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Disadvantaged Communities-Single-Family Solar Homes (DAC-SASH) Program Handbook

Sixth Edition

Approved August 1, 2025

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1. INTRODUCTION: DISADVANTAGED COMMUNITIES – SINGLE-FAMILY SOLAR HOMES DAC-SASH) PROGRAM

1.1 Overview of DAC-SASH Program

The Disadvantaged Communities – Single-Family Solar Homes (DAC-SASH) program is overseen by the California Public Utilities Commission (CPUC or Commission) and provides PV-solar incentives to qualifying low-income homeowners living in disadvantaged communities within the service territories of Pacific Gas & Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric (SDG&E), (collectively, the California investor-owned electric utilities or IOUs).

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

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

Program Goals: The goal of the DAC-SASH program is to provide opportunities for existing low-income customers within disadvantaged communities to overcome barriers to accessing on-site solar systems to decrease electricity usage and costs without increasing monthly household expenses.[2] In addition to providing low-income homeowners with reduced electricity bills, the DAC-SASH program will also benefit the communities it serves by leveraging local green-job training and workforce development programs to assist with installing the solar systems.

To decrease the expense burden for low-income homeowners, the DAC-SASH program provides eligible homeowners with incentives to help offset the upfront cost of a solar electric system (see Section 5, Incentive Payment Process for incentive details).

1.2 Program Administrator

GRID Alternatives is the single statewide Program Administrator (PA) for the DAC-SASH program. GRID Alternatives (GRID, or Program Administrator) is a non-profit organization that has also served as the statewide SASH Program Administrator since 2008. In the DAC-SASH program, GRID manages statewide general administrative functions; all marketing, education, and outreach activities; and oversees design, contracting, and installation for all solar electric systems funded through the program. GRID coordinates closely with the CPUC Energy Division on program development and implementation, and coordinates with the IOUs on specific program elements, including referrals to the Energy Savings Assistance (ESA) program (See

[1] D. 18-06-027: Alternate Decision Adopting Alternatives to Promote Solar Distributed Generation in Disadvantaged Communities. 21 June 2018, p. 28
[2] D. 18-06-027, p. A-1

Section 2.3 Energy Efficiency Requirements) and incentive payment processing (See Section 5 Incentive Payment Process). GRID Alternatives and Program Administrator are used interchangeably throughout this document.

1.3 Program Budget

The Commission has authorized $10M per year to be collected for DAC-SASH, beginning on January 1, 2019, and continuing through December 31, 2030. The total $120M program will be funded (as described further below) by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and 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%

The annual program funding will be allocated to these primary program functions, by percentage.

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

The IOUs will first collect DAC-SASH program funding through available greenhouse gas (GHG) allowance revenues. In the event that there are insufficient funds available from the GHG allowance revenue, then the DAC-SASH program will be funded through customer rates via public purpose funds.[3]

As described in Section 6, Program Reporting, up-to-date information on annual DAC-SASH program expenditures and availability of actual incentive amounts in each IOU's service territory will be made public on the California Distributed Generation Statistics (CalDGStats) website (https://www.californiadgstats.ca.gov/) on a weekly basis, along with other program information and statistics.

2. PROGRAM REQUIREMENTS

2.1 The Participants in the DAC-SASH Program

[3] D. 18-06-027, p. 102

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

2.1.1 Applicant

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

1) Proof of income;
2) Proof of homeownership;
3) Most recent utility bill; and
4) Electrical usage, if available

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

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

> A DAC, for the purposes of the DAC-SASH program, is defined as a community that is identified, by using CalEnviroScreen 3.0 (or the latest revision to CalEnviroScreen), as among the top 25 percent of census tracts statewide or 22 census tracts in the highest 5 percent of CalEnviroScreen's Pollution Burden that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data.[4]

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

2.1.2 System Owner

In the DAC-SASH program, the Applicant may or may not be the System Owner, the party who owns the generating equipment. The Applicant may enter into a Third-party Ownership (TPO) arrangement with a Commission-approved TPO partner, as further described in Section 2.1.4, Third-party Ownership, in which the TPO partner is the System Owner. Alternatively, the Applicant may enter into an Elective Pay arrangement with GRID, as further described in Section 2.1.5, GRID Elective Pay Ownership, in which GRID is the System Owner. The DAC-SASH program also allows for Applicant-owned systems (also called, Host-Customer owned systems). Only GRID Alternatives, as the DAC-SASH Program Administrator, is authorized to develop, market and contract the CPUC-approved TPO model[5] for DAC-SASH participants.

