In *Hot* Water

Experiences of Solar Hot Water Arizona

Arizona Solar Center, Inc. and Salt River Project

May 15th 2012



The Mission of the Arizona Solar Center is to enhance the utilization of renewable energy, educate Arizona residents on solar technology development, support commerce and industry in the development of solar and other sustainable technologies and coordinate these efforts throughout the state of Arizona.





APS and SRP had discussions in early 2010 on field installs through an independent third party





Audit tools and process established



Pilot study of approximately 250 sites



Program immediate implementation (failure rate upper 90's%)

Utility requested two special site visits

Results were surprising

In *Hot* Water Forum



Utility Perspectives, Incentives, Actions
Joel Dickinson, Senior Engineer SRP



Installation Findings, Lessons Learned, SRCC Guidelines Geoff Sutton, Project Coordinator, Az Solar Center



Building on findings
Daniel Aiello, President, Az Solar Center

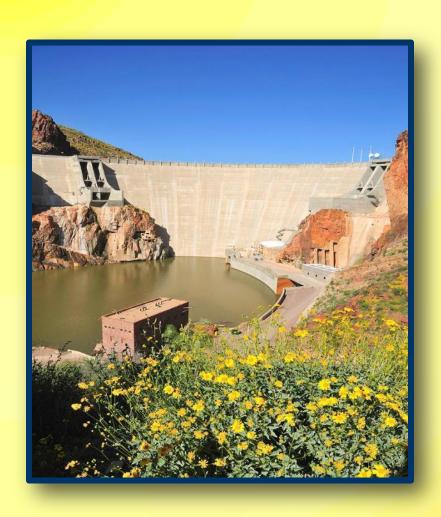
In Hot Water: Solar Hot Water Issues in Utility Programs

Joel Dickinson, P.E.
Sr. Engineer
Salt River Project

May 15, 2012

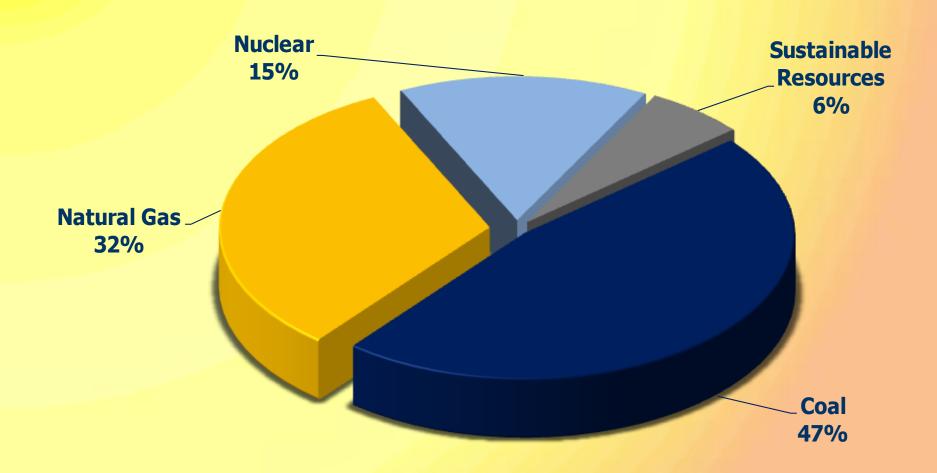


Who is SRP?



- Established in 1903 after
 Theodore Roosevelt signed
 the National Reclamation Act
 of 1902
- Largest water supplier to the Valley of the Sun
- Third largest public power utility in the nation
- 935,000 electric customers
- 6,800 MW peak load

SRP's Resource Mix

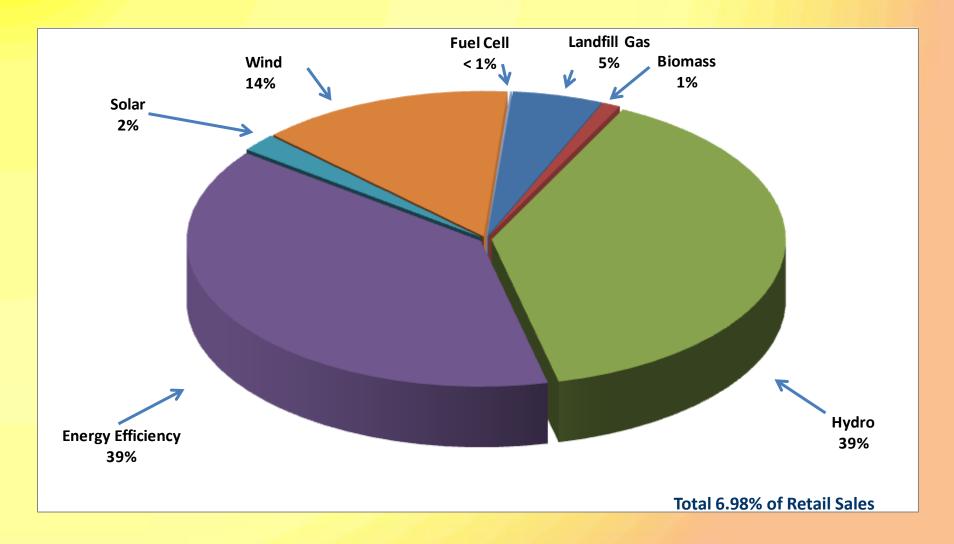


Sustainable Portfolio Overview



- Arizona RPS calls for 15% of retail electric sales renewable by 2025
- 2004 SRP established sustainable portfolio (includes: renewables and energy efficiency measures) with target of 2% of retail sales by 2010
- 2006 SRP adopted target of 15% of retail sales by 2025
- 2011 SRP adopted target of 20% of retail sales by 2020

