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4 **BEFORE THE PUBLIC UTILITIES COMMISSION**
5 **OF**
6 **THE STATE OF CALIFORNIA**

7 **ORDER INSTITUTING RULEMAKING)**
8 **TO CONTINUE IMPLEMENTATION OF)**
9 **CALIFORNIA RENEWABLES)**
10 **PORTFOLIO STANDARD RE:)**
11 **INSTITUTING A PILOT FEED-IN)**
12 **TARIFF WITH AN EMPHASIS ON)**
13 **ENVIRONMENTAL JUSTICE WITHIN)**
14 **THE JURISDICTIONAL BOUNDARIES)**
15 **OF THE COACHELLA VALLEY)**
16 **ASSOCIATION OF GOVERNMENTS)**
17 **(CVAG)**

Rulemaking 11-05-005
(May 5, 2011)

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22 **MOTION FOR PARTY STATUS OF CVAG REGARDING PILOT FEED-IN TARIFF**
23 **PROJECT**

24 In accordance with Rule 1.4(a)(4) of the California Public Utilities Commission's
25 ("Commission") Rules of Practice and Procedure, the Coachella Valley Association of
26 Governments ("CVAG") respectfully submits this motion requesting party status.

27 CVAG is a joint powers authority which includes: Ten incorporated cities; two Native American
28 Indian tribes and a significant portion of unincorporated Riverside County. CVAG coordinates
the Desert Cities Partnership through CPUC-funded local government energy partnership
program to promote Municipal Facility Energy Efficiency with our member jurisdictions.
CVAG and its member jurisdictions are currently undertaking long term Energy and Climate
Action Planning in support of the CPUC's California Energy and Climate Action. CVAG has

1 also been active in developing a property assessed clean energy (“PACE”) financing district
2 within its boundaries. CVAG has also been active in developing a property assessed clean
3 energy (PACE) financing within its boundaries.
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5 The purpose of this filing is to obtain party status in the instant proceeding for CVAG’s
6 application entitled “‘RetroFiT’ -- The Coachella Valley Pilot Feed-in Tariff: Tapping Desert
7 Solar for Environmental Justice” which was filed September 1, 2011.
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9 Several Administrative Law Judges (ALJ’s) have reviewed CVAG’s proposal in order to
10 ascertain how to best procedurally and efficiently process this application, After review by these
11 ALJ’s, the conclusion is that CVAG’s RetroFiT issues can best be addressed in Judge
12 DeAngelis’ portion of the RPS proceeding, Rulemaking (R.) 11-05-005. Judge DeAngelis is
13 currently addressing issues similar to those raised by CVAG in her portion of R.11-05-005. It is
14 the ALJ’s opinion that CVAG’s RetroFiT proposal can best be considered along with staff and
15 all other proposals in R.11-05-005. Proceeding in this manner would be the most expeditious,
16 and the least duplicative means to get CVAG’s RetroFiT proposal and issues addressed. The
17 ALJs’ felt a new rulemaking addressing this pilot program would be duplicative with
18 proceedings already conducted or currently underway.
19

20 CVAG believes the Coachella Valley is the ideal location for this pilot to evaluate the
21 opportunity to significantly stimulate distributed solar energy and local economic development
22 through a Feed-in Tariff program. RetroFIT squarely addresses key limitations to distributed
23 solar generation in California. Current utility solar guidelines provide for net energy metering
24 (NEM) requirements. They are attractive to some, but insufficient to others with “sub-optimal”
25 usage patterns and rate structures. The complexity with offsetting on-site generation makes
26 every deal unique. By comparison, Feed-in Tariffs are relatively simple. Additionally, through
27 very limited participation in the California Solar Initiative (CSI), low and middle income may
28 have been subsidizing solar for wealthier ratepayers. RetroFiT provides a significant change:

1 CVAG seeks to substantially increase the use of distributed solar energy throughout the
2 Coachella Valley in a way that benefits the entire community.

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4 The perception is that Palm Springs (to which the entire CVAG region is often referred) is
5 affluent. To the contrary, of the 57 census tracts representing the area, 35 tracts are *below* the
6 National and California State Median Income. By targeting low and very low-income housing
7 tracts, RetroFit is designed to bring cost effective energy, new technology, capital improvements,
8 increased property values and job creation to those traditionally “left behind” by NEM and CSI.

9
10 Through this pilot, CVAG will promote “Environmental Justice” which CVAG defines as spatial
11 distribution of burdens and benefits to groups such as racial minorities and residents of
12 economically disadvantaged areas and bring distributed generation to communities that have
13 generally not benefitted from this technology – in short, social equity. Within CVAG’s
14 jurisdiction there is a strong correlation between high percentages of racial minorities and lower
15 income households. These households struggle to pay their electric bills – especially during the
16 summer months. Electric rates are high and, unfortunately, utility programs for low income
17 ratepayers are undersubscribed. CVAG proposes to accomplish this Environmental Justice by
18 providing 10% higher FiT prices in census tracts characterized with household incomes less than
19 80% of the statewide median income to stimulate economic activity and jobs.

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21 This pilot program holds great promise for power generation, solar manufacturing and
22 installation, green jobs, carbon reduction and providing a secure clean energy sources for our
23 future. RetroFiT will establish the Solar FiT incentive mechanism for solar PV systems of
24 different sizes for the Coachella Valley, and a pricing mechanism that tracks with actual market
25 conditions.

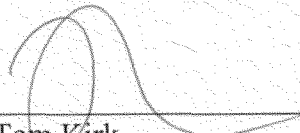
26
27 In the RetroFiT program, the serving utility will be required to buy electricity from distributed
28 PV installations at a price that provides reasonable and reliable returns to solar system owners
for 20 years. This will stimulate the market, and may ultimately transform conventional


1 centralized power production, thus providing a complimentary fabric of distributed systems
2 throughout California.

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4 Just as taxpayers will share in the cost of solar installations, they will also share in the benefit:
5 Through Solar FiT's, all ratepayers will benefit by locking in fixed electricity prices for the long
6 term, while the price of electricity produced from conventional fuels rises. RetroFit is a
7 ratepayer investment, which will provide returns over time – concurrently fulfilling
8 environmental mandates and economic objectives.

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10 If granted party status, CVAG will actively participate in workshops and working groups related
11 to these interests and issues, and would develop written positions in responses or briefs,
12 coordinating in participation with allied intervenors wherever possible.

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15 Respectfully submitted:

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