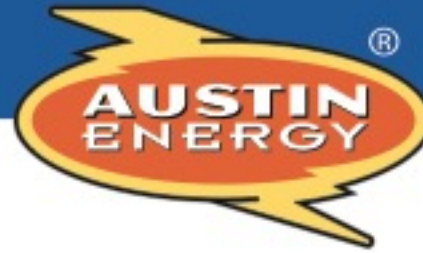


Customer Driven. Community Focused.



Residential Solar Incentive Program Update

Electric Utility Commission
January 22, 2018



TO SAFELY DELIVER CLEAN, AFFORDABLE, RELIABLE ENERGY AND EXCELLENT CUSTOMER SERVICE





Solar Incentive Program Directives

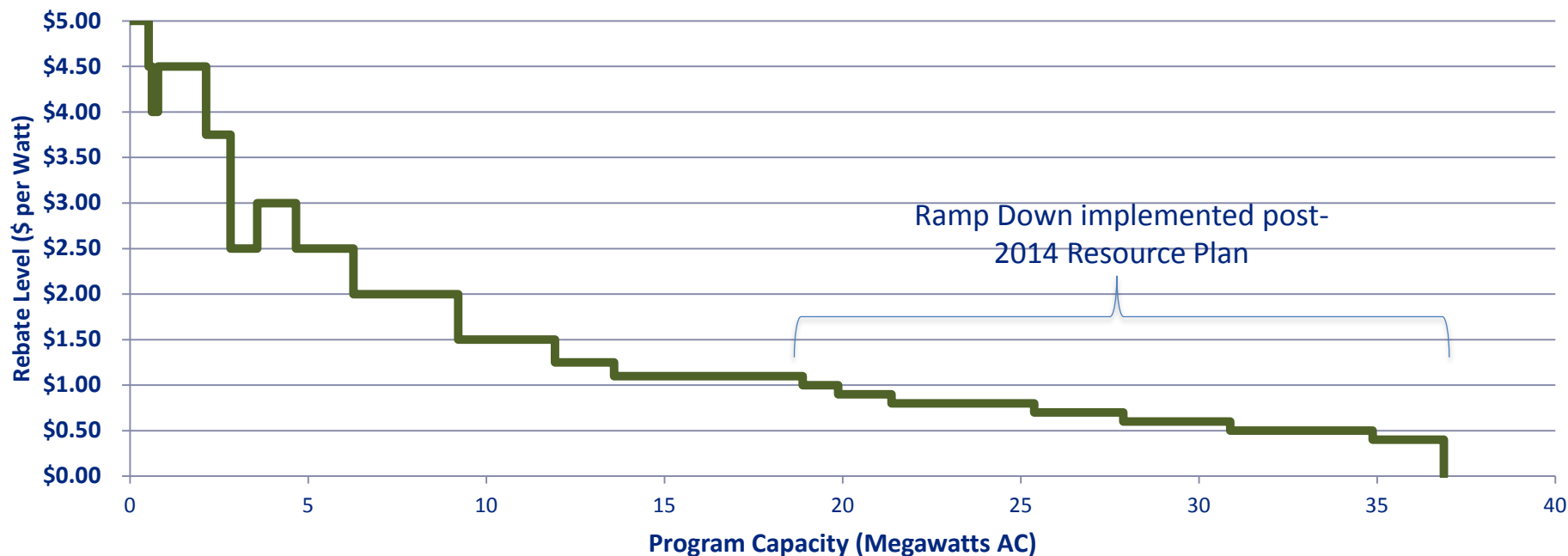
- 2014 Austin Energy Resource & Generation Plan
 - Set Local Solar goal of 200 MW by 2025, with at least 100 MW customer-sited
 - Interim goal of 110 MW by 2020, with 70 customer-sited
 - Called for a ramp down of solar incentives through 2020 or when 70 MW of customer-sited solar is achieved, whichever comes first
- AE Resource, Generation & Climate Protection Plan to 2027
 - Reiterated 2014 Plan's solar goals
 - Committed a local solar budget of \$7.5 million in FY18 and FY19 followed by \$5 million per year for FY2020 thru FY2027.
 - Committed to study and possibly pilot a utility-managed rooftop solar program.
 - Committed to enhanced incentives and/or programs for affordable housing projects by FY 2018.
- Austin City Council Resolution 20171005-033
 - Set a goal of \$500,000 in FY18 budget towards incentives and solar programming to increase solar energy adoption and access for underserved markets including multifamily affordable housing, low-income residents, renters, and non-profits.



Residential Solar Rebate Ramp Down

- In 2015, Austin Energy implemented a capacity-based ramp down that would provide transparent tracking of incentive levels and progress toward the capacity goal as called for in the 2014 Resource & Generation Plan.
- The residential program is currently in the last tier (\$0.40/W), with 1 MW of capacity remaining. (Tracker: www.austinenenergy.com/go/currentsolar)

AE Residential Solar Rebate Ramp Down (2004-2018)





AE Solar Incentive Budget and MW

	Program	Incentive Rate	Budget Spent (\$MM)	Future Budget Commitments (\$MM)	MW-ac	# of projects
2004 to end FY17	Residential Solar	Varies	\$57.8		29.1	6254
	Commercial Solar	Varies	\$12.0	\$14.0	15.6	335
	Municipal, Schools and Non-Rebated Solar	n/a			5.9	204
	Total through end FY17		\$69.8	\$14.0	50.5	6793
Remaining Ramp Down	Residential Paid or Reserved	Varies		\$2.7	5.5	912
	Residential Ramp Down Remaining	\$0.40/W		\$0.5	1	200
	Commercial PBIs Reserved	4-6 cents/kWh		\$1.2	1.6	15
	Commercial PBIs Remaining	2-6 cents/kWh		\$9.7	14.2	100
	Total Capacity and Budget		\$69.8	\$28.0	74	8020



