

ORIGINAL

Jennifer Ybarra

OPEN MEETING AGENDA ITEM

RE-00000A-09-0249

From: Bill Powers [bpowers@powersengineering.com]
Sent: Friday, November 20, 2009 9:54 AM
To: Newman-Web
Cc: Nancy LaPlaca; Jennifer Ybarra
Subject: addendum: Powers Egr comments on proposed amendments to Integrated Resource Plan rules
Attachments: 18-june-09_CPUC_press release_SCE 500 MW urban PV project.pdf



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Dear Commissioner Newman:

I would like to add the attached June 18, 2009 California Public Utilities Commission press release on the approval by the CPUC of Southern California Edison's 500 MW urban warehouse PV project as an addendum to the comments I submitted yesterday. A major controversy surrounding large-scale solar development in California, potentially covering 100s of thousands of acres of land, is the land issue impact and land use compromises of dedicating of such a large amount of land to industrial solar development. One response to this controversy has been California utilities proposing urban PV projects on the same scale as the desert projects. The quote below from the attached CPUC press release summarizes why the CPUC is fully supporting major urban PV development:

Commissioner John A. Bohn, author of the decision, "This decision is a major step forward in diversifying the mix of renewable resources in California and spurring the development of a new market niche for large scale rooftop solar applications. Unlike other generation resources, these projects can get built quickly and without the need for expensive new transmission lines. And since they are built on existing structures, these projects are extremely benign from an environmental standpoint, with neither land use, water, or air emission impacts. By authorizing both utility-owned and private development of these projects we hope to get the best from both types of ownership structures, promoting competition as well as fostering the rapid development of this nascent market."

Please feel free to contact me at (619) 295-2072 or bpowers@powersengineering.com if you have any questions regarding this addendum to my comments on the proposed amendments to the Integrated Resource Plan rules for utilities regulated by the ACC.

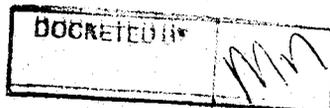
Best regards,

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California Public Utilities Commission
505 Van Ness Ave., San Francisco

FOR IMMEDIATE RELEASE

Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

PRESS RELEASE

Docket #: A.08-03-015

CPUC APPROVES EDISON SOLAR ROOF PROGRAM

SAN FRANCISCO, June 18, 2009 - The California Public Utilities Commission (CPUC), in its ongoing commitment to innovative programs and policies to advance the delivery of renewable energy, today approved a solar photovoltaic program for Southern California Edison.

The program will result in the deployment of 500 megawatts (MW) of solar photovoltaic (PV) on existing commercial rooftops in Edison's service territory. Edison will own, install, operate, and maintain 250 MW of solar PV projects, which will primarily consist of one to two MW rooftop systems. The remaining 250 MW will be installed, owned, and operated by independent, non-utility solar providers selected through a competitive process.

Prior to today's decision, utility solar programs in the one to two MW range had limited participation in the California Solar Initiative or Renewables Portfolio Standard (RPS) program. Edison's program creates a new avenue for developing such smaller sized solar projects.

"This program represents a valuable complement to the existing renewable procurement efforts we have underway, given the significant permitting challenges large scale renewables face, both in terms of transmission and the generating facilities themselves," said CPUC President Michael R. Peevey. "It represents an important hedging strategy by allowing for the deployment of distributed resources that, while somewhat more expensive than the large scale renewable projects that are the primary focus of the RPS program, offer a much higher level of certainty in terms of when they will come online."

Added Commissioner John A. Bohn, author of the decision, "This decision is a major step forward in diversifying the mix of renewable resources in California and spurring the development of a new

market niche for large scale rooftop solar applications. Unlike other generation resources, these projects can get built quickly and without the need for expensive new transmission lines. And since they are built on existing structures, these projects are extremely benign from an environmental standpoint, with neither land use, water, or air emission impacts. By authorizing both utility-owned and private development of these projects we hope to get the best from both types of ownership structures, promoting competition as well as fostering the rapid development of this nascent market.”

“This decision is good for California because it makes good use of all that sun and warehouse roofs in Southern California to produce clean energy right where we need it, both by Edison and independent generators,” commented Commissioner Rachelle Chong. “I commend Edison for its foresight in bringing a focus on commercial solar PV projects that are 1-2 megawatts in size.”

Commissioner Timothy Alan Simon said, “I support this decision because it strikes a balance between promoting utility-owned generation and competitive procurement for independent energy producers, as well as distributed generation and central station solar systems. Finally, it will bring much needed economic stimulus to the Inland Empire.”

Because this is the first significant foray by a utility into ownership of renewable generation, the CPUC will carefully monitor the program’s progress, examine ways in which the program can be improved, and fine tune the program when and where appropriate.

The energy generated from the project will be used to serve Edison’s retail customers and the output from these facilities will be counted towards Edison’s RPS goals. The output and capacity of the projects will not count towards the California Solar Initiative program goals.

The RPS program is one of the most ambitious renewable energy standards in the country. It requires investor-owned utilities to procure 20 percent of their electricity sales from renewable sources by 2010. Governor Schwarzenegger subsequently established an RPS target of 33 percent by 2020 for all retail sellers of electricity. The California Solar Initiative has a goal to install 3,000 MW of new customer solar projects by 2016, moving the state toward a cleaner energy future and helping lower the cost of solar systems for consumers.

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