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AB 1104: Commercial & Industrial Solar Impact Report

Analysis of the economic and environmental impacts of Assembly Bill 1104 (Pellerin) on Santa Cruz County and local businesses

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1 Executive Summary

The enactment of AB 1104 delivers clear and measurable economic and environmental benefits for Santa Cruz County and its local businesses, and supports local and state broader clean energy goals. Key findings from this analysis include:

- **Significant compliance cost savings:** AB 1104 eliminates approximately \$13,000 in average compliance costs per solar project by relieving businesses and multi-family property owners from public works registration, reporting, and oversight requirements that were ill-suited to small and medium-sized solar installations.
- **Reduced financial risk for businesses:** Prior law exposed businesses to penalties and the potential loss of favorable solar billing rates (NEM or NBT) due to contractor labor compliance issues beyond their control. AB 1104 removes this risk, protecting an estimated \$8,000 or more in annual solar value per solar project.
- **Avoided project delays:** By clarifying that businesses and multi-family property owners are not public works “awarding bodies,” AB 1104 prevents one to three months of additional solar project delays, saving approximately \$1,500 - \$4,400 in avoided utility electric costs per solar project, accelerating access to energy savings and improving project feasibility.
- **Strong solar investment returns preserved:** A typical commercial solar installation in Santa Cruz County yields 14–27% internal rates of return, with payback periods of approximately five to eight years. An owner of a median-sized commercial solar system located in Santa Cruz County can expect to save approximately in avoided electric expenses over 25 years. AB 1104 helps ensure these favorable economics remain accessible to small and medium-sized businesses.
- **Recovery of lost economic opportunity:** In 2024, following the introduction of the new public works registration and compliance requirements due to AB 2143, Santa Cruz County experienced a sharp decline in commercial solar applications. The analysis estimates that 11-15 commercial solar projects were delayed or forgone in 2024, resulting in \$193,000–\$263,000 in lost annual electricity savings for local businesses in just one year. Over each system’s lifetime, this represents 4.8–6.6 million in foregone savings if solar was never installed, underscoring the economic importance of removing regulatory barriers to solar adoption. If AB 1104 was not enacted, this occurrence of local, lost annual electricity savings and overall system lifetime savings would have persisted.
- **Electricity prices:** Electricity prices in California—particularly in PG&E territory—remain significantly higher than national averages and are rising at a much faster pace, increasing cost pressures for Santa Cruz County businesses. Over the past five years, commercial electricity prices rose 27% nationwide (4.8% annually) compared to 50% in California (8.5% annually), highlighting the scale of this divergence.
- **Environmental benefits:** From an environmental standpoint, AB 1104 facilitates greater solar adoption that directly reduces greenhouse gas emissions. Although PG&E’s current low emission intensity limits immediate gains (the annual emission increase is estimated at 3.6 - 4.9 metric tonnes of CO_2e in Santa Cruz County), the planned closure of the Diablo Canyon nuclear plant in 2030 will increase emissions unless renewable energy uptake accelerates. By enabling more businesses to go solar now, AB 1104 supports California’s legally mandated transition to 100% clean energy by 2045, reducing carbon emissions and advancing climate goals.

Overall, AB 1104 restores a balanced regulatory framework that protects workers while enabling businesses to invest in clean energy, reduce operating costs, and contribute to California’s legally mandated clean electricity transition.

2 Introduction

This report analyzes the economic and environmental benefits of Assembly Bill 1104 (Pellerin) [1] for businesses in Santa Cruz County. The analysis focuses on how the enactment of AB 1104 affects commercial and multi-family solar adoption and evaluates its implications for local economic activity, energy costs, and clean energy deployment.

California is legally mandated by state law to achieve 100 percent clean electricity by 2045 [2]. This requirement is statutory, not aspirational, and meeting it depends in part on continued growth in customer-sited solar generation across the state. In recent years, however, California’s commercial solar market has faced significant challenges. The law AB 2143 [3], effective January 1, 2024, subjected local businesses and owners of multi-family properties to highly complex and costly public works registration and compliance requirements whenever they sought to install solar systems on their own properties. These requirements created substantial administrative burdens and increased project costs, particularly for small and medium-sized businesses.

Enacted in October of 2025, AB 1104 amends the existing law created by AB 2143 to ensure that local businesses—such as bakeries, animal shelters, and independent retailers—as well as owners of multi-family housing are not treated as public agencies undertaking large-scale construction projects when they invest in on-site solar energy. By restoring an appropriate regulatory framework for these customers, AB 1104 removes a significant barrier to non-residential solar adoption while continuing to uphold protections for California workers.

The sections that follow examine the economic and environmental impacts of AB 1104 in Santa Cruz County, using available market data and reasonable assumptions to assess changes in solar deployment. While this report focuses on a single county, the findings are indicative of broader, county-by-county impacts across California.

