

## Frequently Asked Questions

### Q: What is PBI?

**A:** The Performance Based Incentive, or PBI, is one of two types of incentives offered by the California Solar Initiative (CSI) incentive program. PBI customers receive monthly incentive payments based on the actual performance of their solar PV system. The actual production is reported to the Program Administrator (PA) once a month by a Performance Data Provider (PDP), contracted by the PBI participant. Any PV systems participating in the CSI program that exceed 30kW (CEC-AC) are required to participate in PBI, and any PV systems larger than 10KW (CEC-AC) can opt-into the PBI program.

Originally, PBI customers were set to receive a total of 60 monthly payments over five years. In December 2015, the California Public Utilities Commission (CPUC) approved Decision 15-12-023 implementing a proposal from the PAs to expedite the buyout structure for all new and existing PBI projects. The Lump Sum Buyout process will truncate the monthly reporting and payments to a minimum of two years, followed by a lump sum buyout payment which would account for the remaining 36 months, from the original 60 month timeline.

### Q: What is the new PBI Lump Sum Buyout?

**A:** In the original PBI program design, each PBI customer was to receive a total of 60 PBI monthly payments, over the course of five years. The Lump Sum Buyout will truncate the reporting and payment timeline down to a 24-month minimum reporting timeline, followed by a lump sum buyout. The Lump Sum Buyout will account for all remaining months until 60, and will be calculated based on the historical performance trends during the initial reporting months.

### Q: Will all PBI projects receive a Lump Sum Buyout?

**A:** Not necessarily. On December 31, 2016, all PBI projects will be categorized into 1 of 3 application categories, based on the number of months reported up to, and including, December 2016:

New: A 'New' application is defined as a PBI project who has not yet reported 24 months of monthly data yet. This includes projects who have been granted a Reservation under the PBI program, and those who have reported between 1 – 23 months of monthly PBI data.

Existing: An 'Existing' application is any PBI project who has reported between 24 – 48 months of monthly performance data.

Mature: A 'Mature' application is defined as any project who has reported 49+ months of monthly performance data.

New applications will continue monthly reporting until month 24 is reached, followed by the Lump Sum Buyout.

All Existing applications will cease monthly reporting after December 2016, and will receive the Lump Sum Buyout in early 2017.



Mature applications will, by default, continue monthly reporting until the 60-month timeline has been completed. Mature applications can also opt-in to the lump sum buyout process, and receive a final lump sum payment in lieu of the continued monthly reporting.

Mature applications wishing to opt-in to the lump sum buyout should do so in writing to the respective PA, which will be acknowledged and confirmed by the PA, once received. Lump sum payments will be made within 45 days of the final performance meter read date.

**Q: When will I receive my Lump Sum Buyout?**

**A:** This first round of Lump Sum Buyouts will be issued in early 2017, for *Existing* applications (report #24-48) and applicable *Mature* applications (report #49+). Lump Sum Buyout payments will continuously be made as *New* applications reach month #24 and complete their truncated PBI reporting timeline.

Lump sum payments will be sent within 45 days of the final meter read date.

**Q: How can I estimate what my lump sum buyout will be?**

**A:** The CaliforniaDGStats.ca.gov page hosts a public dataset titled the “[CSI Measured Production Data Set](#)” where you can find your past production.

You will need to know your PBI project id (Ex: PGE-CSI-10000, SCE-CSI-10000, SD-CSI-10000)) and your reserved rate (\$/kWh), which can be located on your Incentive Claim approval notice.

1. Download the report, and locate your project ID to find the lines of monthly kWh totals that have been reported, and paid on.
2. Take the sum of the monthly kWh totals to use for the “Sum of Actual reported production” in the formula below.

Using the formula below, you can estimate your lump sum buyout amount. Please note that the public dataset may not include all of the most recent payments, which could affect the final buyout amount.

**Lump Sum Buyout (\$) =**

((# of remaining months from 60) \* (Sum of actual reported production / # of months reported)) \* (Reserved Rate)

**Q: How will customers be notified?**

**A:** Each PBI customer should have received an email or letter in the summer of 2016 explaining the Lump Sum Buyout process, as it is expected to apply to their specific project. In addition, the PAs hosted a Q3 2016 CSI Program Forum explaining the program changes, which all PBI customers were invited to attend. Each PA may communicate with their PBI participants differently; however, any PBI customer can always contact their PA for further questions.



