California Energy Commission
RENEWABLE ENERGY PROGRAM
Summary of Activities
October 1, 2007 – December 31, 2007

RENEWABLE ENERGY PROGRAM

❖ ***Goal: To achieve a self-sustaining renewable energy supply for California***

Senate Bill 1036 (Perata, Chapter 685, Statutes of 2007), enacted in October 2007 and effective January 1, 2008, recasts the Renewables Portfolio Standard (RPS) program and makes significant changes to the Renewable Energy Program. The legislation implements the following:

- Eliminates the Energy Commission's authority to award supplemental energy payments (SEPs), effective January 1, 2008, and transfers administrative responsibility to the California Public Utilities Commission (CPUC). SEPs were intended to cover the above-market costs of renewable energy procured to meet the RPS.
- Requires the Energy Commission to terminate all pending awards made to projects under the New Renewable Resources Account of the Renewable Resource Trust Fund (RRTF) prior to January 1, 2002, unless the projects were online and operational by January 1, 2007.
- Requires the Energy Commission, by March 1, 2008, to transfer the New Renewable Resources Account's remaining unencumbered funds back to electrical corporations whose ratepayers contributed funds to support the RRTF. These electrical corporations include Pacific Gas & Electric (PG&E), San Diego Gas & Electric (SDG&E), Southern California Edison (SCE), and Bear Valley Electric Service (a division of Golden State Water Company).
- Abolishes the Renewable Energy Program's New Renewable Resources Account effective July 1, 2008.
- Reduces the amount of collections for the Renewable Energy Program from approximately $150 million annually to about $72 million annually for 2008-2011.
- Reallocates 2008-2011 funding among the Existing Renewable Facilities Program (20%), Emerging Renewables Program (79%), and Consumer Education Program (1%).

Renewables Portfolio Standard Program

California RPS statutes require retail sellers to increase the renewable content of their electricity sales by at least 1 percent per year, with a goal of serving 20 percent of the state's retail electricity sales with renewables by 2010. The RPS was enacted in 2002 and the 20% by 2010 target was codified in September 2006 with the enactment of Senate Bill 107 (Simitian, Chapter 464). The Governor, the Energy Commission, and the CPUC endorsed an enhanced goal of 33 percent renewables by 2020 for the state as a whole. Greenhouse gas reduction goals codified in Assembly Bill 32 (Nuñez, Chapter 488, Statutes of 2006) add to the importance of achieving these renewable targets. The RPS program sets goals that help inform the policies of the other programs in the Renewable Energy Program.

The Energy Commission and the CPUC jointly implement the RPS. The Energy Commission's initial roles were to certify renewable facilities as eligible for the RPS, design and implement an accounting system to track and verify RPS compliance, and distribute SEPs to cover above-market costs. In October 2007, the enactment of SB 1036 repealed the provisions for awarding SEPs and required the Energy Commission to transfer the remaining unencumbered SEP funds to the retail sellers, which occurred in March 2008. The CPUC develops rules for and provides oversight of procurement activities.

Following are RPS activities through December 2007:

Since the RPS policy was established in 2002, the state's investor-owned utilities (IOUs) — PG&E, SCE, and SDG&E — have conducted a number of renewable energy solicitations. From these competitive solicitations (including an all-source solicitation), and also through bilateral negotiations, the investor-owned utilities have signed 86 contracts for 5,622 to 7,434 megawatts (MW) of new and existing renewable energy projects to date (range in capacity reflects build-out options). This includes 74 contracts representing 5,061 to 6,874 MW of new, repowered, or restarted renewable facilities. Of these, 20 contracts are with projects that are currently online for 394 MW of capacity (439 MW of maximum capacity from projects only partially online). Online facilities account for 8 percent of the total minimum contracted capacity for new, repowered, or restarted renewable facilities. (Data updated January 14, 2008.)

- The Energy Commission released a *Committee Draft RPS Eligibility Guidebook* in December 2007 that incorporated written and verbal public comments received during and in response to a workshop held in September. The Energy Commission adopted the *Committee Draft Guidebook* on December 19, 2007.
- The Energy Commission and the CPUC are developing a joint report to determine whether the RPS accounting system is operational, capable of independently verifying that the electricity is generated by an eligible energy resource and delivered to a retail seller, and can ensure against double counting of renewable energy credits. If and when such a determination is made, the CPUC may authorize the use of TRECs to satisfy the requirements of the RPS. The Energy Commission and the CPUC plan to hold a workshop in spring 2008 to solicit public input on the joint report.

