

SOMAH Public Forum Notes

Date: Thursday, March 19, 2020

Time: 1:00 pm - 3:30 pm

[Presentation deck](#)

Session 1: Welcome & Introductions

Sarah Hill, SOMAH Program Manager, gave an overview of the meeting purpose and agenda, and introduced the members of the SOMAH Program Administrator Team (SOMAH PA). Sarah addressed the current climate of COVID-19, thanking everyone for being flexible and joining virtually.

Session 2: Program updates

Hannah Warner, SOMAH Program Manager, gave a brief overview of the SOMAH program and presented some key program application statistics, as well as an update on new SOMAH funding for each IOU territory (see table below).

Utility	Total New Funding	Estimated Remaining Accounting for Waitlist
Liberty Utilities	TBA - Energy Cost Adjustment Clause (ECAC)	Funds available today
PacifiCorp	TBA - ECAC	Funds available today
PG&E	~\$41 million (upcoming)	\$0
SCE	\$65,953,481	\$0
SDG&E	\$16,400,559	-\$10 million (still waitlisted)

Listening Session/Q&A

Q: Is there any possibility to expand reach to DAC (CalEnviroScreen's Disadvantaged Communities) communities by allowing DAC-adjacent properties to be eligible?

A: A few properties that are located near DACs, but outside of the official zone have reached out to the PA about their eligibility. The SOMAH PA is looking into the potential including DAC-adjacent properties. Please reach out to the PA to discuss those possibilities for your property.

Q: How can we get job locations to better inform community college programs in the area?

A: Contractors must post job opportunities on the SOMAH job board via the SOMAH job portal. Any community colleges that are interested in participating should contact the SOMAH PA or JTO.

Session 3: COVID-19 Response and Listening Session

Sarah Hill and Hannah Warner, SOMAH Program Managers, acknowledged the current COVID-19 pandemic and its potential impacts on the SOMAH program and its participants. The SOMAH PA is developing appropriate accommodations for program requirements as necessary. A 60-day blanket extension for program requirements is currently being enacted and will be assessed as the 60-day extension period comes to a close.

Listening Session/Q&A

Q: The Energy Efficiency requirement seems that it is on hold. Is that an extension or does it mean that it's not required right now?

A: It is still required. The PA Team is enacting a 60-day extension for now and will reevaluate on day-to-day basis as new information arises and we see more of the program impacts.

Q: Appreciate the fact that the SOMAH PA sees this issue – we don't want to get anyone sick, but extensions are costly. We've put \$70 million towards extensions already. As we're trying to work in this environment, the extensions strain our capital. We want the PA to be mindful that there is a lot of money already put at risk, and that the other contractors on the SOMAH approved list also have a lot of money that they've expended, and are carrying that burden until permission to operate is granted and contractors can submit an ICF. We want to work towards getting things installed as quickly as possible, to make sure that not too much money is stranded.

A: Thank you for keeping the PA informed and giving feedback about what your company is experiencing. We are going to take this back to the team to make sure we're responding in the best way possible. The SOMAH PA wants to use this information

to better course-correct as things progress.

Q: Is the 60-day extension from the original due date?

A: Yes, the revised due dates are now reflected in PowerClerk based on the 60-day extensions. Applications will need to be reviewed individually as the updates may not appear on the main applications queue page. For any questions or concerns regarding application timelines, please reach out to the SOMAH PA to confirm the deadline information per application as needed.

Q: As MASH projects are closing out, we are seeing some parallels and similarities on the back-end. For example, when shutdowns are scheduled to interconnect, with SCE in particular, they are getting canceled or postponed. Property owners especially don't want to have a shutdown during this time, so it's difficult getting PTO and hence, an ICF. Other issues we are experiencing include: 1) site access – being able to get interconnection plans and meet with IOU on-site to get a piece of the project going; and 2) spending time and effort dealing with clients to start construction. Once you start construction, we want to keep moving forward. When we're working with PA we're hoping you can help us mitigate some of these issues that are making it more difficult to get started on construction and help us mitigate risk along the way.

A: The SOMAH PA has regular working groups with IOUs, and is planning to speak with them about the current situation and take that into consideration as we all work together to deal with these impacts.

Q: Currently, job trainees are eligible to work on SOMAH projects for up to one year after they graduate from a job training program, or conversely, they are eligible to participate in SOMAH projects for up to one year from the day they start their first project. Could there be extensions for SOMAH workforce candidates and their eligibility?

A: The SOMAH PA can consider an extension to that eligibility requirement as well, which may be similar to what contractors are getting for application processing, which is 60 days. As the situation develops, the SOMAH PA will reassess this possible extension.