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[4] A map of disadvantaged communities is located here: oehha.maps.arcgis.com/apps/View/index.html?appid=c3e4e4e1d115468390cf61d9db83efc4 and the GRID DAC-SASH website will contain additional information on eligible census tracts and any updates to the CalEnviroScreen tool.

[5] 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. 25 June, 2015.

2.1.3 Licensed Solar Contractor / Installer

GRID Alternatives, as the DAC-SASH Program Administrator, will be responsible for the installation of systems funded through the DAC-SASH program. All systems must be installed by appropriately licensed California contractors in accordance with rules and regulations adopted by the State of California Contractors State Licensing Board (CSLB). Installation contractors must have an active C-10 or C-46 license for photovoltaic (PV) systems. All systems must be installed in conformance with the manufacturers' specifications and with all applicable electrical and building codes and standards.

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

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

2.1.4 Third-party Ownership

Under GRID's Third-party Ownership (TPO) model, GRID prepays all of the costs of the agreement on behalf of the low-income customer and removes all financial liability for the homeowner. This model was fully vetted and approved by the CPUC,[6] and successfully operated from 2015 through July 2025 in low-income communities throughout California through GRID's administration of the SASH and DAC-SASH Programs. GRID's TPO model meets the twelve baseline standards established by the Commission and stakeholders to ensure iron-clad consumer protection measures are included and that customers receive meaningful savings.[7] These consumer protection measures are further detailed in Section 7, Consumer Protection.

GRID had a partnership with the national leader in this space, Sunrun Inc., approved by the Commission as a TPO partner in 2017[8], which continued through July 21, 2025. If GRID enters into a new agreement with Sunrun, with different terms than those already approved, or with a new TPO provider, GRID will seek Commission approval through the submission of a Tier 3 Advice Letter, as stated in OP 3 of Resolution E-4719.[9]

2.1.5 GRID Elective Pay Ownership

Under GRID's Elective Pay model, GRID takes on all of the costs of the agreement on behalf of the low-income customer and removes all financial liability for the homeowner, but GRID, rather than a TPO, is the system owner. GRID may apply DAC-SASH incentive funds toward prepayment of power purchase agreement or other costs, at GRID's sole discretion. This

[6] Resolution E-4719, p. 1.
[7] Resolution E-4719, p. 3-4.
[8] 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.
[9] Resolution E-4719, p 17.

consolidated model was enabled by federal legislation enacted in 2022 providing elective payment of tax-based incentives to tax-exempt entities, and approved by the Commission in 2025. Like the TPO model, it meets the twelve Consumer Protection standards detailed in Section 7. If GRID makes substantive changes to the terms of its elective pay system ownership agreement, GRID will submit a Tier 2 Advice Letter demonstrating continued compliance with the Consumer Protection standards.

2.2 Generator System Requirements

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

2.2.1 Eligible Equipment

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

2.2.2. System size

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

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

2.3 Energy Efficiency Requirements

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

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

2.4 Warranty Requirements

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

2.5 Permanency Requirements

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

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

2.6 Installation Standards

To qualify for DAC-SASH Program incentives, an installation must meet a minimum performance requirement, which is 85% of the Design Factor (DF) based on a modified Estimated Performance Based Buydown (EPBB) calculation. If the modified Design Factor is less than 85%, the system does not qualify for the DAC-SASH Program incentive.

The modified EPBB Design Factor calculation for the DAC-SASH Program must be calculated <u>without</u> the geographic correction (i.e. the geographic correction will always be 100%). Since the current online EPBB calculator auto-fills the geographic correction based on the Site's zip code and may be less than 100%, the DAC-SASH Program's modified Design Factor may need to be re-calculated manually using the formula in Exhibit A.