The detailed PBI Lump Sum Buyout process can be found in the [CSI Handbook](#) Section 3.3.1, which is located on [www.GoSolarCalifornia.ca.gov](http://www.GoSolarCalifornia.ca.gov). You may visit this YouTube link, <https://www.youtube.com/watch?v=dKKwKJwkrdA>, to watch and listen to the last Public Forum used to present these program changes. These presentation slides can also be referenced in Appendix A of this document.

**Q: Which customers are eligible for the Buyout?**

**A:** All PBI project are eligible for the lump sum buyout once they have reported system performance data for a minimum of 24 months.

**Q: Can anyone opt-out of this Lump Sum Buyout process?**

**A:** The only customers that can opt-out of the Lump Sum Buyout are those with a *Mature* application status on December 31, 2016, and have less than a year left of monthly reporting. This opt-out is chosen by default for Mature applications.

**Q: What are the ongoing monitoring and reporting requirements once we have received a lump sum buyout?**

**A:** Performance Monitoring (PMRS) is required for the entire duration of the original five-year timeline. The requirement for a Performance Data Provider (PDP) is only required for the monthly reporting timeline. Many PDPs also offer PMRS services.

**Q: What about my existing PDP contract?**

**A:** The CSI PAs do not hold authority over the contracted PDPs, and any pre-paid or five-year contracts should be attempted to be negotiated down by the customer. Each PDP approved for the PBI program has been informed of this program change, and encouraged to provide leniency to PBI customers receiving a lump sum buyout.

The PAs encourage PBI customers to continue receiving PMRS services beyond the required five-year timeline, to ensure ideal system performance and greatest return on investment.

**Q: When I first applied to the CSI Program, I received an incentive reservation. How does that reservation amount come into play for PBI?**

**A:** For PBI projects, actual production will be paid on, regardless of what the original incentive reservation was at approval. Some PBI projects receive more than the original reservation incentive and others receive less. It is all related to how well the PBI system performed as compared to the CSI Expected Performance Based Buydown (EPBB) calculator estimate.

**Q: How long will it take to receive my lump sum payment?**

**A:** Lump Sum Buyouts will be issued within 45 days of the final meter read date.

**Q: First year output is often lower than subsequent years due to initial troubleshooting of the system? Is there any way to adjust for this so that the lower first year doesn't adversely affect the lump sum buyout amount?**



**A:** PBI projects should be ready to report with steady, consecutive data once the Incentive Claim Form is submitted. There are program leniencies built in to account for communication errors which are out of the Host Customers control. These exceptions can be referenced in section 3.3.1.2 of the [CSI Handbook](#), which can be found on [www.GoSolarCalifornia.ca.gov](http://www.GoSolarCalifornia.ca.gov). The CSI Handbook grants each PA the authority and leniency to assess extenuating project scenarios and determine the lump sum buyout amount using the historical performance trends or EPBB estimates.

**Q: What would happen if the solar system was closed/ taken down before the end of the 5-year original PBI timeline, but after the lump sum buyout is received?**

**A:** Equipment installed under the CSI Programs is intended to be in place for the duration of its useful life. Only permanently installed systems are eligible for CSI incentives. Please refer to Section 2.5 of the CSI Handbook regarding Performance and Permanency Requirements, and the applicable exceptions. If a PBI project, who has received their Lump Sum Buyout, faces system failure post Lump Sum Buyout, the CSI PAs encourages a timely troubleshooting process to ensure ongoing ideal system performance.

**Q: Contractors provide a 10 year workmanship warranty for CSI projects. If the Lump Sum Buyout is paid, is the workmanship warranty timeline reduced accordingly?**

**A:** No, the contractor workmanship warranty should remain in place for 10 years from contract signing. The Lump Sum Buyout does not affect or truncate any program warranty requirements.

**Q: Why is this Program change occurring?**

**A:** The CSI program is slated to sunset on December 31, 2016, however the PBI program would extend for years beyond that sunset date due to application extensions, reporting delays, and a five-year monthly reporting timeline. Each PA faced a potential shortfall in administrative funds, and therefore, jointly, filed a Petition for Modification (PFM) to the CPUC on January 27, 2015. This PFM proposed to expedite the PBI buyout structure by way of a truncated reporting timeline, followed by a lump sum payment.

On December 17, 2015, the CPUC released Decision 15-12-023 adopting the Lump Sum Buyout process.

**Q: Where can I find a detailed explanation of the Lump Sum Buyout process?**

**A:** Please reference Section 3.3.1 of the [CSI Handbook](#), which can be found on [www.GoSolarCalifornia.ca.gov](http://www.GoSolarCalifornia.ca.gov).

