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City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBERS KALB

RESOLUTION IN SUPPORT OF ASSEMBLY BILL (AB) 2188 (MURATSUCHI) – STATE LEGISLATION THAT WOULD MAKE CALIFORNIA STATEWIDE PERMITTING PROCESS FOR ROOFTOP SOLAR SYSTEMS SIMPLER AND MORE EFFICIENT AND HELP ADVANCE GOALS OUTLINED IN OAKLAND'S CLIMATE ACTION PLAN.

WHEREAS, Rooftop solar energy is a leading renewable energy technology that will help this state reach its energy and environmental goals; and

WHEREAS, To reach the state's Million Solar Roofs goal, hundreds of thousands of additional rooftop solar energy systems will need to be deployed in the coming years ; and

WHEREAS, Various studies, including one by the Lawrence Berkeley National Laboratory, show that, despite the 1978 California Solar Rights Act, declaring that the "implementation of consistent statewide standards to achieve the timely and cost-effective installation of solar energy systems is not a municipal affair...but is instead a matter of statewide concern", the permitting process governing the installation of rooftop solar energy systems varies widely across jurisdictions and, contrary to the intent of the law, is both an "obstacle" to the state's clean energy and greenhouse reduction goals and a burdensome "cost" to homeowners, businesses, schools, and public agencies; and

WHEREAS, City of Oakland in 2005 adopted a Civic Green Building Ordinance and in 2010 a Green Building Ordinance for Private Development Projects which among other things refer to installation of alternative energy methods for supplemental energy production as one of the building "green" provisions; and

WHEREAS, To reach Oakland's goals of 32% decrease in electricity consumption through renewable generation, conservation and energy efficiency, 14% decrease in natural gas consumption through building retrofits, solar hot water projects and conservation, 62 million kWh and 2.7 million therms annually of new renewable energy used to meet local needs identified in Oakland Climate Action Plan thousands of additional rooftop solar energy systems will need to be deployed in coming years; and

WHEREAS, The U.S. Department of Energy, through its SunShot Initiative, has distributed millions of dollars in grants to local and state governments, including California jurisdictions, and nonprofit organizations to reduce the costs of distributed solar through more efficient and standardized permitting; and

WHEREAS, A modernized and standardized permitting process for installations of small-scale solar distributed generation technology on residential rooftops will increase the deployment of solar distributed generation, reduce the cost of solar distributed generation, help to expand access to lower income households, improve the ability of Oakland and California' to reach their Clean Energy and Climate Change goals, and generate much needed jobs in Oakland and across the state, all while maintaining safety standards; and

WHEREAS, The East Bay Green Corridor, of which the City of Oakland is a member, has created an on-line "Rapid PhotoVoltaic Permit" Guide (http://ebgreencorridor.org/rapid_pv_permit_introduction.php) to facilitate a streamlined rooftop solar permitting process in East Bay cities; and

WHEREAS, Residential rooftop solar energy systems have become far more uniform than in years past, enabling a standardized permitting process for the vast majority of permit seekers; now, therefore, be it

RESOLVED, That the Oakland City Council strongly supports efforts to establish a statewide standard for issuance of permits and inspections for rooftop solar energy installations, and hereby endorses AB 2188 (Muratsuchi)—the residential solar permitting bill; and be it,

FURTHER RESOLVED, That the City of Oakland should continue to work to improve its own permitting procedures and inspection timelines in conjunction with the state and other permitting jurisdictions within the East Bay Green Corridor; and be it,

FURTHER RESOLVED, That a copy of this Resolution shall be distributed to state legislators and Governor Brown urging support for AB 2188.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF, AND
PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council of the
City of Oakland, California

Item #6
Rules and Management Committee
July 24, 2014



Assembly Bill 2188 (Muratsuchi) Solar Permitting Efficiency Act

SUMMARY

AB 2188 requires local governments to adopt a solar ordinance that creates a streamlined permitting process for small residential rooftop solar systems that meet certain building and safety standards.

By improving the efficiency of solar permitting statewide, AB 2188 will help lower the cost of solar installations and further expand the accessibility of solar to more California homeowners who want to control their electricity bills and generate their own clean energy. In addition, making solar energy more affordable will help the state reach its renewable energy and greenhouse gas reduction goals, and create more jobs¹ while maintaining the safety of solar energy systems.

BACKGROUND

In 1978, the Legislature adopted the CA Solar Rights Act (Gov. Code section 65850.5 et seq.) and declared that the *"implementation of consistent statewide standards to achieve the timely and cost-effective installation of solar energy systems is not a municipal affair...but is instead a matter of statewide concern."* However, since this time, there has been no effective implementation of this decades-old mandate.

Currently, California's solar permitting structure is a patch work of various regulations and requirements that vary from city to city and county to county. This results in a lack of certainty and hinders the ability of companies to scale and reduce costs. Requirements in one city can differ drastically from a neighboring city even though the same solar systems are being installed on similar homes.

As the price of solar equipment has decreased due to economies of scale, more Californians across the economic spectrum are going solar.² However, despite

¹According to the U.S. Department of Energy, achieving the SunShot Initiative's \$.06 per kWh goal would lead to the creation of 390,000 new solar jobs by 2050;

http://www1.eere.energy.gov/solar/sunshot/mission_vision_goals.html.

