BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.

Rulemaking 11-05-005

ZANNON FOUNDATION MOTION FOR PARTY STATUS AND REPLY COMMENTS ON PROPOSED AND ALTERNATE DECISIONS RE SECTION 399.20 PPAS AND PETITIONS FOR MODIFICATION

Tam Hunt Attorney for: Zannon Foundation 629 W. Valerio St. Santa Barbara CA 93101 (805) 214-6150

April 15, 2013

ZANNON FOUNDATION MOTION FOR PARTY STATUS AND REPLY COMMENTS ON PROPOSED AND ALTERNATE DECISIONS RE SECTION 399.20 PPAS AND PETITIONS FOR MODIFICATION

The Zannon Foundation respectfully submits this motion for party status and reply comments on the Proposed Decision and Alternate Proposed Decision.

The Zannon Foundation ("Zannon") is a family-owned foundation based in Santa Barbara, California. Zannon recently created the Blue Sky Sustainable Living Center ("Center"), a non-profit organization with facilities being developed in the Cuyama Valley in northern Santa Barbara County. This part of the county suffers from very high unemployment and limited job opportunities. The Center will be a place for job training, community interaction and economic growth. More specifically, the Center is dedicated to increasing the visibility and economic viability of sustainable building practices and applied alternative energy technologies through research, education and demonstration at its 22,000 square foot facility. In addition to creating permanent jobs at the facility, the Center will benefit the Cuyama Valley and regional communities as a long-term resource for collaborative efforts.

A key component of the Center is a 2.5 MW solar array that will sell power to PG&E. Zannon is finalizing interconnection agreements with PG&E and preparing its permitting and PPA efforts. Zannon hopes to break ground on its solar array in late 2014. The sole use of the revenue from the solar array will go to support the non-profit.

I. Motion for party status

Zannon requests permission to become a party in this proceeding. We realize that we are joining very late in the proceeding, but our sole purpose is to comment on the queue priority issue, from the perspective of a potential entrant. Service of notices, orders, and other communications and correspondence in the proceeding should be directed to Zannon at the address set forth below:

Tam Hunt, Attorney Zannon Foundation 629 W. Valerio St Santa Barbara CA 93101 tam@communityrenewables.biz

Participation by Zannon in this proceeding will not prejudice any party and will not delay the schedule or broaden the scope of the issues in this proceeding. For the reasons stated above, Zannon respectfully requests that the Commission grant this Motion.

II. Comments

As mentioned, Zannon's only comment on the PD and APD relates to the mechanism by which queue priority is awarded. Zannon supports PG&E's recommendation (PG&E opening comments, pp. 6-7) to randomize applicants' PPRs for the first five days of the program – <u>except</u> for applicants that are already in the AB 1969 PPA queue. For AB 1969 queue-holders, SB 32 queue priority should be determined on a first-come, first-serve basis.

As is, the proposed decision's queue priority mechanism relies strictly on the time the PPR is received by the utility. This is a recipe for disaster in many ways, as PG&E suggests, due to inherent difficulties in determining exactly when applications are received and the rush that this will induce among applicants to send PPRs as close as possible to the exact start time. The fact that there may be a

large number of applicants seeking a queue position will exacerbate this problem. Zannon agrees that a lottery process (or other randomizing mechanism) is appropriate for resolving queue positions for applications received in the first five days of the program, except for AB 1969 queue-holders. In the latter case, equity concerns weigh heavily in favor of granting SB 32 queue position based on first-come, first-serve. Many parties will have invested considerable effort in obtaining a PPA under the existing AB 1969 program and should not be penalized for not having successfully obtained a PPA by the time the Commission approves the new SB 32 tariffs.

Respectfully submitted,

Tam Hunt

Attorney for Zannon Foundation

April 15, 2013

VERIFICATION

I am an attorney for the Zannon Foundation and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing pleading are true.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 15th day of April, 2013, at Santa Barbara, California.

Tam Hunt

TVV

Attorney for the

Zannon Foundation