3 Recent Policy Changes

Beginning January 1, 2024, Assembly Bill 2143 [3] required all businesses and multi-family property owners investing in grid-connected solar energy systems under a solar billing rate to comply with full public works regulations. Under this law, every business owner, and any owner of multi-family solar projects larger than 15 kW, triggered a comprehensive set of public works obligations.

Specifically, affected businesses and property owners were required to:

- register as an “awarding body” at the Department of Industrial Relations (DIR);
- register their solar project as a public works project with DIR;
- obtain prevailing wage rates from DIR;
- specify these rates in making bid calls;
- prepare bid specifications, including prevailing wage notices in contracts;
- post wage rate info at the job site;
- oversee and administer public works compliance during installation;
- assume liability for wage and hour violations committed by their contractors and subcontractors; and
- risk losing their solar billing rate — either Net Energy Metering (NEM) or the Net Billing Tariff (NBT) — if any public works requirements were violated.

These requirements were designed for large-scale public works projects and publicly regulated entities, not for private businesses or multi-family property owners installing on-site solar for self-generation. In practice, the complexity, administrative burden, and legal risk associated with these obligations proved unworkable—particularly for small and medium-sized businesses—significantly deterring investment in clean energy.

In 2025, an effort led by Scudder Solar, Estriatus Law and the Santa Cruz Chamber of Commerce with Assembly-member Pellerin resulted in the introduction of Assembly Bill 1104 [1]. In October of 2025, Assembly Bill 1104 was signed into law by Governor Newsom and amended the framework of AB 2143 by clarifying that businesses and multi-family property owners are not “awarding bodies” of public works projects when they purchase solar systems for their own use. As a result, qualifying non-residential and multi-family solar projects are no longer subject to the extensive public works compliance and reporting requirements imposed by AB 2143.

Importantly, AB 1104 also ensures that businesses will not lose their applicable solar billing rate (NEM or NBT) due to prevailing wage or apprenticeship violations by their solar contractors. This change removes a significant source of financial and regulatory risk for businesses, while maintaining strong labor protections. Solar contractors remain fully responsible for paying prevailing wages and complying with all labor standards, ensuring that California workers continue to be protected.

By restoring a more appropriate regulatory balance, AB 1104 removes a major barrier to commercial and multi-family solar adoption and enables businesses to invest in clean energy without being treated as public agencies administering complex construction projects.

4 Commercial and Industrial Solar in Santa Cruz County

Since AB 1104 applies specifically to non-residential (commercial and industrial) solar projects, evaluating its policy impacts requires an analysis of historical and recent trends in Santa Cruz County's commercial and industrial solar market.

4.1 Solar Application Data

Two primary data sources are available for analyzing the solar sector in Santa Cruz County:

1. data published on the California Distributed Generation Statistics (DGStats) website [4], which is maintained by the California Public Utilities Commission (CPUC) as the official public reporting platform for distributed generation projects interconnected to the three IOUs —Pacific Gas & Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E), and
2. data provided directly by PG&E in response to information requests.

DGStats provides a delayed snapshot of the solar market because it only publishes projects that have completed construction once Permission to Operate (PTO) by the utility has been granted. As a result, projects that have been sold and submitted for interconnection—but are still under review or construction—are not reflected in the dataset. This delay is particularly significant for commercial and industrial solar projects, which typically have longer interconnection and construction timelines than residential systems. Consequently, a substantial share of active, in-progress commercial projects does not appear in DGStats until long after initial application submission. To account for this limitation, this report relies on historical aggregates of solar application processing and construction timelines in order to approximate recent market activity and policy impacts. At the time of writing, DGStats had published data up until and including December, 2025.

DGStats categorizes projects by customer sector, including residential, commercial, industrial, educational, military, non-profit, and “other government.” This report focuses exclusively on the commercial and industrial sectors. Government and government-funded projects remain subject to the public works requirements of AB 2143 and therefore were not affected by AB 1104's amendments.

4.2 PG&E Data and DGStats Data Gap

PG&E's service territory covers most of Northern and Central California and it is one of the largest investor-owned utilities in the United States with about 5.5 million electric customers [5]. To better understand recent non-residential solar trends, we requested non-residential solar application data directly from PG&E in April 2025.

PG&E's data shows an approximately 85% decline in non-residential solar applications statewide after 2022 ¹. While DGStats undercounts total applications, it reflects a similar downward trend. The most significant policy changes affecting non-residential solar during this period were the transition from Net Energy Metering (NEM) to the Net Billing Tariff (NBT) [6] in mid-2023 and the implementation of AB 2143 beginning January 1, 2024.