RPS Contracts

The IOUs continued RPS contract activities this quarter as a result of their RPS solicitations conducted in 2005, 2006, and 2007. Contracts were executed as a result of the solicitations while others were negotiated bilaterally, separate from the RPS solicitation process.

2005 IOU RPS Solicitation

- On November 16, 2007, CPUC resolution 07-11-047 was issued for a 10-year contract between SCE and an existing 225 MW geothermal facility.
- On December 20, 2007, the CPUC issued resolution E-4138 for a 25-year contract between PG&E and a new 553.5 MW solar thermal facility.

2006 IOU RPS Solicitation

- On November 16, 2007, CPUC resolution E-4128 was issued for a 15-year contract between PG&E and a new 85 MW wind facility.
- On November 20, 2007, SDG&E filed an advice letter (1947-E) with the CPUC requesting approval of two 15-year contracts with two new 5 MW biomass facilities.
- On December 18, 2007, a PG&E advice letter (3181-E) was submitted to the CPUC for approval of a 15-year contract with a new 2 MW ocean technology facility.
- On December 20, 2007, CPUC resolution E-4132 was issued for a 20-year contract between PG&E and each of the following facilities:
  - A new 2 MW solar photovoltaic facility
  - A new 5 MW solar photovoltaic facility
  - A new 25.5 MW geothermal facility

2007 IOU RPS Solicitation

- On December 31, 2007, SCE filed an advice letter (2198-E) with the CPUC for approval of 20-year contracts with each of the following facilities:
  - A new 30-100 MW geothermal facility
  - A new 79.5-85.5 MW wind facility
  - A new 7.5-21 MW solar photovoltaic facility.

  The range of capacity reflects potential build-out options.

2007 Bilateral

- On October 29, 2007, PG&E filed an advice letter (3143-E) for CPUC approval of a 20-year contract for a new 150 MW wind facility.
- On November 5, 2007, PG&E filed an advice letter (3150-E) with the CPUC for approval of a 20-year contract with a new 177 MW solar thermal facility.
- On December 21, 2007, PG&E filed an advice letter (3183-E) for the CPUC's approval of a 3.25-year contract with a new 50 MW wind facility.

Western Renewable Energy Generation Information System

The Energy Commission, in conjunction with the Western Governors' Association and renewable energy market stakeholders, designed and implemented an accounting system to verify that renewable energy output is counted only once for the purposes of Renewable Portfolio Standards or other regulatory or voluntary programs related to renewable energy. The Western Renewable Energy Generation Information System (WREGIS), a regional renewable energy certificate tracking and registry system, provides WREGIS Certificates to support verification of compliance with regulatory and voluntary renewable energy programs in the Western Interconnect.

- APX, Inc., the System Development & Technical Operations Contractor, modified an existing generation registry and tracking system for the purposes of WREGIS.
  - The official launch of WREGIS occurred on June 25, 2007, when the system successfully went online. After a 90-day testing period to ensure the system functioned as specified in the contract, the Energy Commission officially accepted the product on October 5, 2007. During the intervening period and through the end of 2007, the interim tracking system met registry and tracking needs.
- WREGIS Administration
  - 91 companies registered to be Account Holders in WREGIS by December 27, 2007.
  - It is expected that all California RPS-obligated entities will become WREGIS Account Holders by the California RPS-obligated date of May 1, 2008.
- The WREGIS Committee held monthly conference calls to discuss and review policy issues related to WREGIS, such as minor changes to system functionality and program documents.
- WREGIS expenditures this quarter from the Consumer Education account (unless noted otherwise):
  - Personal Enterprises, Inc. contract for $155,200 ($115,200 from Consumer Education account; $40,000 from the Energy Resources Program Account or ERPA) for the services of a Quality Assurance/ Configuration Management Consultant (QACM) for WREGIS. The QACM ensures that APX performs the appropriate quality assurance and user acceptance testing, and all WREGIS documentation undergoes version control and adequate storage. Expended $17,040 from ERPA
  - APX, Inc. contract for $3,277,702 for the services of a System Development and Technical Operations (SD&TO) Contractor for WREGIS. The SD&TO Contractor modified an existing generation registry and tracking system to serve the needs of WREGIS. Expended $709,427
  - Western Electricity Coordinating Council contract for $2,202,750 for the administration of WREGIS. The WREGIS Administration staff runs the day-to-day operations of WREGIS. Expended $338,363

