

CAL SEIA

SOLAR ENERGY INDUSTRY REPORT

SOLAR MANDATING MAIN TOPIC OF ANNUAL MEMBERSHIP MEETING

Whether to support or oppose local and state mandating ordinances and legislation will be the main topic at CAL SEIA's Third Annual Membership Meeting on December 3. The meeting will be held at the Sheraton Harbor Island Hotel in San Diego.

The issue of mandating was discussed extensively at the last CAL SEIA Board meeting. No position was taken on the subject. Since this issue is one of great importance to all members, the idea of a panel discussion was instituted. Six persons will make up the panel - three speaking against and three in favor. President PAUL BEVENS will moderate. As we go to print, SUPERVISOR JIM BATES, San Diego, HOWARD KRAYE (Conserdyne), FRANK O'DOM (RA Energy Systems), and BRIAN LANGSTON (Southwest Energy Management) have agreed to participate on the panel. At the conclusion of the discussion, members of the Association will be given a ballot which will ask

MEMBERSHIP MEETING (cont.)

various questions regarding mandating. The outcome of the vote will be announced during the afternoon portion of the meeting.

Other items which will be discussed at the membership meeting include the SC 44 Solar Contractors License; CAL SEIA's Public Relations Program and extension of the 55% State Solar Tax Credit.

A financial report on the Association will also be given along with Committee Reports.

LUNCHEON KEYNOTE SPEAKER

JOHN BRYSON, Chairman of the Public Utilities Commission (PUC) has been invited to address the luncheon portion of the meeting. With the hearings on OII 13 and 42 winding down, Chairman Bryson should be able to give us some insight into the question of utility involvement in solar.

ANNUAL MEETING OPEN TO ALL

The annual CAL SEIA membership meeting is open to all members of the Association as well as other interested persons. However, only members of CAL SEIA will be asked to vote on the mandating issue. If you would like to attend this interesting and informative meeting, please fill out the registration form on page 10 and return it to CAL SEIA.

CORRECTIONAL INDUSTRIES COMMISSION HEARING ON PRISON COLLECTORS

As reported in our last issue the Correctional Industries Commission (CIC) announced a public hearing which was held on October 19, in Sherman Oaks, CA, on the question of a Solar Panel Collector Fabrication Operation at Growlersburg Conservation Camp.

Very few members of CAL SEIA responded to this hearing, although STAN YOUNG (Raypak, Inc.) and RUSS HOPKINS (Grumman Energy Systems, Inc.) did attend and present testimony against the proposal. DICK DUNCAN (Sun Ray Solar Systems) and FRANK AMES (Insolarator) both provided written testimony.

CIC ruled on the proposed Forestry Solar Project on October 22. The vote was unanimous that Forestry be permitted to manufacture collectors as presented in the proposal. The Commission further emphasized that those

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collectors manufactured under that proposal would be limited to that proposal and no further expansion of additional manufacturing would be allowed without first coming to the Commission and would require a full public hearing.

CAL SEIA went on record as opposing the proposal.

FLORIDA SEIA HEADQUARTERS OPEN

The Florida Solar Energy Industries Association opened its new headquarters on October 17 in Boca Raton and Mr. Bill Denny, Program Manager at the Southern Solar Energy Center in Atlanta was special guest.

SHIRLEY HAYS will serve as Executive Director of the Association which is located at Plaza One Building, Suite 207, One West Camino Real, Boca Raton, FL. 33433

SOLAR RIGHTS ACT SAVES JOB

A pool heating installation has been saved from attack by neighboring homeowners by invoking the California Solar Rights Act of 1978. On October 10, 1979, the Monterey County Planning Commission voted 5-2 to grant architectural approval to panels installed on the roof of Mr. Stoddard Johnston of Carmel. The contractors, represented by CAL SEIA Counsel WALT HAYS, were Fred

(cont. page 3)

3. SOLAR RIGHTS ACT (cont.)

Concolino of Peninsula Pool Service and Warren Belfer of the Solar Heating Company.