Comparing PG&E's application data with DGStats for the same period highlights the magnitude of missing data in DGStats due to its exclusion of pending applications. As shown in Figure ??, DGStats captured only about one-third of total non-residential solar applications in 2023–2024 and approximately two-thirds in 2022. This persistent undercount reinforces the importance of interpreting DGStats trends conservatively while still recognizing meaningful directional changes.

¹ As provided by PG&E per information request on April 11, 2025.

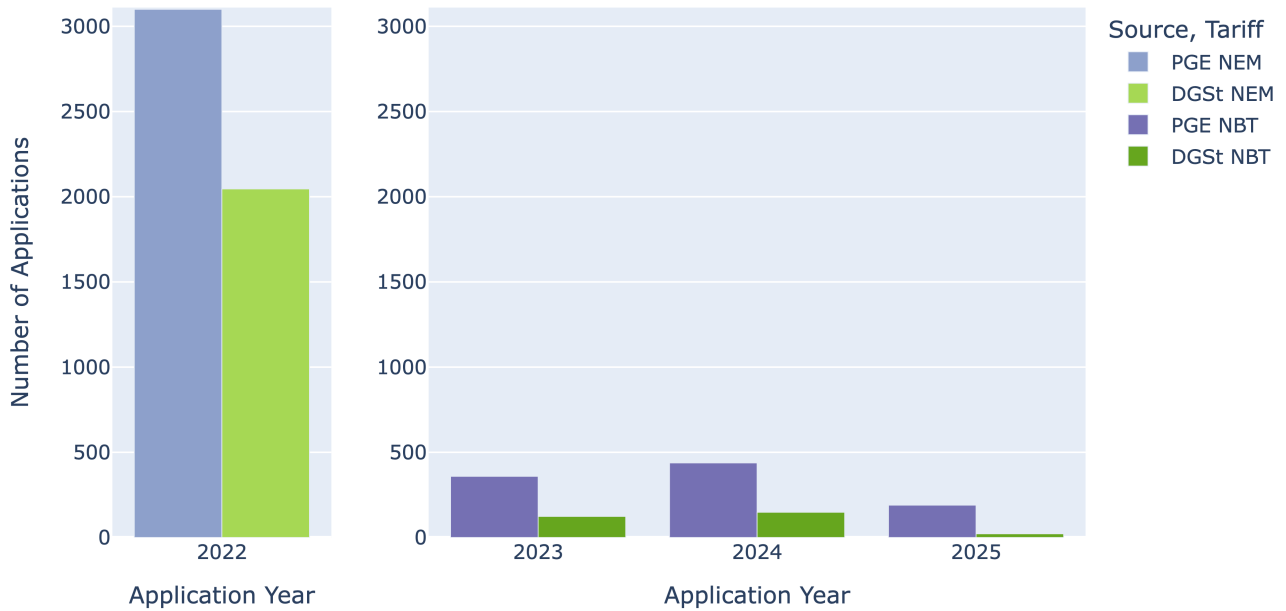


Figure 1: Non-residential solar project application volume reported directly from PG&E (purple) compared to the corresponding numbers extracted from DGStats (green).

4.3 Commercial and Industrial Solar Project Sizes

For the five years 2021-2025, Figure 2 illustrates the distribution of commercial and industrial solar system sizes applied for in Santa Cruz County. More than two-thirds of projects are 50 kW or smaller, and approximately 85% are 100 kW or smaller. Since AB 2143 applied public works requirements regardless of system size, all commercial and industrial solar projects in Santa Cruz County submitted for utility interconnection as of January 1, 2024 were affected. Given that most non-residential solar projects installed in the County were relatively small, these small and medium-sized businesses were precisely the market segment most sensitive to AB 2143’s added costs, administrative complexity, and legal uncertainty. AB 1104’s creation of an exclusion from AB 2143’s public works requirements for these businesses directly addresses this barrier to solar adoption.

4.4 Solar Application Processing Times

DGStats data also indicates a steady increase in utility interconnection application processing times for non-residential solar projects. Median processing times for commercial solar applications rose between 2023 and 2025, with applications approved in 2025 typically spending over a year in the interconnection process (see Figure 3).

