



## City of Palo Alto

(ID # 13806)

### Utilities Advisory Commission Staff Report

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**Meeting Date: 1/5/2022**

**Title: Discussion and Update on the Permit Processes for Various Energy Technologies**

**From: Director of Utilities**

**Lead Department: Utilities**

#### **Recommendation**

This item is for Utilities Advisory Commission (UAC) information and discussion; no action is requested.

#### **Background/Discussion**

Palo Alto Utilities (PAU) and the Planning and Development Services department (PDS) provided its last update to the UAC on September 1, 2021 on the City's permitting and inspection process related to electrification permits.

The prior UAC staff report<sup>1</sup> provided information on improvements that have been implemented or ongoing and additional work that was anticipated in the near future. This report provides an update on specific initiatives that are currently underway and updated permit performance data.

#### Automated Solar Permitting (Solar APP +)

City staff continues its conversations with representatives of the National Renewable Energy Laboratory (NREL) with the goal to incorporate Solar APP+ in the City's permitting process. Solar App+ would streamline permit issuance for residential roof mounted solar photovoltaic (PV) systems. Eventually, it is anticipated that battery storage systems will be added to the permitting platform.

The City recently performed a simulated test of three PV projects; two were cleared for permit and one project, appropriately, was rejected. Solar App+ reviews projects to basic code state requirements. It does not incorporate local jurisdiction regulations or utility service provider requirements. As a full service city, Palo Alto needs to consider the implications of implementing Solar App+ and the effect it may have on the City's utility infrastructure.

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<sup>1</sup> UAC Staff Report, dated September 1, 2021: <https://www.cityofpaloalto.org/files/assets/public/agendas-minutes-reports/agendas-minutes/utilities-advisory-commission/archived-agenda-and-minutes/agendas-and-minutes-2021/09-01-2021-special/id-13530-item-1.pdf>

While staff continues to ready the permitting system to work with Solar App+, its implementation is pending review of the City's infrastructure capabilities to support larger PV systems without plan review prior to permit issuance. Palo Alto Utilities will lead that analysis, which may impact existing utility policies requiring City Council review or resource considerations prior to implementation.

#### Revisions to Application, Plan Review and Inspection Checklists (all electrification permits)

Concurrent with efforts on Solar App+, staff continues to work on refinements to the City's electrification permit application, plan review and inspection checklists. A draft of the residential checklists was sent to contractors working in Palo Alto and who have expressed an interest in assisting the department with this effort. Staff received feedback and is updating the checklists in response to comments received. Where staff has a different perspective than a commenter, we will reach out and have a discussion to understand why there may be a difference of opinion about a requirement or protocol. It is the department's goal to have the residential checklists uploaded and on the City's website in February 2022.

#### Customer Service Feedback Survey

At the time of this report, staff was finalizing a short survey that will be used for all touchpoints the Planning and Development department has with its customers. Two programs in particular – our inspection program and development center – have program specific questions to illicit feedback on staff's customer service, professional, efficiency and technical knowledge. The intent is to be able to provide customers an opportunity to provide immediate feedback by way of links in our email signature line, with QR codes at these touchpoints and by text message to contractors at job sites after an inspector's visit. These survey's will be anonymous allowing for candid customer feedback. Staff will monitor and anticipates posting all results online. With the survey language nearly complete, some online formatting and programming is required before the survey can be published and available before the end of the year.

#### Electrification Permitting Performance

The following tables provide timeline information on different aspects of the permitting process and generally reflect improved efficiency compared to the same period last year. As staff continues to refine its online permit system and monitor daily performance reports, it is anticipated some additional efficiencies can be achieved. Two metrics below (shaded) include applicant time to respond to staff or are impacted by the quality of the initial application submittal. As noted above, staff is working on checklists to help identify and facilitate a smoother transition between submittal and approval.

	Pre-Application Acceptance (Ave # of Calendar Days to Accept Application May 2020 - October 2020)	Pre-Application Acceptance (Ave # of Calendar Days to Accept Application May 2021 - October 2021)	Pre-Application Converted to Building Permit w/in 7 Days (Calendar Days to Accept Application May 2020 - October 2020)	Pre-Application Converted to Building Permit w/in 7 Days (Calendar Days to Accept Application May 2021 - October 2021)
ALL Electrification Permits	15	10	54%	65%
Electrification Permit w/ Solar PV component	12	7	62%	79%

	Pre-Application 1st Response (Ave # of Calendar Days to 1st Response May 2020 - October 2020)	Pre-Application 1st Response (Ave # of Calendar Days to 1st Response May 2021 - October 2021)	Building Permit 1st Round of Corrections to Applicant (Ave # of Calendar Days to 1st Response May 2020 - October 2020)	Building Permit 1st Round of Corrections to Applicant (Ave # of Calendar Days to 1st Response May 2021 - October 2021)
ALL Electrification Permits	3	3	19	11.5
Electrification Permit w/ Solar PV component	3	3	17.5	12

### Timeline

This report provides an update on current initiatives and performance reporting. Staff will continue to advance the efforts listed in this report and in the first quarter next year begin to initiate improvements to the department’s webpage providing greater access to information for homeowners and contractors regarding electrification permits. Later, staff will attempt to prepare a contractor’s database of those companies that install solar panels in Palo Alto.

### Resource Impact

The recommendation in this report does not have any significant fiscal or budgetary impacts.

### Policy Implications

This report details specific action taking place to align the City’s permitting and inspection programs with the City Council’s expressed goals to advance carbon reduction strategies. PDS and other departments involved in the review process have dedicated staff resources aimed at reducing the amount of time it takes to process applications and improve consistency in its requirements and clarify expectations for inspecting installations in the field.

### Stakeholder Engagement

Staff has scheduled regularly meetings with UAC to provide a status update on efforts that improve the City’s electrification permitting and inspection processes. From time to time, either on specific projects, or as partners to help review draft City documents, staff is engaging contractors and other individuals interested in our electrification efforts. Internal coordination among City departments, supported by the department heads from PDS, Fire and PAU are a key component of this engagement strategy.

### Environmental Review

The UAC's review of the information provided in this report does not meet the definition of a project under Public Resources Code section 21065, so California Environmental Quality Act review is not required.