The Johnston home is in the Carmel Meadows tract, a group of expensive homes that overlook Point Lobos. The cost for installing the system on the roof closest to the pool would have been \$5,000, but in order to avoid blocking the living room view of his rear neighbor, Mr. Johnston authorized an additional \$1,100 to move the panels to the other side of his flat-roofed house.



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This was not enough to satisfy the Homeowners Association, whose architectural committee rejected the panels and required the contractors to obtain formal approval from the County. At this point the contractors called CAL SEIA and AGGIE referred them to Walt.

After several meetings, the homeowners recommended three alternatives: (1) cutting the panels in half, thereby reducing the rise above roof level to 16 inches instead of 32 inches (cost: \$2,400); (2) laying the panels flat on the roof, which would require 60% more panels (cost: \$3,200); and (3) placing the panels against the inside of the fence in Mr. Johnston's yard, which would involve at least 50% more panels plus digging up exposed aggregate and other landscaping (cost: \$5,000). The contractors rejected each of these alternatives as unreasonable, and instead offered to cover the back of the rear panel with redwood at a cost of approximately \$400.

The Planning Commission was ready to order the panels, which had been 90% installed, removed. However, Walt referred them to the Solar Rights Act, which prohibits unreasonable restrictions on solar systems and defines reasonable restrictions as those which do not "significantly increase the cost of the system or decrease its efficiency" Under this standard, he contended that the \$1,100 already spent plus the \$400 additional proposed was all that could reasonably be required.

SOLAR RIGHTS ACT (cont.)

Because of the importance of the view in the area and the high value of the homes (\$300,000 - \$500,000), the homeowners argued that the "significance" of the cost should be measured in relation to cost of the homes, whereas Walt argued that it should be measured only in relation to the initial cost of the system. After extensive debate and several split votes, the Commission finally voted 5-2 to approve the contractors' proposal.

This is an important precedent for solar. Thanks are certainly due to Assemblyman MEL LEVINE and all other legislators who backed AB 3250 in 1978, which was written with the assistance of CAL SEIA. A similar precedent was established by Board Member HOWARD KRAVE in January, 1978, when he obtained a judgment in the Los Angeles County Superior Court holding the conditions, covenants and restrictions of the Old Orchard Homeowner Association invalid to the extent that they prohibited him from installing solar panels on his roof.

TAX CREDIT SEMINARS HUGE SUCCESS

CAL SEIA in conjunction with Superior California Solar Consultants (SC²) held a series of 10 Tax Credit Seminars throughout California in October. "The workshops were met with great enthusiasm and will be presented again, probably in late January or early February", said MIKE BOYLSON, President of SC².

In the meantime, for those⁴ of you who missed the seminars, CAL SEIA does have a supply of the tax credit workbooks available for sale. The workbook gives extensive background on both the California and Federal Tax Credits in easy to understand format. "Once you have this workbook in your office you have every bit of information available on these credits right at your fingertips", explained AGGIE JAMES, Executive Vice President of CAL SEIA.

The Tax Credit Workbook is selling for \$25.00 for non-CAL SEIA members and \$20.00 to members. A \$5.00 discount will be given for each book on purchases of 10 or more. You may order your book by writing to CAL SEIA 926 Jay Street, Suite 820, Sacramento, CA 95814. Include \$2.34 per book ordered for postage and handling. Checks should be made payable to CAL SEIA.

CAL SEAL PROGRAM

The CAL SEAL tax credit labeling program continues to grow with new members enrolling nearly daily. The program, which is designed to provide the best assurance available to the purchaser of a solar energy system that it meets the technical requirements of the solar tax credit, is jointly administered by CAL SEIA and the Energy Commission. There are currently eighty-six (86) qualified contractors participating in the program.