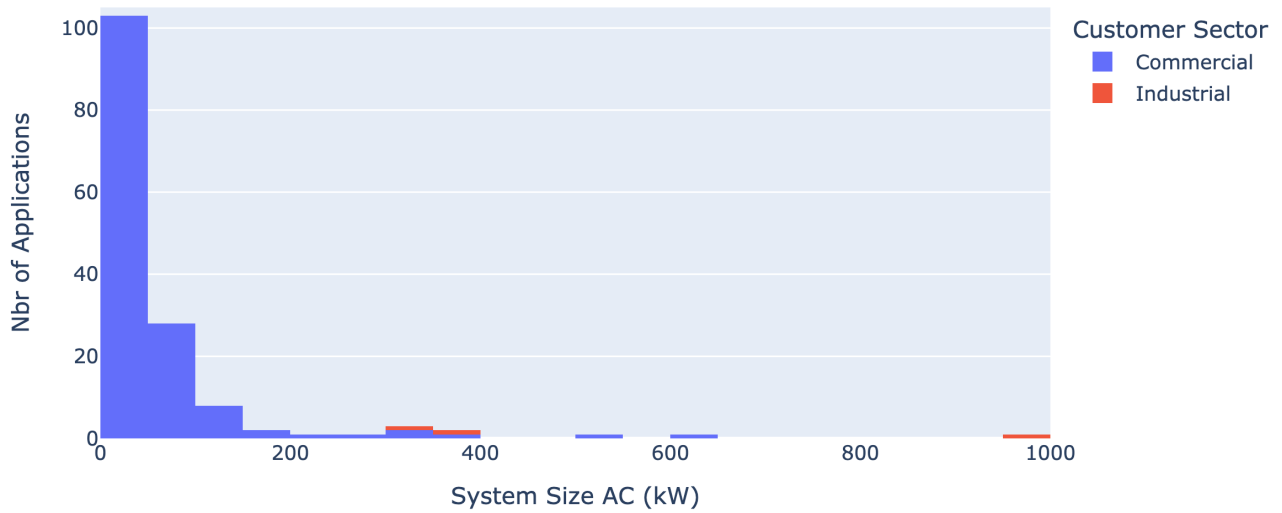


Figure 2: Histogram of commercial and industrial solar projects in Santa Cruz County from 2019 to September 2025, binned by system size AC (kW).



Figure 3: Median commercial and industrial solar application times in Santa Cruz County, divided by color into time from application received until deemed complete by the utility (Rec-Comp) and from time application is complete until permission to operate is issued (Comp-Appr).

4.5 Total Added Capacity

In Figure 4, the total commercial solar capacity applied for in Santa Cruz County is shown over the past five years (2021-25). While DGStats’ exclusion of pending applications complicates attribution of year-to-year changes, several trends are clear. There was a surge in applications prior to the NBT transition deadline and a very sharp decline beginning on January 1, 2024 – the effective date of AB 2143. This implicates that the combined effect of these

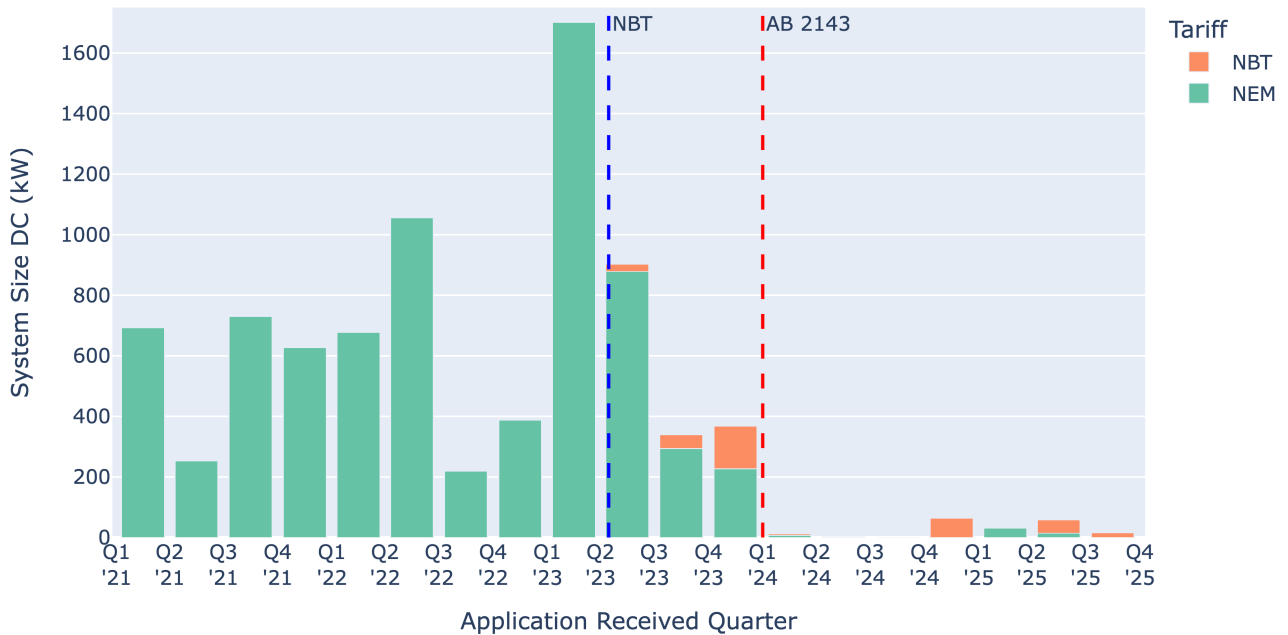


Figure 4: Commercial system capacity (kW) added quarterly in Santa Cruz County.

state policy changes resulted in a drastically negative impact on the commercial solar market.