Sustainable Portfolio Mix Fiscal Year 2011



Renewable Energy Resources



Hydrogeneration



Low Impact Hydro



Geothermal



Solar



Landfill Gas



Wind

SRP Solar Energy Program



Program Goals

- Incentives provided in exchange for the renewable energy credits
- Ensure customer experience is rewarding, easy, and pleasant
 - Simplify the process wherever possible
 - Be a customer advocate by instituting consumer protection measures
 - Work with contractors to ensure safe, quality construction



SRP Solar Thermal Incentive Structure

- Incentive is paid to customer in exchange for 20 years of Environmental Attributes associated with the solar water heater
- Third party rating agency determines the annual net energy savings in kWh or therms
 - OG-300 rating for residential systems
 - OG-100 rating for thermal panels
- Solar Rating and Certification Corporation (SRCC) or International Association of Plumbing and Mechanical Officials (IAPMO) accepted rating agencies

Residential Solar Water Heater Incentive

- Incentive is \$0.40 per kWh of annual energy savings
- Solar offset gas or electric
- Only OG-300 rated systems eligible
- Pro-rate OG-300 rating 80% for panels facing east, west or flat



Residential SHW Typical Cost

SunEarth SOLARAY

OG-300 Rating	Typical Cost	SRP Solar Incentive	AZ Tax Credit	Fed Tax Credit	Net Cost	Annual Savings	Simple Payback
2,880 kWh	\$6,033	\$1,152	\$1,000	\$1,810	\$2071	\$288	7.2 years

Pacific West Solar Freeze Safe

OG-300 Rating	Typical Cost	SRP Solar Incentive	AZ Tax Credit	Fed Tax Credit	Net Cost	Annual Savings	Simple Payback
2,860 kWh	\$5,185	\$1,144	\$1,000	\$1,556	\$1,485	\$286	5.2 years

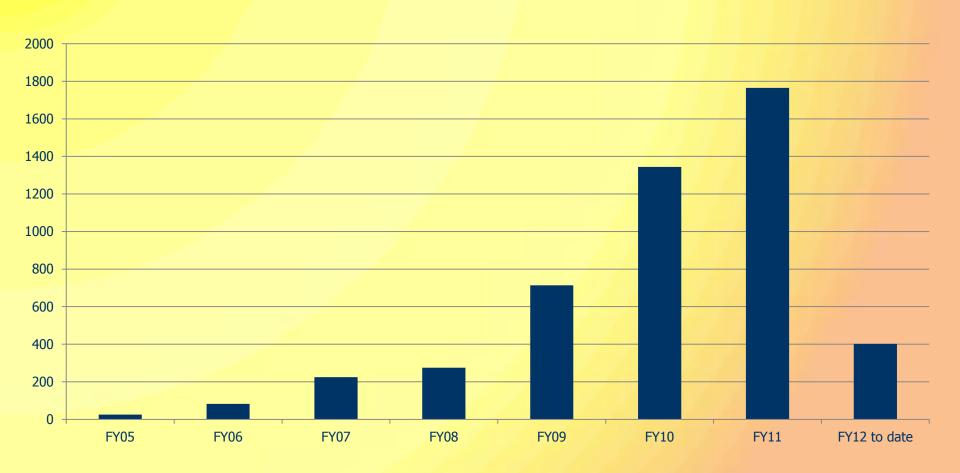
FAFCO 200 Series

OG-300 Rating	Typical Cost	SRP Solar Incentive	AZ Tax Credit	Fed Tax Credit	Net Cost	Annual Savings	Simple Payback
2,200 kWh	\$9,208	\$880	\$1,000	\$2,762	\$4,566	\$220	20.8 years

AZ State Tax Credit: 25%, \$1,000 cap

Federal Tax Credit: 30%, no cap

Application Receipt History



Solar Incentive Programs

Solar incentive programs to date launched August 2004

Program Description	Systems Pending	Systems Paid	Total Systems
Residential Solar Electric	351	2,685	3,036
Residential Solar Water Heating	667	3,967	4,634
Commercial Solar Electric	106	109	215
Commercial Solar Water Heating	22	32	54

16.3 MW installed and pending (Residential) and 18.3 MW installed and pending (Commercial)

34.6 MW total

Program Evolution



- Require copy of building permit
- SRP incentive paid to contractor on customer behalf as a "buy down"
- Pro-rate incentive based on panel orientation to allow more participation
- Require SRP inspection to verify installed to OG-300
- Charge contractor for 3 or more audits on same system

Solar Water Heating Program Audit



Residential Water Heating Inspection

- SRP hired Arizona Solar Center (AzSC), an independent third-party, to perform Pilot audits
- Goal of Pilot to verify systems installed to OG-300 Standards
- Random sample of 100 systems installed in 2009
- Due to increase in customer complaints

