

Q1 2023 SOMAH Public Forum Notes

Date: Wednesday, March 8, 2023

Time: 1:00 - 2:30pm

Purpose:

The purpose of the SOMAH Public Forum is to share program progress and updates while creating an opportunity for program stakeholders and participants to ask questions, share concerns and provide feedback. This forum will cover the latest program stats and updates, SOMAH's new fleet monitoring program, and SOMAH's goals and priorities for the year. This forum will be held remotely.

The forum is ideally suited for multifamily affordable housing property owners, solar contractors, community-based organizations or CBOs (affordable housing, environmental justice, tenants' rights, etc.), investor-owned utilities, community choice aggregators and job training organizations interested in getting program updates and providing feedback to the SOMAH Program Administrator.

Welcome & Introductions

Peter Pierre, SOMAH's Senior Coordinator of Tenant Services and CBO Partnerships, kicked off the meeting by welcoming attendees and explaining the purpose of the forum. Peter stated the SOMAH Program Administrator (PA) team's commitment to equity and energy and environmental justice. Peter ended off by reviewing the forum agenda, SOMAH's current list of staff, and meeting guidelines.

Session 1: SOMAH Program Update

Peter Pierre presented key program updates and statistics:

Utility Territory	# of Active Applications	Available Funding Remaining
Pacific Gas & Electric	244	~\$155,828,279
Southern California Edison	140	~\$214,146,871
San Diego Gas & Electric	50	~\$47,062,478
PacifiCorp	0	~\$6,882,262

Liberty Utilities	2	~\$1,872,515
Totals	436	\$425.7 million

The SOMAH PA is proud to report that 32.6% of SOMAH's active applications are located in Disadvantaged Communities (DACs), and ~86% of the solar credits from SOMAH projects will be allocated directly to tenants. Active applications are also estimated to serve more than 34,438 tenants with an average system size of ~148 kW. There are currently 13 participating contractors in the program, with 16 additional subcontractors reported at this time. The pipeline also supports 131 training opportunities, leveraging 4 job training organization relationships and equating to 14,030 current training hours and averaging to \$294,630 in current wages.

To date, 62 progress payments have been approved for PG&E, SCE, and SDG&E projects, with no additional projects under review or pending payments. No projects in the Liberty or PacifiCorp territories have requested progress payments. These progress payments total to \$11.3 million. 81 final incentive payments have been issued to PG&E, SDG&E, and SCE projects totaling to over \$21.3 million. SOMAH has fully completed 82 projects, with 13.96 MW of electricity serving over 7,333 tenant units across the state.

The SOMAH PA is happy to report that a Proposed Decision was issued for the Incentives Petition for Modification (PFM) on February 10, 2023. The PFM is currently pending a commission vote and Final Decision. As written, the Proposed Decision:

- Increases current incentive levels and eliminates the annual step-down in incentives established in Decision 17-12-022.
- Denies the request to enable the SOMAH PA to propose future changes to incentive levels via Advice Letter.
- Defers addressing the request for a differentiated incentive for properties in DACs, leaving this element to be considered in a forthcoming ruling.

The PA is also excited to announce the most recent program Handbook 6.0, with the Advice Letter approved on March 6th, 2023. A full rollout of program updates is underway. Active participants should stay tuned for an email in the coming weeks for confirmation of new features being rolled out in PowerClerk to support the application streamlining initiatives. You can sign up for the [SOMAH listserv](#) to receive the most up-to-date information on program announcements and updates.

The PA continues to monitor Inflation Reduction Act (IRA) updates to better understand how they benefit the SOMAH Program and its participants. The IRA recently released guidance around its equity programs last month, which allow bonus investment tax credits of up to 20% on top of the baseline clean energy tax credit of 30% for projects benefiting underserved communities, such as low-income households, environmental justice (EJ) communities, and tribal areas. One of these programs, the Low-Income Bonus Credit Program, is relevant to the communities SOMAH serves. As the PA gathers more information about the IRA Equity provisions and their implementation, we

recommend anyone who is interested in learning more to visit the [Department of Energy's Office of Economic Impact & Diversity Website](#).

Sana Sheikholeslami, SOMAH's Tenant Services and CBO Specialist, spotlighted a successful in-person Tenant Education (TE) workshop conducted in Q4 of 2022 at the Maria Alicia Apartments in San Francisco. This workshop was held in partnership with the housing developer and contractor and helped increase residents' awareness and comfortability with the SOMAH program. Please reach out to tenants@calsomah.org if you are interested in an in-person workshop or developing a TE plan that best meets your community's needs.

Peter provided an overview of SOMAH's resources, including its suite of technical assistance (TA) and support services such as job training support and tenant education. Peter also highlighted SOMAH's updated website ([Calsomah.org](https://calsomah.org)) which includes a new easy-to-navigate Resource Library, Media Center, and Impact Page. Peter ended off by highlighting a success story of a completed SOMAH project at the Trolley Trestle Apartments in Chula Vista. Read the full success story here: <https://calsomah.org/resources/sbcs-and-somah>

Session 1 Q&A:

Q: Does the map of completed projects in the presentation show completed projects in the past year or through the life of the SOMAH program?

