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Decision 93682 NOV 3 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the feasibility of establishing various methods of providing low-interest, long-term financing of solar energy systems for utility customers.	OII 42 (Filed April 24, 1979)

ORDER FOR CONTINUED FUNDING OF THE SOLAR ADVISORY COMMITTEE

Background

Decision (D.) 91272 called for the formation of an advisory panel to report on a variety of matters some six months prior to the termination of the demonstration. The appointed advisory panel includes representatives of the solar industry, the regulated utilities, the financial community, consumer and environmental groups, realtors, apartment house owners, contractors, labor, and government agencies at the local, state, and national levels.

The balanced composition of the advisory panel creates ~~an ideal~~ a valuable forum for the different interests concerned with the demonstration to meet and discuss specific problems that arise during the demonstration. Recommendations of the panel have been very helpful to the Commission in resolving the multitude of detail problems certain to arise in this large pioneering undertaking.

To avoid duplication of administrative personnel, the Executive Office of the SolarCal Council (Council) was asked to administer the advisory panel on behalf of the Commission. By Commission D.92251, we have entered into an interagency agreement with the Council which established a budget for the panel and clarified the mutual responsibilities of the Commission and the

Council. A budget for the panel not exceeding $20,000 a year for the duration of the demonstration was established. The initial interagency agreement is for one year and expires on October 31, 1981.

The Advisory Committee (Committee) has been very active in dealing with major problems such as refining the post-installation checklist and establishing solar system sizing for single-family units. These two major issues were resolved with inputs from the Committee members representing a wide sector of our society.

Several subcommittees were formed to iron out the specific problems. The Technical Committee recently submitted its recommendations on multifamily sizing criteria, rebate adjustment for multifamily units, and on its desired participation in the process of selecting the contractor who will monitor and evaluate the solar systems. Many of these recommendations will be presented to the Commission along with those of our technical staff.

Committee's Request

There are several other issues raised by the Advisory Committee, by letter, that need to be resolved. These issues deal with program funding for low-income customers and possible modification of the sizing requirements. Besides these issues, the Advisory Committee strongly feels that its work is far from complete and has much to offer to the Commission in resolving them. The Advisory Committee also requests that the current yearly budget of $20,000 be increased to approximately $30,000. The Committee further requests approval of an additional $20,000 to employ a half-time committee consultant. The total requested amount is approximately $50,000 for 1981-82 fiscal years.

Discussion

The Commission recognizes the Committee's valuable input and expects to have the Committee continue its activity. Many of the major issues, however, are now resolved. The remaining questions regarding multifamily sizing requirements, nonuniformity among utilities regarding the 10% of program funding for low-income families, and modification of the solar system requirements to achieve broader participation are all now being considered by this Commission. Resolution of these questions is expected before the end of this year, thus leaving fewer items for the Committee to work on.

Secretarial help for the Advisory Committee in taking the minutes of meetings, and for typing and mailing letters will be provided by the Public Utilities Commission Solar Monitoring Unit based in Sacramento. We believe this help will relieve some of the staff burden facing the Advisory Committee. ~~It appears that the Advisory Committee can reduce its activity to a level more in keeping with our original intent. It should focus on monitoring and evaluation of the program which will be underway shortly. The original budget provided for expenses should be sufficient to meet the expenses for the necessary subcommittee meetings.~~

The Commission does not believe that the requested $50,000 budget is appropriate. Rather, the Committee should continue its active role at the $20,000 level originally budgeted. This level of funding should continue to be provided by the participating utilities.

Findings of Fact

1. The Advisory Committee has provided valuable input to the Commission in resolving many issues arising in the solar demonstration program.

2. Clerical help provided by the Monitoring Unit and future Commission action in resolving pending issues will lower the Committee's work load.

3. The current contract between the SolarCal Council and this Commission to operate and administer an Advisory Subcommittee expires on October 31, 1981.

4. The $50,000 requested by the Advisory Committe for the next 12 months is excessive.

5. To carry out expected Advisory Committee activity, and appropriate budget is $20,000. This amount should be proportionately included in the participating utilities' expenses for the Demonstration Solar Financing Program.

Conclusions of Law

1. The Commission concludes that the Advisory Committee should continue its activity for the coming 12 months.

2. The current contract between the SolarCal Council and the Public Utilities Commission should be extended for next 12 months.

3. A budget of $20,000 for the 12-month period from November 1, 1981 to October 31, 1982 is appropriate to carry out Advisory Committee activities.

4. The following order should be made effective the date of signature in order to reimburse reasonable costs incurred by the Advisory Committee beginning November 1, 1981.

O R D E R

IT IS ORDERED that:

1. The contract between the SolarCal Council and the Public Utilities Commission entered under Commission Decision 92251, dated September 16, 1980 in OII 42, be extended for the next 12 months at the current funding level of $20,000 per year.

2. The budget request of $50,000, an increase of $30,000 from the current budget of $20,000, is denied.

3. The respondent utilities are authorized to incur reasonable expenses as may, from time to time, be billed by the Advisory Committee through this Commission in an overall amount not to exceed $20,000 for the period of November 1, 1981 through October 31, 1982.

This order is effective today.

Dated NOV 3 1981, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

I certify that this decision was approved by the above Commissioners today.