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01-12-09

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Rulemaking 08-03-008
(Filed March 13, 2008)

**ADMINISTRATIVE LAW JUDGE'S RULING
REGARDING MILESTONES IN DECISION 07-11-045**

In Decision (D.) 07-11-045, the Commission established the Single-Family Low-Income Incentive (SFLI) Program within the California Solar Initiative. Among other things, the decision established three milestones by which the Commission could evaluate the program's performance. (D.07-11-045, Appendix A, p. 8.) The milestones call for program implementation within 12 months of the effective date of the decision, and targets for system installation and marketing efforts by the Program Manager. The decision refers to the milestones as "a reach goal that will provide a useful benchmark and a basis to evaluate the program design and outreach efforts." (Id., p. 35.)

In a letter to the Commission's Executive Director, dated December 22, 2008, GRID Alternatives (GRID), the entity chosen by the Commission as Program Manager for the SFLI program, requests an extension of the milestones due to a number of delays in launching the SFLI program. Notably, the Request for Proposal for the Program Manager was not issued by the Commission's Energy Division until April 2008, and the contract was not signed until December 12, 2008.

By this ruling, I take notice of the fact that the contract for the SFLI Program Manager was executed on December 12, 2008, thirteen months after the issuance of D.07-11-045, and six months after the mid-2008 program launch date that the Commission envisioned as the basis for the milestones. It is understandable that GRID does not want to be judged in its performance as Program Manager against milestones that it may not be able to attain given delays in executing the Program Manager contract. While GRID requests an extension of the milestones, they were established purely as a target and a tool for program evaluation. Extension or modification of the milestones is not necessary at this time. Instead, by this ruling I take notice of the program launch delays and direct that future evaluations of the SFLI Program assess GRID's ability to meet the three program milestones given this delay.

Accordingly, **IT IS RULED** that future SFLI program evaluations should take note that the SFLI Program Manager contract was executed on December 12, 2008 when assessing the ability of the Program Manager to meet the milestones established in D.07-11-045.

Dated January 12, 2009, at San Francisco, California.

/s/ DOROTHY DUDA
Dorothy J. Duda
Administrative Law Judge

