5 categories described below; projects installed with the SPP model must include at least~~
266 ~~one paid workday opportunity for an eligible job trainee, unless they are install-only projects in~~
267 ~~which case they may meet the job training requirement with either option above.~~

268 ~~To align with the industry standards, the below categories are relevant job task analysis~~
269 ~~categories for job trainees participating in the DAC-SASH program:~~

- 270 • ~~Directly work on solar installation~~
 - 271 ◦ ~~Installing Electrical Components~~
 - 272 ◦ ~~Installing Mechanical Components~~
 - 273 ◦ ~~Completing System Installation~~
 - 274 ◦ ~~Conducting Maintenance and Troubleshooting Activities~~
- 276 • ~~Project Design/Project Engineering~~
 - 277 ◦ ~~Designing Systems~~
- 279 • ~~Project management/coordination~~
 - 280 ◦ ~~Managing the Project~~

281 **Volunteer and Job Trainee Based Installation Model:** ~~Below are brief definitions of each~~
282 ~~eligible group for GRID's volunteer and job trainee based installation model, and additional~~
283 ~~information on these programs and requirements can be found at:~~
284 www.gridalternatives.org/programs/workforce-development.

⁸ D. 18-06-027, p. A-10

⁹ In Q2 2020, under the COVID-19 global pandemic and CA shelter-in-place orders, GRID submitted Advice Letter 15, *Proposed Modifications to the Single-family Affordable Solar Homes (SASH) and Disadvantaged Communities Single-family Solar Homes (DAC-SASH) Programs in Response to the COVID-19 Pandemic*, requesting a waiver option for the job training requirement to be used in no more than 10% of projects for 12 months from the effective date of the AL, for rare circumstances in which the job training requirement cannot safely be met. Use of this waiver will be reported in the program's Semi-Annual Progress Reports.

285

286 1. Team Leader: GRID Alternatives' Team Leader Program offers experienced volunteers
287 more comprehensive, in-depth training to further develop their skills and increase
288 employment opportunities in the growing solar jobs market. Team Leaders log a
289 minimum of 40 hours on GRID Alternatives' installations, complete a suite of six
290 certifications on technical skills, attend a leadership skills workshop, and complete two
291 installations to sign off on skills with a GRID installation supervisor. A minimum of one
292 (1) Team Leader must participate on the installation to meet the requirement for this
293 category.

294

295 2. SolarCorps Fellow: SolarCorps opportunities at GRID Alternatives include fellowships in
296 project management, system design, marketing and outreach, communications, job
297 trainee and volunteer management, market development, construction, and fundraising.
298 These are one year paid fellowships that are based on the AmeriCorps program and are
299 sometimes combined with additional funding from the Corporation for National and
300 Community Service. A minimum of one (1) SolarCorps Fellow must participate on the
301 installation to meet the requirement for this category.

302

303 3. Job Training Student: Some of GRID Alternatives' in-house installations are reserved for
304 job training groups of students from job training programs. These are students from
305 community colleges, vocational high schools, or community job training programs that
306 generally have completed a PV classroom component, but utilize GRID's installation as
307 the hands-on, real world application of the skills they are learning in a classroom. A
308 minimum of three (3) students from a job training organization group must participate on
309 the installation to meet the requirement for this category.

310

311 4. Installation Basics Training (IBT) Participant: GRID's Installation Basics Training (IBT)
312 program awards trainees with certificates for industry relevant skills learned and
313 demonstrated in GRID's unique, hands-on training environment under the supervision of
314 our professional solar installation staff. GRID currently offers 11 Skills Certificates that
315 cover a variety of array and electrical skills, such as conduit bending and racking
316 installations. To earn all 11 Skills Certificates, IBTs typically need to dedicate 130-300
317 hours in the field (8-20 complete installations). A minimum of three (3) IBT participants
318 must participate on the installation to meet the requirement.

