

Title 20

ENERGY CONSERVATION

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Chapter 20.04

ENERGY CONSERVATION REGULATIONS

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20.04.010 Intent and purpose of provisions.

The conservation of energy and natural resources has been determined to be a legitimate and worthy function of the City. The provisions of this chapter are intended to decrease dependence upon nonrenewable energy sources by encouraging and, in some instances, requiring the installation of devices, structures or materials for the conservation of energy on certain structures within the City. (Ord. 3119 § 1, 2008; Ord. 1973 § 1, 1982).

20.04.020 Conflict with other provisions.

Portions of this chapter which are in conflict with other sections of the municipal code are intended to be exceptions to those sections and shall take precedence over such sections. (Ord. 3119 § 1, 2008; Ord. 1973 § 1, 1982).

20.04.025 Definitions.

The following words and phrases, when used in this chapter, shall be construed as defined in this section:

A. "Assessment" means a written evaluation of a facility's energy use from building systems, appliances and office equipment.

B. "Energy conservation" means reduction of energy use achieved by relying on changes to behavior.

C. "Energy efficiency" means activities or programs that reduce energy use by upgrading to more efficient equipment or controls.

D. "Greenhouse gas emission" means the direct or indirect emission of one or more of the six gases identified in the Kyoto Protocol.

E. "Nonrenewable" means an energy resource that is not replaced or is replaced only very slowly by natural processes.

F. "Solar water heater" means a device that heats domestic water by allowing solar energy collectors to transfer solar heat energy to water. (Ord. 3119 § 1, 2008).

20.04.030 Solar water heater preplumbing.

All new residential units shall include plumbing specifically designed to allow the later installation of a system which utilizes solar energy as the primary means of heating domestic potable water. No building permit shall be issued unless the plumbing required pursuant to this section is indicated on the building plans. Preplumbing shall extend through the roof when the slope of the roof is less than four inches and 12 inches and when the roof covering is of clay or concrete tile. Preplumbing pipes for domestic solar hot water heating shall be insulated. This section shall apply only to those residential dwelling units for which a building permit was applied for after the effective date of the ordinance codified in this chapter.

Exception: The provisions of this chapter can be modified or waived when it can be satisfactorily demonstrated to the Building Official that the solar preplumbing is impractical due to shading, building orientation, construction constraints or configuration of the parcel. (Ord. 3119 § 1, 2008; Ord. 1973 § 1, 1982).

20.04.050 Business energy assessments.

All commercial and industrial businesses in the City of Chula Vista are encouraged to participate in a free energy assessment of their facilities to help them identify energy efficiency and conservation opportunities that potentially reduce participants' recurring energy costs and corresponding greenhouse gas emissions. Assessments are recommended when a new business license is issued or once every three years for an existing license. Participating businesses are encouraged to cooperate with City staff or their delegate(s) by providing: (1) a date and time for the assessment convenient for the business, (2) access to their facilities for the assessment during their regular business hours, (3) authorization to review their historical energy usage and (4) a signature and title of a facility manager on a completed assessment form acknowledging that the business has received a completed assessment and relevant information about voluntary energy efficiency improvement opportunities. The owner of a multi-tenant commercial building or their designee (property manager) may, at their discretion, authorize a whole building assessment replacing the need for individual tenant assessments.

A. Assessment Notification Process. The City may send a notice to each business at least once every three years in conjunction with the City's annual business license renewal mailer providing

information that facilitates the scheduling of an assessment at the business's convenience. A business may also receive a business assessment notice whenever a new license is required, such as the establishment of a new business or transfer of ownership for an existing business.

B. Assessment Deliverables. The assessment findings, provided to the participating business on a form established by the City Manager in conjunction with the local utility and business representatives, may include a chart of their historical energy consumption, an estimate of potential energy and cost savings from identified energy conservation and efficiency opportunities and an estimate of the corresponding greenhouse gas emission reductions. The assessment may also review water conservation, alternative transportation and other practices which the business could implement and/or promote to its employees and customers and an estimate of the resulting greenhouse gas emission reductions. The City may offer participants assistance with completing the applicable rebate, incentive and/or on-bill financing forms to facilitate the adoption of the identified energy efficiency improvements and help reduce the business's time and cost of implementing the voluntary measures. The City may also provide contact information for the local utility's program staff that may further assist the business in reducing its energy costs.

C. Exclusions. Because energy efficiency is commonly related to a facility's age and design, a voluntary energy assessment is not recommended for new businesses occupying a commercial space which have completed one of the following: (1) been permitted by the City Building Division within the last three years for a remodel or new construction to meet the most current City Title 24 and above standards, (2) has been certified through a California Energy Commission-approved (or other applicable state agency) green building program, or (3) has already received an assessment within the last three years. In addition, assessments are not necessary for home offices, mobile businesses and other business entities that do not have a utility gas or electric meter on a commercial rate schedule. (Ord. 3119 § 1, 2008).

