

California Solar Initiative

CPUC Program Status Update



California Solar Initiative
Go Solar California!

24th Annual NAESCO Conference

October 25, 2007
Pasadena, CA

California Solar Initiative (CSI) Goals

- Statewide goals
 - 3,000 MW of new distributed solar generation by 2016
 - Create a self-sustaining solar industry free from ratepayer subsidies after 2016
 - Provides rebates for solar based on performance
 - Rewards optimally-sited and maintained systems to ensure performance, maximize ratepayer return on investment
- CPUC portion of the statewide goal
 - 1,940 MW in investor-owned utility territories



California Solar Initiative by Program Component, 2007-2016

Program Authority	California Public Utilities Commission	California Energy Commission	Publicly Owned Utilities (POU)
Budget	\$2,167 million	\$400 million	\$784 million
Solar Goals (MW)	1,940 MW	360 MW	700 MW
Scope	All systems in IOU areas except new homes	New homes, IOU territories	All systems in POU areas
Audience	Various	Builders, home buyers	Various
Begins	January 2007	January 2007	January 2008



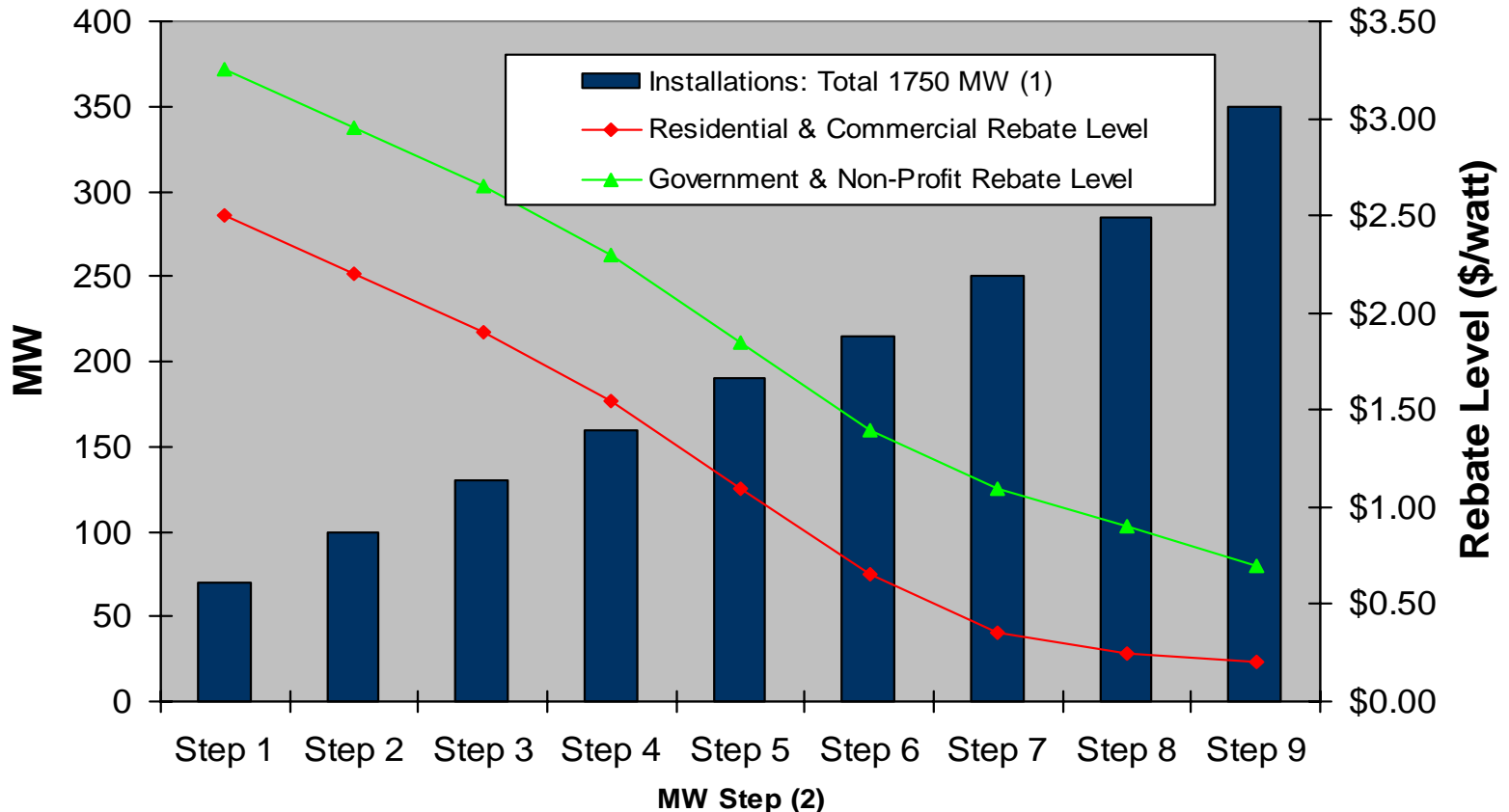
CPUC CSI Budget 2007-2016

Program Category	Budget (\$ Million)
