

City of Palm Desert

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

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Contact Information

City of Palm Desert
Building and Safety Department
Planning Department
Palm Desert Civic Center
73-510 Fred Waring Drive
Palm Desert, CA 92260

Phone:

Building and Safety: (760) 776-6420
Planning: (760) 346-0611

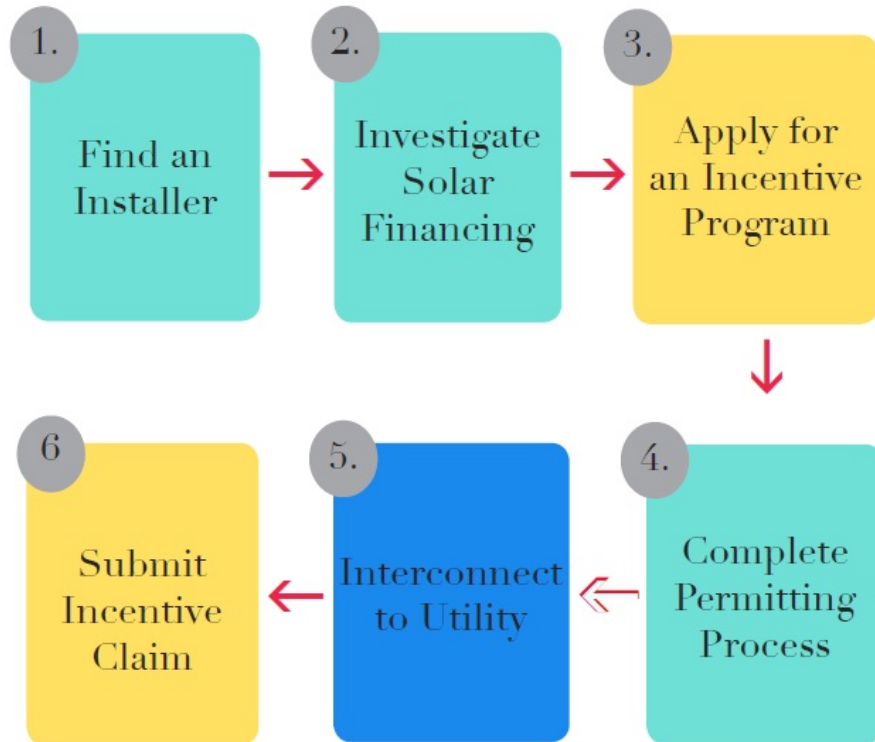
Website:

Building and Safety: <http://www.cityofpalmdesert.org/Index.aspx?page=27>
Planning: <http://www.cityofpalmdesert.org/Index.aspx?page=163>

Hours:

Building and Safety Department: Monday – Friday, 8:00AM - 5:00PM
Planning Department: Monday – Friday, 8:00AM - 5:00PM
Inspector Hours: Monday – Friday, 7:00AM - 4:00PM

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 CalPACE
 - California PACE provides property owners fixed-rate, property value based, no credit check, no-money-down financing. The financed amount is repaid over time through annual property tax assessments with the charge appearing as a line item on the property tax bill. Industrial and commercial properties and residential properties greater than 4 units are eligible at this time. Residential properties of 4 units or less with no mortgage liens or with loans not governed by the Federal Housing Finance Agencies (i.e. “Fannie Mae” and “Freddie Mac”) may also be eligible.
 - www.figtreecompany.com/commercial-pace-faq/
- o Palm Desert’s Energy Independence Program (EIP)
 - This program offers loans for both residential and commercial properties for energy efficiency or solar projects. After Fannie Mae and Freddie Mac challenged the seniority of PACE loans, the City of Palm Desert restarted the EIP with the requirement that property owners must sign a disclosure statement that participation in the program may violate their mortgage contracts. EIP provides property owners fixed-rate, property value based, no credit check, no-money-down financing. The financed amount is repaid over time through annual property tax assessments with the charge appearing as a line item on the property tax bill. All industrial, commercial or residential properties are eligible at this time.

www.cityofpalmdesert.org/Index.aspx?page=484

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 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

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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.
 - [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 Palm Desert
Building and Safety Department
Planning Department
Palm Desert Civic Center
73-510 Fred Waring Drive
Palm Desert, CA 92260

Phone:

Building and Safety: (760) 776-6420

Planning: (760) 346-0611

Website:

Building Permits: <http://cityofpalmdesert.org/Index.aspx?page=30>

Planning: <http://www.cityofpalmdesert.org/Index.aspx?page=163>

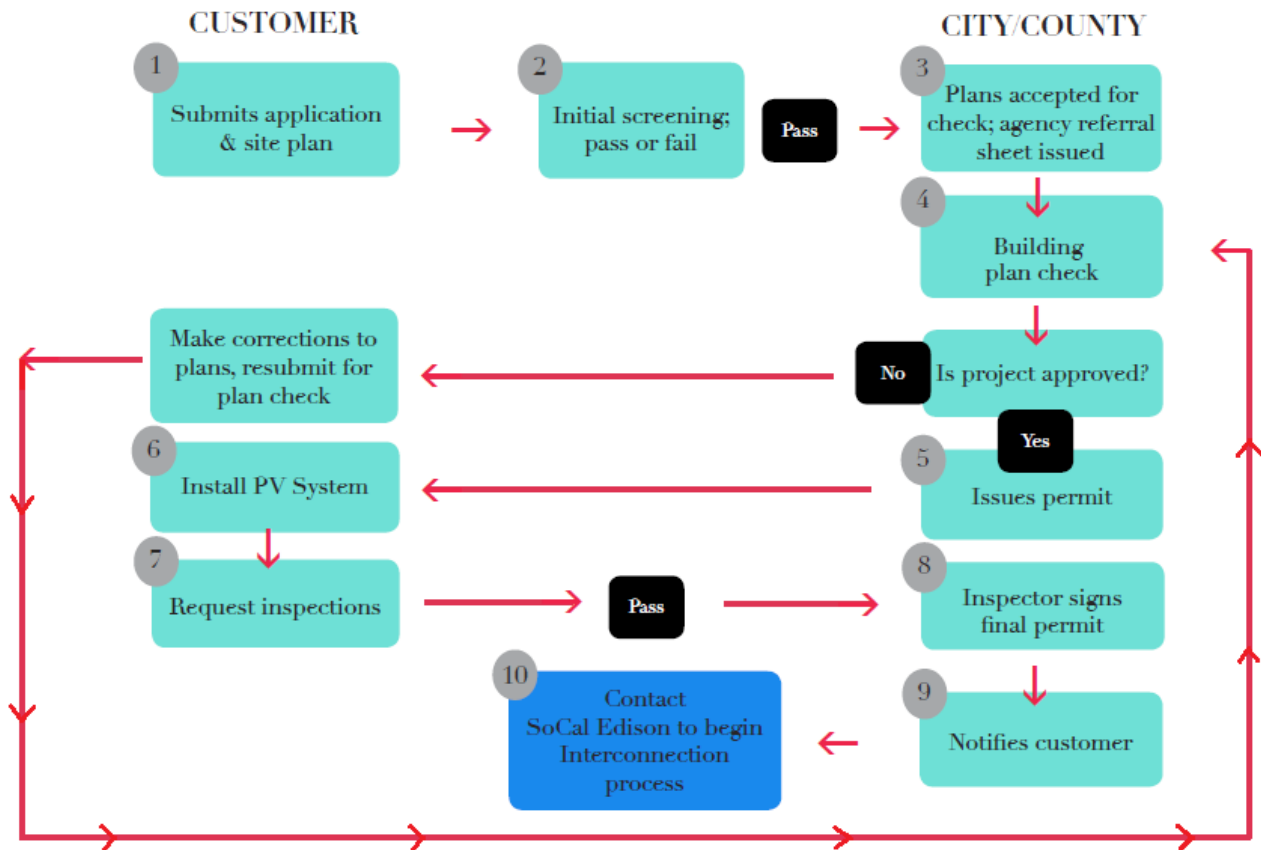
Hours:

Building and Safety Department: Monday – Friday, 8:00AM - 5:00PM

Planning Department: Monday – Friday, 8:00AM - 5:00PM

Inspector Hours: Thursday, Monday – Friday, 7:00AM - 4:00PM

PERMITTING PROCESS: Palm Desert



Permitting Process:

1. Customer must complete plan review at Planning Department (this will be completed over the counter)
 - <http://cityofpalmdesert.org/Index.aspx?page=46>
 - Minimum Requirements for Submittal of Plans
 - Two complete sets of plans, plus one additional site plan and dimensioned floor plan for plan review.
 - Solar PV Minimum Submittal Requirements:
 - <http://www.cityofpalmdesert.org/Modules/ShowDocument.aspx?documentid=675>
2. Initial Screening by Planning Department
3. If initial screen is approved, plans accepted for full plan check by Building and Safety
4. After completion of the plan check, the customer will take the documents to the Building and Safety Department for approval
 - The following documents are needed by Building and Safety Department:

- Two sets of plans, site plan, solar layout, single line diagram, array and inverter information
 - It takes usually 3-5 days to complete a completed permit application
 - If the electrical panel isn't big enough, a permit must be pulled over the counter to upgrade
 - Application documents:
 - [Building permit application](#)
 - Must be completed and sent into the Building and Safety
5. Permit Issued
 6. Install the System
 7. Request Inspection
 - <http://cityofpalmdesert.org/Index.aspx?page=29>
 - Upon issuance of the building permit and installation of the PV system, contractor/customer will call inspector who will come out next day (if request if made before 4:30pm the previous working day)
 - Building Inspection contact
 - Phone: (760) 776-6420
 - Online: <http://cityofpalmdesert.org/Index.aspx?page=34>
 - A two hour window for the inspection will be given
 8. Inspector signs permit upon inspection approval
 9. Customer is notified of inspection completion
 10. Interconnection
 - Southern California Edison is not notified by the City of Palm Desert at the completion of inspection
 - Installer must notify SCE to initiate the interconnection process

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Southern California Edison (SCE) Interconnection Process

Southern California Edison (SCE) is the local utility for the City of Palm Desert. Upon installation of your solar system and completion of your building permit inspection from the City of Palm Desert, 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:

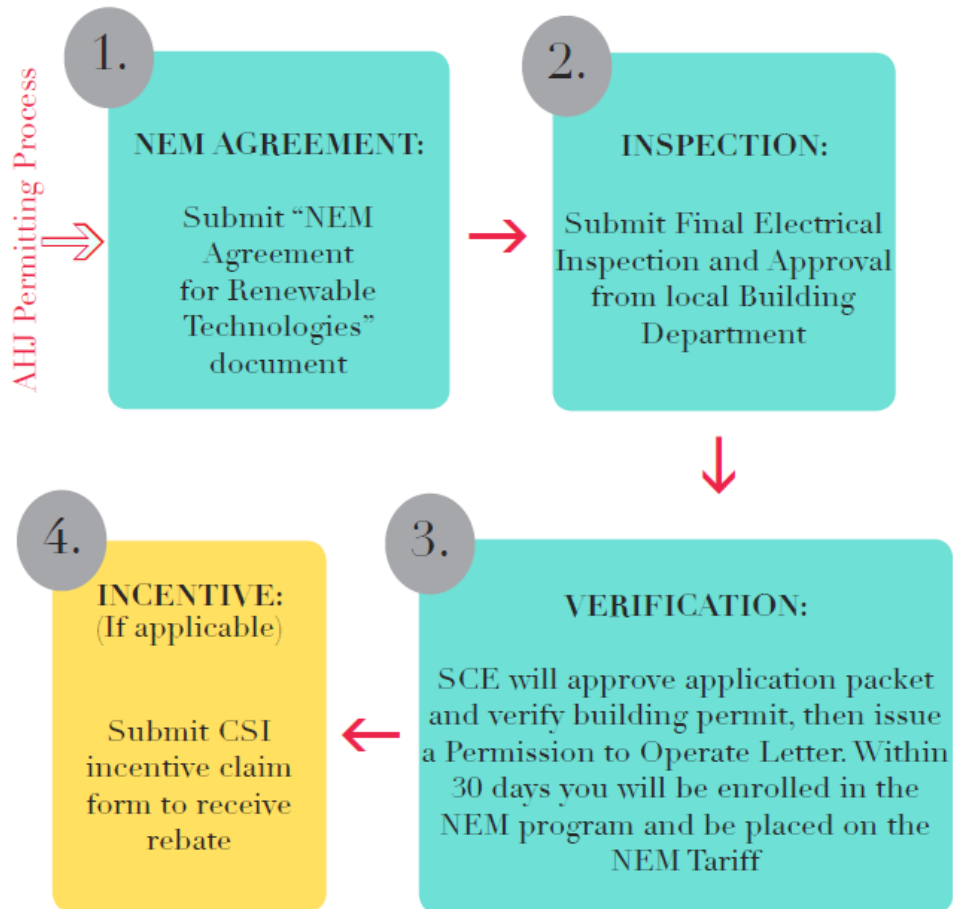
(626) 302-9680

Website:

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

Interconnection Process

INTERCONNECTION PROCESS: Southern California Edison



NEM Interconnection Handbook for Installers:

[http://asset.sce.com/Documents/NEM Interconnection Handbook.pdf](http://asset.sce.com/Documents/NEM%20Interconnection%20Handbook.pdf)

NEM Interconnection Checklist

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

How do I apply for Net Energy Metering (NEM)?

NEM interconnection paperwork is typically submitted by your 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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