Although delayed reporting contributes to some of this decline, AB 2143 took effect two years ago, exceeding typical application processing timelines. The timing and magnitude of the decline strongly indicate a policy-driven effect.

4.6 Typical Solar Project Capacity

Using DGStats data from the past five years, median characteristics of commercial and industrial solar projects in Santa Cruz County were calculated:

- Median DC capacity: 29.9 kW
- Median tilt: 18 degrees
- Median azimuth: 180 degrees

Using these values in the National Renewable Energy Laboratory’s (NREL) PVWatts Calculator [7], with standard assumptions for fixed-tilt systems and system losses of 14.08%, a typical commercial solar system in Santa Cruz County is estimated to generate approximately 45.3 MWh per year, with a range of 43.3- 45.8MWh.

This level of generation represents meaningful electricity cost savings and emissions reductions for small businesses—benefits that are foregone when projects are delayed or abandoned due to regulatory barriers.

4.7 Estimated Reduction in Commercial and Industrial Solar Applications

To estimate the number of businesses that may have refrained from installing solar while public works requirements were in effect, this analysis focuses on 2024, the first full year of AB 2143 implementation and a year for which sufficient time has elapsed for applications to appear in DGStats.

From 2013 to 2022, the median number of commercial and industrial solar installations in Santa Cruz County was

23 per year. The years 2023 and later are excluded from baseline calculations due to market volatility caused by major policy changes. In 2024, only four commercial and industrial applications appear in DGStats to date.

Applying the observed DGStats undercount rate of approximately two-thirds suggests a maximum of roughly 12 applications in 2024 – eleven fewer than the historical median. Alternatively, using Santa Cruz County–specific processing timelines (see Figure 3), we will assume that approximately half of the 2024 applications have been processed so far, in which case there would be approximately eight total applications for 2024 – representing a reduction of 15 projects compared to the historical median.

Taken together, these approaches indicate an estimated reduction of 11 to 15 commercial and industrial solar projects in Santa Cruz County in 2024, a trend which likely would have continued absent AB 1104. This decline represents lost economic activity, delayed emissions reductions, and missed energy cost savings for local businesses—outcomes that AB 1104 is designed to reverse by removing a significant regulatory barrier to non-residential solar deployment.

5 Economic Impact Analysis

This section evaluates the economic impacts of AB 1104 by examining the costs, risks, and delays that businesses would have faced absent its enactment, as well as the electricity cost savings associated with commercial solar installations. Together, these factors illustrate how AB 1104 removes meaningful financial barriers to solar adoption and enables significant annual cost savings for local businesses.

5.1 Potential Penalties and Project Delays Absent AB 1104

5.1.1 Compliance Costs

Without AB 1104, businesses installing qualifying solar projects would have been required to comply with full public works registration and reporting requirements under AB 2143. Registration with the Department of Industrial Relations (DIR) alone carries an annual cost of \$400. Beyond this fee, businesses would need to dedicate staff time to prevailing wage compliance, certified payroll reporting, and ongoing regulatory oversight.

Most small businesses lack the internal administrative capacity to manage these obligations and would therefore need to hire outside consultants. Based on information provided by a local consultant specializing in public works compliance, these services typically cost approximately \$250 per hour. Assuming a one-year project timeline—typical for commercial solar installations – and at least one hour of consultant support per week, compliance costs would total approximately \$13,000 per project. As a result, AB 1104 effectively saved each business pursuing solar installation an estimated \$13,000 in avoided compliance costs, significantly improving project economics and feasibility.

5.1.2 Penalties and Financial Risk

Failure to register with the DIR or to comply with public works requirements could result in penalties of up to \$2,000 per violation. More significantly, under AB 2143 as of January 1, 2024, the law resulted in the solar system owner losing their solar billing rate, either NEM or NBT, in the event of their contractor’s noncompliance with public works requirements.

For a business with a median-sized commercial solar system producing approximately 45kWh annually, that financial consequence is substantial. At a retail electricity value of \$0.39 per kWh, exported energy under NEM is worth approximately \$8,800 annually if roughly half of the generated electricity is exported to the grid. If credited instead at avoided-cost rates of approximately \$0.07 per kWh, that value drops to about \$1,600 per year. Thus, losing NEM or NBT eligibility could reduce annual financial benefits by roughly \$7,200 per year for a typical commercial solar installation. AB 1104 eliminates this disproportionate risk by ensuring businesses do not lose their NEM or NBT for their contractor’s non-compliance so that business owners are not penalized for labor compliance violations beyond their control.