EarthWise Residential solar water heater performance AUDIT CHECKLIST					
PASS	FAIL	RESERVATION NUMBER:			
Project Information		INSPECTOR:			
Customer (Present):			Date:		
Address/ City/ State/ Zip:			•		
Installing Contractor:					
Equipment Manufacturer:		SRCC Model:	System Type (drain-back, ICS,):		
Solar Tank Manufacturer (Elect	(, Gas):	Model:	Gallons:		
Secondary Tank (Elect, Gas):		Model:	Gallons:		
Water Temp. at Interior Fixture	:	TIE	Azimuth:		
-					
Y N N/A SRCC Section	General Requirements 1 System is operating				
 	System installation and components are cor	nsistent with Incentive application and Si	RCC approved manual		
	3 All components are new (tank, collector, plu	imbing, pumps, controls)			
6.6.1	4 SRCC approved manual is available				
Plumbing/Piping 6.5.14	5 Piping is adequately and appropriately supp	noted			
□ □ □ 6.1.63	Pipe insulation with a min. R-2.6 is installed	on all hot water pipes and first 5 feet of	exposed cold water inlet piping. All		
6.1.6.3	 exterior piping insulation shall be protected Expansion tank is installed on collector loop 				
D D D 6515	Collectors are pitched at least 1/4 inch per 1	foot and piping is continuously pitched be	etween collector(s) and drain-back		
Solar Storage Tank	o reservoir with a minimum 1/4 inch per foot it	fapplicable			
6.5.6	9 Water tanks installed in or above living spa-	ce shall be on a drip pan with drain line t	o a safe location		
6.1.3.1	Temperature and pressure relief valve is in: 1, Section VIII	stalled on tank to comply with ASME Boll	ler and Pressure Vessel Code, Division		
Valves	•				
6.1.5.6	Tempering valve(s) are installed and a) On the downstream side of the primary water heater(s), b) Located after anti- convective plumbing, and c) and shall include a set point of 122 °F				
6.1.1.2		12 All isolation valves shall be labeled with the normal operating position indicated on black with white text			
□□□□ 6.3.7	Label shall mark all drain and fill valve(s). L 13 shall be used that would change the origina	il classification of this system. Unauthori			
	result in a hazardous health condition." on t				
6.3.16 14 Pressure relief valve is installed on the collector loop if applicable 6.3.16 15 Pressure relief valve is installed on drain-back tank if it can be isolated					
Controls	I .				
6.5.18 6 6.5.18 16 Sensor wiring (when outdoor) has a UV-rated exterior jacketing, is continuously attached, and is protected from abrasion, high voltage lines, and high temperature					
6.3.5	17 If PV powered, a high temperature shutoff f	unction is installed and wired through the	e circulation pump		
Collector(s) 6.5.13	18 Collectors are substantially un-shaded betw	veen 9am and 3pm year-round			
6.5.13 18 Collectors are substantially un-shaded between 9am and 3pm year-round 5.5.8 19 Collector mounting brackets are secure and properly attached to roof members					
6.5.5	20 Roof penetrations are properly sealed in ac				
Reference: OG-300 Operating rating org/standards/standards	Guidelines and Minimum Standards for Certifying htm	Solar Water Heating Systems; http://ww	w.solar-		
If you have questions about your performance audit, please contact a solar representative at (602) 236-4662 or SolarSWH@spinet.com					
			12/07/10		

Examples of Safety / Performance Issues

Safety Issues

- Mixing valve missing
- Temperature and pressure relief valve installed wrong
- No label on system related to heat transfer fluid used

Performance Issues

- Lack of appropriate insulation
- Shaded collectors
- Systems were not operating
- System did not match the plans or application



Lessons Learned

- Don't assume the solar contractor is pulling a building permit for the customer
- Don't assume the city or AHJ (Authority Having Jurisdiction) is going to perform inspections
- Anticipate heavy marketing to a non-solar savvy customer base
- Have a good relationship with rating agency

Action Plan

- All new water heating applications will require an inspection before an incentive will be issued
- Improve program documents and contractor guidelines to enhance current incentive program
- Better communication with installers and dealers
- Sponsor workshops for best practices and lessons learned

In Conclusion

- SRP and the utility industry, face many challenges related to growth, climate change, and balancing costs for our customers as we strive to provide a sustainable energy supply
- Solar Water Heating can be a cost effective way to fulfill a solar portfolio
- Communication with other incentive managers and industry is important for a successful solar program

Connect with SRP



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facebook.com/srpconnect



youtube.com/srpconnect

Questions?

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For more information on the SRP EarthWise Solar Energy Program: www.srpnet.com/solar

SOLAR WATER HEATING SYSTEMS ARIZONA

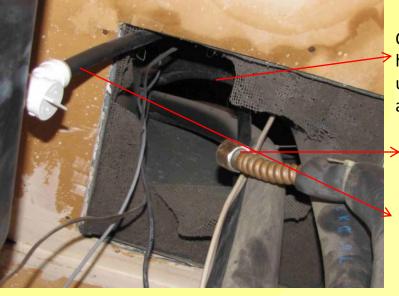
Geoff Sutton
Project Coordinator
Arizona Solar Center

Special Site
Installation Findings
Lessons Learned
SRCC System Guidelines

Special Site

Summer of 2010 one of the utilities has two upset customers with their Solar Hot Water System Installs.

