

December 6, 2018

LADWP Moves Solar Focus from Single Family to Multi-Family

Solar Incentive Program will close to new applications on December 31, 2018. Previously set to end in late 2016, the LADWP Board of Commissioners approved an extension of the SIP beyond the mandated timeframe, through December 31, 2018. **For customers who would like to pursue a net-metered solar system, the interconnection process will remain the same.**

LADWP's Solar Incentive Program (SIP) was created in 1999 to incentivize the installation of solar in Los Angeles, help establish the solar industry, and ultimately to make solar more affordable for our customers. Thanks to the city's residents and businesses strong interest in pursuing solar, the program achieved significant success. This also earned Los Angeles recognition in 2018 for having the most installed solar power of any city in America. As of December 3, 2018, approximately 254 megawatts (MW) from 32,957 solar installations have been incentivized through \$327 million in rebates. Within LADWP's service area, a total of 285 MW from 37,651 net-metered solar systems have been put into service since the program began in 1999.

For several years now, installing solar in the City of Los Angeles has become increasingly more affordable and the solar industry is well established locally, nationally, and internationally. SIP was set to expire as mandated in Senate Bill 1 in 2016, but LADWP maintained the program to ensure a positive impact within the city and within the solar industry. However, in recent years, the program has seen a more than 40 percent reduction in rebate reservation requests, all the while, requests to install solar without rebates have grown exponentially. This drastic reduction in rebate reservations indicates that the incentives are no longer necessary to support the solar industry in Los Angeles and remaining funds can be reallocated to focus on multifamily solar programs and providing solar to residents in lower solar penetration communities. As a result, the incentive program will close on December 31, 2018 per the guidelines approved by the Board of Water and Power Commissioners in 2016 that extended the program by an additional two years. LADWP will still continue to accept SIP applications until the program closes on December 31, 2018 or until program funds are exhausted, whichever comes first. Certain customers will still be eligible to take advantage of the Federal Investment Tax Credit (ITC) benefits for solar until the end of 2022.

Beginning in 2019, any remaining uncommitted SIP funds will be allocated to support new solar projects in areas of low solar participation through our Community Solar Programs, including the pilot Solar Rooftops Program and the pilot Shared Solar Program, which is set to launch in early 2019. LADWP is very thankful to our customers and solar communities for adopting solar technology - a commitment that will help Los Angeles meet its goals of delivering 55 percent of energy from renewable resources by 2025, 70 percent by 2036, and our long-range goal of 100 percent zero-carbon energy by 2045.



Status

New solar rebate applications submitted in Powerclerk (<https://ladwp.powerclerk.com>) on or after January 1, 2019 will not receive a reservation. Applications submitted in Powerclerk on or before December 31, 2018, at 11:59 p.m. (PST) or until program funds are available will be processed normally. Reservations will be issued for complete applications. Any pending payments will be issued once the project satisfies the requirements set forth in the SIP Guidelines. For customers who would like to pursue a net-metered solar system, the interconnection process will remain the same.

Background

The LADWP Solar Incentive Program (SIP) has been offering incentives to offset the cost of installing solar rooftop systems on customer homes and businesses since 1999. In September 2007, the LADWP revised its earlier SIP guidelines to comply with Senate Bill 1 (SB 1). Under this legislation, the LADWP committed to providing \$313 million to support solar photovoltaic (PV) projects until December 2016. The goal of the program was to achieve 280 megawatts (MW) of solar PV by the end of that period. As the program was set to end in late 2016, the LADWP Board of Commissioners approved an extension of the SIP beyond the mandated timeframe. The Board's action allowed the program to continue through December 2018.