

City of Palmdale

This page outlines solar PV incentives, financing mechanisms, permitting process, and interconnection information for the City of Palmdale and the utility that serves its territory, Southern California Edison.

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Contact Information

City of Palmdale
Building and Safety Department
38250 Sierra Highway
Palmdale, CA 93550

Phone:

(661) 267-5353

Website:

<http://www.cityofpalmdale.org/departments/building/>

Planning Department Email:

planning_department@cityofpalmdale.org

Hours:

Monday – Thursday: 7:30AM – 5:30PM

Fridays: Closed

OVERALL SOLAR PROCESS:



Find an Installer

- **Qualified contractors are your key to getting the most productive solar energy system for your home or business.**
 - Typically solar installers will:
 - Locate financing programs to fit your needs
 - Apply for rebates and incentives on your behalf
 - Apply for local permits
 - Install your PV system
 - Arrange for your PV system to be interconnected to your utility's power grid
- **California Solar Statistics provides a searchable/sortable list of Installers, Contractors, and Sellers by area who can help you in the process of going solar:**
 - <http://californiasolarstatistics.com/search/contractor/>
 - Important Notes:
 - Costs are measured on a per watt basis

- It is important to remember that cost is not the only factor involved in system installation.
- **It is highly recommended to contact *a minimum of three installers* to compare costs, system sizing, and services offered before signing a contract.**

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Financing Information

Federal Solar Incentives

- o Residential Renewable Energy Tax Credit
 - A taxpayer may claim a credit of 30% of qualified expenditures for a solar system that serves a residence located in the United States that is owned and used as a residence by the taxpayer.
 - http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=US37F&re=1&ee=1
- o Business Energy Investment Tax Credit (ITC)
 - This federal tax credit is equal to 30% of expenditures on a solar system, with no maximum credit.
 - http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=US02F&re=1&ee=1

Third Party Ownership

- o Solar Power Purchase Agreements
 - A Solar Power Purchase Agreement is a financial arrangement in which a third-party developer owns, operates, and maintains the photovoltaic system, and a host customer agrees to site the system on its property and purchases the system's electricity. With this business model, the host customer buys the kilowatt hours of electricity produced by the PV system rather than the PV system itself. This financial arrangement allows the host customer to receive stable, and sometimes lower cost electricity, while the solar services provider or another party acquires valuable financial benefits such as tax credits and income generated from the sale of electricity to the host customer.
- o Solar Leases
 - Solar Leases are similar to Power Purchase Agreements in that a third party pays for and owns the system, but with this financing mechanism a customer pays a fixed

monthly fee that is not tied to actual use and is responsible for system performance, operations and maintenance.

- www.energycenter.org/index.php/incentive-programs/california-solar-initiative/csi-latest-news/2167-why-pay-to-install-solar
- o Southern California Edison Solar Rooftop Program
 - This commercial leasing program allows commercial building owners to lease their roof space to SCE to install solar systems. SCE will pay the building owners to lease their rooftop and generate electricity for the SCE energy grid.
 - www.sce.com/solarleadership/solar-rooftop-program/

Property Assessed Clean Energy (PACE) Programs

- o Commercial PACE
 - The Los Angeles County PACE program offers funding for nonresidential solar projects. Under this program property owners can negotiate project-specific financing terms with the investor(s) of their choice, and repay the cost of the upgrade over time through a voluntary contractual assessment on the property tax bill.
 - https://commercial-pace.energyupgradeca.org/county/los_angeles/overview

Secured Financing

Secured financing is a loan in which the borrower pledges some asset as collateral. Typically for a solar installation this collateral is a home or building. The following secured loans are available in the SCRC region:

- o Home Equity Lines of Credit (HELOCs) and Home Equity Loans (HELs)
 - HELOCs are forms of revolving credit in which a home serves as collateral. A HEL is a loan that has a fixed rate and term and also uses a home as collateral. The major difference between these two types of financing mechanisms is that HELOCs are similar to a credit card – you can withdraw money as needed and pay back the debt indefinitely – whereas an HEL gives you a one-time lump sum of cash that is paid off over a fixed amount of time. These types of loans are typically available through banks.
 - Home Equity Lines of Credit:
www.federalreserve.gov/pubs/equity/equity_english.htm
 - Home Equity Loans:
<http://www.federalreserve.gov/pubs/bulletin/1998/199804lead.pdf>
- o FHA 203(k) Rehabilitation Loans

- The Federal Housing Administration (FHA), which is part of the U.S. Department of Housing and Urban Development (HUD), administers various single family mortgage insurance programs. These programs operate through FHA-approved lending institutions which submit applications to have the property appraised and have the buyer's credit approved. These lenders fund the mortgage loans which the HUD insures, thereby giving a line of credit to the property owner to make property upgrades, such as solar PV installations.
 - http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/203k/203kabou
- o HUD Title 1 PowerSaver Loans (Secured or Unsecured)
 - The PowerSaver program insures loans to finance small or moderate improvements to a home, such as a solar energy upgrade. The PowerSaver pilot will provide lender insurance for secured and unsecured loans up to \$25,000 to single family homeowners specifically targeting residential energy efficiency and renewable energy improvements.
 - www1.eere.energy.gov/wip/solutioncenter/financialproducts/PowerSaver.html

Unsecured Financing

Unsecured financing is a loan that is not backed by any collateral. Credit cards and personal loans are the most common examples of unsecured financing. Unsecured financing products available for energy upgrades include personal loans and contractor-sponsored products. However, unsecured financing does come with drawbacks: a good line of credit is typically required with no collateral and the interest rates tend to be higher than with secured loans. However, with some publicly-supported programs, the jurisdiction will pay the interest rate down to attract borrowers.

- o Fannie Mae Energy Loan
 - Fannie Mae offers a direct, non-recourse consumer loan program that will finance up to \$20,000 in energy improvements without putting a lien on your home. Energy Loan is a simple interest, fixed rate loan with longer terms available than typical bank financing.
 - www.energyloan.net/index.php
- o Los Angeles County Energy Loans
 - As with the secured loan, Matadors Community Credit Union and Los Angeles County are offering low-interest loans for energy upgrades and renewable energy projects.
 - https://energyupgradeca.org/county/los_angeles/about_local_financing

- o Clean Energy Upgrade Financing Program - ABX1 14
 - ABX1 14 authorizes the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) to administer a Clean Energy Upgrade Financing Program using up to \$25 million to finance the installation of distributed generation renewable energy sources, electric vehicle charging infrastructure, or energy or water efficiency improvements on homes or small commercial properties.
http://www.treasurer.ca.gov/caeatfa/abx1_14/index.asp

Other Financing Mechanisms

- o Feed-in Tariff (FIT)
 - Under a feed-in tariff, eligible renewable electricity generators are paid for the generating renewable electricity and feeding it into the utility grid.
 - [SCE FIT Program](#)
- o Virtual Net Metering
 - VNEM is similar to ordinary Net Energy Metering (NEM) but is for multi-metered properties. VNEM is an agreement under which a share of production credits from a single solar system can be distributed to individual ratepayers in a multi-tenant property.
 - <http://www.sce.com/customergeneration/net-energy-faqs/net-energy-metering-faqs.htm#vnm>

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Incentive Information

- **Federal Solar Incentives**
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 - o Business Energy Investment Tax Credit (ITC)
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- http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=US02F&re=1&ee=1

- **California Solar Initiative (CSI)**
 - www.gosolarcalifornia.com/csi

- **Program Administrator**
 - Southern California Edison
 - Phone: (866) 584-7436
 - Email: CSIGroup@sce.com
 - Website: www.sce.com/csi