General Market Program Subtotal	\$1,897
<i>Direct Incentives to Consumers</i>	<i>\$1,707</i>
<i>Program Administration, Marketing & Outreach, Evaluation (10%)</i>	<i>\$190</i>
Low-Income Program (10%)	\$217
Research, Development, Deployment and Demonstration (RD&D)	\$50
San Diego Regional Energy Office Solar Hot Water Pilot	\$2.6
Total CPUC CSI Budget	\$2,167

- **3 CPUC Program Administrators**
 - Pacific Gas & Electric
 - Southern California Edison
 - California Center for Sustainable Energy (CCSE)
- **CPUC 1,940 MW Goal**
 - 1,750 MW from general market program
 - 190 MW from low-income rebates



CPUC incentives decline as we work towards goal of 1,750 MW



Notes: The total refers to the MW goal of the program not including the MW that will be installed under the low-income program. Rebate reductions are triggered by MW steps, such that the incentive declines once the capacity installed reaches a pre-specified level, rather than on an annual basis. Residential & Commercial rebate steps are shown as one line, but they decline separately according to the demand in each sector.



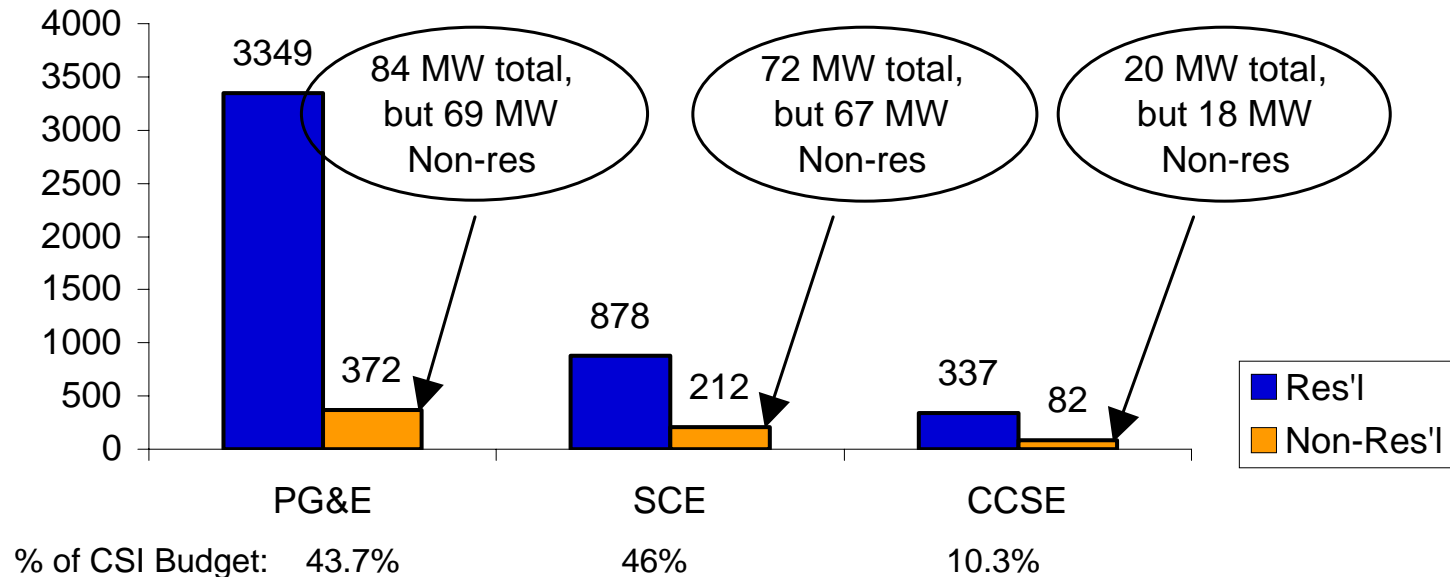
Here Comes the Sun...

