

**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
(Filed May 5, 2011)

**COMMENTS OF THE LARGE-SCALE SOLAR ASSOCIATION AND
THE SOLAR ENERGY INDUSTRIES ASSOCIATION ON PG&E'S PETITION
FOR EXPEDITED ORDER GRANTING MODIFICATION OF D. 10-12-048
(RENEWABLE AUCTION MECHANISM)**

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I. INTRODUCTION

Pursuant to California Public Utilities Commission (“Commission”) Rules of Practice and Procedure 16.4, the Large-scale Solar Association and the Solar Energy Industries Association (collectively the “Joint Solar Parties”)¹ hereby submit comments on PG&E’s Petition for Modification (the “Petition”) of Decision 10-12-048 (the “RAM Decision”), issued on December 17, 2010.

On December 28, 2012, the Joint Solar Parties submitted comments on Advice Letter 4161-E supporting the PG&E’s proposal to transfer 252 MW from its PV Program to the “as available peaking” category of the Renewable Auction Mechanism Program (“RAM Program”). The comments below reiterate that support and request a few clarifications to PG&E’s Petition.

II. DISCUSSION

The Joint Solar Parties support PG&E’s Petition provided that the Commission: (1) approve the element of PG&E’s proposal that provides for all of the MW transferred from the PV Program to be made available to the “as-available peaking” category in RAM; and (2)

¹ The comments contained in this filing represent the position of the Solar Energy Industries Association and the Large-scale Solar Association as organizations, but not necessarily the views of any particular member with respect to any issue.

reaffirm that the transfer of the MW from the PV Program to the RAM in no way reduces PG&E's obligation to procure its full MW allocation under both the RAM and the PV Programs, including replacement procurement for projects that may fall out of the earlier rounds of those programs.² By doing such, the Commission will best assure that all MWs previously approved by the Commission will be procured by PG&E.

In addition to seeking the above assurances, the Joint Solar Parties recommend that an additional clarification be made to PG&E's Petition to maximize the chances of capturing the Investment Tax Credit before its significant reduction at the end of 2016.³ PG&E proposes to solicit the 200 MW transferred from the PV Program through auctions in 2015 through 2017. The Joint Parties recommend that the auctions for the remaining PV Program volumes be held twice a year, consistent with the existing RAM Program protocols, starting in December 2014. The Joint Parties also recommend the MW (200) be allocated evenly over subsequent solicitations, consistent with any RAM Reauthorization. While the RAM Program initially called for four solicitations, depending on the Commission's reauthorization of the RAM, it may be reasonable to reduce the number to three for the transferred MW, given the reduced number of MW sought.⁴ Thus, approximately 66 MW should be solicited each auction and a solicitation for the first approximately 66 MW transferred from the PV Program should occur in December 2014, with the remaining two solicitations occurring in mid-2015 and early-2016 respectively.

² See Decision 10-12-048 at pp. 31-21 and Resolution E-4368 at p. 6.

³ The Federal Tax Credit is set to be reduced from its current rate of 30 percent to 10 percent at the end of 2016. Projects must meet a commercial operation date by the end of 2016 in order to take advantage of this 30 percent credit. Any delay in the auctions for the rolled over PV Program MW will make it difficult for these projects to meet an end of 2016 commercial operation date. The program bids will reflect the reduced credit and result in a higher cost to PG&E and ultimately ratepayers.

⁴ In D. 10-12-048 (at p. 31) PG&E was allocated 420.9 MW of the total RAM Program capacity of 1000 MW.

Finally, the Joint Solar Parties encourage the Commission to move forward with the expeditious reauthorization of RAM Program. As stated by PG&E, it “does not propose an expansion of RAM through this petition.”⁵ Similarly PG&E proposes that the “RAM procurement process accommodate the remaining PV Program volumes.”⁶ The Joint Solar Parties agree with PG&E that this transfer does not necessitate the Commission reauthorize the RAM Program prior to approval of the Petition as PG&E requests to utilize the existing RAM mechanism. However, as the proposed transfer of the IPP and UOG MW into RAM represents nearly a quarter of the original allocation, the Joint Solar Parties encourage the Commission to move forward expeditiously with the reauthorization of the overall Program.

III. CONCLUSION

The Joint Solar Parties appreciate the opportunity to submit these comments on PG&E’s Petition and requests that in acting on PG&E’s Petition the Commission make the above requested clarifications.

Respectfully submitted this March 28, 2014, San Francisco, California.

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⁵ Petition at p. 6.

⁶ *Id.*

VERIFICATION

I am the attorney for the Solar Energy Industries Association (SEIA) in this matter. SEIA is absent from the City and County of San Francisco, where my office is located, and under Rule 1.11(d) of the Commission's Rules of Practice and Procedure, I am submitting this verification on behalf of SEIA for that reason. I have read the attached "Comments of the Large Scale Solar Association and the Solar Energy Industries Association on PG&E's Petition for Expedited Order Granting Modification of D. 10-12-048 (Renewable Auction Mechanism)." I am informed and believe, and on that ground allege, that the matters stated in this document are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 28th day of March, 2014, at San Francisco, California.

/s/ Jeanne B. Armstrong
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