This is what was found:



One foot square unconditioned attic

→Old lines not removed

Lines not insulated

System drains up

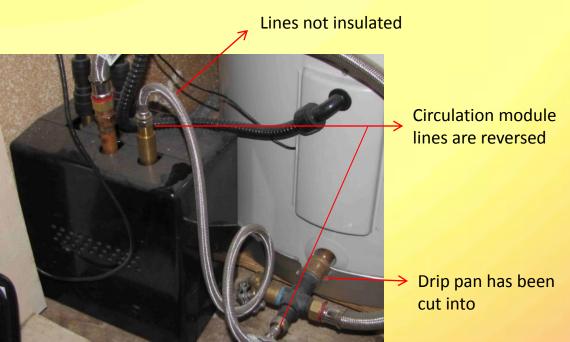
hole directly into

Special Site



Tie-down tearing out of roof

Contractor had incorrect RoC license





Special Site

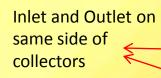
Sensor wire runs inside whirly bird

Tank not insulated ←

No insulation on lines ←

Hole knocked into wall for plumbing

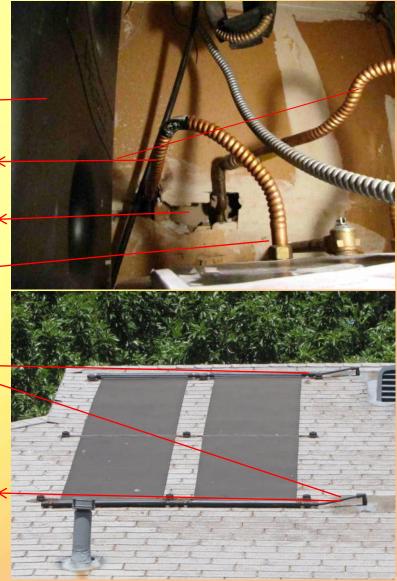
No mixing valve



No Sikaflex

System drains up







Open hole into attic, insulation falling into house

PEX not insulated

> Tank not insulated



Circulation module lines reversed

No Labels

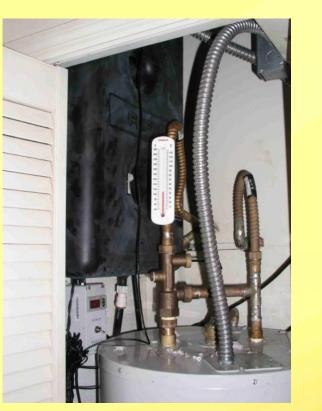
Allen Key used for mixing ← valve

> Insulation from attic falling into ← house



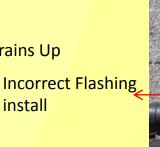








Special Site







Sensor not installed correctly floating, note roof needs to be replaced

install

Multiple missed holes not correctly flashed on roof

Pilot Program

APS and SRP in the 2nd half of 2010 did a random sampling of approximately 250 systems to see how they matched up to the SRCC OG-300 installation guidelines. This is to conform to the Renewable Energy Standard and Tariff (REST) as required by the regulated utilities (APS) under the ACC. http://www.azcc.gov/divisions/utilities/electric/environmental.asp

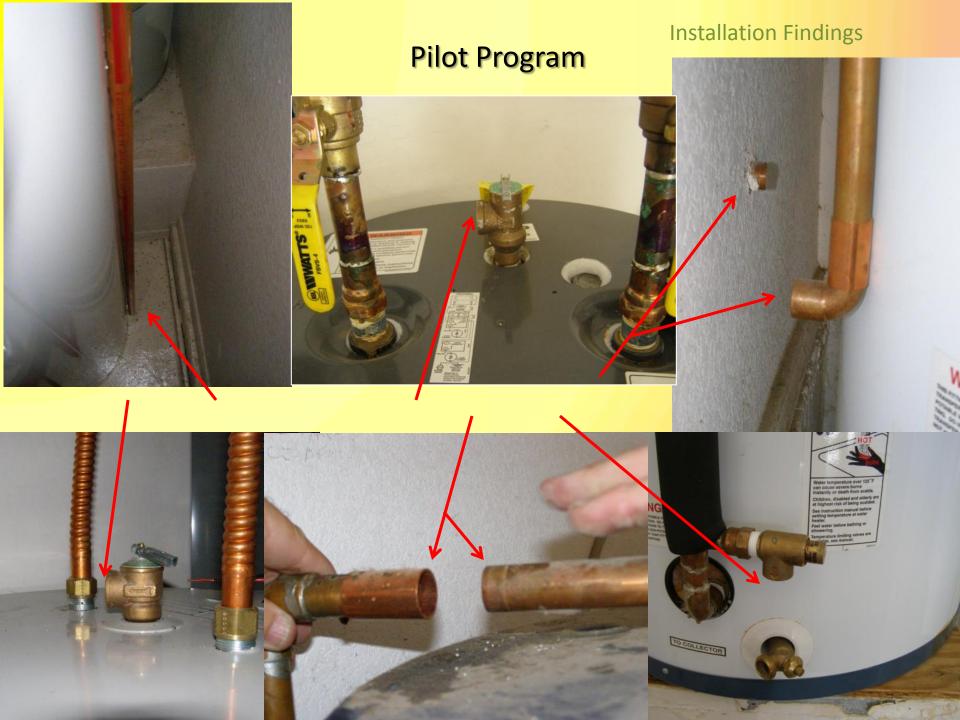
SRP has a separate program that closely mirrors the ACC requirements. http://www.srpnet.com/environment/earthwise/solar/default.aspx

