

ATTACHMENT A

California DG and Utility Solar Capacity

California has long been the leader in the U.S. solar market. While there has been recent geographic expansion into new state markets, California’s distributed generation and utility markets remain a focal point of the U.S. solar industry. At the end of the 2011, California DG and Utility markets led the nation in their corresponding segments with 1,230 MW and 649 MW of cumulative installations, respectively. Due to continued cost declines and policy support, forecasts show that California’s solar market will continue to lead the U.S. solar industry in both annual and cumulative installations.

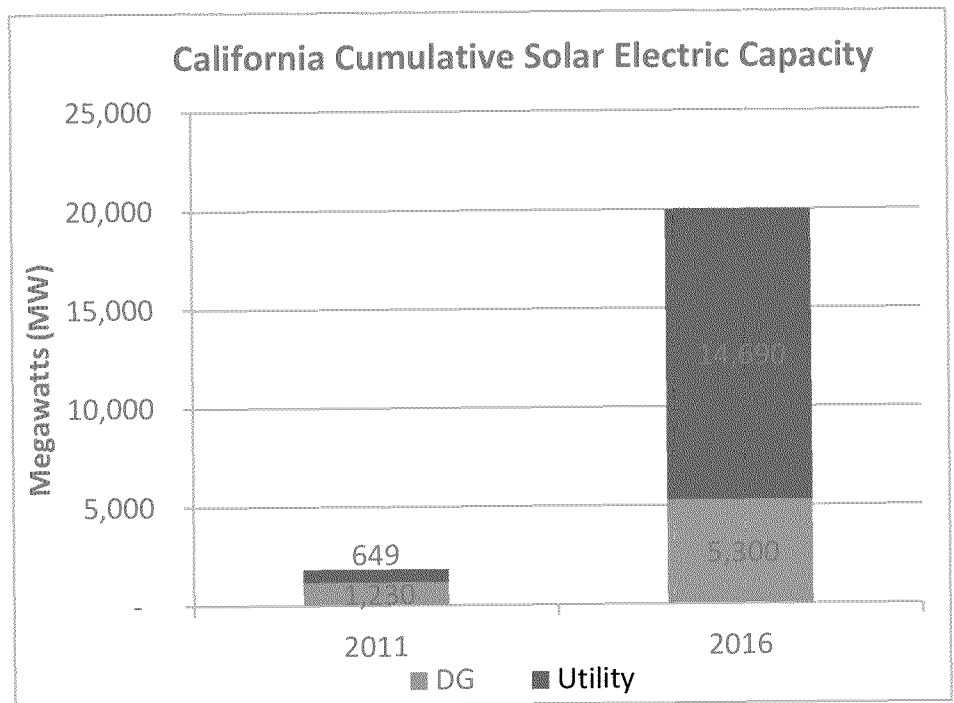
Projections

New projections from SEIA and GTM’s *Solar Market Insight* show that the cumulative capacity in California’s DG and Utility solar electric markets (including both photovoltaic and concentrating solar power) will reach 5,300 MW and 14,700 MW, respectively, by 2016.

DG Market

The California residential and commercial markets are projected to lead the nation in their respective markets in annual and cumulative installations through 2016. This growth will be driven in part by a number of factors:

- Further declines in system costs will continue to drive growth.
- The recent CPUC decision on Net Energy Metering will allow for rooftop solar installations within the three IOUs to continue to grow steadily.
- The extension of the ITC through 2016 will fuel rooftop solar installations, both directly owned and through third party leases.
- The California Solar Initiative continues to run uninterrupted and support demand.



Utility Market

There is an enormous pipeline of utility scale installations in California, much of which is poised to come online in the next 4 to 5 years. Cost reductions have made solar a competitive option for RPS procurement and PV projects have made up most of recent utility renewable contracts.