GOODIN,
MACBRIDE,
SQUERI, DAY &
LAMPREY, LLP

Jeanne B. Armstrong, Attorney at Law

March 27, 2014

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

Re: Advice Filing of Southern California Edison Company Advice 3012-E-A; Request for Modification to the Allocation of the Remaining California Solar Initiative Megawatt and Incentive Funds

Dear Mr. Randolph:

By way of this letter, the Solar Energy Industries Association (SEIA)[1] protests the above referenced advice filing of Southern California Edison Company (SCE) requesting modification to the allocation of the remaining California Solar Initiative (CSI) MW and incentive funds between the residential and non-residential customer segments in its service territory.

Specifically, SCE requests authorization to evenly split the remaining CSI incentive funds and MW between residential and non-residential customers.[2] In support of this request, SCE states: (1) that it is experiencing a high rate of demand from residential customers for CSI reservations, with a slower rate of demand from nonresidential customers;[3] (2) that as of March 14, 2014, it has approximately $1.8 million left in available CSI program incentives for residential customers and approximately $77.6 million for nonresidential customers;[4] and (3) the Commission recently granted the petition of the California Center for Sustainable Energy (CCSE) (which administers the CSI program in San Diego Gas and Electric's service territory) to alter the MW allocation between residential and non-residential in San Diego Gas & Electric Company's service territory so as to allow for a greater allocation of MW to the residential sector. As illustrated below, SCE's justification for a change in the CSI MW allocation is insufficient and therefore should be rejected.

---

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 Advice Letter 3012-E-A, p. 2.

3 *Id.*, p.3.

4 *Id.*, pp. 1-2.

T 415.392.7900 F 415.398.4321
www.goodinmacbride.com
505 Sansome Street, Suite 900 | San Francisco, CA 94111

Direct 415.765.8449
E jarmstrong@goodinmacbride.com

The fact that SCE has been more successful in the residential CSI market than non-residential is not justification for lowering the non-residential market goals. To the contrary, the opposite is true. In differentiating between the two market segments, the Commission determined that the CSI Program was best served by assuring that both market segments were provided sufficient opportunity to develop. Removing MW and incentive funds from the non-residential market will provide a further drag on advancing solar in that market segment. The CSI is a ten-year program, with two years remaining. Solar developers and marketers should be afforded those two years to further enhance the interest in solar in the non-residential market segment in SCE's service territory without being stripped of a crucial marketing tool - CSI incentives.

Moreover, the fact that the Commission granted CCSE's request to change the CSI MW allocation in its service territory does not provide applicable precedent for the case at hand. In requesting a modification, CCSE evidenced a substantial shortfall in its non-residential sector incentive budget.[5] Removal of the specific allocation of two-thirds of CSI MW for the non-residential customer sector in CCSE's program territory allowed incentive funds allocated specifically for the non-residential customer sector to be opened up to both residential and non-residential projects, thus allowing CCSE to meet its overall CSI goal. Absent a change in the allocation, CCSE predicted that it would fall short of attaining its overall CSI goal.[6] This budget shortfall, absent a change in the MW allocation, was a driving factor in the Commission's determination to grant CCSE's petition.[7] The same situation does not exist with SCE. As acknowledged by SCE, as of March 14, 2014,, it has approximately $77.1 million in available CSI incentives for non-residential customers.[8] SCE does not claim that such is insufficient for it to meet the remainder of its CSI MW goals. In fact, current projections show that SCE will exceed its CSI MW goals for both the non-residential and residential market segments.[9]

SCE has the necessary funds to meet its CSI MW goals. The fact that the rate of demand for non-residential CSI reservations is slower than that for residential reservations, which is the primary justification for SCE's requested relief, does not provide basis for changing the MW allocations between the residential and non-residential sector. Rather it speaks to the need for

---

5 Petition of the California Center for Sustainable Energy Modification of Decisions D.10-09-046, D.08-10-036, D.11-07-031 and D.06-08- 028 to Address California Solar Initiative General Market Program, R. 10-05-004 (August 3, 2012) (CCSE Petition), pp. 17-19.

6 CCSE Petition, p. 18.

7 Decision 13-10-026, p. 10.

8 Advice 3012-E-A, p. 3

9 As of March 13, 2014, the CSI Incentives Budget Report forecasts that SCE will achieve 587.8 MW of capacity in the non-residential market segment compared to its program goal of 539.4 MW and will achieve 327.0 MW of capacity in the residential market segment compared to its program goal 265.7 MW. http://www.californiasolarstatistics.ca.gov/reports/budget_forecast/

enhanced marketing and education efforts regarding the CSI in the commercial segment of SCE's service territory. SCE's current CSI MW allocations should be maintained.

Very truly yours,

GOODIN, MACBRIDE, SQUERI,
DAY & LAMPREY, LLP

By Jeanne B. Armstrong
Jeanne B. Armstrong

Counsel for the Solar Energy
Industries Association

cc: CPUC Energy Division, EDTariffUnit@cpuc.ca.gov
Megan Scott-Kakures, AdviceTariffManager@sce.com
Leslie E. Stark, Karyn.Gansecki@sce.com
Service List R. 12-11-005

3326/010/X160799.v1