**Q: How can I contact my PA for more questions?**

**A:** Contact your Program Administrator using the following email addresses:

- Center for Sustainable Energy (CSE: serving the SDG&E service territory): [pbi@energycenter.org](mailto:pbi@energycenter.org)
- Southern California Edison (SCE): [csigroup@sce.com](mailto:csigroup@sce.com)
- Pacific Gas and Electric (PG&E): [solar@pge.com](mailto:solar@pge.com)



## Appendix A



# California Solar Initiative (CSI) Program Forum

August 24, 2016

Photo Credit: Courtesy Pacific Gas and Electric Company



## Agenda

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- **Introductions**
- **Background for Program Changes**
- **Summary of Changes**
- **Calculating Buyout Amount**
- **Project Buyout Examples**
- **Exceptions to the Rules**
- **How to Find Reported PBI KWh Data**
- **Questions**



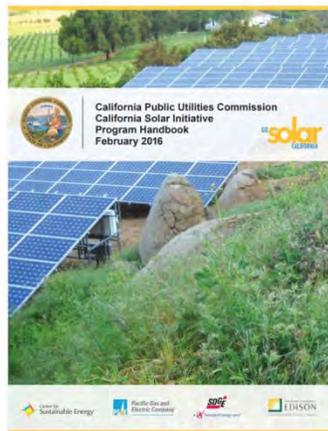
## Background

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- D.06-08-028 adopted current PBI payment structure, which mandated that Program Administrators (PAs) pay any solar facility receiving PBI incentive rate for actual output.
- Currently, PBI projects report kWh production for 5 yrs. (60 months)
- This has led to administrative budget complications and created an expanse between the date the program will Sunset and when the last PBI payment will be issued.
- In December 2015, CPUC approved D.15-12-023 implementing the proposal to expedite the buyout structure for all new and existing PBI projects.
- **The Expedited Buyout Structure will consist of a minimum of 2 yrs. (24 months) reporting, followed by a lump sum buyout for the remaining kWh.**
- **Changes will take effect upon CSI Sunset date 12/31/2016**



## All Changes are detailed in the CSI Handbook



Section 3.3.1

[http://www.gosolarcalifornia.ca.gov/documents/CSI\\_HANDBOOK.PDF](http://www.gosolarcalifornia.ca.gov/documents/CSI_HANDBOOK.PDF)



## Summary of Changes

### What does this mean for customers?

- Upon CSI Sunset, depending on how long a project has been reporting...
  - Some projects will receive a final lump sum buyout
  - While others will continue monthly reporting -until the minimum reporting duration has been met, followed by a lump sum buyout
  
- At the end of this year, PBI projects will be categorized into the 3 categories below:
  - **NEW**
  - **EXISTING**
  - **MATURE**



## Summary of Changes

Application Category	Report #	Action
New	1 - 23	Continue monthly reporting to month #24, then receive lump sum buyout
Existing	24 - 48	Cease receiving monthly payout and will receive lump sum buyout
Mature	49 - 60	Have the option to transition into lump sum buyout ("Opt-in") or continue to report monthly ("Opt-out")

- Cycle 1 projects will be categorized using kWh data up to 12/31/16
- Cycle 2 projects will be categorized using kWh data up to 12/15/16
- Mature applications will opt-out of the expedited buyout, by default.

Lump Sum payments will be issued approximately **45 days** after final scheduled meter read from PDP.



## Calculating your Buyout Amount

$$\text{Lump Sum Buyout (\$)} = [\text{Remaining kWh}] \times [\text{Reserved Rate}]$$

To determine the Remaining kWh & Lump Sum Buyout Amount for a PBI Project, the Program Administrator will:

1. Determine ACTUAL PRODUCTION
2. Determine ESTIMATED PRODUCTION
3. Determine PERFORMANCE FACTOR (PF)
4. Determine REMAINING KWH
5. Determine LUMP SUM BUYOUT AMOUNT



## Lump Sum Buyout Calculation

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1. Determine ACTUAL PRODUCTION : Sum of the kWh reported data
  - a. New Applications: Initial 24 months of kWh data
  - b. Existing and Mature (opt-in) applications: all kWh data reported
  
2. Determine ESTIMATED PRODUCTION
  - a. (Monthly EPBB) \* number of months reported = ESTIMATED PRODUCTION
    - i. For New applications, the “number of months reported” will be 24