5.1.3 Project Delays

Compliance with public works requirements would also have increased project timelines. Given the small size of most commercial solar projects in Santa Cruz County, it is reasonable to assume that affected businesses typically

undertake only one such project and have no prior experience with public works regulations.

Industry consultants estimate that unfamiliarity with public works registration and reporting requirements could add one to three months to the project development timeline for small businesses. These delays increase financing costs, defer energy savings, and further discourage investment – effects avoided through AB 1104’s clarification of business responsibilities.

5.2 Solar Installation Cost Savings

To estimate the opportunity cost of delayed or foregone solar installations, this analysis examines the electricity cost savings associated with installing a median-sized commercial solar system. Savings estimates are based on assumptions regarding system cost, energy production, degradation, electricity prices, and future rate increases.

5.2.1 Electricity Price

Bundled system average electricity rates are drawn from CPUC Historical Electric Cost Data [8] and contextualized using U.S. Energy Information Administration data [9]. As shown in Figure 5, even after adjusting for inflation, electricity prices in California – and particularly within PG&E territory – remain significantly higher than national averages and continue to rise. PG&E’s rate increases have outpaced both statewide and national trends.

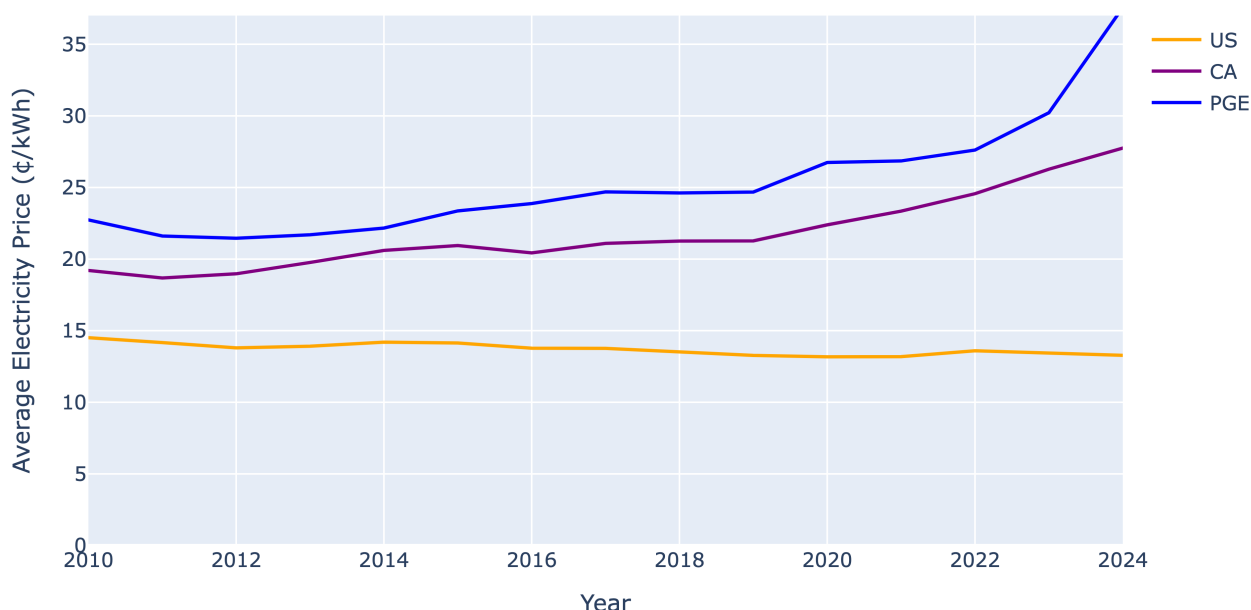


Figure 5: Electricity prices: bundled system average rate for PG&E [8], and average retail price for California and US [9] for all sectors in real (inflation adjusted) 2024 US dollars.

5.2.2 Parameter Assumptions

Based on earlier analysis, the median commercial solar system size in Santa Cruz County is 29.9 kW (DC), producing approximately 45MWh annually. Three scenarios – lower bound, baseline, and upper bound – are evaluated to reflect uncertainty in installation costs and electricity price growth. Parameter assumptions are summarized in Table 1.

Annual production is determined by the PVWatts calculator [7] for a typical Santa Cruz solar installation. We base our electricity price estimates on aggregates of PG&E’s Commercial/General Service small to medium sized busi-

Table 1: Parameter assumptions for lower, baseline and upper bound estimates.