Q: Are there any more details available about the release of PG&E's funds and is there a risk the COVID situation could cause further delays with funding?

A: For PG&E, the funding timeline is on track and there are no impacts the PA is aware of at this time. The SOMAH PA will be sending an email via the CalSOMAH.org listserv about the exact amount and exact date later this month, or in the beginning of April. SCE and SDG&E's funding has already been allocated.

Q: What should be done if contractors can't get to meters?

A: SOMAH PA will be talking with the IOUs to work around this requirement so projects are not held up on meter number identification. Please reach out to

contact@CalSOMAH.org for specific situations.

Q: Will SOMAH funds be made available quarterly or annually from IOUs?

A: Q1 and Q2 funding is already available for the 2019-2020 period for SDG&E and SCE. Q1 funding for PG&E is expected to be released in April.

Q: Are there any restrictions on using battery storage with SOMAH projects?

A: No, only requirement is that 51% of energy benefit is going to tenants, so as long as battery setup doesn't change that requirement, there are no rules to suggest that wouldn't be allowed. The SOMAH PA is working with the SGIP program to figure out eligibility for solar plus storage and will share details once they are ironed out. IOUs are also working out the interconnection aspect of solar plus storage.

Q: You had talked about doing a lottery with SDG&E since it was oversubscribed on the last call. What is the status of this discussion?

A: The SOMAH PA will discuss this in the Proposed Handbook Changes session, later in the forum.

Q: Do 51% of storage benefits in SOMAH have to go to tenants too? Or just solar regarding SGIP?

A: The SOMAH-specific program requirements are what we are focusing on and will have additional guidance on SGIP, at a later date. A collaborative effort will be needed to work out details on how the two programs will interact together.

Q: Is there a viewable list of SOMAH-eligible contractors in my region?

A: Yes, on CalSOMAH.org, there is a list of SOMAH-eligible contractors that can be filtered geographically.

Q: Have you thought about timeline-wise what you're dealing with regarding COVID-19? We keep hearing all different types of timelines from a few weeks to 18 months with regards to impacts of COVID-19.

A: Things are changing day-to-day and the SOMAH PA is trying to make the best policies based on what is known today, while staying flexible to future updates. The PA is seeking feedback from stakeholders about the impacts they are experiencing now. The SOMAH PA is asking that stakeholders share what is happening with their applications, so that well-informed policy decisions can be made to meet our stakeholders needs, including those of communities served by SOMAH. In sum, the timelines are still uncertain.

Session 4: Handbook changes

Chris Walker and Sarah Hill, SOMAH Program Managers, gave an overview of proposed updates to the SOMAH Program Handbook, both substantive and minor. The purpose of these changes are: to better achieve stated goals and objectives; to clarify or provide greater specificity around offerings and requirements; to apply lessons learned from program implementation, and to respond to stakeholder feedback. The SOMAH PA is planning on an updated Handbook being approved and released in late Summer or early Fall.

Substantive changes included:

- **Application pipeline management** – Replacing first-come, first-served approach with a lottery triggered by high volume
- **Required notification for early trainee termination** – Contractors must notify PA within 5 days of an early termination of a job trainee, affecting compliance with job training requirement
- **System changes affecting incentive amounts** – To allow post-solar sizing tool system size increases for approved load additions

Minor changes included:

- **Annual incentive reduction process** – Lowering of 5%/year or informed by rate of decrease in LBNL report
- **No reservation transfers** – Applicants cannot change the project site address on the application
- **Wage requirement (contractor vs. subcontractor)** – Wage floor requirement pertains to contractor's (rather than subcontractor's) entry-level wages
- **Required job posting timeline** – Job posting must be entered *60* days before install start date (updated from 30 days)
- **Pathway 2: Lookback** – Increase look back years for applicants pursuing EEC Pathway 2 compliance
- **Electronic incentive payments** – The PA will offer an electronic payment option (default is a physical check)
- **Grounds for SOMAH incentive payment clawback** – Provides grounds for incentive payment clawback or reduction for noncompliance with program requirements

Listening Session/Q&A

Clarification from the Energy Division on combining SOMAH and MASH incentives on a project: the issue has been raised through an Advice Letter process. Next, the Energy

Division will address the issue through a resolution that will be sent to the service list and protesting parties. It will then be made available for protest and comment after the draft resolution is mailed and gets voted on.

Q: With regards to the Energy Efficiency Milestone, can you let us move forward with the project and complete the Energy Efficiency audit as soon as the virus quarantines are over?

