III. New Solar Homes Partnership (NSHP) Program Balancing Account (NSHPPBA)

1. Purpose

The NSHP Program provides funding for financial incentives for homeowners, builders, and developers to install solar energy systems on new, energy efficient residential dwellings under provisions of the NSHP Program. The purpose of the NSHPPBA is to record the difference between the authorized NSHP Program funding level and disbursements of those funds transferred to the California Energy Commission (CEC) or the applicants.

2. Operation of the NSHPPBA

Entries to the NSHPBA shall be made on a monthly basis as follows:

a. A credit entry equal to one-twelfth of the annual authorized NSHP Program funding amount of $45.95 million;

b. A debit entry for authorized transfers to the CEC or applicants within 30 days of such request; and

c. Interest which shall accrue monthly to the NSHPPBA by applying the Interest Rate to the average of the beginning and ending balance. The Interest Rate shall be one-twelfth of the Federal Reserve three-month Commercial Paper Rate – Non-Financial, from Federal Reserve Statistical Release H.15 (expressed as an annual rate). If in any month a non-financial rate is not published, SCE shall use the Federal Reserve three-month Commercial Paper Rate – Financial.

If the above calculation produces a positive amount (undercollection), such amount will be debited to the NSHPPBA. If the calculation produces a negative amount (overcollection), such amount will be credited to the NSHPPBA.

3. Disposition

Any NSHP Program funds collected but not encumbered by June 1, 2018 or spent by December 31, 2021 shall be returned to customers through a credit to the Public Purpose Programs Adjustment Mechanism (PPPAM).

4. Review Procedures

In the annual April 1 ERRA Review proceedings, SCE will include the recorded operation of the NSHPPBA for Commission approval of the recorded amounts and to ensure that the entries made in the NSHPPBA are stated corrected and are consistent with Commission decision(s).