319

320 5. Design & Construction Intern: Design and construction internships allow job seekers the
321 opportunity to explore a solar career in a real work environment while being coached
322 through skill development. GRID design & construction interns spend at least 6 weeks
323 and up to 4 months gaining solar installation training and experience on GRID's in-house
324 installations. Depending on their focus, interns may support with site visits, system
325 design, or direct installation. Internships include job search support, hard and soft skills
326 development under the instruction and supervision of experienced GRID staff, and
327 individualized goals depending on prior experience and personal objectives. A minimum

328 ~~of one (1) Design & Construction Intern must participate on the installation to meet the~~
329 ~~requirement for this category.~~

330 **Subcontractor Partnership Program Installation Model:** If a DAC-SASH project is installed
331 under the regular or full SPP model, the sub-contractor must hire at least one eligible job
332 trainee⁴⁰ to work on the installation, providing at least one paid workday. Both the sub-
333 contractor and the job trainee must complete the DAC-SASH SPP Affidavit, certifying the job
334 training opportunity was provided. If a project is installed under GRID's newer install-only SPP
335 model, where the sub-contractor completes the installation but does no upfront legwork such as
336 design, then in that case GRID has the option of fulfilling the job training requirement via its
337 regular channels.

338 In addition to the project level requirements detailed above for the volunteer and job trainee-
339 based installation model and the SPP installation model, DAC-SASH will incorporate a focused
340 effort on job training initiatives and local hiring plans to promote economic development within
341 DACs specifically. To achieve this, the Program Administrator will:

- 342 • ~~Maintain an online "resume bank/job board," with specific focus on inclusion of residents~~
343 ~~of DACs;~~
- 344 • ~~Ensure broad participation of Job Training Organizations (JTOs) across the IOU~~
345 ~~territories, with a specific focus on inclusion of JTOs located in DACs or serving DAC~~
346 ~~residents;~~
- 347 • ~~Target installation companies located in DACs to participate as SPP sub-contractors and~~
348 ~~provide resources to SPP contractors to facilitate hiring of job trainees residing in DACs.~~

349 The Program Administrator will collect and track data on both job training and local hiring,
350 provided by GRID and its network of PV installers in the SPP portfolio, working on projects that
351 receive DAC-SASH program incentives. Job training data will be included in the Semi-Annual
352 Report (see Section 6, Program Reporting for details).

353 **3. DAC-SASH PROGRAM INCENTIVE STRUCTURE**

354 This section provides a general overview of the DAC-SASH Program Incentive structure.
355 Installations will be provided a one-time payment under the Expected Performance Based
356 Buydown (EPBB) structure to help reduce the cost of installation.

357 The DAC-SASH program offers one non-declining incentive level of \$3/W, CEC-AC. The
358 incentive will be calculated based on the system size from the EPBB calculator. The incentive
359 level is the same for all Applicants.

360 **4. APPLICATION PROCESS FOR DAC-SASH PROJECTS**

361 **4.1 Applicant**

⁴⁰ Eligible job trainees come from PV installation and design training programs including those offered by a California Community College or other PV training programs offered to the public by local government workforce development programs, community nonprofits, private enterprises or the electrical workers union with 40+ hours of instruction and/or hands-on PV installation and design training.

362 The Applicant that completes and submits the DAC-SASH program application will serve as the
363 main contact person for the Program Administrator throughout the application process. The
364 DAC-SASH Program Administrator will work directly with the Applicant to assist them in filling
365 out the application and collecting the required documentation.

366 **4.2 Applicant Eligibility and Application Process**

367 The following section describes in detail the processes for applying for the DAC-SASH program.
368 The DAC-SASH Program Administrator will be the sole entity that reviews and accepts/rejects
369 applications.

370 **4.2.1 Applicant Eligibility**

371 To qualify for the DAC-SASH Program, the Applicant must meet the following minimum
372 requirements at the time of application submission:

- 373 A. Must be a customer (with a single utility account) of PG&E, SCE, or SDG&E. The project
374 site must be within the service territory of PG&E, SCE, or SDG&E.
- 375 B. The single-family residence must be ~~owned, and occupied by the Applicant as their~~ primary residence ~~and meet one of the following conditions: the residence and parcel~~
376 ~~are owned by the Applicant; the residence is owned by the Applicant and the parcel is~~
377 ~~owned by a community land trust; the residence is in California Indian Country (see~~
378 ~~requirement D, below) and it or the parcel is owned by a tribe; or the residence is deed-~~
379 ~~restricted affordable housing with a regulatory agreement, covenant, or other instrument~~
380 ~~limiting the rent to be affordable to households meeting the DAC-SASH program income~~
381 ~~limit, for a minimum of 20 years past the expected PV interconnection date.~~

383 In any of these cases but the first (the entire property being owned by the Applicant), the
384 Applicant must provide written permission from the property owner to the PA, with
385 contact information. The PA will use this contact information and/or other means of
386 contacting the property owner to verify the property owner's written permission.