Input	Lower Bound	Baseline	Upper Bound
System Price (\$/kW)	4,000	3,500	3,000
Annual Production (kWh)	43.3	45	45.8
Annual System Degradation (%)	0.6	0.5	0.4
Electricity Price (\$/kWh)	0.35	0.39	0.43
Annual Rate Increase (%)	2.75	3.5	6

ness (B-1, B-6, B-10) rates. In 2024, the prices ranged from \$0.37/kWh to \$0.45/kWh, which we have reflected, slightly conservatively, in our estimated parameters. For the lower bound rate increase estimate, it is assumed that electricity prices will rise with inflation mostly, although they have historically risen much faster. In the past 25 years, inflation has been approximately 2.5% per year [10]. Looking ahead, inflation is forecast to be 3% for the next 5 years [11]. With this in mind, 2.75% is used as the lower bound rate increase. Nationwide, commercial electricity prices have risen on average 26.6% in the past 5 years (4.8%/year) [12]. In California, the average commercial electricity price has risen an astounding 50.4% in the past 5 years in nominal dollars, or 8.5%/year [9]. It seems unsustainable for this trend to continue for 25 years, so a 6% assumption is used for the upper bound, and the nation-wide increase is used as the baseline.

5.2.3 Baseline Forecast

Under the baseline scenario, the upfront installation cost is:

$$\$3,500/\text{kW} \times 29.9 \text{ kW} = \$104,650$$

Over a 25-year system life, accounting for a fixed annual gradual system degradation and electricity price escalation, total electricity cost savings are estimated at approximately \$638,000, assuming all generated electricity is used or credited for. Net savings after accounting for upfront costs is close to \$534,000, with a payback period of less than six years and an internal rate of return (IRR) of 19%. Selected annual results are shown in Table 2 below.

Table 2: Baseline forecast.

Year	Production (kWh/Year)	Electricity Price (\$/kWh)	Cumulative Savings (\$)
1	45,000	0.39	17,550
2	44,775	0.4	35,623
3	44,551	0.42	54,236
4	44,328	0.43	73,403
5	44,107	0.45	93,143
6	43,886	0.46	113,471
7	43,667	0.48	134,405
8	43,448	0.5	155,964
9	43,231	0.51	178,165
10	43,015	0.53	201,029
15	41,950	0.63	325,993
20	40,912	0.75	470,737
25	39,899	0.89	638,392

5.2.4 Lower Bound Estimation

Under conservative assumptions, the upfront cost increases to \$119,600, and total 25-year savings are estimated at \$494,000, resulting in net savings of \$374,000. Even in this lower bound case, payback occurs in under eight years, with an IRR of 14%.

5.2.5 Upper Bound Forecast

Under favorable assumptions, the upfront cost falls to \$89,700, and total 25-year savings rise to approximately \$1,018,000, yielding net savings of \$928,000. Payback occurs in under five years, with an IRR of 27%.

5.3 Lost Opportunity Cost

Using the estimated reduction of 11-15 commercial solar installations in Santa Cruz County in 2024, and assuming median-sized systems, the resulting total lost electricity cost savings for business owners in Santa Cruz County is estimated at \$193,000–\$263,000 per year. Over a typical 25-year system life, this equates to approximately \$4.8–\$6.6 million in foregone savings for local businesses had they never installed solar. These losses represent delayed or abandoned investments that AB 1104 is specifically designed to prevent—demonstrating the law’s importance not only for regulatory clarity, but for tangible economic benefits to local small and medium-sized businesses.

6 Climate Impact Analysis

PG&E’s 2024 base plan reports a carbon dioxide equivalent (CO_2e) emissions intensity of 16 lbs/MWh [13]. Based on this, a median-sized commercial or industrial solar installation in Santa Cruz County can reduce CO_2e emissions by approximately 327 kg per year. This figure is significantly lower than the California utility average of 359 lbs CO_2e /MWh [13], primarily because PG&E benefits from low-carbon generation sources such as nuclear power. Greenhouse gas emissions intensities for the three main IOU’s in California are shown in Figure 6.

Using the California average emission factor instead, the same commercial solar system would reduce emissions by 7.3 metric tonnes per year, illustrating the potential climate benefits if the grid becomes less carbon-free in the future. If 11 to 15 businesses in Santa Cruz County refrained from installing solar in 2024, an estimated 3.6 to 4.9 metric tonnes of CO_2e were emitted unnecessarily—emissions that could have been avoided through solar adoption.

A key reason for PG&E’s relatively low emission intensity is the Diablo Canyon nuclear power plant, which supplied 63% of PG&E’s electricity in their 2024 base plan. However, Diablo Canyon is scheduled to close by 2030 [14, 15], which could increase PG&E’s greenhouse gas emissions intensity if sufficient renewable energy is not installed to fill the gap. The delayed solar adoption among local businesses not only results in lost economic savings but also translates into additional avoidable greenhouse gas emissions, underscoring the urgency of policies like AB 1104 to facilitate solar deployment.