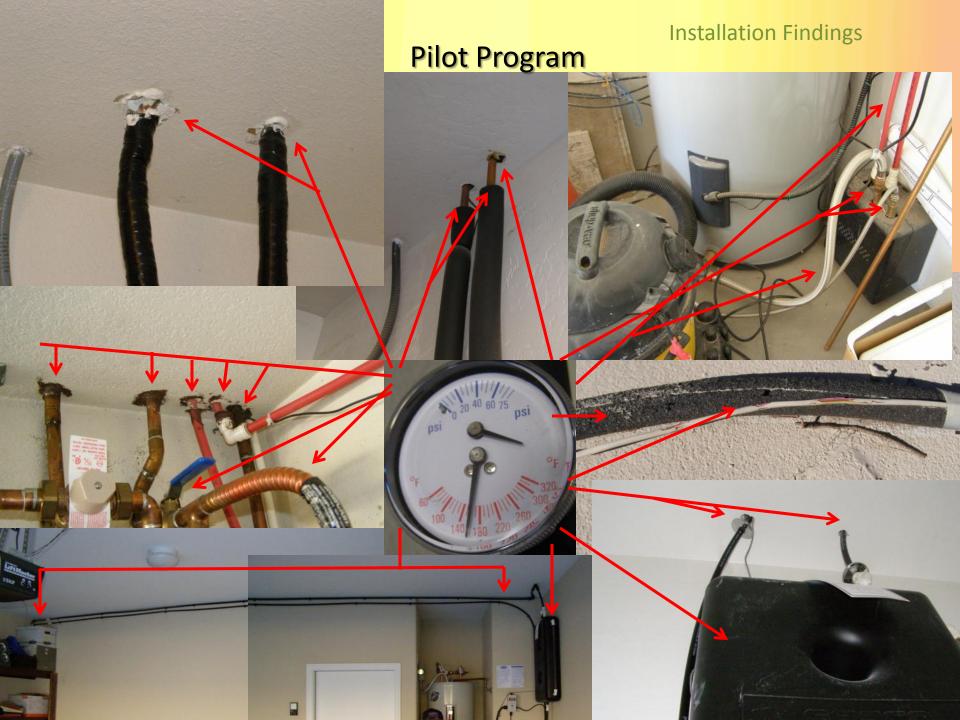
What was found in the Pilot Program

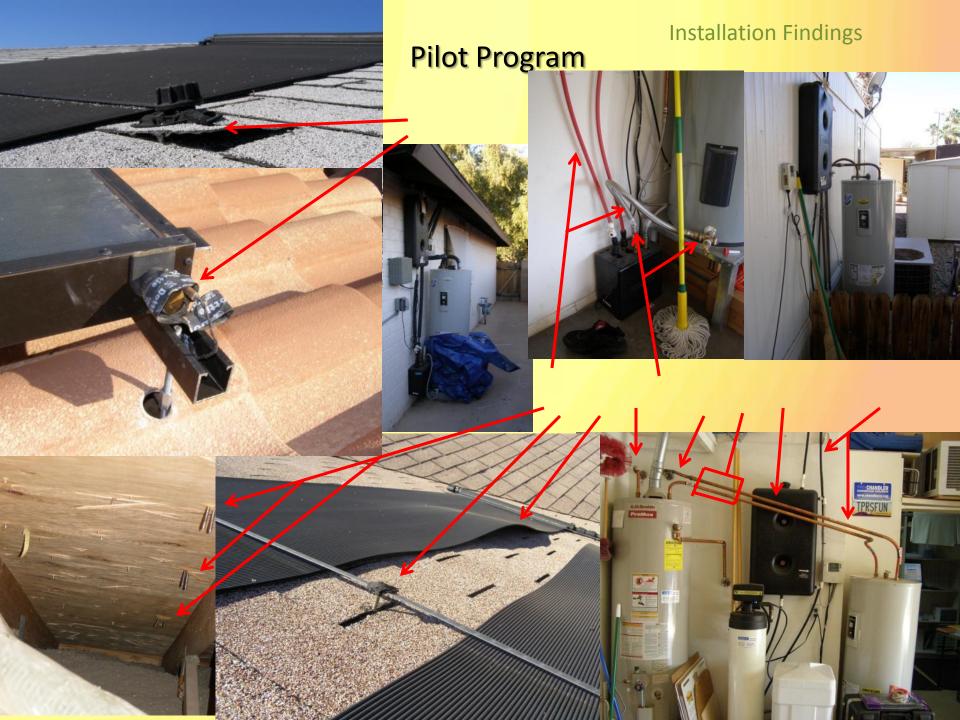


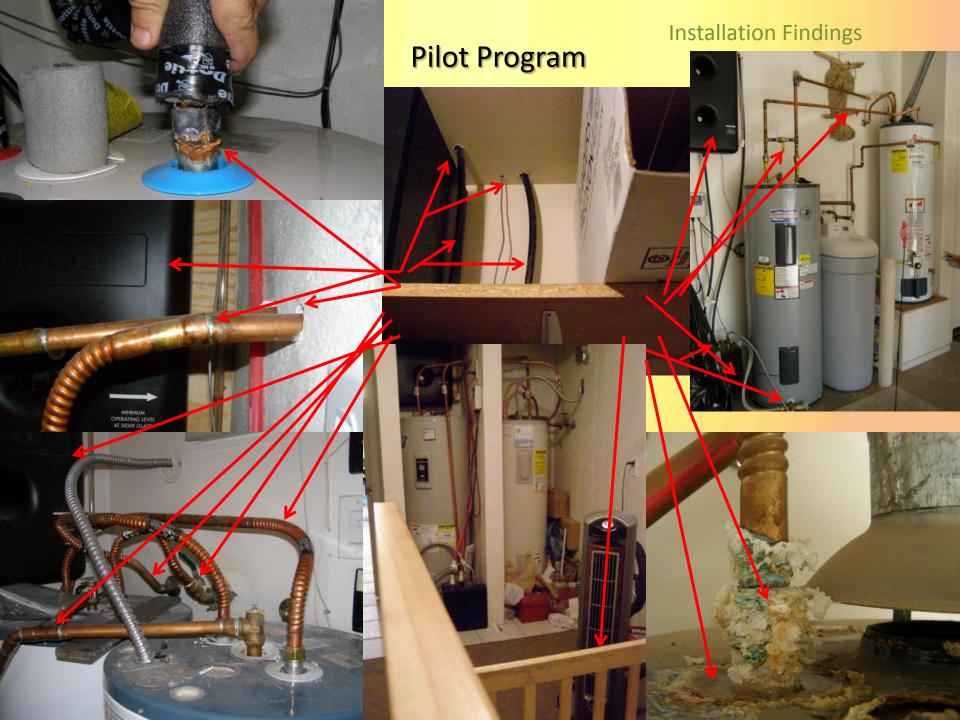
Installation Findings













TE-40P-80-1





What was Concluded

- Installers were not familiar with the product
- Installers were not correctly trained on the product
- ➤ All National, State, Local programs, and the alphabet of codes (IPC, UPC, IBC, NEC, IFC, IECC, IMC) in place are not protecting the consumer
- Many systems were not likely performing to the SRCC OG-300 annual saving numbers that APS and SRP use for their incentive program
- Some homeowners felt disappointed about the product
- Some homeowners had no idea of how the system works
- Lack of system compliance (by AHJ) permitted an easing in the installation standards
- It became the Utilities responsibility

 Arizona Utilities APS, SRP, TEP must comply under A.R.S. to use a standard "as prescribed by a solar rating and certification corporation" for the incentive payments

 All three utilities use the SRCC OG-300 published "Annual Savings" to determine their incentive, all three programs are different

SRCC Document OG-300 June 2011 edition

http://www.solar-rating.org/certification/ogdocuments/OG300 document.pdf

Checklist relies on: "6.0 Certification of Criteria" pages 16 to 31

Too much information for home audits, <u>rely on the manufactures</u> booklets and the SRCC accepted drawing for components and correct install locations. i.e. system sizing (modules, tanks), check valves, thermistor, etc...

<u>Audit is very visual orientated</u>, need to assume correct piping is used (should be insulated), correct pumps are installed, lines are sweated correctly.

There is around 20 main points to look at, allowing around 20 to 30 minutes per on site system audit.

APS and SRP Audit Checklists

APS SRP

Audit#1 2 3 _	COMPLIANCE	NON-COMPLIANCE	RESERVAT	ION NUMBER:	Y				
Project Inform	ation		AUDITOR:	AUDITOR:					
ustomer (Presen	t):			Date:	n				
ddress/ City/ Stat	e/ Zip:		Phone Num	ber:					
nstalling Contract	or:								
quipment Manufa	ecturer:		SRCC Model:	System Type (drain-back, ICS,)):				