- 387 C. The household's total annual income must meet the income eligibility requirements for
388 either the CARE program or FERA programs.

389 CARE and FERA income requirements are subject to annual changes. GRID
390 Alternatives will publish the most up-to-date income limits for CARE and FERA
391 on its website and in all program marketing materials.

- 392 D. The residence must be located in a qualified disadvantaged community (DAC) at the
393 time of program application or be considered within California Indian Country. The
394 designation of DACs is subject to change with updates to the CalEnviroScreen tool.
395 GRID's DAC-SASH website will contain information on eligible census tracts and any
396 updates to the CalEnviroScreen tool.¹¹

¹¹ A searchable map of disadvantaged communities is [linked](#) located here:

<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>
oehha.maps.arcgis.com/apps/View/index.html?appid=c3e4e4e1d115468390cf61d9db83efc4.

397 A DAC, for the purposes of the DAC-SASH program, is defined as a community that is
398 identified, by using **the latest version of CalEnviroScreen 4.0** (or ~~the latest revision to~~
399 ~~CalEnviroScreen~~), as among the top 25 percent of **most disadvantaged** census tracts
400 statewide or 22 census tracts in the highest 5 percent of CalEnviroScreen's Pollution
401 Burden that do not have an overall CalEnviroScreen score because of unreliable
402 socioeconomic or health data.

403 California Indian Country is defined in 18 United States Code Section 1151, with the
404 exception of privately held in-holdings, which are defined as non-Indian owned fee land
405 located within the exterior boundaries of California Indian Country; in the event of
406 multiple owners, such land shall be considered Indian owned if at least one owner is a
407 tribe or tribal member, regardless of the use of the land.

408 **4.2.2 Application and Reservation Process**

409 Potential Applicants can learn more about the DAC-SASH program or find the nearest GRID
410 Alternatives Affiliate office by visiting <http://www.gridalternatives.org>. Potential Applicants may
411 also leave an inquiry at the toll-free message line (866) 921-4696, e-mail
412 DACSASH@gridalternatives.org, or fill out an interest form at <https://www.gridolar.org>.

413 DAC-SASH Application process

- 414 1. After an initial pre-screening phone conversation, the Program Administrator's staff will
415 set up a meeting with the Applicant to discuss the details of the DAC-SASH program,
416 review the application, and answer any questions from the Applicant.
- 417 2. The Program Administrator will review all applications and ensure their completeness
418 and confirm that all required documentation has been provided.

419 The following documents, at minimum, are required:

- 420 a. Completed DAC-SASH Application;
- 421 b. **Proof of eligible housing**
- 422 c. Copy of most recent available Federal income tax return ~~or the 2019 tax returns~~
423 ~~in situations where more than 25% of a household's total income consists of~~
424 ~~unemployment income on the household's 2020 or 2021 tax return.~~ If exempt
425 from filing Federal taxes, proof of taxable income is needed for all household
426 members above 18 years old. Federal income tax returns and/or proof of taxable
427 income (for individuals exempt from filing) will be collected from individuals who
428 claim the property as their primary residence, including all family members
429 residing on the property;
- 430 d. Copy of most recent electricity bill; and
- 431 e. Electrical usage from the last 12 calendar months, if available.

- 432 3. The PA will refer the Applicant to the IOU for enrollment into the ESA, **and CARE or**
FERA programs.
- 433 4. If the Applicant qualifies for the DAC-SASH program, the Applicant will be notified of
434 their confirmed eligibility, and a Construction site visit will be scheduled to determine if
435 the Site is amenable to a solar installation. The criteria for determining solar suitability
436 includes roof condition, shading, and condition of electrical system. GRID typically does
437 not install on properties with less than 10 years of roof-life remaining before a roof
438 replacement is needed, to ensure maximum benefit to Applicants for the lifetime of the
439 system. A printout of EPBB Tool Calculation (www.csi-epbb.com) is required to ensure
440

442 the system design meets the 85% Design Factor requirement (see DAC-SASH Program
443 Handbook Section 2.6).