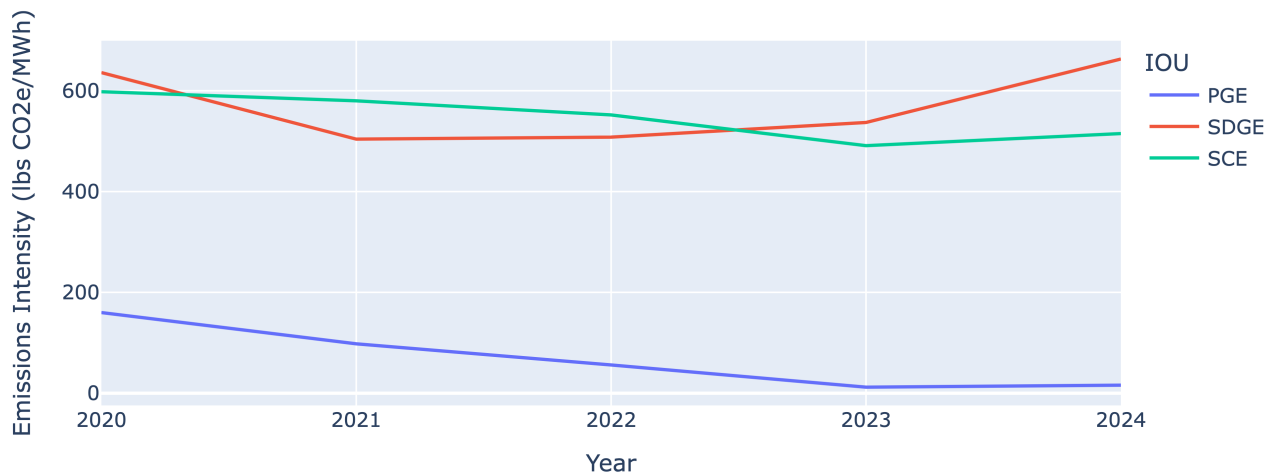


Figure 6: Greenhouse gas emissions intensity for PG&E, SDG&E and SCE base plans.

7 Discussion

A Santa Cruz County business installing a median-sized commercial solar system can expect to save approximately \$534,000 over 25 years, recover its upfront investment in about six years, and achieve a strong internal rate of return (IRR) of 19%, with modeled outcomes ranging from 14% to 27% depending on initial assumptions. These results underscore the compelling economic case for commercial solar under current and projected electricity prices.

However, requiring small businesses to comply with public works regulations for solar installations introduced substantial barriers, including roughly \$13,000 in added administrative costs, exposure to penalties exceeding \$10,000, and the risk of losing favorable solar rate interconnection agreements (NEM or NBT). Together, these factors can deter or entirely prevent solar investment, running counter to local clean energy and small-business support objectives.

In 2024, following the introduction of new public works registration and compliance requirements due to AB 2143, Santa Cruz County experienced a sharp decline in commercial solar applications. This drop is likely attributable to increased costs, administrative complexity, and heightened liability arising from recent state policy changes.

AB 1104 directly addresses these challenges by reducing administrative burdens and legal risk for small businesses installing solar, while preserving essential worker protections. Because all commercial and industrial solar projects in Santa Cruz County are affected by AB 1104, its implementation is expected to support a meaningful rebound in commercial and industrial solar adoption.

The current DGStats data gap — specifically the exclusion of pending applications — limits timely assessment of market conditions. Publishing pending application data would improve transparency and enable more responsive and evidence-based policy analysis.

Although current CO_2e reductions from local solar installations appear modest, this is largely due to PG&E’s heavy reliance on nuclear generation, which is scheduled to be phased out by 2030. Absent sufficient renewable replacement, grid emissions intensity is expected to increase, amplifying the climate benefits of distributed solar in the coming years.

This report examines the economic and environmental impacts of AB 1104 on commercial and industrial businesses seeking to install solar in Santa Cruz County, while also acknowledging the substantial indirect effects on the local solar industry. Without AB 1104, continued declines in solar adoption would likely have resulted in long-

term reductions in sales and economic activity for solar installers serving these businesses. Although the direct economic impacts on solar companies will be addressed in subsequent reports, this analysis underscores the importance of accurate, ongoing legislative impact reporting to inform effective governance and advance long-term, sustainable policies aligned with State goals.

Finally, the coordinated advocacy of Scudder Solar, Estriatus Law, and the Santa Cruz Chamber of Commerce, alongside leadership from legislators such as Assemblymember Pellerin, highlights the significant economic and environmental value of commercial solar. AB 1104 represents a critical policy step toward accelerating solar adoption, strengthening local businesses, and advancing Santa Cruz County's and California's climate goals.

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Appendices

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