

# California may mandate solar PV on new housing developments

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## **The State of California may require new housing developments to install solar PV panels.**

Senate Bill 1652 (the 'Solar Homes' bill) has been passed by the state Senate Housing Committee and will move to the full Senate for a vote. The bill was authored by Senator Kevin Murray of Los Angeles and sponsored by Environment California. It is similar to last year's SB 289, which was also authored by Murray before it stalled.

SB 1652 will require builders of new developments with more than 25 homes to install solar photovoltaic systems on a minimum percentage of new homes, starting in 2006. The bill originally called for at least 25% of homes to include panels, but the committee removed that percentage in favor of wording to require a minimum standard. It would not cover self- or custom-built homes, nor apartments or condominiums.

"The key provision of this bill is that it sets a concrete and significant solar energy standard for new homes so that California can be on its way to greater energy stability, increased jobs, cleaner air, and more affordable, reliable electricity for homeowners," says Bernadette Del Chiaro of Environment California, a state-wide environmental group.

The legislation is supported by builder Clarum Homes, lender E-Loan, and Daniel Kammen, an economist at the University of California Berkeley. It is also supported by public health and religious groups, including Greenpeace, CALPIRG, Sierra Club, Coalition for Clean Air, Los Angeles Interfaith Environmental Council, Physicians for Social Responsibility, Clean Power Campaign, Coalition on the Environment & Jewish Life of Southern California, Global Green USA, Bluewater Network, Intex Solutions, Planning & Conversation League, and The Vote Solar Initiative.

The only opponent to testify was the California Building Industry Association, which expressed concern with the cost of solar systems. The California Energy Commission estimates that a 2 kW solar array installed on a new home in 2006 would cost US\$11,000 and be cost-effective under net metering. Further cost savings would be achieved as California's market grows and as large builders purchase and install solar systems in bulk.

"Solar power is much more cost-effective when included in the construction of new homes," says Murray. "This bill simply requires that builders phase in solar systems during construction, reducing energy costs and air pollution at the same time."

California builds 135,000 single-family homes each year, and a 25% minimum level would result in 65 MW of solar capacity, equivalent to the size of one power plant and three times the current solar market in the state. By installing solar during construction, system cost is reduced by one-third, says Environment California.

The California Energy Commission expects the price of PV to decline by 5% each year, and each MW of solar would avoid the emission of 120 pounds of NOx that causes smog. Every MW of solar would also displace the emission of 2 million pounds of CO2, or 8,000 pounds for every home with solar panels.

Residential homes consume 87% of California's electricity and the CEC estimates that 500 to 1,000 MW of new capacity will be needed each year. "Installing solar on new homes will result in highly efficient, highly reliable energy during these peak demand periods," it explains. "Solar

power also makes good sense for California's economy. Compared to natural gas power plants, solar power creates seven times more jobs for each unit of energy produced.”