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FOR IMMEDIATE RELEASE

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WHAT: Run on Sun Supports LA County Energy Program at Public Hearing

WHEN: May 25, 2010 starting at 9:30 a.m.

WHERE: LA County Board of Supervisors Hearing Room, Downtown LA

INTERVIEW: Founder & CEO, Jim Jenal

OPPORTUNITIES:

Prepared Remarks by Jim Jenal

At the public hearing on the adoption of the AB 811 program for Los Angeles County, known as LACEP (for LA County Energy Program), Founder and CEO of Run on Sun, Jim Jenal, will address the Board to voice support for the Program and to call attention to four key points that need to be resolved as the Program moves to implementation. Those four points are:

1. **Solar Contractor Qualifications** – at present, there are no requirements for contractors to participate in LACEP solar projects other than to have a State contractor's license. (In contrast, to participate in energy efficiency projects – that have much lower dollar amounts involved – contractors must have BPI or HERS ratings.) Unfortunately, we know from our work inspecting systems installed by others that simply have a contractor's license is no guarantee of quality work.

There is, however, a standard in the solar installation industry that is comparable to those already being required for energy efficiency projects, and that is certification by NABCEP (the North American Board of Certified Energy Practitioners). NABCEP certification requires proof of relevant education, actual lead experience with solar projects, and the specific knowledge to pass a rigorous four-hour examination on all aspects of solar power systems, codes and regulations.

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We would strongly urge that NABCEP certification be ***required*** for participation in solar projects funded through LACEP – or at the very least, ***strongly encouraged*** by providing better terms for systems installed by NABCEP certified personnel.

2. **Partial Disbursements for Solar Projects** – One of the stated goals of the LACEP is to encourage the growth of small business in the LA County area. However, some Program presentations have suggested that no fund disbursements will be made until after the project is complete and fully approved – a process that could take 45-60 days from the time project is installation is concluded. While such a requirement might be appropriate for small projects or consulting jobs where the contractor has very little out-of-pocket expense, it is a prohibitive barrier to small companies doing residential solar projects where the materials cost alone could be \$20,000 or more.

The solution is to allow partial disbursements to the contractor as the project progresses. Most typically this would take the form of a payment to cover material costs at the time those materials are delivered to the job site. This is a critical component to the Program – without it only the largest companies, who frankly do not need the assistance from the County, will be able to afford to participate. We understand that staff is sympathetic to this concern, but it needs the backing of the Board as well.

3. **Interest Rates** – We are terribly concerned that high interest rates will discourage otherwise qualified participants. Currently, interest rates between 8.5-9.5% are being discussed. We believe that this is way too high and that all available means, including using funds from Senate Bill 77, need to be employed to bring these interest rates down.
4. **Equity Requirements** – Finally, we are concerned about the 20% equity requirement for participation. By our calculations, that would exclude almost anyone who purchased their home more recently than 2003. Younger, new home buyers are precisely the type of customers most attracted by this Program as it allows them to follow their desire to “green” their life at a time when they do not necessarily have the cash on hand to do so otherwise. Unfortunately the 20% equity requirement absolutely disqualifies them from the Program.



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We understand that this requirement may change over time, but we would ask the Board to direct Staff to take all available measures to lower this equity target and allow more eager participants to take advantage of the Program.

Thank you for your consideration of these points, and I would welcome any questions you may have.

ABOUT RUN ON SUN

Run on Sun (www.RunOnSun.com) is a solar power systems integrator and installer based in Pasadena, CA. Run on Sun's strong commitment to quality is exemplified by all three of its Principals being NABCEP Certified Solar PV Installers.™ In addition to providing top-quality solar power installations, Run on Sun also consults on solar best practices with both private and public clients, including Pasadena Water & Power. Run on Sun is a proud member of the Solar Energy Industry Association (SEIA), the American Solar Energy Society (ASES), and the Los Angeles Renewable Energy Society.

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