A: The SOMAH PA is still going forward with the 60-day extension period and will reevaluate as necessary. The intent isn't to create undue burdens before it's safe to do this energy efficiency work. Feedback will be taken by the SOMAH PA team and the Energy Division, who will continue to follow up with further guidance.

Q: We are working on implementing a vendor sign-in affidavit to ensure vendors are evaluating the health and social distancing protocols for their own workforce.

A: The SOMAH PA would appreciate it if you shared the measures you've put in place to continue installations while maintaining social distancing, to inform guidelines the PA may put in place for contractors.

Q: Has the one Track A project been sent out for bid? How would we know?

A: The Track A application just received upfront TA approval last week so it may not have taken action on bidding yet. Should the customer choose to use the online bidding tool, they will select three contractors based on the service territory for this project. The contractors will be notified via email and the Bidding Tool platform if they are selected to bid on the project.

Q: While extensions are great and helpful, it is important to note that when the longer jobs are delayed, it delays the savings (approx \$50/month) per household. It also delays economic activity associated with the installation. We need to find ways to get to SOMAH jobs installed as quickly as possible.

A: The SOMAH PA is planning to talk to the various program stakeholders, including utilities, permitting offices, and other industry groups to try to address these barriers to installations. While the PA is implementing the 60-day extension, the team will still be reviewing applications, and will discuss the barriers at the Energy Efficiency Compliance Milestone. The PA's ultimate goal is to provide savings to tenants; that means getting these projects installed on time, if possible.

Q: Has partnering with regional IBEW apprentice pools been considered? As electrician apprentices are receiving training through their JAC already optimizing SOMAH benefits?

A: Yes, SOMAH is working to connect and partner with local IBEW chapters (that's the International Brotherhood of Electrical Workers union) and Joint Apprenticeship and Training Committees to inform them about SOMAH job training opportunities for their apprentices. We also are exploring the reverse partnership model where SOMAH

trainees can apply for electrical apprenticeships to further their training and career development.

Q: Are changes done through the Advice Letter process with public comment?

A: Yes, the Handbook updates will be done through a Tier 2 advice letter with a comment period. However, if there are any comments, the SOMAH PA would like to hear them now before submitting the Advice Letter.

Q: In the MASH Program, master-metered properties were allowed if the owner signed an affidavit ensuring tenant benefit. Has there been any thought given to using a similar approach in allowing master-metered properties in the SOMAH program?

A: Handbook guidelines do not allow master-metered properties. The SOMAH PA has been directed by CPUC to not accept master-metered properties at this time.

Q: Are reservation reductions mandatory, or can the SOMAH PA take into consideration market conditions and opt to not reduce incentives at this moment? Incentives are scheduled to step down at 5% every year but we're finding that different market conditions are changing and affecting incentives that are "workable." Are incentive-level step-downs mandatory?

A: MASH and incentive step-downs – both of these directives that were implemented into the SOMAH Handbook were directed out of a Decision. The Energy Division doesn't believe that the SOMAH PA has the authority to upend those key directives that were in that Decision. Should parties be interested in making changes to the program, the PA would need to file a petition for modification that would modify existing decisions.

With regards to the Handbook changes that were proposed, it would be helpful for the Energy Division if stakeholders worked with PA to address concerns and iron out issues with these handbook updates during this process. The Advice Letter process is not the best place to discuss policy or nuance. We would like to have discussions outside of that process, such as this one. The idea is for the SOMAH PA and stakeholders to be all on the same page so we're not relying on the Advice Letter process to litigate.

Q: In a mixed-market affordable housing building that has some market rate housing, would SOMAH be applicable to residents that income qualify?

A: It would need to meet SOMAH eligibility requirements, and would be dependent on the site's regulatory agreement. If you have a site-specific question, please reach out to contact@CalSOMAH.org

Q: New carports are more expensive than anticipated. Might want to include making incentive adjustments for new carports in a petition to modify. When carports are mixed, we're not serving roughly 30% of the energy load because of the expense of new carports.

A: While carports are expensive, the incentive levels are set by the decision. The SOMAH

PA encourages as large an offset as possible, and there are no specific adders for solar carports. Given this specific application, a petition for modification would be necessary.

Session 5: Wrap-up and Next Steps

Sarah Hill, SOMAH Program Manager, provided an overview of next steps, noting that the Public Forum slide deck would be emailed to registered participants and posted on CalSOMAH.org. Public Forum notes would follow in a week's time.

For questions and feedback, please reach out via the following:

Email: contact@CalSOMAH.org

Web form: CalSOMAH.org/contact-us

General hotline: 858-244-1177 ext. 5

Tenant hotline: 800-843-9728