MAY 1, 2012 ALL PARTY - PROPOSED DECISION IN R.11-05-005 (FEED-IN TARIFF)

1:30-1:40 **Introductions, Opening remarks from Commissioners Ferron and Florio**

1:40-2:20 **Responses to Question 1 (up to 2 mins per speaker) + Questions from Commissioners**

- Agricultural Energy Consumers Association (AECA)
- AgPower Group
- California Solar Energy Industries Association (CALSEIA)
- Center for Energy Efficiency and Renewable Technologies (CEERT)
- Clean Coalition
- Constellation New Energy
- Division of Ratepayer Advocates (DRA)
- FlexEnergy
- FuelCell Energy
- Henwood Associates
- Independent Energy Producers (IEP)
- Jan Reid
- Pacific Gas and Electric (PG&E)
- Placer County
- California Department of Forestry and Fire Protection (CalFire)
- US Forest Service
- San Diego Gas and Electric (SDG&E)
- Solar Energy Industries Association (SEIA)
- Southern California Edison (SCE)
- Sun Light & Power
- Sustainable Conservation
- The Utility Reform Network (TURN)

2:20-3:00 **Responses to Question 2 (up to 2 mins per speaker) + Questions from Commissioners**

- AECA
- California Bioenergy
- CALSEIA
- Clean Coalition
- DRA
- FlexEnergy
- FuelCell Energy
- Henwood Associates
- IEP
- Jan Reid
- PG&E
- Placer County
- SCE
- TURN
- SDG&E
- Silverado Power
- SEIA
- Sun Light & Power
- Sustainable Conservation

3:00-3:20 Responses to Question 3 (up to 2 mins per speaker) + Questions from Commissioners

- Constellation
- CALSEIA
- California Bioenergy
- Clean Coalition
- PG&E
- Placer County, US Forest Service
- SCE
- SDG&E
- Sun Light & Power

QUESTIONS

1. Overall pricing approach. The proposed decision (PD) adopts a market-based pricing mechanism called the Renewable Market Adjusting Tariff (Re-MAT), which adjusts the FiT price on a monthly basis based on market responses. Parties have alternatively advocated for an administratively-determined pricing mechanism.

   - Do you support or oppose the Re-MAT approach? Why or why not? If not, please be as specific as possible about the merits of Re-MAT as compared to your preferred approach.
   - Do you have comments about the ability to finance renewable energy projects smaller than 3 megawatts given the flexibility of the Re-MAT mechanism to adjust the offer price on a monthly basis?

2. Program administration. The PD establishes three product types in order to better capture the value provided by different technology types. An alternate approach is to have a single category, which some parties argue would be simpler, deliver the most cost-effective megawatts to ratepayers, and create more competition. With three product types, there are many program administration details that must be established, which include but are not limited to: the magnitude of price adjustments, duration of program, frequency of price adjustments, and assignment of capacity to the three product types, the allocation of program capacity across program months.

   In addition, the reassignment methodology detailed in Section 6.5 of the PD would serve as a cost containment mechanism. It allows IOUs to reassign capacity to the different product types after the expiration of 12 program months if the product type has seen minimal subscriptions, and as a result, the price has adjusted upwards. In comments, several parties have proposed a price cap as another method of capping program costs.

   - Do you support a FiT program with three product types? Why or why not?
   - Do you have suggestions to improve the program administration rules?
   - Do you support the methodology set forth in Section 13 of the PD to allocate the 750 MW statutory capacity cap to the three large investor-owned utilities (IOUs). Does your preferred approach for allocating the 750 MW cap to the IOUs affect and/or resolve issues related to the other program administration rules?
   - Do you support or oppose the PD's capacity reassignment methodology as a cost containment mechanism, and why or why not? Would you alternatively support a price cap, and why or why not? Do you support another cost containment mechanism for the program?

3. Definition of strategically located (Section 10). Section 399.20(b) requires that a project be "strategically located" to participate in the FiT program. The PD attempts to restrict participation to such "strategically located" resources by prohibiting projects from participating in the FiT program unless: (a) they are interconnected at the distribution level, and (b) they are sited near load, defined as the project's most recent interconnection study showing that it does not require transmission network upgrades. A number of parties filed comments to the PD suggesting that this definition was too broad, and that the definition suggested in the Staff Proposal issued in October 2011 (defined as projects that avoid adverse impacts to the distribution and transmission system by not exceeding the minimum load at the substation) is preferable.
   - Do you support the definition provided in the PD? Why or why not?
   - Do you prefer the definition provided in the Staff Proposal issued in October 2011?
   - Would you prefer an alternative definition? If so, please provide an example (e.g., linking the definition to the IOUs' preferred area maps? or linking the definition to the CAISO's pending proposal on resource adequacy deliverability for distributed generation expected in summer 2012? Etc.)