iolar Tank Manufa	acturer (Elect, Ga	s):	Model:	Gallons:	E				
econdary Tank (E	lect. Gas):		Model:	Gallons:					
Vater Temp. at Int		Refract Rating:	Tilt:	Azimuth:					
			THE.	Azimuui.	S				
Y N N/A	SRCC Section	1 System is operating							
		· cystem to operating	ents are consistent with Incentive applica	tion and SRCC approved manual					
		-	collector, plumbing, pumps, controls)						
	6.6.1	4 SRCC approved manual is avail	lable						
lumbing/Piping	6.5.14	5 Piping is adequately and appro	oriately supported						
	6.1.6.3 / 6.2.2	Pipe insulation with a min. R-2.6	. All						
	6.1.1.3	exterior piping insulation shall b	exterior piping insulation shall be protected from UV and moisture damage Expansion tank is installed on collector loop piping if applicable						
	ack								
olar Storage Tar		reservoir with a minimum 1/4 in			=				
6.5.6 9 Water tanks installed in or above living space shall be on a drip pan with drain line to a safe location Description of the part									
alves	6.1.5.6			rimary water heater(s), b) Located after an	iti-				
	6.1.1.2		convective plumbing, and c) and shall include a set point of 122 °F 2 All isolation valves shall be labeled with the normal operating position indicated on durable and waterproof labels						
	er								
	6.3.7	could result in a hazardous hea	nange the original classification of this sys th condition."	em					
	_								
ontrols	6.3.16	15 Pressure relief valve is installed	on drain-back tank if it can be isolated	n drain-back tank if it can be isolated					
	6.2.4		temperature insulation are not used						
	6.5.18	17 Sensor wiring and control sensor protected from abrasion, high vi	jacketing, is continuously attached, and is inmental influence	5					
6.3.5 18 If PV powered, a high temperature shutoff function is installed and wired through the circulation pump									
collector(s)	6.5.13	19 Collectors are substantially un-	shaded between 9am and 3pm year-roun	1	=				
	— L								
OTES		I							
			Azimuth* Tilt	Incentive					
			90-180 >0 30-90 0-33	0% 80%					
			0-30 0-17 0-30 18-47	80%	Г				
			0-30 48-75	100% 80%					
			30-90 0-33 90-180 >0	80%					

