

R.06-03-004

**Item 50 – California Solar Initiative  
Statement of Commissioner Rachelle Chong  
August 24, 2006**

Colleagues:

I am pleased to support this decision.

The success of the California Solar Initiative can be measured by the megawatts of power it generates.

This decision puts in place the right incentives to encourage well designed and effective solar installations. Solar installations that produce more energy will receive larger incentives. By providing “per kilowatt-hour” incentives to customers who install large systems, the program will encourage efficiency and innovation. In short, the program will produce real megawatts of solar energy for California.

I was pleased that this decision adopts a consumer-friendly incentive structure. Customers who are installing smaller solar systems will receive a simple up-front payment. This will be easy for solar vendors to explain to potential customers, and will help keep down administrative costs.

One area we need to consider further is the administration of the program. In our January 2006 CSI decision, we said we would explore third-party, non-profit administration of the residential retrofit program. I still think that’s a good idea in order to get aggressive marketing out on the street to sell this program. I encourage the staff to put this issue at the forefront during the next phase of this proceeding and get it achieved on a faster time line.

Thank you.