(cont. page 5)

5. CAL SEAL PROGRAM (cont.)

When a contractor applies for the program, his license number is checked out and his installer's warranty is reviewed. After an installer is registered in the program, the CAL SEAL staff will help him to understand the technical requirements of the tax credit regulations.

CAL SEAL Director, **BRET HEWITT**, explained the idea behind the program, "The CAL SEAL label on a system tells the Franchise Tax Board auditors that the CAL SEAL staff has reviewed the system and finds it in compliance with the tax credit regulations. Many solar installers are finding the Cal Seal to be a fantastic marketing tool."

The CAL SEAL staff is currently urging CAL SEAL installers who have completed installations during the building season to "retro-seal" them during the rainy months. "What better way to show your customers that you are sincerely interested in the continued operation of their system than to return to the installation site, inspect the system and 'retro-seal' it?" asked Hewitt. "The Cal Seals are still only \$4.00 each."

Using the CAL SEAL program as its cornerstone, CAL SEIA has developed a qualified solar contractor referral program for PG&E. The northern California utility will utilize the program to direct interested consumers to competent, professional solar installers in their geographic area. In addition to CAL SEAL registration, the PG&E program

requires solar installers to hold a valid contractor's license, maintain a business office in the PG&E service area, and adhere to a Code of Ethics.

"The CAL SEAL and PG&E programs are just the beginning of CAL SEIA's efforts to instill consumer confidence in the solar industry," Hewitt concluded. "We at CAL SEIA are hopeful that the state's other major utilities will want to establish similar installer referral and consumer protection programs, as well."

SOLAR ENERGY - TAX AND FINANCE by Lee D. Kersten, Deloitte Haskins & Sells

The Senate Finance Committee in its consideration of the Crude Oil Tax Bill (H.R. 3919) has added several provisions favorable to solar energy users. Among the provisions approved from a list presented by Sen. Robert Packwood (R., Ore.) are the following:

- (1) The '78 Energy Act provided a tax credit of 30% for the first \$2,000 and 20% for the next \$8,000 of expenditures on solar, wind and geothermal equipment installed in a taxpayer's principal residence. The credit would be raised to 50% of expenditures (up to a maximum of \$10,000) for solar, wind and geothermal equipment.
- (2) The credit for renewable energy source expenditures

and the residential energy credit would be expanded to cover vacation and second homes, as well as dwellings rented to others.

- (3) Under present law, photovoltaic equipment used by businesses is eligible for the solar business tax credit. The Committee voted to extend the solar tax credit for installation of photovoltaic equipment to individuals
- (4) Under current law, the solar, wind, and geothermal credits are available for outright purchase of qualifying equipment, but not for lease payments for use of the equipment. The Committee would extend the credit to lease payments.
- (5) Under current law, the first purchaser of a house is allowed to take the energy tax credit for equipment installed by the builder. Following the lead of California, the Committee "would also permit the builder to claim the tax credit. The builder would have the option of passing the credit through to the first purchaser."
- (6) The energy conservation credit (currently 15% of first \$2,000 of expenditures) would be increased to 50% of expenditures, up to maximum of \$2,000.

NEW CAL SEIA MEMBERS

- SOLAR INTRUSION SYSTEMS CO.
- SOLUX ENERGY SYSTEMS
- ACTIVE SOLAR
- SIERRA SUN SOLAR
- M. DESIANO COMPANY
- JACOBS-DEL SOLAR SYSTEMS, INC.
- REMY SOLAR ASSOCIATES
- SOLAR INTERNATIONAL
- STANFORD SOLAR SYSTEMS, INC.
- THE ENERGY PROFESSIONALS, INC.
- SOLAR HARVEST, INC.
- SOLARTHERM MANUFACTURING CORPORATION
- CARRICO DEVELOPMENT, INC.
- SUN CONTROL GLASS CO.