Stakeholder Meetings & Feedback

- Austin Energy has hosted four stakeholder meetings to gather input on the next phase of the residential solar program:
 - August 17, 2017 Solar Contractor Meeting break out discussions
 - Aug 30, 2017 Residential Solar Rebate Contractor Round Table
 - Dec 12, 2017 RMC meeting
 - Dec 14, 2017 Solar Contractor Stakeholder meeting
 - Jan 9, 2018 Residential Solar Stakeholder meeting





Solar Education Program

- Customers will take an online or in-person class to learn about solar, system design basics, incentives and financing options, comparing bids and selecting a contractor
- Upon passing a short quiz, they are able to start an application for the solar incentive
- Incentive will be a flat amount per install
 - Minimum size and production factor required
 - Must be installed by a Participating Contractor
 - Reduced paperwork and review time
 - Addresses concerns around lower income customers receiving smaller rebates
 - Amount of incentive will be finalized once the Federal Trade Case tariffs are set.





What Topics Are Covered in the Solar Ed Course?

- How Solar Works
 - vocabulary, kW vs. kWh, consumption vs. production
- Right Sizing and Value of Solar
 - How to determine how much solar you need
 - How solar affects your bill
- Solar Access
 - Properly siting solar
- Solar Equipment Decisions
 - What equipment is right for you
- Incentives and Financing
 - What is available, how it works
- Receiving and Comparing Proposals
 - What to consider
 - How to compare apples to apples
- Documentation & Maintenance
 - What documents to keep and why
- Additional Resources





Solar Ed Program Benefits

- **Strengthens the relationship between the Customer and the Utility**
 - As customers' trusted go-to solar advisor, AE solar staff can be relied on to provide accurate and useful information, absent financial motivators
- **Informed solar shoppers that will...**
 - Be better prepared to speak with contractors and compare bids
 - Be more likely to install a system that meets their needs and desires
 - Be more likely to get a better pricing, potentially saving thousands of dollars
 - Have realistic expectations of benefits, bill impacts, and project timelines
- **The local solar industry will benefit by**
 - Incentive that attracts customers, lowers cost barriers
 - Better informed customers and less time educating customers
 - Significantly reduced paperwork, installation and incentive processing timelines
 - Greater customer retention thanks to faster project completion
 - Higher customer satisfaction leading to increased market participation
- **Austin Energy will benefit by**
 - Better informed and more satisfied customers
 - Less time reviewing files and processing paperwork
 - More staff time to dedicate to new programs to expand access to solar



City of Austin - Austin Energy Customer Energy Solutions

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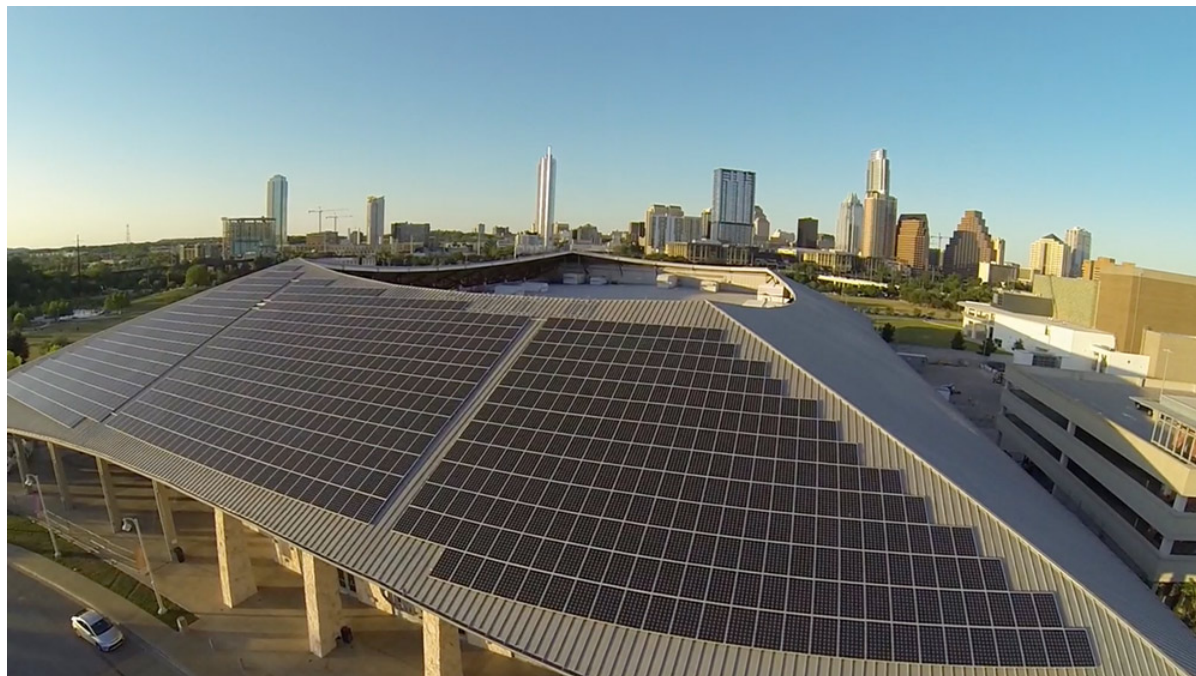


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Questions?