

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Regarding Policies,  
Procedures and Rules for California Solar  
Initiative, the Self-Generation Incentive Program  
and Other Distributed Generation Issues.

Rulemaking 12-11-005  
(November 7, 2012)

**RESPONSE OF GRID ALTERNATIVES TO PACIFIC GAS AND ELECTRIC'S (PG&E)  
(U39E) PETITION TO MODIFY DECISIONS 10-09-046, 07-11-045, AND 08-10-036 TO  
ADDRESS THE CALIFORNIA SOLAR INITIATIVE SUNSET**

Stanley Greschner  
Vice President, Government Relations  
GRID Alternatives  
1171 Ocean Ave, Suite 200  
Oakland, CA 94608  
Telephone: (510) 731-1322  
Facsimile: (510) 225-2585  
Email: [sgreschner@gridalternatives.org](mailto:sgreschner@gridalternatives.org)

May 10, 2013

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Regarding Policies,  
Procedures and Rules for California Solar  
Initiative, the Self-Generation Incentive Program  
and Other Distributed Generation Issues.

Rulemaking 12-11-005  
(November 7, 2012)

**RESPONSE OF GRID ALTERNATIVES TO PG&E'S PETITION TO MODIFY  
DECISIONS 10-09-046, 07-11-045, AND 08-10-036 TO ADDRESS THE CALIFORNIA  
SOLAR INITIATIVE SUNSET**

Pursuant to Rule 16.4(f) of the Rules of Practice and Procedure of the Public Utilities Commission of the State of California (Commission), GRID Alternatives submits this response to Pacific Gas and Electric Company's (PG&E) Petition to Modify Decision 10-09-046, 07-11-045, and 08-10-036 to sunset the general market program element of the California Solar Initiative (CSI) in its service territory.

**I. Introduction**

Through its Petition, PG&E seeks the following:

- To close its CSI General Market (GM) Residential program once the remaining incentive budget has been reserved;
- Close its CSI GM Non-Residential program once adequate reservations anticipated to meet the megawatt (MW) goal have been issued; and
- Transferring incentive dollars that may become available through future Residential program attrition, and incentive dollars in excess of what is expected to be needed to meet the Non-Residential MW goal to the Multifamily Affordable Solar Housing (MASH) program and the Single-Family Affordable Homes (SASH) program.

## **II. Status of SASH Program in PG&E territory**

As Program Administrator of the SASH Program, GRID Alternatives wishes to further explain the current status of the SASH Program in PG&E's territory and the need for additional incentive funding support.

Since CSI began in 2006, solar panel prices have dropped significantly and innovative financing models, including solar leases and PPAs, have been developed to provide General Market participants multiple options for financing solar systems. Low-income families typically do not have access to these financing models so the SASH incentives provide the needed cost support that allows solar to reach low-income customers. Without incentives, the upfront cost of solar will remain a barrier for low-income families wishing to install solar systems.

As PG&E noted in its PTM, the SASH Program has nearly exhausted all of its funding in the PG&E territory. GRID anticipates that SASH incentive funds will be fully reserved in the PG&E service territory by the end of 2013, or the first quarter of 2014, at the latest. As of 5/3/13, SASH had only \$8.5M unencumbered/unspent incentives remaining in the PG&E territory, compared to the \$14M in incentives paid out in 2012. In PG&E's territory, SASH interconnected projects will decrease by 37% in 2013 compared to 2012. Obviously, the impact of declining incentives in PG&E's territory has already begun to impact the ability of low-income families to participate in the growing solar industry.

The SASH Program has proven that upfront incentives can help build a low-income solar customer base. The number of families interested in participating in the SASH Program continues to grow and without ongoing incentive price support these families will have limited accessibility to solar.

## **III. Conclusion**

GRID Alternatives appreciates the opportunity to provide this Response to PG&E's Petition to Modify. We encourage the Commission to take these facts into consideration as it explores various opportunities to continue making solar accessible to lower-income customers.

Respectfully submitted,



---

**GRID ALTERNATIVES**

Stanley Greschner

*Vice President, Government Relations*

1171 Ocean Ave., Ste 200

Oakland, CA 94608

Telephone: 510.731.1322

Facsimile: 510.225.2585

Email: [stan@gridalternatives.org](mailto:stan@gridalternatives.org)

May 10, 2013