below	solar water heating system h The results of this audit are the identified issues. All is	shared with the	SRP Account Holder and th	eir Inst	allation C	ontractor. SRP recom sed for payment.			h your contractor to		
Application Data Customer (Namer/Number):							AUDIT # 1 2 3 4 _				
	s (Street/City):							Date.			
Dealer:					Installing C	ontractor					
Dealer: Equipment Manufacturer:						OG-300 Model:					
									Incentive: 100% 809		
	ation Data ank Manufacturer (Elect, Gas):				Model:				Gallons:		
	dary Tank (Elect, Gas):				Model:				Gallons:		
Refract Rating: Interior Water Temp:					Tit: Azimuth:						
PERF	ORMANCE ISSUES	PASS	NOT PASS		PICTUR	ES OF CORRECTION	NS MAY	BE ACCE	PTED*		
	1 System not operational										
	2 All components are not new										
	3 Piping is not supported	ed									
	4 Piping or fittings are not adec	gs are not adequate				(Collet Clips Missing, Collet Clips Open, UV Caps)					
	5 Piping or tank is not properly	(Miss	(Missing, Size, UV Protection)								
	6 Expansion tank not installed	Expansion tank not installed correctly									
$\overline{\Box}$	7 Collector/piping not appropris	(Colli	(Collector, Pipe)								
	8 Valves not properly installed	(Terr	(Tempering, Pressure Relief, Isolation, Bypass, Drain/Fill)								
	9 Valves not properly labled	(Вур	(Bypass, Isolation, Drain/Fill)								
	10 Fluids not properly labeled	Т									
	11 Sensor/PV wire issues	(Miss	(Missing, Not Properly Installed, No UV Protection)								
$\overline{\Box}$	12 Sensor and gauges issues	(Miss	(Missing, Not Properly Installed)								
Ť	13 High temperature shutoff fun	Ť									
Ħ	14 Collector(s) are shaded		+								
H	15 Collector mounting issues	(Pan	(Panel Orientation, Brackets, Tie Down)								
H	16 Roof penetrations are not se	+									
ö	17 Other			+							
Н	18 Model not OG-300 rated.			(0)	ne Causa	WSize of Collectors, Tank	Pinel				
		(FOW	an adurce,	worke of Conectors, Tank :	Jule)						
<u> </u>	19 Collector azimuth does not m		+								
Ц	20 Collector tilt does not meet p										
APPL	ICATION ISSUES	Application Ad	dendum required	_		Final Invoice correc	tion req	uired			
	A Model not consistent with SR	P Application (Type,	#/Size of Collectors, Tank Size)								
	B Collector Orientaion does no	match application (Azumuth / Tit)	(Result = Pro-Rate , Full)							

http://www.aps.com/_files/solarRenewable/SWHchecklist.pdf

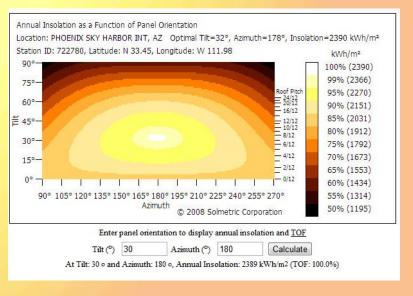
<u>Are Components New</u>: The incentive is paid for the utility acquiring the environmental attributes (RECs) of the system. The OG-300 systems are packages for the performance rating and as such need to be new.





<u>Tilt and Azimuth</u>: The incentive payments are based on the OG-300 annual savings for the REC rights.





http://www1.solmetric.com/cgi/insolation_lookup/lookup.cgi

6.1.1.2 Isolation and Bypass

6.1.6.11 Piping System

The system is plumbed to the OG-300 drawing with all valves labeled showing normal operating position.



6.1.1.3 Expansion tanks Are expansion tanks installed and properly supported



6.1.1.11 Airborne Pollutants

6.1.2.2 UV Radiation

6.2.2 Solar Degradation

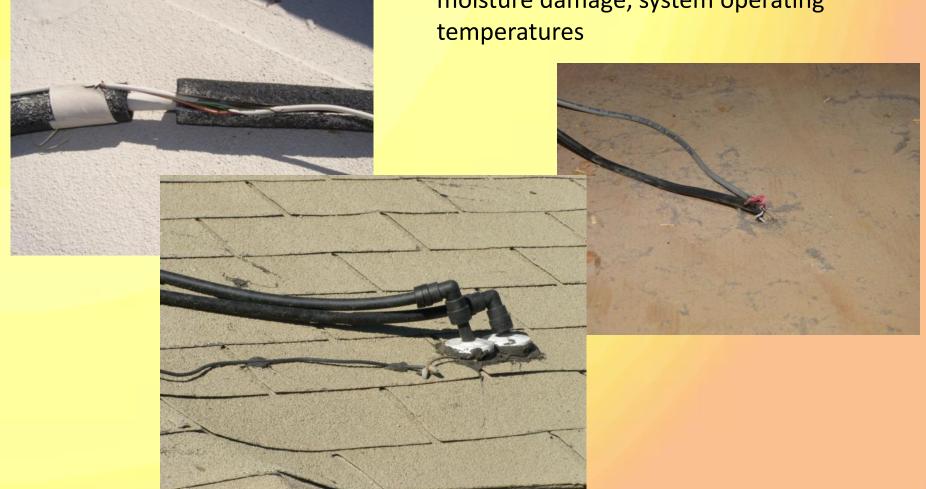
Are components protected from the elements. i.e. Ozone, Moisture, UV





6.1.5.5 Control lines and Sensors

Degradation from the environment or system. Incorrect wire sheathing, moisture damage, system operating temperatures



6.1.5.6 Temperature Control

Mixing valves need to be installed to the OG-300 drawing. Need to be installed to the manufactures guidelines





6.1.6.3 Insulation

Needs to be a high temperature EPDM or fiber type based insulation with an R2.6 or better. Needs to conform to 6.1.1.11 Airborne Pollutants, 6.1.2.2 UV Radiation, 6.2.2 Solar Degradation





6.2.4 Incompatible Materials

Incorrect Piping like PEX on a drainback at the collector outlet





6.2.5 Freeze Protection

Refractometer is used to make sure that glycol is present in the system to the lowest recorded historical low temperature



6.3.5 High Temperature Control

6.3.16 Pressure Relief

PV powered systems have a high temperature shut off
Pressure relief devices are installed to the OG-300 drawing and set below system maximum design pressure





6.3.7 Fluid Safety Labeling

Labels to the manufactures and OG-300 guidelines are met



Maximum Operating:

Temperature - 250°F Pressure - 45 psi

Freeze Protection Device

Fluid drains automatically into this tank. Keep the temperature in this room above 32°F

AWWA Fluid Class I Potable Water

WARNING:

No other fluid shall be used that would change the original classification of this system. Unauthorized alterations to this system could result in hazardous health conditions.

