

## CPA Power Response Direct Install Q&A

1. This incentive program appears aimed towards owner owned and operated small scale peak shaving battery systems.  
There are no restrictions on ownership models, system sizes or intended uses, as long as the system is located at the site of a CPA customer.
2. Is the incentive limit \$35k per site?  
Yes, the incentive limit is \$35k per site, subject to available funds, or \$25k per site with ITC credit eligibility.
3. Will we qualify with a PPA?  
Yes, you will qualify with a PPA as there are no restrictions on ownership models, as long as the system is on a CPA customer site and can be enrolled in the Power Response Program.
4. Our storage system will require well over the maximum 200kWh, most likely into the 1MWh+ range to support a five-day shutdown.  
Larger systems can still receive incentives, but the incentive levels are capped at 200 kWh. Technical assistance is available if you would like assistance in properly sizing a battery for your needs.
5. “Customers must enroll at least 50% of battery capacity in the CPA Power Response Program to receive incentives” – does this require that we double the size of the system to leave enough capacity for peak power demand?  
No, you may not need to double the size of your system in order to have enough capacity available for this program. The 50% only needs to be available during the Power Response event window (4-9 on weekdays) and will be dispatched a maximum of 5 times a month and 35 times a year. Depending on how you are using your system, you may not have to double the system size to have this capacity available to the program. Technical assistance is available if you would like assistance in properly sizing a battery for your needs. If the system will be used for backup power, it is important to note that the program will never call an event when there is an outage planned for the customer service area (e.g. PSPS).

6. Installed and operational by 5/30/2021 is going to be a push given our public process and bidding requirements. Even for a small system, we would likely need electrical upgrades designed, bid, installed, and operational all in a year  
Exceptions may be available for customers that cannot meet the proposed schedule. CPA encourages you to still submit an application.
  
7. Will funds be awarded on a first-come, first-served basis?  
No, applications will be reviewed and prioritized based on the eligibility requirements and selection criteria outlined in the Direct Install Handbook.
  
8. Is there a fixed amount of funds allocated to each round of applications?  
No, not at this time.
  
9. Are any resources available to support feasibility studies, technical assessments, or identification of additional funding sources or options for project financing?  
The program does not directly provide any of these resources.
  
10. Can a customer apply for funding at more than one site?  
Yes.
  
11. Is the funding cap per site or per customer?  
Per site.
  
12. Approximately what percentage of total project cost could be covered by the Direct Install incentives, or by a combination of Direct Install and SGIP incentives?  
The combination of SGIP and CPA incentives should cover 50% or more of storage costs based on installed storage cost of up to ~\$1,000 / kWh. Note that this does not included the federal ITC tax credit which could cover more of the cost for eligible customers.

Example assuming installed storage cost of \$400 - \$1,000 / kWh.

- Tax exempt: CPA incentive is \$175 (for tax exempt), and SGIP is \$350 (SCE step 3, large-scale, non-ITC storage) gives total of \$525/kWh (or 100% - 53%)
- Taxable w/o ITC: CPA incentive is \$125 /kWh, SGIP is \$350 (SCE step 3, large-scale, non-ITC storage), gives total of \$475/kWh (or approximately 90% - 48%)



- Note that taxable participants could also receive the Federal ITC tax credit if they qualify. ITC credit is not included in this calculation.

13. Is there any flexibility on the milestone dates?

Yes, while CPA is looking for customers that would have systems installed by next summer, exceptions may be available for customers that cannot meet the proposed schedule. CPA encourages customers uncertain about project timing to still submit an application.

14. What level of technical support are CPA/Olivine offering customers interested in the Direct Install program.

CPA/Olivine can offer limited technical support in sizing a battery system for your intended application(s).

15. If a solar developer applies for the incentive on behalf of a public agency that isn't eligible for the ITC, would the developer apply as an organization that is eligible or not eligible for the ITC?

If the ITC applies to the project, the applicant should apply as an organization that is eligible.

16. For a 100kWh system, our total costs will be around \$150k. Assuming we will get about \$35k from the SGIP, will the City (no ITC avail) be eligible for the full \$35k from CPA?

Yes. Applicants applying for the SGIP incentive are also eligible for this incentive, but the incentive will be capped at the difference between the total system cost and other incentives received by the customer.

17. If a customer doesn't make the first round by 6/15/20, do we anticipate the fall incentive value to be the same, more or less than this round?

It's anticipated that the per kWh incentive level in the fall will be the same, but the available funds per site will depend on the level of incentives awarded in the first round.