- Slow start, but robust monthly demand growth
- From Jan 1- Sept 18, 2007, we received
 - 5,230 applications (5,109 active)
 - 175 MW (160 MW active)
 - \$363 Million in rebates (\$320 million active)
- **In the first 9 months alone, the new program is nearing CA's total installed solar from the previous 26 years (198 MW).**



CSI Demand Varies by Territory

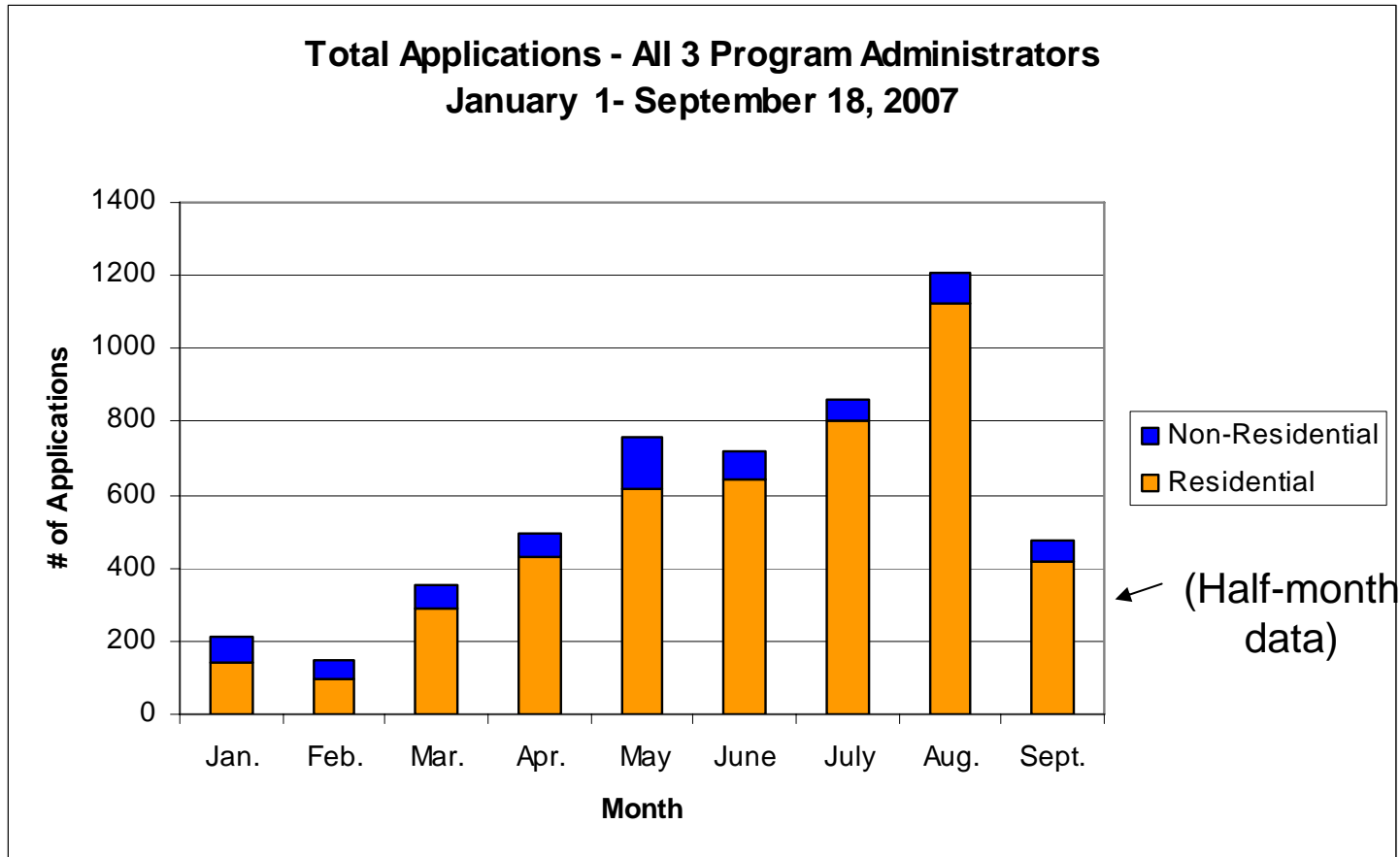
CSI Applications, Jan. 1-Sept. 18, 2007



PG&E faces the highest administrative processes load.