A: The map shows the completed projects through the life of the SOMAH program.

Q: When do you expect the PFM to adjust SOMAH incentive rates to be approved?

A: The Proposed Decision was released on February 10, and there are a few more procedural steps before the PFM can be finalized. The timeline is forthcoming and the PA will keep program participants informed when there are more updates.

Q: What is the timing for updates to SOMAH's PowerClerk?

A: The PA anticipates it to be live in the coming weeks. Active applicants who are impacted by the Handbook 6.0 updates should receive an email confirming when PowerClerk is fully updated.

Q: How will the 10-year step down of NEM (Net Energy Metering) 3.0 affect the 20-year term for SOMAH-funded projects?

A: The Virtual Net Energy Metering (VNEM) sub-tariff for low-income eligible households shall remain unchanged until review in this proceeding of additional findings from Rulemaking 18-07-006 and the evaluation of the SOMAH Program. If SOMAH will be

impacted by any changes made to VNEM, the PA will be sure to communicate that to stakeholders and keep participants well-informed.

Q: The SOMAH incentive levels currently posted on your website are for 2021-2022. Do you know when the 2023 incentives will be posted? Additionally, with our own Contracts and other Pace offerings, Progress Payments are usually tied to getting plans approved, starting work, and delivering materials. Are there any plans to have Milestone Payments attached to any of those milestones?

A: As part of the PFM filing, the annual incentive stepdown for 2022 was paused pending resolution, so the 2021-2022 rates are current for the program. The updated incentive rates will be confirmed and publicized pending the Final Decision for the PFM. Currently, the program only offers a Progress Payment for projects at mechanical completion after they have received a Proof of Project Milestone Approval. More information on the Progress Payment can be found on the Application section of the CalSOMAH website. At this time, there are planned changes to add additional milestone payments.

Q: Could you clarify what updates will be in Handbook 6.0?

A: Approved Handbook changes include: 1) splitting the Reservation Request milestone into two phases to streamline the application process, and 2) removing the Multifamily Affordable Housing Document Cover sheet and program checklist requirements. The PA had proposed the removal of application deposits for all applicants, though that proposed change was denied. As mentioned, the PA is now in the process of rolling out new features in PowerClerk to support the application streamlining initiatives, and will be sending out an email to notify participants when those are live.

Session 2: System Monitoring Program Rollout

Staci Givens presented on SOMAH's new system monitoring, or fleet monitoring, rollout program:

What is fleet monitoring?

- An investment in the longevity of SOMAH systems
- Custom-made software, SunSpot, monitors the performance of all SOMAH-incentivized PV systems on a monthly basis with daily data available
- Helps identify underperforming systems - used to alert property owners and contractors about system status

Why do we need it?

- Things can go wrong with a system, even when it's well-maintained

- Property owners are busy and don't always have the time to monitor their systems through the years
- Contractors are also busy working on new installations and may not notice a system is underperforming
- To better understand equipment issues and failures in the solar industry
- To guarantee tenant savings and avoid incentive clawback

SOMAH Monitoring Requirements (Handbook Section 2.3.6.3)

- Performance Monitoring and Reporting Service (PMRS) requirements were developed to increase owner knowledge of system performance and foster adequate system maintenance to ensure incentives result in expected levels of solar generation
- PMRS is required for all systems. The system owner must contract with a PMRS provider for a minimum of 20 years and must ensure that 15-minute interval production data is provided to the SOMAH PA upon request
- Applicants must provide 15-minute interval production data to the SOMAH PA via login credentials to inverter original equipment manufacturer (OEM) or equivalent production software at the Incentive Claim Milestone

What are the benefits?

- Confidence that your SOMAH system will be working for at least 20 years
- Peace of mind that tenants will continue receiving their expected financial benefits
- Improving production estimates with real data from hundreds of SOMAH PV systems

What is fleet monitoring not for?

- Fleet monitoring does not replace standard operations and maintenance procedures
- It is the responsibility of the system owner, either the property owner or contractor depending on ownership type, to handle regular maintenance

How do I get my system monitored by SOMAH?

- All SOMAH PV systems are required to report the information needed to monitor the systems in the Incentive Claim Form
- The Incentive Claim Form will have specific instructions for each inverter brand.
- Information needed in the Incentive Claim Form:
 - Site name(s): As they appear in the monitoring web portal, there could be more than one per SOMAH application
 - System ID, site ID or Plant ID number(s): There could be more than one per SOMAH application
 - API key: Not all inverters use them, SolarEdge does

- System owner contact information:
 - Name, Organization, email and phone number of the person registered with the system monitoring provider
- For systems that have already been finalized (incentive check received), please contact: techassist@calsomah.org

What happens if my system is detected to be underperforming?

