

## **SOLAR PHOTOVOLTAIC (PV) SMALL COMMERCIAL AND NONPROFIT CAPACITY-BASED INCENTIVE (CBI) PROGRAM GUIDELINES**

*These guidelines govern the procedures and qualifications for Austin Energy's Solar PV Small Commercial and Nonprofit CBI Program and are subject to change. Applications that do not meet these requirements may be denied.*

### **I. Program Incentives**

|                               | <b>Nonprofit</b>                      | <b>Small Commercial</b> |
|-------------------------------|---------------------------------------|-------------------------|
| <b>System Size (kW-AC)</b>    | Any                                   | > 100                   |
| <b>Rebate Level (\$/W-DC)</b> | \$0.70                                | \$0.50                  |
| <b>Maximum Rebate Amount</b>  | \$168,675                             | \$60,240                |
| <b>Payment Calculation</b>    | [System Size (W-DC)] x [Rebate Level] |                         |
| <b>Payment Method</b>         | One-time check at project completion  |                         |

*\*Note: For all Austin Energy Solar Programs, eligibility is determined by kW-ac, equivalent to 83% of the kW-dc system rating.*

### **II. Eligibility and Funding**

- A. The proposed PV system must be installed and interconnected at a service address that has, or will have, an Austin Energy commercial electric utility service.
- B. The Applicant must fall into one of the following categories and provide all necessary documentation during the initial application stage:
  - i. Electric Account Holder or an Authorized User designated in the billing system
  - ii. Property Owner – verifiable in the Travis Central Appraisal District database
  - iii. Property Manager, Parent Company, or Subsidiary – with a provided W9
  - iv. Property Tenant
- C. If the Applicant is not the property owner, they must submit installation authorization documentation from the property owner. Property deed restrictions must not prohibit the installation of a PV system.
- D. Capacity-based incentivized solar systems shall not be installed behind existing PV meters receiving performance-based incentive (PBI) credits.
- E. Proposed solar systems must be less than 100 kW-AC to qualify for the **small commercial incentive**.
- F. To qualify for the **nonprofit incentive** rate, Applicants must provide proof of nonprofit status (acceptable forms of proof listed in Section V.B.iv)
- G. The Applicant must own the PV system. Systems involving leasing arrangements are not eligible for the incentive.
- H. The PV system must be electrically interconnected and attached to a non-mobile structure on a permanent foundation.
- I. The PV system must remain interconnected to Austin Energy's electrical grid and operating for the useful life of the system, otherwise the Applicant may be required to forfeit any incentives received from Austin Energy.
- J. Customers participating in this program are **not** eligible for smart meter opt-out.
- K. The CBI incentive is provided in addition to the applicable Value of Solar rate. Commercial solar customers will be credited according to Austin Energy's [Value of Solar](#) rate.
- L. CBI incentives are special limited obligations of the City of Austin, payable solely from the revenues of Austin Energy, and not from any tax revenues of the City.

### **III. Participating Solar Contractor Obligations**

- A. The PV system must be contracted and permitted by the Participating Solar Contractor submitting the application on the customer's behalf. Participating Solar Contractors are listed on [Austin Energy's Solar Solutions website](#).
- B. Participating Solar Contractors are required to release customers from their contractual obligations upon request without penalty any time prior to the issuance of the LOI.



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- C. Participating Solar Contractor must:
  - i. Be listed as the promisor on the solar installation contract with the Applicant or general contractor.
  - ii. Submit an incentive application on the Applicant's behalf.
  - iii. Obtain and maintain the City of Austin electrical permit for installation of the PV system prior to inspection.
  - iv. Disclose any subcontractors employed for the solar project on the Customer Agreement Form (CAF).
  - v. Provide a 10-year warranty (minimum) for the workmanship of the installation and transfer the equipment warranties to the system owner. The warranty statement must be signed by the customer.
- D. Production models based on azimuth, tilt, and shading factors must be used to communicate expected annual production to customers. Austin Energy uses the National Renewable Energy Laboratory's (NREL) [PVWatts](#) tool as a baseline for internal review.
- E. Participating Solar Contractors must request an electrical inspection for completed project within 365 days of the LOI issuance date. Projects not completed within 365 days may require a new incentive application at the prevailing incentive level.

