

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

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

Rulemaking 12-11-005
(Filed November 8, 2012)

**OPENING COMMENTS OF INTERSTATE RENEWABLE
ENERGY COUNCIL, INC. ON THE PROPOSED DECISION
ESTABLISHING A NET ENERGY METERING TRANSITION PERIOD**

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March 12, 2014

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Pursuant Rule 14.3 of the California Public Utilities Commission’s Rules of Practice and Procedure, the Interstate Renewable Energy Council, Inc. (“IREC”) respectfully submits these opening comments on the Proposed Decision of Commissioner Peevey Establishing a Transition Period Pursuant to Assembly Bill 327 for Customers Enrolled in Net Energy Metering Tariffs (“PD”). IREC generally supports the PD, but comments here to suggest that a transition period based on the expected system life of a solar photovoltaic (“PV”) system should be at least 25 years.

IREC supports, as sound public policy, the PD’s choice to base the transition period on expected system life, rather than a strict “payback” analysis that ignores customer expectations. IREC agrees that “it is reasonable to adopt a transition period that is based on a conservative estimate of the equipment’s expected life”¹, but suggests that the PD’s choice of a 20 year expected system life may, as a factual matter, be too conservative. A 25 year warranty for solar PV panels, to maintain a minimum of 80% of original system output has become a PV industry standard.² IREC suggests that standard

¹ PD at 20.

² See, e.g., <http://global.sunpower.com/products/solar-panels/warranty/> (SunPower 25-Year Combined Warranty: at least 87% of Minimum Peak Power rating during final warranty year); http://www.trinasolar.com/downloads/us/products/EN_Trina_Warranty_Jan_2013.pdf (Trina Solar 25-year Warranty: 80.18% minimum for monocrystalline and 80.7% minimum for polycrystalline);

industry warranties for system output are an appropriate “conservative” measure of expected system life. Accordingly, a 25-year transition period would more accurately reflect the PD’s choice to base the period on expected system life.

Additionally, IREC wishes to make clear that it supports and appreciates the PD’s methodology for determining an end date for the transition period for specific customer generators. Establishing a single end-of-year date for groups of customer-generators, based on the year of interconnection, is a reasonable means of avoiding the burden of tens of thousands of individualized determinations.

IREC supports Commission adoption of the PD, but respectfully requests that the Commission consider the relevance of the industry-standard warranties of 25 years for solar PV panels and extend the transition period from 20 to 25 years.

Respectfully submitted at San Francisco, California on March 12, 2014,

By /s/ Jason B. Keyes

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http://www.yinglisolar.com/assets/uploads/warranty/downloads/Multi_standard_110922.pdf (25-year Warranty at 80.7% threshold).