Chapter 20.08

MUNICIPAL SOLAR UTILITY*

Sections:

- 20.08.010 Purpose.
- 20.08.020 Practices and procedures – Established.
- 20.08.030 Definitions.
- 20.08.040 Permit required.
- 20.08.050 Regulatory framework.
- 20.08.060 Consumer protection measures.
- 20.08.070 Violations.

* For other municipal utilities, see CVMC Title 13.

20.08.010 Purpose.

The purpose of this chapter is to grant the right to establish a municipal solar utility.

The welfare of Chula Vista residents has been jeopardized in the past by shortages of natural gas, petroleum, propane and electric power. The shortage of available energy supplies will continue during the coming decade unless measures are established to conserve the energy available for the economy and the residents of Chula Vista. It is declared to be the policy of the City to encourage and promote the use of solar energy in order to prevent or reduce an adverse impact upon the economy of Chula Vista and in order to prevent interruption of employment of the residents of Chula Vista in commerce and industry and in order to prevent injury to the health and welfare of the residents of Chula Vista due to the shortage and high cost of energy in their homes and places of work.

It is also declared the policy of Chula Vista to improve the economics of solar energy use by facilitating the leasing of solar energy devices. This policy is premised on a finding that the initial cost of purchasing and installing a solar energy device is the primary economic barrier to expanded solar energy use. California law currently provides that taxpayers who lease a solar energy system from a municipal utility or from any lessor granted a permit from a municipal solar utility shall receive a tax credit for the first three years of operation or until the solar tax credit allowance terminates, whichever occurs first.

Upon the establishment of the Chula Vista municipal solar utility, residents of Chula Vista who lease solar energy devices through such utility should be able to obtain tax credits. However, as legal title to such solar energy devices is held by a person other than the resident-user, the latter is par-

ticularly susceptible to harm caused by consumer deception, safety hazards and the interruption of service. To help prevent such harm from occurring and to promote the economic feasibility of solar energy use within the City, leasehold interests in solar energy devices may be marketed within the City's jurisdiction by complying with the provisions of this chapter and any rules and regulations promulgated by the City Manager to implement any provisions of this chapter. Persons not participating in the municipal solar utility are not subject to any of the procedures and provisions of this chapter. (Ord. 2012 § 1, 1982).

20.08.020 Practices and procedures – Established.

The City Manager shall by rules and regulations establish practices and procedures designed to implement the policies set forth in this chapter. Such practices and procedures shall be known as the "Chula Vista municipal solar utility." (Ord. 2012 § 2, 1982).

20.08.030 Definitions.

The following definitions apply to those persons who will be participating in the municipal solar utility:

A. "City" means the City of Chula Vista.

B. "Energy office" or "office" means the office, under the direction of the City Manager, responsible for managing the Chula Vista municipal solar utility and performing the City's obligations under this chapter.

C. "Lease arrangement" means a contract between a lessee and an investor for the leasing of solar energy devices, owned by the investor and leased and possessed by the lessee, which is affixed to or located at and servicing the real property owned or occupied by the lessee.

D. "Lease arrangement installer" or "installer" means any person, properly licensed under the provisions of the California Contractors License Law, including any solar specialty license, installing, removing or servicing solar energy devices subject to a lease arrangement.

E. "Lease arrangement marketing company" or "leasing company" means any person advertising, marketing, placing, and arranging, pursuant to a lease arrangement, for installation and servicing of solar energy devices for a fee.

F. "Lessee" means any person leasing a solar energy device on or affixed to the real property owned or occupied by such person.

G. "Management company" means any person serving as agent of an investor for purposes of collecting leasehold payments, making payments for obligations incurred in lease arrangements, and maintaining accounting records of collections and payments for solar energy devices.

H. "Municipal solar utility" or "MSU" means a program conducted by a local government or its authorized agent to promote the utilization of renewable energy and energy conservation technologies.

I. "Permittee" means any leasing company, installer or installation company, or management company, that has complied with all necessary requirements and obtained a permit to participate in the MSU solar leasing program.

J. "Person" means any natural person, partnership, corporation, business trust, association, company or other legal entity.

K. "Solar energy device" includes equipment and materials (and parts solely related to the functioning of such equipment) that is intended to be located on or affixed to real property within the City and that uses solar energy directly to (1) generate electricity, (2) heat or cool a building or structure, (3) provide hot water for domestic service, recreational or therapeutic purpose, or (4) provide process heat or mechanical energy. Generally, these functions are accomplished through the use of equipment such as collectors (to absorb sunlight and create hot liquids or air), thermostats (to activate pumps or fans which circulate the hot liquids or air), and heat exchangers (to utilize hot liquids or air to create hot air or water).