2.7 Inspection Requirements

2.7.1 System Inspections

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

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

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

If the third-party inspector finds that an installed system does not comply with program and inspection guidelines, no incentive payment will be made for that system until the system is modified to meet DAC-SASH program guidelines or the incentive amount is recalculated.

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

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

- If the Applicant is not present for the in-person inspection, the inspector will not conduct the inspection unless permission was previously obtained in writing or via e-mail allowing the inspector to conduct the inspection without the Applicant present, and;
- 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 the same standards as an in-person inspection using comprehensive photos taken of the site.

2.8 Job Training/Workforce Development Requirements

The DAC-SASH Program will incorporate job training programs intended to promote green-collar jobs in disadvantaged communities and to develop a trained workforce that will help foster a sustainable solar industry in California. Each project installation must include at least one eligible job trainee[10] to work on the installation.[11]

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

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[10] D. 18-06-027, p. A-10

[11] 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.

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

- Directly work on solar installation
    - Installing Electrical Components
    - Installing Mechanical Components
    - Completing System Installation
    - Conducting Maintenance and Troubleshooting Activities

- Project Design/Project Engineering
    - Designing Systems

- Project management/coordination
    - Managing the Project

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

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

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

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

4. Installation Basics Training (IBT) Participant: GRID's Installation Basics Training (IBT) program awards trainees with certificates for industry-relevant skills learned and demonstrated in GRID's unique, hands-on training environment under the supervision of our professional solar installation staff. GRID currently offers 11 Skills Certificates that cover a variety of array and electrical skills, such as conduit bending and racking installations. To

earn all 11 Skills Certificates, IBTs typically need to dedicate 130-300 hours in the field (8-20 complete installations). A minimum of three (3) IBT participants must participate on the installation to meet the requirement.

5. Design & Construction Intern: Design and construction internships allow job seekers the opportunity to explore a solar career in a real work environment while being coached through skill development. GRID design & construction interns spend at least 6 weeks and up to 4 months gaining solar installation training and experience on GRID's in-house installations. Depending on their focus, interns may support with site visits, system design, or direct installation. Internships include job search support, hard and soft skills development under the instruction and supervision of experienced GRID staff, and individualized goals depending on prior experience and personal objectives. A minimum of one (1) Design & Construction Intern must participate on the installation to meet the requirement for this category.

Subcontractor Partnership Program Installation Model: If a DAC-SASH project is installed under the regular or full SPP model, the sub-contractor must hire at least one eligible job trainee[12] to work on the installation, providing at least one paid workday. Both the sub-contractor and the job trainee must complete the DAC-SASH SPP Affidavit, certifying the job training opportunity was provided. If a project is installed under GRID's newer install-only SPP model, where the sub-contractor completes the installation but does no upfront legwork such as design, then in that case GRID has the option of fulfilling the job training requirement via its regular channels.

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

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

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

[12] 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.

3. DAC-SASH PROGRAM INCENTIVE STRUCTURE

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

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

4. APPLICATION PROCESS FOR DAC-SASH PROJECTS

4.1 Applicant

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

4.2 Applicant Eligibility and Application Process

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

4.2.1 Applicant Eligibility

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

A. Must be a customer of PG&E, SCE, or SDG&E.

The project's Site must be within the service territory of PG&E, SCE, or SDG&E.

B. The single-family residence must be owned, and occupied, by the Applicant as their primary residence.

C. The household's total annual income must meet the income eligibility requirements for either the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.

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

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

A DAC, for the purposes of the DAC-SASH program, is defined as a community that is identified, by using CalEnviroScreen 4.0 (or the latest revision to CalEnviroScreen), as among the top 25 percent of census tracts statewide or 22 census tracts in the highest 5 percent of CalEnviroScreen's Pollution Burden that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data.[13]

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

4.2.2 Application and Reservation Process

Potential Applicants can learn more about the DAC-SASH program or find the nearest GRID Affiliate office by visiting www.gridalternatives.org. Applicants may also leave an inquiry at the toll free message line (866)921-4696 or by e-mailing DACSASH@gridalternatives.org, or by filling out an application on https://www.gridsolar.org/.