*Monthly EPBB = Annual EPBB / 12*



## Lump Sum Buyout Calculation

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3. Determine PERFORMANCE FACTOR (PF)
  - a. (ACTUAL PRODUCTION / ESTIMATED PRODUCTION) \*100 = PF%
  
4. Determine REMAINING KWH
  - a. (PF \* monthly EPBB) \* number of months remaining until 60 =  
REMAINING KWH
  
5. Determine LUMP SUM BUYOUT AMOUNT
  - a. (REMAINING KWH \* Reserved Rate) = **LUMP SUM BUYOUT AMOUNT \$\$**



## Example - Detailed

Reserved Rate (per kWh)	\$ 0.22
Annual EPBB (kWh per year)	7906
Monthly EPBB (kWh per month)	658.8333333
Reporting Duration (months)	24
EPBB for Reporting Duration (kWh total)	15,812
# of Months Remaining	36

1. Determine ACTUAL PRODUCTION : Sum of the kWh reported  
 = **16,683 kWh Actual**
2. Determine ESTIMATED PRODUCTION
  - a. (Monthly EPBB) \* actual reporting duration  
 = **15,812 kWh Estimated**
3. Determine PERFORMANCE FACTOR (PF%)
  - a. (ACTUAL PRODUCTION / ESTIMATED PRODUCTION) \* 100  
 = **105.5084746% as compared to EPBB**
4. Determine REMAINING KWH
  - a. (PF \* monthly EPBB) \* number of months remaining until 60 = REMAINING KWH  
 = **25,024.5 kWh remaining**
5. Determine LUMP SUM BUYOUT AMOUNT
  - a. (REMAINING KWH \* Reserved Rate)  
 = **\$5,505.39 Buyout Amount**

# of months	Production End Date	Actual Production (kWh)
1	Jan-14	710
2	Feb-14	735
3	Mar-14	678
4	Apr-14	680
5	May-14	690
6	Jun-14	695
7	Jul-14	710
8	Aug-14	705
9	Sep-14	720
10	Oct-14	675
11	Nov-14	680
12	Dec-14	680
13	Jan-15	675
14	Feb-15	680
15	Mar-15	675
16	Apr-15	695
17	May-15	700
18	Jun-15	690
19	Jul-15	695
20	Aug-15	715
21	Sep-15	710
22	Oct-15	705
23	Nov-15	695
24	Dec-15	690
<b>24 months reported</b>		<b>16,683</b>

## SIMPLIFIED Lump Sum Buyout Calculation

$$\text{Lump Sum Buyout} = [\text{Remaining kWh}] * [\text{Reserved Rate}]$$

$$= [(\text{\# of remaining months}) * (\text{Actual Production} / \text{\# of months reported})] * [\text{Reserved Rate}]$$

This is a simplified version of the process that was presented in the previous slides.

This formula can be used as an alternative to the detailed calculation, **and may be easier for customers to use.**

*\*Both formulas and calculations provide the same result*



## Example - Simplified

Reserved Rate (per kWh)	\$ 0.22
Annual EPBB (kWh per year)	7906
Monthly EPBB (kWh per month)	658.8333333
Reporting Duration (months)	24
EPBB for Reporting Duration (kWh total)	15,812
# of Months Remaining	36

### Lump Sum Buyout =

$$[(\# \text{ of remaining months}) * (\text{Actual Production} / \# \text{ of months reported}) * [\text{Reserved Rate}]]$$

$$= [(36\text{months}) * (16,683 \text{ kWh} / 24 \text{ months})] * [\$0.22/\text{kWh}]$$

**= \$5,505.39 Buyout Amount**

# of months	Production End Date	Actual Production (kWh)
1	Jan-14	710
2	Feb-14	735
3	Mar-14	678
4	Apr-14	680
5	May-14	690
6	Jun-14	695
7	Jul-14	710
8	Aug-14	705
9	Sep-14	720
10	Oct-14	675
11	Nov-14	680
12	Dec-14	680
13	Jan-15	675
14	Feb-15	680
15	Mar-15	675
16	Apr-15	695
17	May-15	700
18	Jun-15	690
19	Jul-15	695
20	Aug-15	715
21	Sep-15	710
22	Oct-15	705
23	Nov-15	695
24	Dec-15	690
<b>24 months reported</b>		<b>16,683</b>



## Exceptions to the rules...

- **Communication Errors**
  - New applications that face communication error in the first 24 months of reporting may be eligible to “skip” the respective month of reporting without penalty.
    - This “skipped” month will have the monthly EPBB estimate used as a “filler” for determining PF, but will not be paid on.
    - The “skipped” months will **not** result in an extended monthly reporting timeline. Instead, the quantity of “skipped” months, during the initial 24-month timeline, will be included in the “remaining months” and Lump Sum Buyout.