### **IV. Installation Requirements**

- A. Minimum System Size: 2.5kW-AC (3kW-DC)
- B. Maximum System Size:
  - i. **Small Commercial:** 100 kW-AC
  - ii. **Nonprofit:** No maximum limit, but Applicants are subject to incentive caps noted in Section I.
  - iii. PV systems shall not be sized to produce more than 110% of the historical annual energy consumption of the connected load. Exceptions must be notated on the CAF.
- C. The system must be sited in a location where a minimum average of 75% of the total solar resource fraction (TSRF) is available to the system. An on-site, in-person shade analysis must be made available within 10 business days of a request by Austin Energy or will result in a violation.
- D. All installed PV system components must be new, listed by the [California Energy Commission](#), and under warranty for a minimum of 10 years (workmanship and equipment).
- E. Installations that include framed solar panels must be installed at a pitch of 5 degree or greater.
- F. The roof must have a minimum of 10 years of usable, warrantied life remaining.
- G. All roof penetrations must be flashed.
- H. Clamping attachments (such as S-5 Clamps) must be rated by the manufacturer to be compatible with the roofing system.
- I. All PV systems must be interconnected to Austin Energy's electrical grid, at the Customer's expense, in accordance with the [Austin Design Criteria Manual and Austin Energy's Distribution Interconnection Guide](#).
- J. Installation must comply with all applicable local, state, and federal regulations, and in accordance with manufacturer's standards. Individual jurisdictions should be contacted for local requirements, the City of Austin may not be aware of other local jurisdictional requirements.
- K. An electric permit and a separate building permit are required for all commercial PV installations within the City of Austin's jurisdiction. A separate building permit may be required for structural engineering review by the Authority Having Jurisdiction (AHJ) in other regions. If the commercial PV installation is on a property located outside of the City of Austin's jurisdiction, and does not require a building permit, Austin Energy will require an engineer stamped structural drawing for final incentive approval.



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### **V. Incentive Process and Required Documentation**

- A. **Choose a contractor:** Qualifying Applicants (Section II), or their general contractor, must choose a contractor from the [Austin Energy's Participating Solar Contractors](#) list.
- B. **Application submittal:** The Participating Solar Contractor must initiate the application on behalf of the Applicant. Applications for solar incentives must be successfully submitted by the Participating Solar Contractor through the [Energy Efficiency Collaboration Platform](#) (EECP) under the Solar PV Commercial CBI program. The following documents must be fully completed and uploaded by the Participating Solar Contractor:
  - i. Customer Agreement Form (CAF) and REC Agreement – filled out with system details, then endorsed by the primary contractor (if different from the solar contractor), subcontractor/Participating Solar Contractor (where applicable), and the Applicant.
  - ii. Proposed System Layout, including the following:
    - 1. Solar panel and inverter equipment details – make, model, quantity
    - 2. Panel orientation – azimuth and tilt
    - 3. NABCEP endorsement (number and signature) – PV Installation Professional or PV Design Specialist
  - iii. (Optional) Wiring Diagram – this is not required as a component of the incentive application but should be uploaded to the permit system and provided to the inspectors at the time of inspection.
  - iv. (As needed) Nonprofit status verification (not applicable for Small Commercial)
    - 1. A reference to the Applicant organization's listing in the Internal Revenue Service's (IRS) list of tax-exempt organizations described in section 501(c)(3) of the IRS Code.
    - 2. A copy of a currently valid IRS tax exemption certificate.
    - 3. A statement from a State taxing body, State Attorney General, or other appropriate State Official certifying that the Applicant organization has a nonprofit status and that none of the net earnings accrue to any private shareholders or individuals.
    - 4. A certified copy of the organization's certificate of incorporation or similar document that clearly establishes nonprofit status.
    - 5. Any of the above proof for a State or national parent organization and a statement signed by the parent organization that the Applicant organization is a local nonprofit affiliate.
  - v. (As needed) Designated Applicant verification – Any LOAs or W9s as delineated in Section II.B., required for incentive recipient eligibility.
  - vi. (As needed) Written authorization for installation – Required in the case where the Applicant is not the property owner or a designee of the property owner.
- C. **180 Day Encumbrance:** This letter, sent to both the submitting contractor and the Applicant, confirms the Applicant's eligibility and potential incentive amount for the proposed project. This letter does not guarantee funds, but encumbers the funding pending the submittal of the following documents:
  - i. Installation Contract – the document that matches the installation details entered on the CAF and entered into the incentive application.
    - 1. Customer (should be the same as the Applicant from the CAF) name and installation address
    - 2. Participating Solar Contractor name and contact address
    - 3. Total solar installation price – non-solar costs must be itemized separately
    - 4. System details – major solar components (make, model, quantity, and total system size).
    - 5. Minimum 10-year warranty statement (as detailed in Section III.C)
    - 6. The contract must be endorsed by at least two of the signatories on the original CAF (Applicant, general contractor, subcontractor, or Participating Solar Contractor)
    - 7. Singing Log or signature certificate must be submitted with contract for all signatures