²According to the CPUC, the number of solar systems installed in middle income zip codes — with median incomes between \$50,000 and \$75,000 — Last Updated 26-Jun-14

significant declines in equipment prices, the "soft costs" of installation, including permitting and interconnection, continue to be a barrier to greater solar adoption and now comprise over 50% of total installation costs (even greater than panel prices).³ These "soft costs" remain much higher than necessary because of inconsistent and often unnecessary permitting and inspection requirements that hinder the industry's efforts to reduce costs in the face of declining incentives and tax credits. By reducing the time and complexity associated with permitting, the cost of going solar can be further reduced, expanding the accessibility of solar to more Californians.

Further, rooftop solar is a cost-effective way to reduce greenhouse gas emissions, while growing the economy. A recent UCLA study noted that if solar reached just 5% of roofs in Los Angeles County over 28,000 jobs could be created and carbon dioxide emissions reduced by 1.25 million tons, the equivalent of removing 225,000 cars.⁴

Entities such as the Lawrence Berkeley National Laboratory⁵, U.S. Department of Energy (DOE)⁶, and the California Office of Planning and Research⁷ have all recognized the need to simplify permitting requirements in order to reduce the barriers to increased clean energy generation. In fact, as part of its Rooftop Solar Challenge program, the DOE has awarded \$12 million to an initiative that empowers local governments across the nation to make it easier, cheaper, and faster for more Americans to go solar.

Several jurisdictions, such as the City of Los Angeles, San

has increased 445% since 2007. CPUC, June 2012. CA Solar Initiative Annual Program Assessment.

³ See footnote #1.

⁴ J.R. DeShazo, Callahn, and Wong, 2014. "Los Angeles Solar and Efficiency Report" UCLA Luskin Center.

⁵ R. Wiser and C. Dong, 2013. "The Impact of City-level Permitting Processes on Residential PV Installation Prices and Development Times." Lawrence Berkeley National Laboratory.

⁶ See U.S. Department of Energy's SunShot Initiative: http://www1.eere.energy.gov/solar/sunshot/permitting_interconnection_in_spection_costs.html

⁷ opr.ca.gov/docs/California_Solar_Permitting_Guidebook.pdf



Assembly Bill 2188 (Muratsuchi) Solar Permitting Efficiency Act

Jose, Richmond, Oakland, and San Diego County have already developed streamlined permitting requirements for small residential projects that meet certain criteria. These local governments have demonstrated that the state can reduce permitting timeframes while maintaining important safety protections.

NEED FOR THE BILL

It is time for California to make meaningful progress on the goals first adopted by the Legislature in 1978. If the state is serious about encouraging its citizens to reduce carbon emissions by generating clean energy, adopting efficient statewide solar permitting standards to minimize costly permit requirements would be a significant step forward. AB 2188 will help save local governments scarce resources while also ensuring necessary consumer protections. It will modernize the permitting process by using web-based or electronic submission and processing. Modernizing permitting processes can reduce the price of an average residential solar system by \$1000 or more and reduce development time by 30 days.⁸ AB 2188 will also trigger an increase in local investments, which will result in job creation, higher tax revenues and local economic development.

WHAT THE BILL DOES

Specifically, AB 2188 would:

- Require all local governments to adopt a solar ordinance that creates a streamlined permitting process for small residential rooftop solar systems that meet certain building and safety standards.
- Require all local governments to approve the permit application of solar systems that meet the specified criteria upon receipt and review of a completed application.
- Require local governments to provide a single coordinated inspection, if multiple inspections are required.

- Provide for electronic submittal for all solar installations that qualify for the streamlined permit process.

SUPPORT

California Solar Energy Industry Association (CalSEIA)
California Center for Sustainable Energy
SolarCity
SunRun
Verengo Solar
Solar City
San Francisco Environment Commission
Mayor Jean Quan - City of Oakland
Solar Energy Industries Association
Horizon Solar Power
Real Good Solar
One Block off the Grid
Gayle McLaughlin – Mayor of Richmond
Tom Bates- Mayor of Berkeley
Sierra Club California
Environment California
Environmental Defense Fund
California League of Conservation Voters
Sungevity, Inc.
Brigline Defense Project
Oakland Metropolitan Chamber of Commerce
TerraVerde Renewable Partners
Marin Clean Energy
Aztec Solar, Inc.
Sierra Pacific Home & Comfort, Inc.
Skyline Innovations
Sun Light & Power
Sullivan Solar Power
Presente.Org
Clean Power Finance
Rising Sun Energy
Sonoma Clean Power
1st Light Energy
Arise Solar
ASI Hastings, Inc.
BMC Solar
Booth Construction
Chico Electric

⁸ R. Wiser and C. Dong, 2013. "The Impact of City-level Permitting Processes on Residential PV Installation Prices and Development Times." Lawrence Berkeley National Laboratory.
Last Updated 26-Jun-14



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Clean Solar
Cobalt Power Systems
Cosmic Solar
Delta Solar Electric, Inc.
Enphase Energy
FAFCO, Inc.
Freedom Solar
HelioPower
Home Energy Systems, Inc.
Hot Purple Energy
Insoltech Solar
Luminati
Real Goods Solar
Renova Energy Corp.
Solar Census
Solar Roof Dynamics
Solar Universe, Inc.
SolarCraft
Spectrum Energy Development, Inc.
Stellar Solar
Sun Pacific Solar Electric, Inc.
Suncrest Solar
Unique Solar
Westcoast Solar Energy
Zep Solar

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