SOLAR BUSINESS OFFICE PUBLISHES GUIDE TO SOLAR LENDERS

If you're looking for a loan for a solar energy system, there's a good chance that a bank or savings and loan near you has already loaned on some type of solar system -- or offers preferential rates on solar loans. In a survey of the main offices of 375 commercial banks and savings and loan associations in California, the Solar Business Office identified 90 lending institutions as being favorably inclined toward solar loans.

As a guide to the easiest places to start in financing an energy system, the Solar Business Office is publishing the results of its survey, entitled "Solar Energy and Consumer Lending," along with the names and addresses and loan policies or experiences of lending institutions which make solar loans. Only

7. SOLAR LENDERS GUIDE (cont.)

the home office of each institution is listed, but all branches should carry out the loan policy.

The Solar Business Office guide to solar lenders shows which lenders offer preferential rates for new or retrofit passive active, or conservation applications, and which lenders have loaned on new or retrofit single-family, multi-family, and commercial solar installations, and on new solar subdivisions.

If your local lender is not listed, it does not necessarily mean that the institution is unsympathetic to requests for solar loans. Lenders are getting more and better information on solar energy, and continually revise their loan policies to meet demand.

As a guide to financial for solar businesses, the Solar Business Office is also publishing "Government Loans for Solar Businesses." For further information on either of these publications, contact Ms. Eileen M. Cohn or Ms. Ann Bartz at the Solar Business Office, 921 Tenth Street, Sacramento, California 95814, (916) 322-9725.

GOVERNOR APPOINTS NEW ENERGY COMMISSIONER

James A. Walker, Formerly Commission Executive Director has been appointed to the Energy Commission to the public member spot.

Walker joined the Commission in 1975 as adviser to the chairman, then served as deputy executive director before being named to the top staff post in February 1978. He received his undergraduate degree from Princeton University and his Doctor of Business Administration from the Harvard Graduate School of Business. His term on the Energy Commission will expire in January, 1981.

John Geesman has been appointed to serve as acting deputy executive director for the Energy Commission. Mr. Geesman was formerly special advisor to Commissioner Ronald Doctor.

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NEW SOLAR ENTREPRENEUR WORKBOOKS STILL AVAILABLE

Workbooks used by CAL SEIA for the seminars for the new solar business person are still available for purchase. Price of the books are \$8.50 and includes postage and handling. Checks should be made payable to CAL SEIA.

CAL SEIA BOARD ELECTION

A slate of nominees to fill the five vacant Board seats of the Association has been selected by the Nominating Committee. All CAL SEIA members will be receiving their ballots by mail very soon. In keeping with the by-laws of CAL SEIA, one installer, one manufacturer and three members at-large must be elected.

Following are the candidates.

Installers Nominated:

- JACK M. ANDROVICH (Solar Power Systems, Inc.)
- MIKOS DOKA-SUNA (Natural Heating Systems);
- THOMAS C. DUNCAN (Sun Ray Solar Systems);
- MARK FRAUMAN (Frauman Energy Enterprises)

Manufacturers Nominated:

- AL BONIFACE (Raypak, Inc.);
- BILL HUNTER (Colt, Inc.);
- VINCENT L. ROMEO (Grumman Energy Systems);
- MARK ZIMMERMAN (Sunburst Solar)

At Large Nominees:

- WARREN BUCKMASTER (Buckmaster Industries);
- HENRY BUFFALOW, JR. (Buffalow's Inc.);
- DENNIS CAMPBELL

(Home Federal Savings and Loan); JAMES G. DICKENSON (Pacific Gas & Electric Company); CHRIS DORVEE (NPD Solarchrome)

Don't forget to vote when you receive your official ballot!

CAL SEIA STAFF

- AGGIE JAMES, Executive Vice President
- BRET HEWITT, CAL SEIA Programs Director
- ALICE TAMBURELLO, Secretary to Aggie James
- DEANNA MADDY, Secretary to Bret Hewitt

- November 12 (Veteran's Day)
- November 22 (Thanksgiving)
- November 23 (Day after Thanksgiving)

ON THE ABOVE DATES THE CAL SEIA OFFICE IN SACRAMENTO WILL BE CLOSED

If you are not already a member of CAL SEIA, join now! Fill out the application form on Page 9.