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- ii. Distributed Generation Planning Application (DGPA)
  - 1. Filled out with system details consistent with those on the CAF and the application
  - 2. Approved per [Austin Energy's Distribution Interconnection Guide based on system size](#)
- iii. Rebate amounts exceeding \$76,000 require City Council approval. The Austin Energy Customer Renewable Solutions team will submit the project for approval on behalf of the Applicant.

D. **CBI Solar Installation Letter of Intent (LOI):** This letter, sent to both the submitting contractor and the Applicant, confirms the incentive amount is locked in for the Applicant pending:

- i. Project completion within the 365-day timeline
- ii. Installation meeting all eligibility requirements outlined in these program guidelines
- iii. Final inspection passed by Austin Energy solar inspectors
- iv. All final required documentation submitted

Any changes that occur after the LOI is issued which result in a change of system size (kW) or system performance (kWh) must be submitted through EECP and may result in disqualification from the CBI.

E. **Installation:** Contractors must request a Pre-construction (100) meeting prior to proceeding with installation to ensure compliance with federal, local, and program guidelines. The contractor has 365 days from the date of the LOI to install the system and request final inspection. Extensions may be requested through [solar@austinenergy.com](mailto:solar@austinenergy.com) and are subject to program review.

F. **Final Inspection:** Once the installation is complete the Participating Solar Contractor must:

- i. Ensure that all applicable permits are open and have not expired.
- ii. Request inspection through the [Solar Inspection Request Form](#)
- iii. Submit the following documentation:
  - 1. (As needed) Final System Layout and/or Change Orders – if the installed system differs from the original application and CAF. Please note, that changes made to the system size and production must remain consistent with the eligibility requirements listed in this document. System changes may result in disqualification for the incentive and should be considered *prior to* implementation.
  - 2. Final system Invoice, all costs eligible for the Federal Tax Credit or incentives must be itemized.
- iv. Process the installation in EECP.
- v. The installation will be inspected for its compliance with national, local, and program guidelines. The customer will be notified of the inspection results via email. Successful pass of final inspection is required for system operation.

G. **Incentive Payment:** The incentive check will be issued by the City of Austin and mailed to the Applicant at the address provided in the CAF once the system has passed city inspection and all project documentation has been approved.

H. **REC Retirement:** Austin Energy will retain the renewable energy credits (RECs) and other environmental attributes (other than tax credits) from energy generated by PV systems receiving incentives. RECs will not be specifically retired on the customer's behalf. Exceptions may be granted in cases where RECs are required for reporting or sustainability program certification. The customer *must* contact [RECapadmin@austinenergy.com](mailto:RECapadmin@austinenergy.com) to request an exception.

***Austin Energy is not a manufacturer, supplier, or guarantor of PV equipment or contractors. Austin Energy, whether by making available a list of registered contractors and equipment sources or otherwise, makes no representations or warranties of any nature, directly or indirectly, expressed or implied, as to performance of the contractor or reliability, performance, durability, condition, or quality of any PV system.***