L. "Tax incentives" means California or Federal investment tax credits, solar tax credits, accelerated depreciation, tax deferral and other tax benefits accruing through the leasehold of solar energy devices under existing State and Federal tax law. (Ord. 2012 § 3, 1982).

20.08.040 Permit required.

No person shall attempt to operate as a leasing company, installer, or management company in the municipal solar utility within the City without having a valid permit from the City. (Ord. 2012 § 4, 1982).

20.08.050 Regulatory framework.

The City Manager is authorized and directed to undertake the following actions to develop, implement, and administer the City's MSU solar leasing program:

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A. Develop, in cooperation with the city attorney, all documents necessary to administer and operate the MSU solar leasing program.

B. Prepare application procedures and eligibility criteria governing participation by leasing companies, installers, and management companies in the MSU solar leasing program. Any entity satisfactorily meeting such eligibility criteria shall be issued an annual permit to participate in the MSU program.

1. As a prerequisite to application for a permit, the city manager may require the inspection of all appropriate records of the applicant including, but not limited to, financial information and investment transactions pertinent to determining whether or not the applicant satisfies all eligibility criteria. All financial records of the applicant shall be deemed to be private and confidential and not subject to public review. All such records of applicants not granted a permit may be returned to the applicant upon request by the applicant within 10 days of the denial of the permit. Records of all persons granted a permit shall be subject to such review and audit by other public agencies as may be required by law.

2. The city manager shall compile a list of all firms, known as "permittees," who obtain permits to participate in the MSU solar leasing program.

3. The city manager shall develop and implement procedures to be used for revoking the permit of any permittee failing to comply with the ordinance codified in this chapter and any rules and regulations promulgated to implement this chapter. All criteria and procedures proposed by the city manager shall be subject to review by the city attorney and approval of the city council.

4. The city manager shall review and approve all lease terms proposed by leasing companies prior to granting the leasing company a permit to participate in the MSU solar leasing program.

C. Monitor and review all transactions and contractual relationships between permittees and consumers to ensure compliance with program requirements and other applicable federal, state or local laws.

D. Prepare, in cooperation with appropriate departments and other public agencies, manufacturing, operating, maintenance and aesthetic standards for all solar equipment to be utilized under the leasing program.

E. Assess, in cooperation with the finance department, the feasibility of developing billing procedures to be utilized in invoicing solar lessees, collecting monthly lease payments, and disbursing

the payments to the relevant permittees. Such procedures may include utilization of the city's computer system or such other system as may be determined to be cost effective. The city manager will establish a reasonable fee to be charged to recover all costs of the billing system, and establish regulations for the operation of the billing system.

F. Prepare any other procedures, rules, regulations and fee schedules deemed reasonably necessary to facilitate the implementation and ongoing operation of the leasing program. (Ord. 2012 § 5, 1982).

20.08.060 Consumer protection measures.

A. No person may take or use the primary residence of a lessee as security for any lease payment or other indebtedness incurred through the lease arrangement.

B. The city manager shall develop bonding requirements for leasing companies, installers and management companies participating in the MSU solar leasing program. Required bonds must be posted with the city prior to a permit being granted for participation in the program. All bonds shall be permittee bonds secured for an initial term of at least one year.

C. Permittee bonds shall guarantee full performance of the permittee's responsibilities as a participant in the program. Permittee bonds shall be held by the city and shall be used to compensate lessees for loss or damage suffered as a result of the permittee's failure to perform under the conditions of the permit and according to procedures set forth herein and in any rules and regulations promulgated to implement any provisions of this chapter.

D. All solar energy devices installed under the MSU solar leasing program must receive required building permits. Special fees may be established, if necessary, for solar energy devices based on type and size to defray the special inspection costs they entail.

E. The city may establish an arbitration board to hear and resolve any controversy or claim arising out of or relating to the lease arrangement or installation of solar energy systems leased under the MSU solar leasing program. If the arbitration board is established, all permittees and lessees must agree to use the arbitration board to resolve disputes, claims or controversies. The arbitration board's award shall be final and binding on all parties, except as provided by state law, and judgment upon the award may be entered in any court having jurisdiction thereof. (Ord. 2012 § 6, 1982).

20.08.070 Violations.

Any violation of this chapter may be enforced by the city in any manner provided by law, including injunctive relief. Except as otherwise noted herein, nothing in this chapter shall be construed to prohibit any person from pursuing other remedies in law or equity. (Ord. 2012 § 8, 1982).