

Presentation to the California Energy Commission

**Accelerating Renewable Distributed
Generation in California**

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OVERVIEW OF PRESENTATION

- 1) Goals
- 2) Principles
- 3) How To
- 4) Benefits
- 5) Pitfalls/Missed Opportunities
- 6) Conclusion

1) Goals

Preserve Existing Goals:

- Commercialize renewable technologies;
- Create economies of scale;
- Develop competitive market by bringing down the costs

1) Goals (cont.)

Establish New Goals:

- 3% Peak Demand met with renewable DG by 2015
- Accelerate reduction in costs by:
 - Jumpstarting new markets
 - Increasing incentives
 - Removing Barriers

2) Principles

- A) Government should create a solid plan, prioritize promotion and removal of barriers;
- B) Utilities should play supportive role, remove barriers
- C) Developers should play lead role by ramping up installation of renewable DG
- D) Consumers should be protected
- E) Renewable DG should complement energy efficiency and other renewable energy goals

3) How To

- A) Set a minimum DG standard for new development: 15-20% in 2006, increase 10% per year over 10 years
- B) Increase buy down fund to support increased markets: 50 cents/month = \$1.5 billion New Solar Fund
- C) Continue state/support federal tax breaks
- D) Lift net metering caps
- E) Expand worker training programs
- F) Adopt consumer protections
- G) Establish Renewable Energy Credits

4) Benefits of Building With Solar

- Lowers costs for consumer/builder by increasing market, reducing installation/marketing costs, gives builders economies of scale, cost rolled into low-interest mortgages, etc.
- Architects able to design developments appropriate for solar homes
- Maximizes buy down funds

4) Benefits (cont.)

- Reduces air pollution:
 - 1 MW solar = 70 cars removed from road each year
 - 15-20% minimum standard = 2800+ cars removed each year
- Reduces Peak Energy Demands
- Energy planners can account for decreased peak load
- Creates 7x more jobs than natural gas power plants

5) Pitfalls/Missed Opportunities

- Solar Ready requirements alone miss out on cost saving opportunities of installing solar PV during construction
- Substituting solar for energy efficiency improvements hurts homeowner/consumer and reduces environmental and energy/ratepayer benefits

6) Closing

California must continue to lead the nation by expanding upon existing policies...

- Mandates
 - Government Building Mandate
 - RPS
 - Net metering
- Incentives
 - Rebates/Buy Down
 - Tax Breaks

6) Closing (cont.)

... with new, expanded mandates and incentives

- Mandates
 - New Building Minimum Standard
 - Renewable Energy Credits
 - Net metering expanded
 - Consumer protections
- Incentives
 - Increased Buy Down Funds
 - Continued Tax Breaks
 - Density bonus for builders that exceed Minimum Standard

6) Closing (cont.)

To achieve vision of a renewable DG future, everyone needs to do their part today:

- Building Industry
- Utilities
- Renewable DG industry
- Government
- Ratepayers
- Consumers/Public

6) Closing (cont.)

We need to recognize the urgent social, economic and environmental needs for reducing the use of fossil fuels and nuclear power.

- ◆ The equivalent of Vermont (in population) is added to California each year, with the greatest energy growth during peak demand.

Creating **Solar Building** policies today will help ensure sustainable growth and a clean energy future for California.

Support for Solar Minimum Standard (SB 1652 - Murray)

Bluewater Network, **CALPIRG**, Clarum Homes,
Coalition for Clean Air, Coalition on the Environment
and Jewish Life of Southern California, **Committee to
Bridge the Gap**, Connect Energy, **E-Loan, Inc.**,
Energy and Resources Group-UCB, **Greenpeace**,
Intex Solutions, Inc., **Physicians for Social
Responsibility-Los Angeles**, Planning and
Conversation League, **Rainforest Action Network**,
Sierra Club, **The Clean Power Campaign**, The Utility
Reform Network, **The Vote Solar Initiative**

Thank you

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