

SOLAR CONSUMER PROTECTION GUIDE ADDENDUM

Published September 2, 2025



Version 3 of the <u>Solar Consumer Protection Guide</u> contains information that has become outdated. This addendum updates the outdated sections of the guide to reflect information current as of September 2025.

- Page 6 lists the SASH program for income-qualified single-family homes, but this program has been closed as of 2023.
- Page 13 contains outdated information regarding the federal solar investment tax credit (ITC). The solar ITC, also known as the residential clean energy credit, is 30% for property placed in service by the end of 2025, per recent federal law that changed the date by which the property must be placed in service to qualify for the ITC.
- Page 16 contains an outdated assumed escalation rate cap of 4 percent. Solar installers can use escalation rates up to 10 percent starting in November 2025.
- Page 17 contains outdated information about the Net Energy Metering (NEM) program, which has been closed to new enrollment as of April 15, 2023. New solar systems are now enrolled in the Net Billing Tariff program. Please see information on the Solar Billing Plan, described below, instead of referring to page 17.

How Electricity Bill Savings Work Under the Solar Billing Plan

If you install solar, the majority of your electric bill savings will come from using the solar energy in your home, reducing the electricity you must buy from your provider. Additional bill savings will come from your provider's Solar Billing Plan, which provides financial credits on your bill when your solar system sends any extra electricity (unused in your home) to the electric grid. If you are the original PG&E, SCE, or SDG&E customer who installed solar on your roof, you will have access to the Solar Billing Plan for at least 9 years from the time your solar system starts operating.

Since the sun isn't always shining, most solar customers also rely on electricity from the electric grid. Pairing a battery with your solar system allows you to store excess solar energy from daytime hours for use in the evening. Your monthly electric bill will summarize how much electricity your home bought from and sent to the electric grid, and the resulting overall charge or credit to your account. You will pay any charges that remain after the application of your solar credits

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(including any from previous months) monthly. If you have excess solar bill credits, they will roll over to the next month.

You will also see a "true-up" bill once a year. If you send more electricity to the grid than you buy in a year, your provider will subtract any bill credits you already received for that excess energy, and then provide compensation at a different rate for the excess energy.

Considering Energy Usage Under the Solar Billing Plan

When you're shopping for solar, keep in mind that it is generally not in your financial interest to install a solar system that produces more energy than you will use over the course of a year. The monthly bill credits and annual true-up compensation may not make up for the cost of installing a bigger solar system than what your household will use. Consider getting a bid for a smaller system than you need to see how the price and projected bill savings change.

As a Solar Billing Plan customer, you will go on a time-of-use rate plan with high prices for the energy you buy from the electric grid during "peak" evening hours. If you are installing a battery, consider asking your installer to set your system to store excess energy during "off-peak" hours, and to send energy back to the grid during "peak" hours. Keep in mind the electricity rates in each plan, and which plans are allowed for use with the Solar Billing Plan, are subject to change; ask your utility for details.

You can also increase your savings by reducing energy usage during peak hours and shifting it to off-peak hours. Finally, you may be able to reduce your total energy costs by replacing gas appliances such as cars, furnaces, water heaters, stoves, and clothes dryers with electric ones that can be powered by solar. When designing your solar system, keep in mind these replacements will cause an increase in electricity use.

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