Interest Keeps Growing

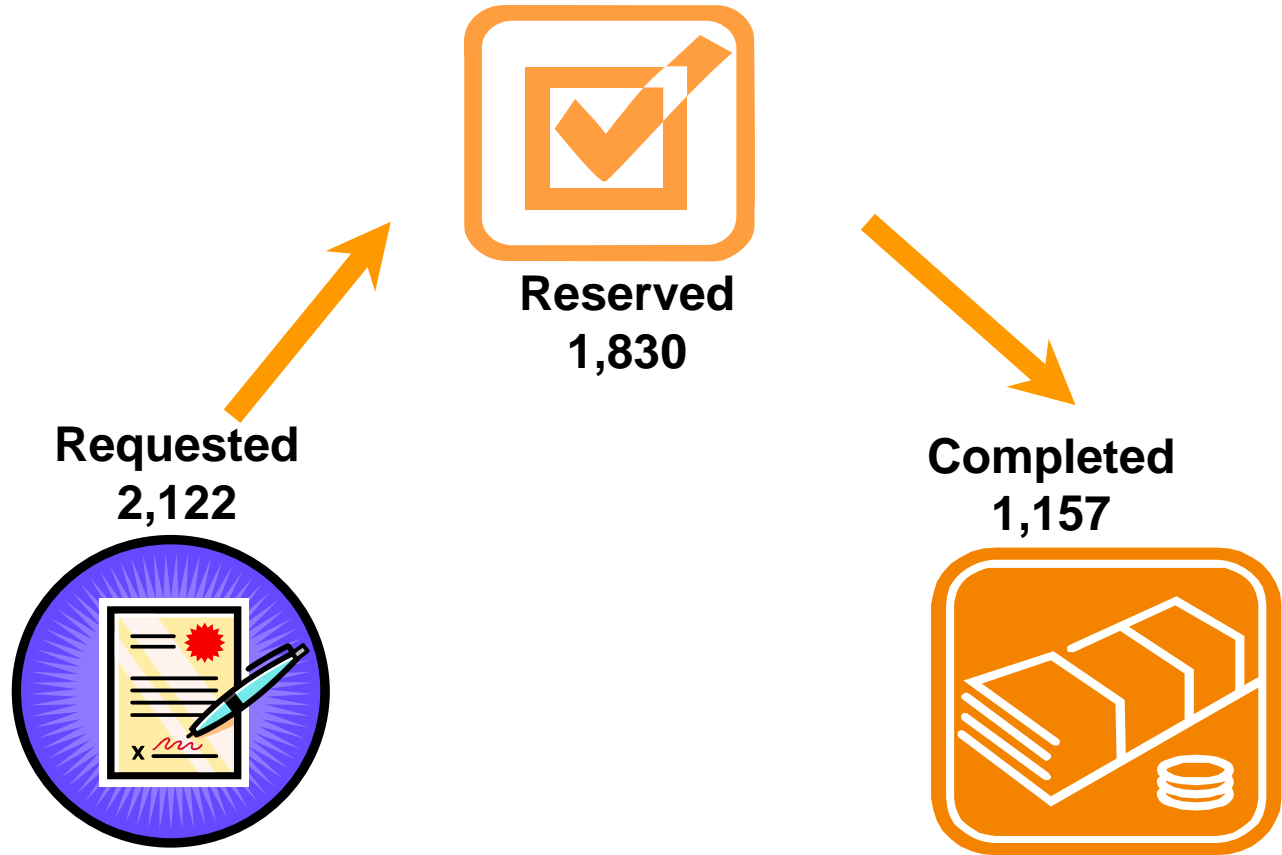


Demand continues to climb despite early transition issues and new CSI application procedures.