6.4.1 Operating Indicators

Working visual indicators to the manufactures and OG-300 drawing are present



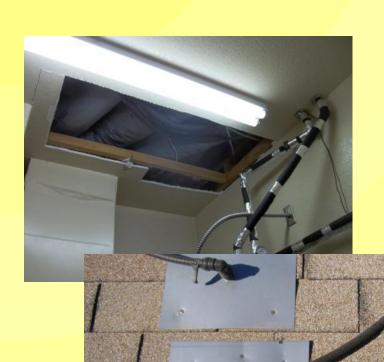
6.5.1 Fire Stopping

Use it!



6.5.5 Building Penetrations

Correctly incorporated flashings and sealants in joists, members, wall systems



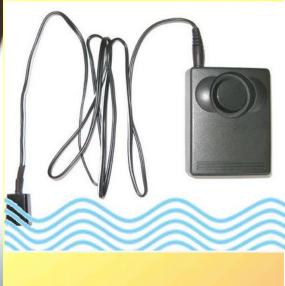


6.5.6 Water Damage



Water tanks in or above a conditioned space shall have a drip pan with a drain line to a safe location

- Waivers
- Water Alarms





6.5.13 Shading of Collector



Collectors will be substantially un-shaded year round



Upper around 14:00, right around 15:30



6.5.14 Pipe and Component Supports

Piping will conform to the IPC Table 308.5 for hanger spacing.

Compression or damage to insulation is to be avoided



6.5.15 Pitch or Angle of Piping Insulation

Collectors and piping is pitched in a manner to permit evacuation of fluids on drainback systems





6.5.18 Control Sensor Installation

Wind, moisture, UV, high voltage wiring, hot piping, electrical tape, zip ties, etc...





6.6.1 Provision for Manuals

Manual is to be the version accepted by the SRCC



STILL IN HOT WATER

On-going audit program (APS, SRP) and establishment of utility educational programs - APS Qualified Solar Installers, etc..

Arizona Solar Center has seen an improvement in compliance rates

Over last 6-months, initial visits APS ~67%

Revisits APS ~97%

ISSUES REMAIN

STILL IN HOT WATER – ISSUES REMAIN

Az. utilities should NOT be the industry policemen

- SRP and APS are leading the State in addressing the issue, constrained by:
 - 1. Incentive Programs
 - 2. Legal boundaries
- Legal entities and trade associations have been minimally involved
- Competency and quality in the solar hot water equipment industry
- ➤ Lack of adherence to national, State, local programs, guides, and codes in place to protect consumers
- ➤ Limited knowledge of local, county, and State jurisdictions and lack of consistency between jurisdictions
- Lack of consistent and accurate information
- Limitations in professional licensing and certification
- Public disappointment with performance to what was sold
- Public understanding of system is poor

These issues are not unique to Arizona and can be seen in various scenarios, nationally

BUILDING ON FINDINGS

Where are the other players?

- Solar installers Quality/competency issues
- Solar business/contractors Oversight of subcontractors/field crews
- Jurisdiction inspections Legal authority
- Utilities Limited to incentive program context
- Construction/Design industry Great holes in information base
- Owner Ultimate beneficiary and least knowledgeable

Peripheral elements that have an effect:

- Federal, State, PUC programs
- Registrar of Contractors limited oversight and context
- Industry Trade Association Lack of participation, & lack of member oversight and education
- Education/Training Institutions Lack of information and focus on found problem areas

ARIZONA SOLAR CENTER ACTIVITIES

Looking forward 4000 audits later...

- DEVELOPMENT OF TOOLS APPROPRIATE FOR EACH ELEMENT
- ➤ INFORMATION TRANSFER RE: FINDINGS AND EXPERIENCE
- CREATE ACCURATE AND ACCESSIBLE INFORMATION REPOSITORY
- COLLABORATE WITH INDUSTRY AND APPROPRIATE ENTITIES
- CONTINUED WORK IN DEVELOPING AND IMPLEMENTING PROGRAMS WITH UTILITES
- ➤ WORKING WITH STATE AND LOCAL GOVERNMENT FOR IMPLEMENTING INSPECTION COMPETENCY
- WORK WITH THE DESIGN AND CONSTRUCTION INDUSTRY
- DEVELOP INFORMATION, TOOLS, AND ACTION PLANS FOR EXPANDED IMPLEMENTATION; COMMERCIAL SHW AND PV INSTALLATIONS
- ➤ WORK WITH INDUSTRY AND STATE AGENCIES; MARKETING PRACTICES

Arizona Solar Center

The Arizona Solar Center continues to work as a neutral 3rd party. The Utility programs have resulted in a significant compliance from single digits in 2010 to the upper 90% range currently

In Hot Water

A Positive thing!!!!

Contact Information



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