

April 12, 2013

Edward Randolph, Director
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4004
San Francisco, CA 94102

**Re: Advice 2870-E - Contracts from Southern California Edison Company's
("SCE's") California Renewable Energy Small Tariff ("CREST")
Program**

Dear Mr. Randolph:

By way of this letter, the Solar Energy Industries Association (SEIA)¹ responds to the above referenced advice letter filing of Southern California Edison Company (SCE) regarding approval of the of 75 CREST power purchase agreements ("CREST Contracts") totaling 105.53 MW. Through its advice filing, SCE is seeking Commission approval of the CREST Contracts as well as a finding by the Commission that payments made by SCE under these contracts are recoverable in rates. SEIA supports Commission approval of the CREST Contracts and concomitant rate recovery.

With the execution of the 75 CREST Contracts, SCE has exceeded its MW allocation under Commission Decision 07-07-027 for non-water/wastewater projects. In making that 123.8 MW allocation, however, the Commission stated:

We decline to adopt an automatic sunset for the expanded availability. The 228.4 MW² limit is an adequate limit and constraint. As explained with the water and wastewater program above, the tariff is closed to new customers when the allocation is met. Respondents *are not required* to sign new agreements for capacity beyond their allocation.³

¹ The comments contained in this letter represent the position of the Solar Energy Industries Association as an organization, but not necessarily the views of any particular member with respect to any issue.

² 104. 6 MW were allocated to Pacific Gas and Electric Company.

³ Decision 07-07-027 at p. 47.

Thus, the Commission did not preclude SCE from voluntarily electing to purchase energy from additional projects on the same terms.⁴ The only caveat provided by the Commission was that “Projects up to the allocated capacity are per se reasonable” while “[p]rojects beyond the capacity allocation need Commission review (e.g., by applicant submitting an advice letter).” The purpose of such additional review was for the Commission to have the opportunity to determine whether the “oversubscription” has caused, or may be foreseen to cause, a material problem.⁵

Through its advice letter, SCE illustrates that the CREST Contracts at issue have not or will not cause a material problem. To the contrary, they are expected to contribute toward achievement of SCE’s RPS procurement goals and are consistent with SCE’s portfolio needs.⁶ Moreover, SCE has demonstrated that execution of the CREST Contracts is consistent with the California Governor’s goal of encouraging the development of 12,000 MW of small-scale distributed generation projects located on the existing electric grid by 2020.

For the reasons above stated, the Commission should approve the CREST Contracts and allow for the recovery in rates of any payments made by SCE thereunder.

Very truly yours,

GOODIN, MACBRIDE, SQUERI,
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By


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⁴ Decision 07-07-027, p. 13, footnote 12.

⁵ Id.

⁶ Advice Letter at p. 7-8