DAC-SASH Application process

1. After an initial pre-screening phone conversation, the Program Administrator's staff will set up a meeting with the Applicant to discuss the details of the DAC-SASH program, review the application, and answer any questions from the Applicant.

2. The Program Administrator will review all applications and ensure their completeness and confirm all required documentation has been provided.

   The following documents, at minimum, are required:
   - i. Completed DAC-SASH Application;
   - ii. Copy of most recent available Federal income tax return or the 2019 tax returns in situations where more than 25% of a household's total income consists of unemployment income on the household's 2020 or 2021 tax return. If exempt from filing Federal taxes, proof of taxable income is needed for all household members above 18 years old. Federal income tax returns and/or proof of taxable income (for individuals exempt from filing) will be collected from individuals who claim the property as their primary residence, including all family members residing on the property;
   - iii. Copy of most recent electricity bill; and
   - iv. Electrical usage from the last 12 calendar months, if available.

3. The Program Administrator will refer the Applicant for enrollment into the ESA program.

[13] A map of disadvantaged communities is located here: oehha.maps.arcgis.com/apps/View/index.html?appid=c3e4e4e1d115468390cf61d9db83efc4.

4. If the Applicant qualifies for the DAC-SASH program, the Application will be notified of their confirmed eligibility, and a Construction site visit will be scheduled to determine if the Site is amenable to a solar installation. The criteria for determining solar suitability includes roof condition, shading, and condition of electrical system. GRID typically does not install on properties with less than 10 years of roof-life remaining before a roof replacement is needed, to ensure maximum benefit to Applicants for the lifetime of the system. A printout of EPBB Tool Calculation (www.csi-epbb.com) is required to ensure the system design meets the 85% Design Factor requirement (see DAC-SASH Program Handbook Section 2.6).

5. GRID Alternatives will provide DAC-SASH applicants with the maximum DAC-SASH Program incentive allowable and their estimated system cost. If the system cost is higher than the incentive, GRID Alternatives will make a good faith effort to identify additional funding resources to apply to the project. Applicants will also be advised of the financing gap and offered the opportunity to pay it out-of-pocket. In a case where GRID Alternatives cannot identify additional funding sources and the applicant cannot contribute, the project may not be able to be reserved and contracted.

6. The Applicant will receive notification from the Program Administrator upon completion of the system design and after verifying that all funding is in place to cover the system cost. At this point, the Applicant will set up a contract signing appointment with the Program Administrator's staff to sign an installation agreement, and Incentive Reservation and Payment Assignment Authorization Form, thereby confirming the incentive reservation.

4.2.3 DAC-SASH Eligibility Timelines

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

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

Installation Completion: The Applicant is encouraged to have the installation completed (and interconnected to the electric utility) within eighteen months of the reservation date. If the installation is not completed within eighteen months of the reservation, the Applicant may submit a written request for a one-time extension by another six months. Approval of a request for a change in Reservation Expiration Date will not change or modify any other reservation

condition. All installations must be completed by September 30, 2031[14], to receive the DAC-SASH Program incentive payment.

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

5. INCENTIVE PAYMENT PROCESS

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

5.1 Incentive Payments

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

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

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

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

- Project identifier (number from GRID's database)
- DAC-SASH Applicant name and Project address
- Date of Permission to Operate (PTO) issued by the electric utility
- Original reservation incentive amount
- As-built (Installed) system size (in kW, CEC-AC) and incentive amount
- System cost and PV equipment installed (modules, inverter(s))
- Modified Design Factor

[14] Installations must be complete by September 30, 2031 to ensure incentive payments are finalized by January 1, 2032.

- Incentive Reservation and Payment Assignment Authorization Form, signed by Applicant
- Other information as may be requested by IOU or included in incentive payment agreements with GRID.