444

445 5. The PA will inform the Applicant of the maximum DAC-SASH program incentive
446 allowable and their estimated system cost. If the system cost is higher than the
447 incentive, GRID Alternatives will make a good faith effort to identify additional funding
448 resources to apply to the project. Applicants will also be advised of the financing gap and
449 offered the opportunity to pay it out-of-pocket. In a case where the GRID Alternatives
450 cannot identify additional funding sources and the Applicant cannot contribute, the
451 project may not be able to be reserved and contracted.

452 6. The Applicant will receive notification from the PA upon completion of the system design
453 and verification that all funding is in place to cover the system cost. At this point, the
454 Applicant will set up a contract signing appointment with the PA to sign an installation
455 agreement and an Incentive Reservation and Payment Assignment Authorization Form,
456 thereby confirming the incentive reservation.

457 **4.3 Eligibility Timelines**

458 Application: An application will be valid for 12 months from the date of confirmed application
459 completion and program eligibility by the Program Administrator. If an Applicant does not
460 confirm an incentive reservation within the 12 months of having a valid application, and would
461 like to participate in the program, they must resubmit an application with updated application
462 documentation to the Program Administrator.

463 Reservation: Incentive funds are reserved when the DAC-SASH Program Administrator
464 receives all information and documentation required for the Reservation, the project is
465 approved, and the Applicant signs an installation contract and an Incentive Reservation and
466 Payment Assignment Authorization Form. All reservations must be made prior to December
467 31,2030.

468 Installation Completion: The Applicant is encouraged to have the installation completed (and
469 interconnected to the electric utility) within eighteen months of the reservation date. If the
470 installation is not completed within eighteen months of the reservation, the Applicant may submit
471 a written request for a one-time extension by another six months. Approval of a request for a
472 change in Reservation Expiration Date will not change or modify any other reservation
473 condition. All installations must be completed by September 30, 2031, to receive the DAC-
474 SASH program incentive payment.

475 Incentive Payment: Projects that meet all DAC-SASH program requirements are eligible for an
476 incentive, provided that the incentive claim is submitted by the Program Administrator within 12
477 months of the date of interconnection (permission to operate) with the electric utility and the
478 project was completed (interconnected) after January 1, 2019.

479 **5. INCENTIVE PAYMENT PROCESS**

480 DAC-SASH incentive payments are issued by the IOUs, not by the Program Administrator.
481 Funding may be reserved for Applicants who have committed to purchase and install an eligible
482 solar energy system at a given Site. A funding reservation provides the purchaser assurance
483 that the reserved funds will be available when the payment claim is made.

484 **5.1 Incentive Payments**

485 The DAC-SASH Program Administrator is the only entity authorized to initiate DAC-SASH
486 incentive payments from the IOUs. The DAC-SASH Program Administrator will track the status
487 of each project and will submit the Applicant's incentive claim to the appropriate IOU only after
488 the solar system is purchased, installed, interconnected, and inspected. Since the Program
489 Administrator tracks the status of each project and the incentive payment request is
490 automatically generated upon completion or receipt of all required documentation, the Applicant
491 is not required to submit a formal incentive payment request.

492 Incentive payments cannot exceed actual equipment and installation costs. The Program
493 Administrator will ensure that total incentives do not exceed total project costs, and that
494 incentives paid for DAC-SASH projects in a particular IOU's territory does not exceed the
495 funding allocated for that IOU over the lifetime of the program. The IOUs are not obligated to
496 pay incentives until funds are available.

497 The Program Administrator will require the completion of all project milestones including the
498 application process, energy efficiency education/training and program referral, job training
499 requirements, PV-system installation, third-party inspection, and interconnection. Once
500 completion of these project milestones is confirmed, the DAC-SASH Program Administrator will
501 issue an incentive payment request to the appropriate IOU.

