



California Utility Allowance Calculator (CUAC)

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Why the CUAC?

A quick history and policy background
without pictures



- The genesis of the California Utility Allowance Calculator was a recommendation from the New Solar Homes Partnership Affordable Housing Advisory Committee made in 2007.
- The Advisory Committee identified two policy issues hindering the adoption of more solar PV systems in affordable housing projects:



Net Metering



Utility Allowance Estimates



Net Metering

- Problem: Getting power from one PV system credited to multiple tenant meters in a cost effective manner.
- Solution: Rulemaking 08-03-008. A recent CPUC Proposed Rulemaking Decision instituting “Virtual Net Metering” for the Multifamily Affordable Solar Home (MASH) program.



Virtual Net Metering (VNM)

- Virtual net metering will allow the electricity produced by a single solar installation to be credited to the benefit of multiple tenants in the building without requiring the system to be physically connected to each tenant's meter.



Utility Allowance (UA) Estimates

- Problem: Affordable housing utility allowances are generally developed according to federal regulations by local housing agencies and are based on an existing aging housing stock.



UA Estimates Continued

- The Other Old Option Had Another Problem:
A second rarely used option allowed for project-specific utility allowance estimates developed by a utility - something utilities have been very reluctant to provide.



UA Estimates Continued

- Implications: Utility allowances generally did not reflect actual utility costs to tenants AND developers were not rewarded for increasing the energy efficiency of tenant units beyond the minimum required OR for installing solar PV systems that would offset tenant electricity demand.



UA Estimates Continued

- Fundamental change in Federal Regulations occurred in July 2008.
- The new regulations set in place a hierarchy specifying which utility allowances applied to which projects.
- And they created multiple utility allowance options for developers and owners that had not previously existed.



UA Estimates Continued

- Solution: A consumption-based utility allowance estimate allowed by the newly revised IRS regulation 1.42-10(b)(4)(ii)(E).

**That's exactly what
the California Utility Allowance Calculator
provides!**



Wrap Up

Resources:

http://www.gosolarcalifornia.org/affordable_housing/index.html

or

[/cuac.html](#)