- **Step by Step Process of getting a CSI solar rebate**
 - [Step 1: Energy Efficiency Audit](#)
Complete an energy efficiency audit and make sure to take advantage of all the cost-effective ways to save energy and money in your home or business prior to installing solar.
 - [Step 2: Find a Solar Installer](#)
Qualified contractors are your key to getting the most productive solar energy system for your home or business.
 - [Step 3: Apply for Rebates](#)
Qualified contractors will handle the CSI application process for your rebates in two or three steps.
 - [Step 4: Install Your System](#)
If you have received your reservation confirmation letter, you're ready to install your system and interconnect to the utility's power grid.
 - [Step 5: Claim Your Incentive](#)
When your project is installed and operational you may submit the Incentive Claim Form.

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Permitting Process Information

City of Palmdale
Building and Safety Department
38250 Sierra Highway
Palmdale, CA 93550

Phone:

(661) 267-5353

Website:

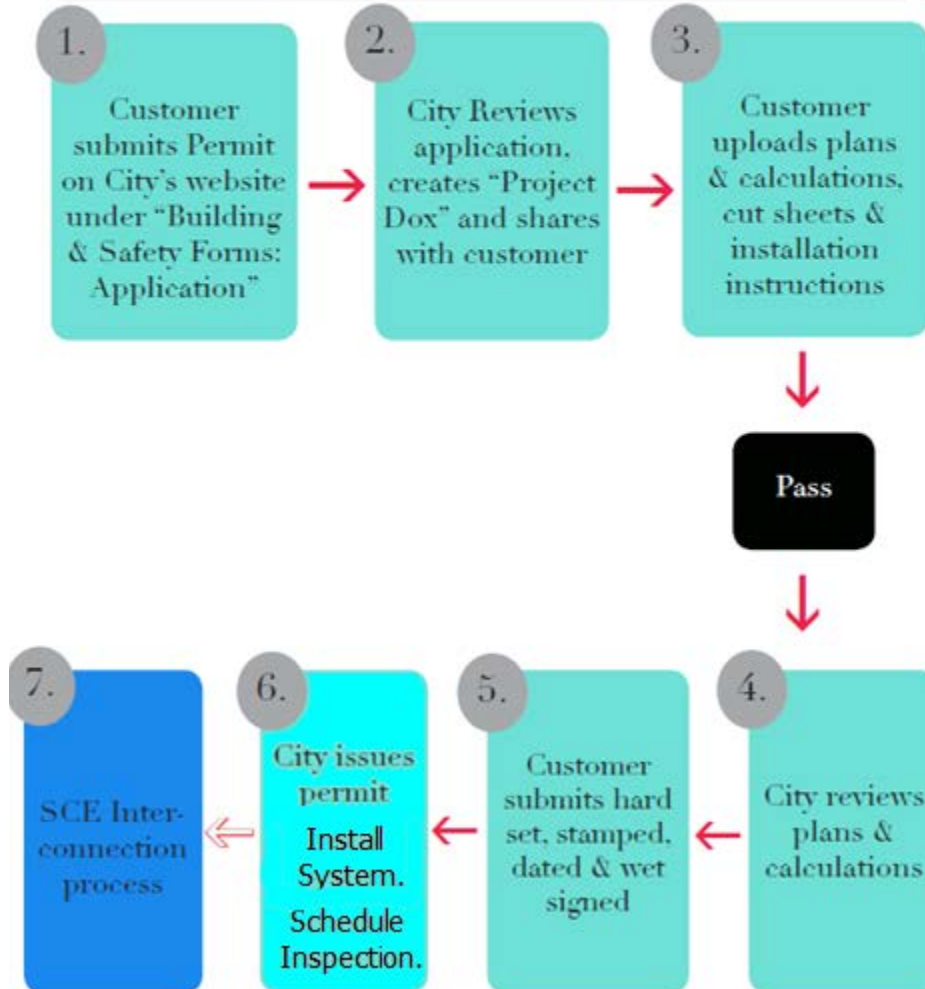
<http://www.cityofpalmdale.org/departments/building/>

