

## SB1 Summary: Muni vs. IOU

**Key Message from Ed Randolph, Consultant to the Assembly Utilities and Commerce Committee:** The primary focus should be on reaching the 700 MW goal for public utilities. If we don't show progress, the Legislature may return with a more restrictive quota-based bill ("I'll be back!")

Utility Type (Start Date)	<b>MUNI</b> (1/1/08)	<b>IOU: Calif. Solar Initiative</b> (1/1/07)
<b>Budget- (TL=\$3.35B)</b>	\$784M cap for all	\$2,160 M
Admin	N.A.	\$129.5 M
R&D	N.A.	\$50 M
Low income	N.A.	\$216.7 M
Solar DHW	N.A.	\$3M
Direct installations	N.A.	\$1,700M
<b>MW Goals (TL= 3GW)</b>	700 MW	1940 MW
<b>Eligibility –</b>	Must be on Customer premises to meet customer load Use CEC approved equipment (>1/1/08) Minimum 10 yr equip. warranty (>1/1/08)	
Max. size for rebate	≤ 5 MW	≤ 1 MW
Other requirements (CSI only)		TOU rates Energy Efficiency Performance based incentives for large sized systems
<b>Incentives</b>		
Starting amount	≥\$2.80/watt (watt is based on CEC_AC)	\$2.50 - \$3.25/W depending on customer tax status
Annual avg. decline	7% per yr	7% per yr
Performance-based incentives	N.A.	\$0.39-\$0.50/kWh * 5 yrs
PBI schedule	N.A.	≥100kW (1/07) ≥ 50 kW (1/08) ≥ 30 kW (1/09)
<b>Reporting</b>	< 1/1/08 Public hearing to explain how program will be funded. May not divert funds from existing efficiency, low income & demand response programs.	
<b>Notification</b>	< 6/1/08 Annual reports to CEC, CA Legislature & Customers	
<b>Net Metering</b>	No changes beyond raising cap to 2.5% of utility peak demand.	
Existing Net Metering law:	Co-Energy metering allowed for ≥ 10 kW	No co-energy metering allowed

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### **Questions (and some answers)**

1. **Do utility-owned projects qualify (non-net metered)?** No- the bill is for customer –owned net metered systems (originally called Million Solar homes bill, now expanded to allow commercial customers)
2. **How to split \$784M? What base year of total Utility GWh sales, and which utilities to include?** Use Annual Sales Data as of 1/1/07. Maybe CMUA can distribute?
3. **Can programs in place < 1/1/08 count toward SB1 funding targets and MW accomplishments?** Can count installations starting 1/1/07 (the bill's start date)
4. **Are the trigger points allowed for rebate reduction as long as avg. decline  $\geq 7\%$ ?** It looks like the IOU program will keep their trigger points (volumetric based triggers, based on MW installed), so it prob. Is OK for munis to do similar.
5. **What is the base year for “existing” energy efficiency, low-income program & demand response expenses?** Annual expenses as of 1/1/07
6. **Can we use maximum rebate caps per project, per customer?** May not be advisable if you aren't on target to accomplish your utility's share of the 700 MW goal
7. **For new construction projects: how to collaborate with New Solar Homes Partnership?** More info on the new homes PV program is coming from the CEC

### **Implementation Opportunities: Leverage CSI tools & rules where appropriate**

1. **Online application processing**
2. **Rebate calculation methodology (EPBB & PBI)**
3. **M&V: metering requirements, field verification**
4. **Marketing & Customer education**
5. **Training (util. staff, contractors, inspectors)**
6. **Quality Assurance**
7. **Addressing other market barriers- interconnection, building inspectors, net metering vs. co-metering**