502 The incentive payment request will be specific to each IOU, and based on incentive payment
503 agreements between the IOU and GRID, but will typically include the following information:

- 504 • Project identifier (number from the GRID's database)
- 505 • DAC-SASH Applicant name and Project address
- 506 • Date of Permission to Operate issued by the electric utility
- 507 • Original reservation incentive amount
- 508 • As-built (installed) system size (in kW, CEC-AC) and incentive amount
- 509 • System cost and PV equipment installed (modules, inverter(s), **meter socket adapters**)
- 510 • Modified Design Factor
- 511 • Incentive Reservation and Payment Assignment Authorization Form, signed by Applicant
- 512 • Other information as may be requested by IOU or included in incentive payment
513 agreements with GRID.

514 The Applicant or designated payee (see below) will receive the incentive payment directly from
515 the IOU. The lump sum EPBB incentive payment issued constitutes final and complete
516 payment.

517 **5.2 Assignment of Incentive Payment to Another Party**

518 The Applicant is automatically the designated payee of the incentive payment. The Applicant
519 may assign the right to receive the payment to another party by completing an Incentive
520 Reservation and Payment Assignment Authorization Form and submitting it to the PA prior to
521 the payment of the incentive. The Incentive Reservation and Payment Assignment Authorization
522 Form requires original signatures or electronic signatures with a third-party verification. Payment
523 will be made to the Applicant or an assigned party, as indicated on the Incentive Reservation
524 and Payment Assignment Authorization Form, and will be mailed to the address provided or
525 issued through electronic payment. An Incentive Reservation and Payment Assignment
526 Authorization Form can be requested from the PA.

527 **5.3 Existing PV Systems**

528 The DAC-SASH program incentive is only available for qualifying PV systems with completed
529 installations (as signified by the date of interconnection to the IOU) after January 1, 2019. Under
530 no circumstances will a DAC-SASH incentive payment be made to ~~for~~ systems completed
531 before this date, even if the customer may have qualified for the DAC-SASH program incentive.

532 **6. PROGRAM REPORTING**

533 The DAC-SASH program will utilize the California Distributed Generation Statistics (DGStats)
534 website at <https://www.californiadgstats.ca.gov> to provide timely DAC-SASH program
535 information to the public and stakeholders. At minimum, DGStats will include information on
536 DAC-SASH program installations, in terms of number of installations, kW (CEC-AC) completed,
537 and location of projects by county. The PA will also include program budget information on
538 DGStats, including annual administrative and marketing and outreach budget expenditures, and
539 annual incentive budget allocations encumbered and remaining in each utility territory. DGStats
540 will be updated ~~weekly~~ ~~monthly~~ with DAC-SASH program information ~~until the final DAC-SASH~~
541 ~~program-funded installations occur.~~

542 The PA will publish a semi-annual program progress report detailing program activities that will
543 be available on the PA and CPUC websites. The semi-annual report will include at least the
544 data points listed below:

- 545 • Number of applications received
- 546 • Number of applications accepted
- 547 • Size of installations and expected annual output
- 548 • Total system cost in \$/kW (CEC-AC) before DAC-SASH incentive
- 549 • Progress of installations to MW targets
- 550 • Geographic areas served
- 551 • Incentive dollars paid by each IOU
- 552 • Installer used (if applicable)
- 553 • Applicant enrollment with the ~~ESAP, and CARE, and FERA~~ programs
- 554 • The number of customer 'profiles' provided by the IOUs pursuant to D.20-12-003,
555 number of these customers the PA reached out to and corresponding campaign metrics,
556 and number of resulting installations.
- 557 • Administrative and marketing expenditures

558 ~~The PA will also publish an annual marketing, education, and outreach (ME&O) plan that will be
559 available on the PA and CPUC websites. This will include analysis of the past year's program
560 performance in relation to the past year's goals and key performance indicators (KPI), and set
561 goals and KPIs for the upcoming year. The topic areas will be those listed above.~~

562 ~~The DAC-SASH program will also be evaluated by an independent third party program
563 evaluator every three (3) years beginning in 2021, and these evaluations will be orchestrated by
564 the CPUC. All third party DAC-SASH program evaluation reports will be made public on the
565 CPUC's website, as available.~~