Hours:

Monday – Thursday: 7:30AM – 5:30PM

Fridays: Closed

PERMITTING PROCESS: Palmdale



Permitting Process:

1. Submit Application online to Building Department
 - Applications can be submitted online through the City of Palmdale website. The permit application is located online:
 - http://www.cityofpalmdale.org/departments/building/permit_application.asp
 - The City of Palmdale will review application and collect Plan Check Fee and create Project Dox file for the project
 - i. Customer will be invited to Project Dox.

2. City of Palmdale reviews application, creates Project Dox file and sends it to customer
3. Upload Permit documents
 - Worksheet for PV System Plan Check:
 - i. <http://www.cityofpalmdale.org/departments/building/forms/Worksheet%20for%20PV%20System%20Plan%20Check.pdf>
 - When submitting a PV application, the following documents are required:
 - a. Basic Site diagram with location of major equipment
 - b. One-line diagram with
 - i. Array configuration shown
 - ii. Equipment grounding specified
 - iii. Disconnect specified
 - iv. System grounding specified
 - v. Point of connection attachment method identified
 - c. Cut sheets for inverter and Installation Instructions
 - d. Cut sheets for PV modules and Installation Instructions
 - e. Roof information and Structural Calculations
 - The City of Palmdale will review documents for accuracy.
4. City of Palmdale reviews plans and calculations
5. Customer Submits Hard Copies
 - Upon approval, the customer will stamp, date, and sign hard copies of the documents to the City of Palmdale.
 - The permit is issued and the PV system can be installed.
6. Install PV System
7. Inspection
 - Inspections can be scheduled for the same day by calling the inspectors between 7am and 8 am Monday through Thursday at 661-267-5353. Calls made after 8 am and after hours will be set up for inspection the next working day.
 - Inspections can be scheduled online through Velocity Hall at Accela's website: <https://www.velocityhall.com/accela/velohall/index.cfm?CITY=PALMDALE&STATE=CALIFORNIA&CFID=4405402&CFTOKEN=56680619&jsessionId=09CFF0030F5D94FD8F3D82DC02A26BC0>
8. Interconnection Process
 - The City of Palmdale will not contact Southern California Edison (SCE) to initiate the interconnection process.
 - i. This must be done by the contractor or customer.

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Southern California Edison (SCE)

Interconnection Process

Southern California Edison (SCE) is the local utility for the City of Palmdale. Upon installation of your solar system and completion of your building permit inspection from the City of Palmdale, SCE will complete your interconnection agreement and connect your system to the electric grid so you can start generating electricity for your home or business.

Contact Information

Phone:

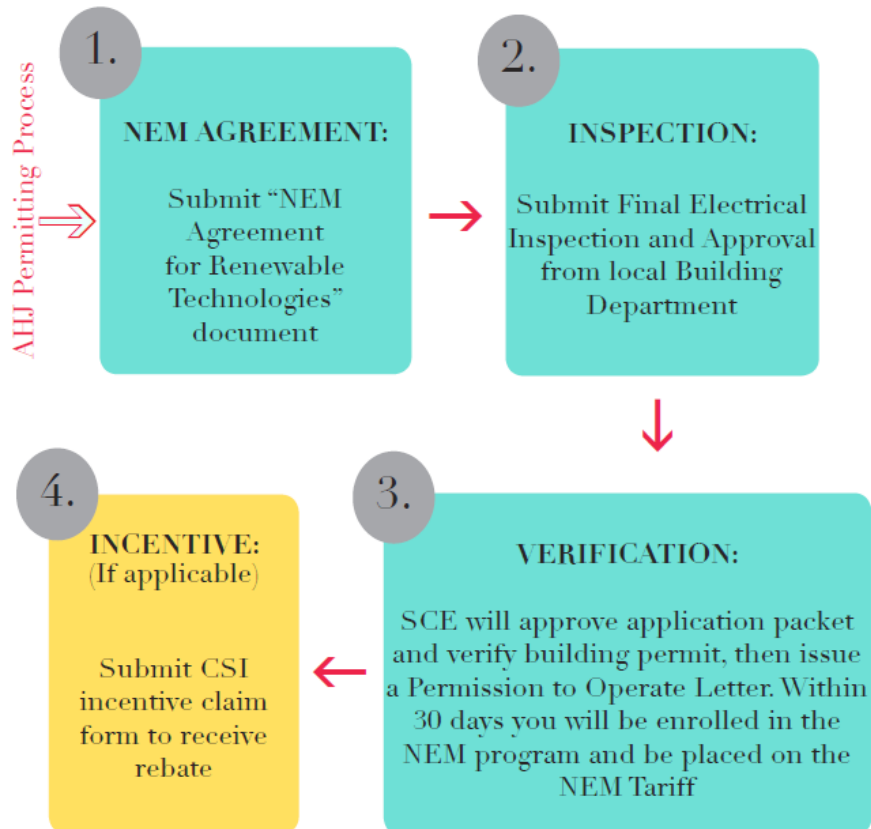
(626) 302-9680

Website:

<http://www.sce.com/nem>

Interconnection Process

INTERCONNECTION PROCESS: Southern California Edison



Net Energy Metering (NEM) Interconnection Handbook for Installers:

http://asset.sce.com/Documents/NEM_Interconnection_Handbook.pdf

NEM Interconnection Checklist

<http://asset.sce.com/Documents/checklist-solarwind.pdf>

How do I apply for Net Energy Metering?

NEM interconnection paperwork is typically submitted by the system installer because it involves technical documentation of the proposed system.

Application checklists, required documents, and samples can be downloaded from www.sce.com/nem. Application documents may be submitted via email to customer.generation@sce.com or by fax to (626) 571-4272.

1. Submit NEM Application Package and “NEM Agreement for Renewable Technologies” document

- Submit the initial Application Packet as early as possible, long before the system is installed and the final inspection by the local building and safety department is scheduled. The Application Packet consists of:
 - NEM Interconnection Application
 - 1. [Systems under 10kW](#)
 - 2. [Systems over 10kW](#)
 - [Single Line Diagram & Plot Plan](#)
 - NEM Interconnection Agreement signed by SCE’s customer

2. Submit Building Permit Job Card from local Building Department

- Submit a copy of the Final Electrical Inspection and Approval from the local Building and Safety department as soon as it is issued.

3. SCE Finalizes Application and Issue Permission to Operate letter

- Within 30 working days of receipt of all the required documents, SCE will:
- Issue a Permission to Operate (PTO) letter so you can turn on your system. Enclosed with the PTO letter will be an NEM tag for you to place on your meter to notify SCE meter technicians about the presence of your generating system and as proof of your permission to operate.
- Ensure your meter is capable of tracking your net generation.
- Enroll you on the Net Energy Metering rate schedule.

For regulatory and safety reasons, your generating facility must not be interconnected prior to your receipt of the PTO letter and placement of the NEM tag on your meter.

Additional Interconnection Information

The parallel operation of a solar PV unit requires interconnection with SCE’s electrical grid. Electric Rule 21 is a tariff that describes the interconnection, operating and metering requirements for generation facilities to be connected to a utility’s distribution system, over which the California Public Utilities Commission (CPUC) has jurisdiction. Note that the posted Rule 21 may not reflect updates to the tariff that may be pending before the CPUC:

- [SCE Rule 21](#)

The NEM Interconnection Handbook specifies the typical minimum technical requirements to interconnect generating facilities with SCE's electric system under the Net Energy Metering (NEM) program:

- [SCE's Net Energy Metering Interconnection Handbook](#)

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