Projects Are Getting Paid

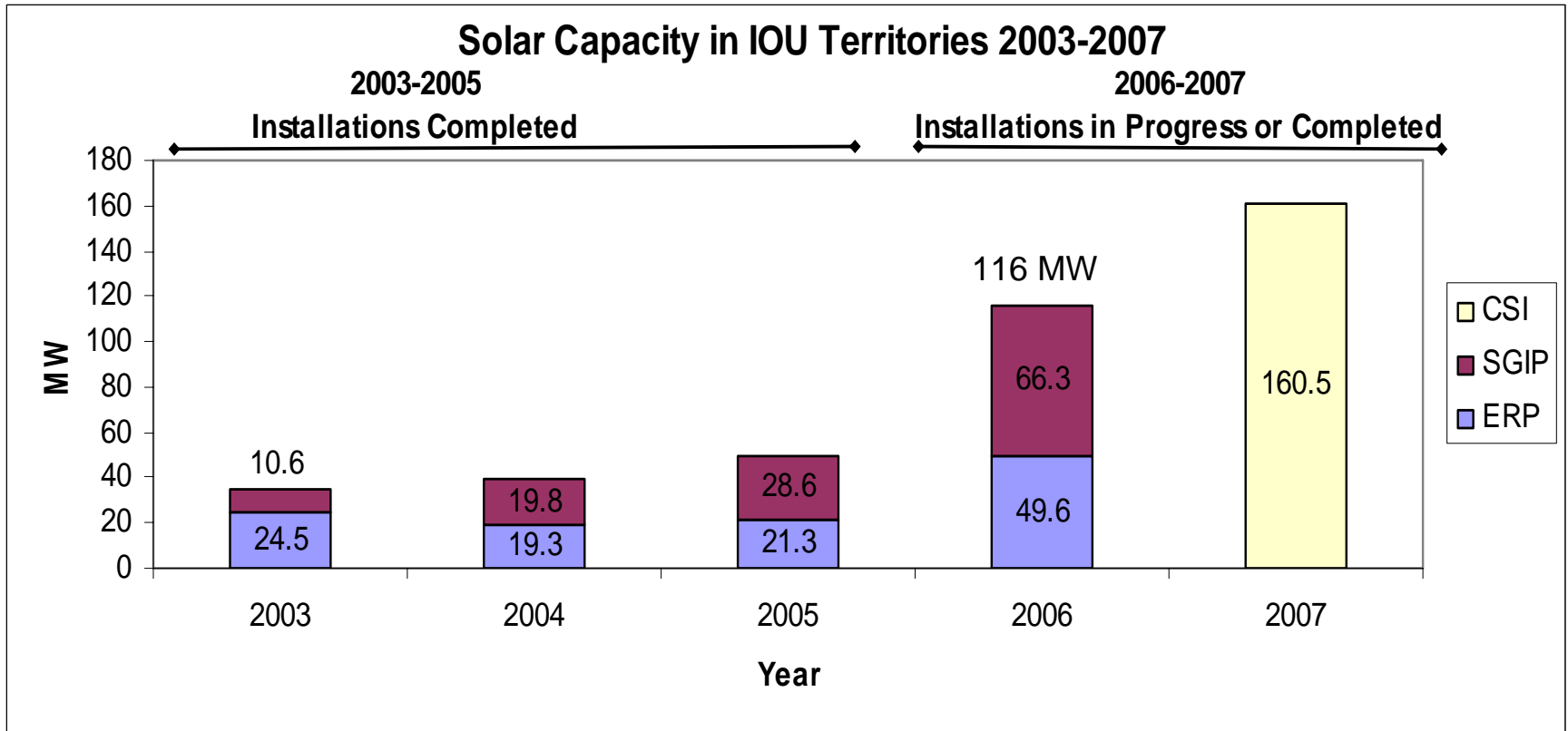
CSI Applications Moving Through Application Process
(January 1 - September 18, 2007)



Paid = 9.4 MW, \$25 million



CSI Total Demand Surpasses Past Requests



- **CSI has higher demand in MW than SGIP & ERP in 2006.**
 - **SGIP = Self Generation Incentive Program, funded systems >30kW**
 - **ERP = Emerging Renewables Program, funded systems <30kW**



Response to Program Launch Since January

- High Public awareness of rebates
 - Strong media interest
 - City/county solar promotion
 - Early commercial champions: Google, Walmart, Macy's, etc.
- Concerns about Program Implementation
 - Application process
 - Petitions to modify CPUC decisions (largely done)
- Program start up challenges
 - Awareness of new performance requirements
 - Incentive drop from CEC program
 - Time of Use Rates for some customers
 - Impacts of Energy Efficiency requirements



CSI and Energy Efficiency Requirements

- Current
 - Audit Requirement
- Proposed CEC SB1 Conditions
 - New Commercial: 15% and 30% above T24
 - Existing Commercial: retro-commissioning if under Energy Star 75 rating
 - Existing Residential: audit and... ?



California Solar Initiative Resources

- The statewide consumer website www.GoSolarCalifornia.ca.gov
- The CSI Program Handbook includes eligibility information and application information: www.GoSolarCalifornia.ca.gov/documents/index.html
- The CSI Program Administrators developed a tool to calculate the up-front EPBB incentive, known as the EPBB Calculator: www.csi-epbb.com
- The CSI Program Administrators launched an online application tool and reporting database, known as Powerclerk: csi.powerclerk.com
- Up-to-date information about the program's current incentive level, or "step" can be found on the online CSI Trigger Tracker: www.csi-trigger.com
- Information about the CPUC regulatory proceeding that deals with the CSI program can be found online at: www.cpuc.ca.gov/static/energy/solar/index.htm





Thank You!

For Additional Information:

www.cpuc.ca.gov

www.GoSolarCalifornia.ca.gov

California Solar Initiative
Go **Solar** California!

