

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA



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Order Instituting Rulemaking Regarding  
Policies, Procedures and Rules for the  
California Solar Initiative, the Self-Generation  
Incentive Program and Other Distributed  
Generation Issues.

Rulemaking 12-11-005  
(Filed November 8, 2012)

**THE OFFICE OF RATEPAYER ADVOCATES' RESPONSE TO THE  
MOTION OF THE CALIFORNIA SOLAR INITIATIVE  
PROGRAM ADMINISTRATORS REQUESTING APPROVAL  
OF A PROGRAM CLOSURE DATE  
FOR THE CALIFORNIA SOLAR  
INITIATIVE GENERAL MARKET PROGRAM**

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## I. INTRODUCTION

Pursuant to Rule 11.1(e) of the California Public Utilities Commission's (Commission) rules of Practice and Procedure, the Office of Ratepayer Advocates (ORA) submits this response to the August 23, 2016 *Motion of the California Solar Initiative Program Administrators Requesting Approval of Program Closure Date for the California Solar Initiative General Market Program* (Motion). The Motion requests that the Commission approve December 31, 2019 as the fixed end date for the California Solar Initiative (CSI) General Market Program.<sup>1</sup> While CSI General Market Program rebates will not be available past December 31, 2016,<sup>2</sup> the CSI program administrators (PAs) note that establishing a fixed end date for completing all necessary administrative tasks for incentives reserved prior to December 31, 2016 would ensure that sufficient administrative funds exist for the remainder of the program, as well as promote transparency to those with reserved incentives. ORA agrees that a fixed end date would conserve administrative resources and make it easier for program participants to plan to meet this deadline. ORA therefore supports the relief requested in the motion.

## II. DISCUSSION

### A Background

In D.15-12-023, the Commission approved the CSI PAs' January 27, 2015 *Petition for Modification of Decision 06-08-028*. Decision 15-12-023 allowed the CSI General Market program administrators (PAs) to accelerate the CSI's performance-based incentive (PBI) payments by: (1) truncating the monthly PBI payments from five years to two years for new projects; and (2) transitioning existing projects with 24 months-48 months of monthly payments to a lump sum buyout that would be calculated based on the historical performance of the project.<sup>3</sup>

Decision 15-12-023 recognized that "[a] fixed end date for PBI payments may be useful, and we expect to address this issue in 2016."<sup>4</sup> Granting the current motion would allow the Commission to address the issue as anticipated in D.15-12-023.

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<sup>1</sup> The CSI General Market Program funds solar on existing homes, existing or new commercial, agricultural, government and non-profit buildings. This program funds both solar photovoltaics (PV), as well as other solar thermal generating technologies. <http://www.gosolarcalifornia.ca.gov/about/csi.php>.

<sup>2</sup> Public Utilities Code Section 2851(a) (1) (A).

<sup>3</sup> Mature projects with more than 48 months of monthly payments could opt-in to receive a lump sum buyout. D.15-12-023, *Decision Granting the Petition for Modification of the Performance-Based Incentive Payment Structure by the Program Administrators of the California Solar Initiative*, December 21, 2015, Ordering Paragraph 2, p. 9.

<sup>4</sup> D.15-12-023, Conclusion of Law 3, p. 9.

## **B. Discussion**

ORA agrees with the CSI General Market PAs that the CSI General Market Program should have a uniform end date for PBI payments in each of the PA's service territories and that the date should be December 31, 2019.

In the Motion, the CSI General Market PAs cite reporting delays as being a common occurrence among PBI projects<sup>5</sup>. This could result in different PBI end dates for each of the PA service territories and inadvertently contribute to inefficient use of shared resources and administrative funds.<sup>6</sup> Establishing a sunset date for PBI payments would help prevent this potential scenario by providing a clear deadline for the PAs and program participants.

The CSI General Market PAs' proposed "Program Closure Date" of December 31, 2019 is reasonable, because it is based on the amount of administrative funds available to the PAs and the practical matter of the upcoming two-year renewal contract with Clean Power Research (CPR), which manages the Powerclerk website.<sup>7</sup>

The Motion also includes reasonable measures to assure all CSI General Market Program participants receive their due PBI payments by the proposed sunset date. Any participant who is not on track to meeting the 24-month reporting requirement established by D.15-12-023 would receive a lump sum buyout 45 days prior to the proposed Program Closure Date. The Motion states that this 45-day window will provide sufficient time to perform final administrative tasks, such as re-issuing lost checks and resolving any lump sum buyout disputes.<sup>8</sup>

Any unused or unencumbered funds from the CSI General Market Program remaining after the proposed Program Closure Date would be transferred to the CSI Program's low-income residential housing programs.<sup>9</sup> These low-income programs have a sunset date of December 31, 2021,<sup>10</sup> so it would be prudent to allow the CSI General Market Program to sunset before then to provide for a timely transfer of any unused funds.

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<sup>5</sup> Motion, p. 3.

<sup>6</sup> D.15-12-023, p. 7.

<sup>7</sup> Motion, p. 3. The contract is expected to be renewed in January 2017.

<sup>8</sup> Motion, p. 4.

<sup>9</sup> Public Utilities Code Section 2851(f).

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201320140AB217](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB217).

<sup>10</sup> Assembly Bill 217, [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201320140AB217](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB217).

### III. CONCLUSION

ORA respectfully requests that the Commission grant the Motion, which would help the CSI General Market PAs conserve administrative resources and prevent administrative cost overruns. The proposed Program Closure Date of December 31, 2019 is sensible because it is based on the amount of administrative funds available to the PAs. The proposed Program Closure Date would allow the transfer of any remaining funds in advance of the December 31, 2021 sunset date for the CSI's low-income residential housing programs. Finally, an established buyout schedule would help program participants plan better for the remaining years of the program.

Respectfully submitted,

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