The PA may consider the historical performance trends when defining the PF for each project.



## Exceptions to the rules (for either method)...

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- System Failures

- For projects that face system failure for the entire 30-day timeframe, the monthly incentive will be forfeited.
- To determine the ACTUAL production for this project, the forfeited month could be associated with a 0 kWh value.
- For projects that face system failure for a portion of the month, the partial production data will be reported, paid on, and used in determining ACTUAL production.

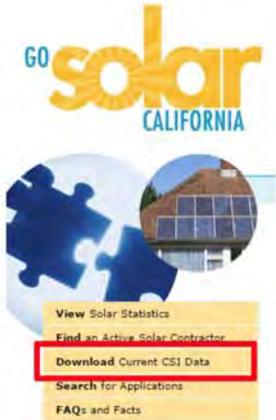
The PA may consider the historical performance trends when defining the PF for each project.



# Where can I find my reported PBI kWh data?

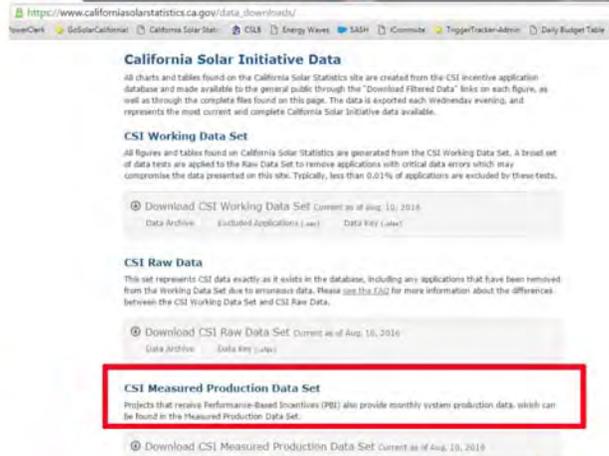
**PBI Data is public!**

[www.CaliforniaSolarStatistics.ca.gov](http://www.CaliforniaSolarStatistics.ca.gov)



**GO solar CALIFORNIA**

- View Solar Statistics
- Find an Active Solar Contractor
- Download Current CSI Data**
- Search for Applications
- FAQs and Facts



[https://www.californiasolarstatistics.ca.gov/data\\_downloads/](https://www.californiasolarstatistics.ca.gov/data_downloads/)

**California Solar Initiative Data**  
All charts and tables found on the California Solar Statistics site are created from the CSI incentive application database and made available to the general public through the "Download Filtered Data" links on each figure, as well as through the complete files found on this page. The data is exported each Wednesday evening, and represents the most current and complete California Solar Initiative data available.

**CSI Working Data Set**  
All figures and tables found on California Solar Statistics are generated from the CSI Working Data Set. A broad set of data tests are applied to the Raw Data Set to remove applications with critical data errors which may compromise the data presented on this site. Typically, less than 0.01% of applications are excluded by these tests.

Download CSI Working Data Set Current as of Aug. 10, 2016  
Data Archive   Excluded Applications (.csv)   Data File (.xlsx)

**CSI Raw Data**  
This set represents CSI data exactly as it exists in the database, including any applications that have been removed from the Working Data Set due to erroneous data. Please see [this link](#) for more information about the differences between the CSI Working Data Set and CSI Raw Data.

Download CSI Raw Data Set Current as of Aug. 10, 2016  
Data Archive   Data File (.xlsx)

**CSI Measured Production Data Set**  
Projects that receive Performance-Based Incentives (PBI) also provide monthly system production data, which can be found in the Measured Production Data Set.