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

5.2 Assignment of Incentive Payment to Another Party

The Applicant is automatically the designated payee of the incentive payment. The Applicant may assign his or her right to receive the payment to another party by completing an Incentive Reservation and Payment Assignment Authorization Form and submitting it to the DAC-SASH Program Administrator prior to the payment of the incentive. The Incentive Reservation and Payment Assignment Authorization Form requires original signatures or electronic signatures with a third-party verification. Payment will be made to the Applicant or an assigned party, as indicated on the Incentive Reservation and Payment Assignment Authorization Form, and will be mailed to the address provided or issued through electronic payment. An Incentive Reservation and Payment Assignment Authorization Form can be requested from the DAC-SASH Program Administrator.

5.3 Existing PV Systems

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

6. PROGRAM REPORTING

The DAC-SASH program will utilize the existing California Distributed Generation Statistics (CalDGStats) website at https://www.californiadgstats.ca.gov/ to provide timely DAC-SASH program information to the public. At minimum, CalDGStats will include information on DAC-SASH program installations, in terms of number of installations, kW (CEC-AC) completed, and location of projects by county. The DAC-SASH Program Administrator will also include program budget information on CalDGStats, including annual administrative and marketing and outreach budget expenditures, and annual incentive budget allocations encumbered and remaining in each utility territory. CalDGStats will be updated weekly with DAC-SASH program information, ensuring that the public and program stakeholders have consistent access to the most up-to-date information.

In addition to CalDGStats, the GRID will publish a semi-annual program progress report detailing program activities that will be available to the public on the websites of GRID Alternatives and the CPUC. The semi-annual report will include at least the data points listed below:

- Number of applications received

- Number of applications accepted
- Size of installations and expected annual output
- Total system cost in $/kW before subsidy
- Progress of installations to MW targets
- Geographic areas served
- Incentive dollars paid by each utility
- Installer used (if applicable)
- Applicant enrollment with ESAP, and CARE/FERA (if data is available)
- Administrative and marketing expenditures

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

7. CONSUMER PROTECTION

The DAC-SASH Program Administrator will include strong consumer protections measures throughout program operations that can help ensure Applicants maximize benefits from their participation. Specific to the Third-Party Ownership (TPO) model in the DAC-SASH program, the Program Administrator will ensure that all TPO projects meet at least the following baseline consumer protection standards below, originally established in Decision 15-01-027 for the SASH program[15], and adopted for the DAC-SASH program:

<u>Requirements for the DAC-SASH program TPO model:</u>

1) Ensure the Program customers receive at least 50% of the savings, as compared to standard IOU rates, from the PV generating equipment;
2) Reduce or eliminate barriers for customers with poor credit (low FICO score) to qualify and participate;
3) Address concerns that homeowners may have about moving or selling their home during the TPO contract term;
4) Cover maintenance, operations, inverter replacement, and monitoring;
5) Prohibit liens on homes;
6) Minimize the risk to the low-income customers that the PV system would be removed for delinquent payments;
7) Ensure that all costs are apparent and upfront and that there is no risk that the TPO deal would result in an additional financial burden to the customer;
8) Standardize financial terms for low-income customers where possible;
9) Protect the customer against terms that could change after contract signing;

[15] 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.

10) Require that TPO agreements note the potential for additional costs associated with the contract, if applicable;
11) Require the TPO provider to clearly explain that rate changes will affect the economics of a power purchase agreement; and
12) Require that TPO agreement provisions spell out what happens in the event that the solar financing company defaults.

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

Exhibit A

EPBB – Manual Design Factor Calculation

The DAC-SASH Program requires a minimum Design Factor of 85%. The Design Factor calculation for the DAC-SASH Program must be calculated <u>without</u> the geographic correction. The calculation requires multiplying:

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

<u>Example:</u> The following example illustrates how to manually calculate the DAC-SASH Program Design Factor using data from the EPBB Calculator's results page (see Image 1). Also, note that the incentive rate calculated by the EPBB Calculator does not apply to the DAC-SASH Program (see Section 3 for SASH Program incentives).

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

0.97046 (actual Dcorr) x 1.00 (modified Gcorr) x 0.98840 (actual Icorr) = <u>95.92%.</u>

Since the Design Factor is over 85%, this system would be eligible for the DAC-SASH Program 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

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