566 **7. CONSUMER PROTECTION**

567 The PA will include strong consumer protection measures throughout program operations that
568 help ensure Applicants maximize benefits from their participation. Specific to the Third-Party
569 Ownership (TPO) model in the DAC-SASH program, the Program Administrator will ensure that

570 all TPO projects meet at least the following baseline consumer protection standards below,
571 originally established in Decision 15-01-027 for the SASH program¹², and adopted for the DAC-
572 SASH program:

573 Requirements for the DAC-SASH program TPO model:

- 574 1) Ensure the Program customers receive at least 50% of the savings, as compared to
575 standard IOU rates, from the PV generating equipment;
- 576 2) Reduce or eliminate barriers for customers with poor credit (low FICO score) to
577 qualify and participate;
- 578 3) Address concerns that homeowners may have about moving or selling their home
579 during the TPO contract term;
- 580 4) Cover maintenance, operations, inverter replacement, and monitoring;
- 581 5) Prohibit liens on homes;
- 582 6) Minimize the risk to the low-income customers that the PV system would be removed
583 for delinquent payments;
- 584 7) Ensure that all costs are apparent and upfront and that there is no risk that the TPO
585 deal would result in an additional financial burden to the customer;
- 586 8) Standardize financial terms for low-income customers where possible;
- 587 9) Protect the customer against terms that could change after contract signing;
- 588 10) Require that TPO agreements note the potential for additional costs associated with
589 the contract, if applicable;
- 590 11) Require the TPO provider to clearly explain that rate changes will affect the
591 economics of a power purchase agreement; and
- 592 12) Require that TPO agreement provisions spell out what happens in the event that the
593 solar financing company defaults.

594 For DAC-SASH projects installed using an Applicant-owned model (not-TPO model), the PA will
595 apply as many of the TPO consumer protection elements as are possible and appropriate. All
596 Applicants will receive comprehensive, in-language support to review program requirements
597 and contracts, a 10-year warranty for no-cost labor and equipment repairs, and long-term
598 support from the PA for questions that arise at any point in the process, including after project
599 completion.

¹² D. 15-01-027. Decision Extending the Multifamily Affordable Solar Homes and Single Family Affordable Solar Homes Programs Within the California Solar Initiative. 29 January, 2015. p. 49.

600 **EXHIBIT A**601 **EPBB – Manual Design Factor Calculation**

602 The DAC-SASH program requires a minimum Design Factor of 85%. The Design Factor
 603 calculation for the DAC-SASH program must be calculated without the geographic correction.
 604 The calculation requires multiplying:

605 1) the actual Design Correction [Dcorr] percentage (as calculated by the EPBB
 606 calculator)
 607 2) a Geographic Correction [Gcorr] of 100% (may be different from EPBB calculator
 608 value)
 609 3) the actual Installation Correction [Icorr] percentage (as calculated by the EPBB
 610 calculator)

611 *Example: The following example illustrates how to manually calculate the DAC-SASH program*
 612 *Design Factor using data from the EPBB Calculator's results page (see Image 1). Also, note*
 613 *that the incentive rate calculated by the EPBB Calculator does not apply to the DAC-SASH*
 614 *program (see Section 4, Incentive Structure and Payment Process).*

615 **Manual Calculation for DAC-SASH-approved Design Factor (see Image 1 below):**

616 **0.97046 (actual Dcorr) x 1.00 (modified Gcorr) x 0.98840 (actual Icorr) = 95.92%.**

617 Since the Design Factor is over 85%, this system would be eligible for the DAC-SASH program
 618 incentive.

Results

Annual kWh	4,697 (a)
at optimal tilt	4,800 (b)
facing south at optimal tilt	4,800 (c)
Summer Months	May-October
Summer kWh	2,922 (e)
at optimal tilt	2,936 (f)
facing south at optimal tilt	2,936 (g)
CEC-AC Rating	2.723 kW
Design Correction ²	99.523%
Geographic Correction ³	97.979%
Installation Correction ⁴	100.000%
Design Factor ⁵	97.512%
CSI Rating ⁶	2.655 kW
...	...

Dcorr: use actual value

Gcorr: use 100%

Icorr: use actual value

619

620 *IMAGE 1: this is a partial screenshot of an EPBB Calculator results page.

(END OF ATTACHMENT B)