Download CSI Measured Production Data Set Current as of Aug. 10, 2016



## CONTACT YOUR PDP WITH QUESTIONS ABOUT YOUR PDP / PMRS CONTRACT

PDP Name	Email
AlsoEnergy	reporting@alsoenergy.com
Apparent, Inc	brandon.kolbe@apparent.com
Citigreen Solar, previously Blue Cat Studios	jpotter@bluecatstudio.com
Deck Monitoring	reporting@alsoenergy.com
Draker Energy	ben.perkins@drakerenergy.com
Enphase Energy, Inc.	pdp@enphaseenergy.com
GreenPowerMonitor	informs@greenpowermonitor.com
HelioPower	francis.bebia@heliopower.com
Locus Energy, LLC	reporting@locusenergy.com
Meteocontrol	b.compton@meteocontrol.com
Natcon 7	ca@natcon7.com
NergyOS, Inc. dba GluNetworks	support@nergynos.com
PowerDash	stephen@powerdash.com
PowerOne (formerly Fat Spaniel & NSC / Energy Recommerce)	sonia.hall@us.abb.com
Recurrent Energy	info@recurrentenergy.com
SolarCity	commercial.incentives@solarcity.com
Solar-Log / Solar Data Systems	reporting@solar-log.com
Solectria Renewables	monitoring@solren.com
Sun Edison	prijal@sunedison.com
Thompson Tech Industries	tom.hawkins@ttisolar.com
Trimark Associates	mdma_support@trimarkassoc.com
United Solar Ovonic, LLC (formerly Solar Integrated Technologies)	services@arguson.com
WattMetrics, LLC	support@wattmetrics.com

*If you don't see your PDP company listed here, please contact your Program Administrator.*

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## QUESTIONS?

[http://www.gosolarcalifornia.ca.gov/documents/CSI\\_HANDBOOK.PDF](http://www.gosolarcalifornia.ca.gov/documents/CSI_HANDBOOK.PDF)

**Contact your Program Administrator**

Center for Sustainable Energy (CSE): [pbi@energycenter.org](mailto:pbi@energycenter.org)

Southern California Edison (SCE): [csigroup@sce.com](mailto:csigroup@sce.com)

Pacific Gas & Electric (PG&E): [solar@pge.com](mailto:solar@pge.com)



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# APPENDIX



New Application / Positive Performance Factor

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<b>"New Application" Detailed Calculation</b>	
<b>Lump Sum Buyout (\$) = [Remaining kWh] * [Reserved Rate]</b>	
Reserved Rate (\$)	\$0.22
Annual EPBB (kWh per year)	7906
Monthly EPBB (kWh per month)	658.83
Reporting Duration (x months)	24
EPBB for Reporting Duration (kWh total)	15812
# of Months Remaining (60-x)	36
Actual Production (kWh total)	16683
Performance Factor =	$(16683 / 15812) * 100 = 105.51\%$
Remaining kWh =	$[(1.055084746 * 658.8333333\text{kWh}) * (36 \text{ months})] = 25024.5$
Lump Sum Buyout (\$) =	$[25024.5 \text{ kWh remaining}] * [\$0.22] = \mathbf{\$5,505.39}$
<b>"New Application" Simplified Calculation</b>	
<b>Lump Sum Buyout (\$) = [(# of remaining months) * (Actual Production / # of months reported)] * [Reserved Rate]</b>	
Reserved Rate (\$)	\$0.22
Reporting Duration (x months)	24
# of Months Remaining (60-x)	36
Actual Production (kWh total)	16683
Lump Sum Buyout (\$) =	$[(36 \text{ months remaining}) * (16683 \text{ kWh reported} / 24 \text{ months reported})] * [\$0.22] = \mathbf{\$5,505.39}$



Existing Application / Negative Performance Factor

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<b>"Existing Application" Detailed Calculation</b>	
<b>Lump Sum Buyout (\$) = [Remaining kWh] * [Reserved Rate]</b>	
Reserved Rate (\$)	\$0.22
Annual EPBB (kWh per year)	7906
Monthly EPBB (kWh per month)	658.83
Reporting Duration (x months)	35
EPBB for Reporting Duration (kWh total)	23059.17
# of Months Remaining (60-x)	25
Actual Production (kWh total)	22050
Performance Factor =	$(22050 / 23059.17) * 100 = 95.62\%$
Remaining kWh =	$[(.956235632 * 658.8333333\text{kWh}) * (25 \text{ months})] = 15750$
Lump Sum Buyout (\$) =	$(15750.00 \text{ kWh remaining}) * (\$0.22) = \mathbf{\$3,465.00}$
<b>"Existing Application" Simplified Calculation</b>	
<b>Lump Sum Buyout (\$) = [(# of remaining months) * (Actual Production / # of months reported)] * [Reserved Rate]</b>	
Reserved Rate (\$)	\$0.22
Reporting Duration (x months)	35
# of Months Remaining (60-x)	25
Actual Production (kWh total)	22050
Lump Sum Buyout (\$) =	$[(25 \text{ months remaining}) * (22050 \text{ kWh reported} / 35 \text{ months reported})] * [\$0.22] = \mathbf{\$3,465.00}$