DON'T FORGET THE ANNUAL MEMBERSHIP MEETING - DECEMBER 3 - SAN DIEGO. SEE PAGE 10

CAL SEIA MEMBERSHIP

(916) 443-1877

926 Jay Street, Suite 820

Sacramento, CA 95814

Yes, I want to become a member of CAL SEIA. Enclosed is my check for \$100.00 ___ \$200.00 ___ \$400.00 ___ to cover my yearly dues.

Company Name _____

Representative _____

Address _____

City _____ State _____ ZIP _____

Phone () _____

I am a current S.E.I.A. member now. Yes _____ No _____

Mark the category below that best describes your solar business.

Manufacturer _____	Distributor _____	Retailer _____
Installer _____	Engineer _____	Architect _____
Consultant _____	Financing _____	Trucking _____
Mfg. Rep. _____	Jobber _____	Builder _____
Contractor _____	Other (describe) _____	

CAL SEIA MEMBERSHIP DUES STRUCTURE:

- \$100 per year - Installers, Engineers, Architects, Consultants, Contractors, etc.
- \$200 per year - Manufacturers, Wholesalers, Distributors, Utilities, Financial Institutions (including companies involved in above category)
- \$400 per year - Manufacturers receiving \$500,000 in revenue per year from the sale of solar equipment in California

REGISTER NOW FOR
CAL SEIA MEMBERSHIP MEETING, DECEMBER 3, 1979

SHERATON HARBOR ISLAND HOTEL, SAN DIEGO

MEETING: 9:00 A.M. - 5:00 P.M.
Santa Barbara/San Antonio Rooms

LUNCH: NOON
Cuyamaca Room

HOW DO YOU FEEL ABOUT SOLAR MANDATES? NOT SURE?

JOIN THE OTHER MEMBERS OF YOUR ASSOCIATION ON DECEMBER 3 FOR A
PANEL DISCUSSION ON THIS IMPORTANT ISSUE.

- * MANY INTERESTING SPEAKERS
- * UPDATE ON SC-44 SUPPLEMENTAL SOLAR LICENSE
- * WILL THE 55% SOLAR TAX CREDIT BE EXTENDED?
- * TENTATIVE KEYNOTE SPEAKER -
 JOHN BRYSON, CHAIRMAN PUBLIC UTILITIES COMMISSION
- * MEET OTHERS IN YOUR INDUSTRY
- * EXCHANGE IDEAS
- * MAKE YOUR VIEWS KNOWN

THIS MEETING IS OPEN TO ALL INTERESTED PERSONS

Attach and Mail to: CAL SEIA, 926 Jay Street, Suite 820
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NAME _____
(please print)

COMPANY NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

Enclose \$20.00 per person.

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DATES TO REMEMBER:

- Nov. 15 - CAL SEIA Industry/Utility Committee Meeting
Royal Inn, San Francisco Airport
- Nov. 23 - Polls close on CAL SEIA Board elections (see page 8
this issue)
- Dec. 03 - CAL SEIA Third Annual Membership Meeting - San Diego,
Sheraton Harbor Island Hotel (See page 1 and page 10).
- Dec. 04 - CAL SEIA Board of Directors Meeting - San Diego
Sheraton Harbor Island Hotel.

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CONTACT: MS. AGGIE JAMES, Executive Vice President
California Solar Energy Industries Association
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CONTRACTORS:

Don't forget to fill out the forms recently sent to you
regarding the PG&E/CAL SEIA customer referral program list.
If you have not yet received this information, please contact:

MR. BRET HEWITT, Programs Director
CAL SEIA
926 Jay Street, Suite 820
Sacramento, CA 95814

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