

San Diego
REGIONAL
ENERGY
OFFICE



SWH Pilot Program

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San Diego Regional Energy Office

- ▼ California-based, not-for-profit organization that implements programs, provides information and fosters public policies to aid the adoption of clean, renewable, sustainable and efficient energy technologies and practices.
- ▼ Focus
 - ▼ Energy Education
 - ▼ Regional Energy Policy and Planning
 - ▼ Energy efficiency and onsite generation programs
- ▼ Serves as the region's independent voice on energy issues and is a trusted resource for businesses, consumers and public agencies.

Discussion Points

- ▼ Timeline
- ▼ Who's eligible
- ▼ Incentive structure
- ▼ Quality assurance activities
- ▼ Potential cost cutting measures
- ▼ Minimizing lost opportunities
- ▼ Project example
- ▼ Important dates

Program Timeline

- ▼ 18 month reservation period beginning January 1st, 2007 and ending June 31st, 2008
- ▼ All final claim documentation to be submitted by December 31st, 2008
- ▼ Pilot program evaluation period to begin 12 months after program start date

Eligibility

- ▼ Must be a customer of SDG&E
- ▼ Residential, commercial and industrial SWH systems that offset energy used by an existing natural gas or electric water heater or boiler are eligible.
- ▼ Residential pools excluded
 - ▼ Industry input strongly suggest the systems are cost effective w/o incentives
- ▼ Large solar pool heaters will be limited to public entities. The economics of such an installation are unclear.

Incentive Options

- ▼ Prescriptive Approach
 - ▼ Target market: Single Family Residences
 - ▼ Easiest method, no metering
 - ▼ MUST use an OG300 rated system
 - ▼ \$1,500 or less

Incentive Options

- ▼ Area Method
 - ▼ Target market: Larger Innovative systems
 - ▼ Requires at least one month of post installation metering
 - ▼ Collectors must be OG100 or FSEC rated
 - ▼ \$15/sqft of open loop, \$20/sqft of closed loop, \$5/sqft pools
 - ▼ Max \$75,000 buildings, \$30,000 for large pools

Quality Assurance

- ▼ Why is it needed?
- ▼ Contractor training
- ▼ Incentives to contractors
- ▼ Installation cost tracking
- ▼ 100% of systems inspected
- ▼ Metering of all area method systems
- ▼ First three prescriptive systems installed by a given contractor will be metered

Cost Cutting Measures

- ▼ Possible purchasing initiatives
- ▼ Building department express lane
- ▼ Website sharing with SDG&E, Mfg'rs, others
- ▼ Marketing do's and don't will be worked out during the pilot program

Minimizing Lost Opportunities

- ▼ Energy efficiency program awareness packets
- ▼ Free energy assessments for commercial entities
- ▼ Website with SWH info also has energy efficiency components

Residential Example

- ▼ Residential
 - ▼ Typical system has 40-120 sq ft of collector and 30-120 gallons of storage
 - ▼ System cost range from \$3,500 to \$6,000
 - ▼ Tax credit not guaranteed

Residential Example

- ▼ Example: Zone 15 @ rated savings
 - ▼ 60 square feet of solar collector,
 - ▼ 60 gallon tank,
 - ▼ Cost: \$5,500 retail
 - ▼ Energy savings: 150 Therms @ \$1.39/Therm
 - ▼ Savings of \$208 Annually , or \$17 per month
 - ▼ Payback w/o incentives: 26 years
 - ▼ Proposed incentive: \$1,406
 - ▼ Payback w/ incentive: 19 yr
 - ▼ Payback w/ Fed Tax Credit: 13 yr

Where is the Proposal Now?

- ▼ SWH following CSI
 - ▼ June 23: Comments on pilot proposal due from respondents
 - ▼ July 10: Reply comments due to CPUC (from SDREO)
 - ▼ July 25: Target date for CPUC proposed decision
 - ▼ August 24: Target date for CPUC final decision
 - ▼ January 2007: Implementation of Phase 1 (SWH is included in this) of California Solar Initiative

Thanks for listening

- ▼ Please contact us with thoughts or and concerns regarding the SWH program
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