- The dashboard will flag systems that are underperforming by 30% or more compared to their expected production
- If a system is underperforming, the SOMAH TA team will reach out to the system owner contact and/or host customer
 - It is the system owner contact and/or host customers' responsibility to respond in a timely manner letting the PA know why the system was underperforming and if/when repairs are expected to be completed
 - If the PA does not hear back within a year, the PA may initiate repayment or clawback of the SOMAH incentive per Handbook Section 4.9.4
- Please update us with any changes in contact information to avoid missing the notifications and trigger an incentive clawback process

Next Steps

- You will see changes to the PowerClerk Incentive Claim Form starting March 9, 2023. If your application(s) are already within the Incentive Claim Milestone, click the "promote form" button in PowerClerk.
- For systems that have already been finalized, please contact techassist@calsomah.org.
- The PA may be in touch if you have not already heard from us.

Session 2 Q&A:

Q: Sometimes monitoring issues can be due to poor internet connection, leading to a false alarm that a system is underperforming. Are we requiring Investor-Owned Utilities (IOUs) to provide their net generator output meter information to see if it aligns with what we're seeing in the monitoring reports?

A: This was not on our radar specifically, but something the PA can look into. If you have any concerns about how our systems are performing, please reach out to us. We're committed to our SOMAH projects and happy to handle any concerns one-on-one.

Q: Is SOMAH fleet monitoring available for affordable housing projects with PV systems not funded by SOMAH? Or is there a plan or active proposal for such monitoring?

A: SOMAH's fleet monitoring is only available for SOMAH-incentivized PV systems at this time. We have not yet discussed a plan for opening the monitoring to non-incentivized SOMAH projects.

Q: In regard to this fleet monitoring service, who is responsible as the primary contact? I want to confirm you would contact the system owner for underperformance, and not the client.

A: There is a field in the Incentive Claim Form where you would list the system owner contact, who would be the PA's first point of contact if we need to reach out regarding system performance. Be sure the contact you list is the person you'd like us to contact for those matters.

Q: The PMRS provider might be a better contact to reach out to first.

A: It could be the same individual. We just wanted to give applicants the opportunity to list all possible contacts.

Session 3: SOMAH 2023 Goals & Priorities

SOMAH Program Managers Hannah Warner and Rachael Diaz presented on the PA's goals and priorities for the SOMAH Program in 2023:

Refresher on SOMAH's Program Goals

- Provide incentives for the installation and interconnection of at least 300 megawatts (MW), of solar generating capacity on qualified multifamily affordable housing statewide by December 31, 2030
- Promote economic development in disadvantaged communities through job training and local hiring initiatives
- Provide maximum direct benefits to tenants, as well as provide tenant education, and promote tenant engagement with the solar project and energy efficiency initiatives

Pipeline Review and Context

- As of January 3, 2023
 - **Complete:** 12.32 MW (4.1% to goal)
 - 72 final incentives paid
 - 6,312 tenant units served
 - **Reserved:** 51.19 MW (17% to goal)
- By December 31, 2030
 - **Complete:** 300 MW (100% to goal)

- ~1,875 final incentives paid
- ~145,233 tenant units served

Goals for 2023

Goal 1: Continue to drive applications which are the engine of the program from which all other co-benefits and efforts flow. Build on moment and interest in the program

- 1a) Continue rollout of expanded program services and evaluate to target improvements
- 1b) Understand and address barriers to tribal participation (eligibility, regulatory, administrative, etc.) and direct outreach to tribal properties
- 1c) Continue to foster and grow co-marketing opportunities and relationships
- 1d) Share resources and support participants with financial barriers
- 1e) Continue participant research and feedback solicitation

Goal 2: Measure and increase participation from underserved communities, through:

- 2a) Tribal efforts, targeted efforts from formalized DAC goal, updated incentives (PFM), app deposit waiver for priority groups (DAC and tribal)
- 2b) Focused Marketing, Education & Outreach (ME&O) efforts and CBO partnerships

Goal 3: Increase participant diversity, through:

- 3a) Expanded program services (TA, prescreen, etc.)
- 3b) Continued participant research and feedback solicitation
- 3c) Focused ME&O efforts, including collaboration with key affordable housing and contractor groups

Looking Ahead & Next Steps

Peter Pierre wrapped up the forum by highlighting the following dates for upcoming SOMAH events:

- **Mar 15:** Incentives for Financing Clean Energy in Multifamily Affordable Housing
- **Mar 16:** Applicant & Contractor Office Hours: VNEM
- **Apr 6:** Applicant & Contractor Eligibility Training
- **Apr 11:** SOMAH Program & Technical Assistance Services Overview
- **Apr 20:** Tenant Education Training
- **Jun 7:** Q2 Public Forum

Register at calsomah.org/events

For additional questions and feedback, please contact the SOMAH PA:

Email: contact@CalSOMAH.org

Web form: CalSOMAH.org/contact-us

General hotline: 858-244-1177 ext. 5

Tenant hotline: 800-843-9728