

SMUD's PBI Project

CSC Solar Forum

February 25, 2005

Four key goals

- Produce more PV kWh for available budget
- Reduce installed cost of PV
- Reduce the cost burden of PV subsidies
- Improve PV benefits relative to costs

Key Tasks

- Research existing PBI programs and assess applicability to SMUD's goals
- Research key market sectors and select a target market for pilot program based on goals
- Design program structure for target market
- Hold focus groups with potential customers, industry reps, and SMUD stakeholders to refine proposed program structure
- Produce final report including action plan for rolling out pilot.

Progress to Date

- Key goals of program have been clarified
- Target markets identified
 - Small TOU customers (300-499 kW demand) appear to be best prospect
 - Most populous TOU rate class
 - Highest peak rates (14.7¢ super-peak)
 - Larger TOU customers also attractive
 - Opportunity to install larger systems

Next Steps

- Analyze incentive amount that will provide “tipping point” for investors while freeing up incentive money within SMUD (early March)
- Hold customer/industry/internal focus groups (late March)
- Propose pilot program and action plan (mid-April)