New Renewable Facilities Program

The New Renewable Facilities Program (NRFP) fosters the development of new in-state renewable electricity generation facilities by providing financial support. During this reporting period, the NRFP continued to consist of two parts (reported below), however the enactment of recent legislation radically impacts the program.

SB 1036, effective January 1, 2008, requires the Energy Commission to terminate all pending awards made to projects under the New Renewable Resources Account of the RRTF prior to January 1, 2002, unless the projects were online and operational by January 1, 2007. The legislation directs the Energy Commission, by March 1, 2008, to return unused funds to California electrical corporations whose ratepayers contributed funds to support the RRTF, and it abolishes the New Renewable Resources Account effective July 1, 2008. Additionally, the Energy Commission's authority to award SEPs has been eliminated as of January 1, 2008.

1. Under SB 90, production incentives (cents per kWh payments for renewable energy generated) for proposed projects were allocated to the lowest bidders during three competitive solicitation processes. Production incentives are paid over a five-year period once a project begins generating electricity.
    - During this quarter, the NRFP paid approximately $1.75 million in production incentives to 17 facilities for 282 gigawatt-hours of renewable generation.
    - Approximately $56.6 million is encumbered for participating auction winners.
    - Forty-seven[1] projects are currently online and producing electricity, representing 488 megawatts of new renewable energy capacity.
    - Since its inception in June 1998, the NRFP has paid aproximately $73 million in production incentives to forty-seven new renewable generating facilities for 8,133 gigawatt-hours of generation.
    - During this quarter, one project funded by the NRFP was fully paid, and the project account was closed:

CEC ID #	FAA#	Name
50025	REN-98-039	CalWind Resources

[1] The Wintec #2 wind project was split into two projects, but in order to maintain consistency with previous years, it will continue to be reported as one project.

- During this quarter, two projects funded by the NRFP reached the end of their five-year collection period and the project accounts were closed:

CEC ID #	FAA#	Name
50024	REN-98-046	Cabazon Wind Partners, LLC.
50063	REN-01-063	San Diego Point Loma

- During this quarter, ten projects failed to come on-line as stated in the terms of their conditional funding award agreements. These agreements were subsquently cancelled (12/19/2007):

CEC ID #	FAA#	Name
50002	REN-98-004	Brownin-Ferris Gas Service Inc - BFI Ox Mountain
50032	REN-98-007	Mark Technologies Corp. (Alta Mesa IV)
50069	REN-01-069	EUI Project 2001
50072	REN-01-072	Tungstar
50075	REN-01-075	Mark Technologies Corp. (Alta Mesa VII)
50076	REN-01-076	Golden Hills
50079	REN-01-079	Oak Creek 3
50080	REN-01-080	Deetricity
50081	REN-01-081	Oak Creek 4
50082	REN-01-082	Jawbone

- A proposed reallocation of $22,720,992 of New Renewable Resources Account funds to the Emerging Renewables Program was approved at the Energy Commission's December 19, 2007, Business Meeting.[2] These funds consist of unused SB 90 funds that were previously committed under the first, second, and third New Renewable Resources Account competitive auctions held between 1998 and 2001 and will be used for two purposes:

[2]Under the authority of Public Resources Code section 25748 (b), the Energy Commission is authorized to reallocate RRTF dollars among the Renewable Energy Program elements.

- To partially offset the $60 million loan authorized pursuant to AB 135. This legislation authorized the Energy Commission to use up to $60 million of RRTF dollars to support the Emerging Renewables Program and may be expended only until December 31, 2008. The funds are subject to the repayment requirements of Public Resources Code Section 25751 (f).
- To provide additional support for meeting the aggressive goals of the New Solar Homes Partnership program, a component of the California Solar Initiative, by continuing to pay rebates for the installation of high performing solar systems.

2. Financial production incentives, referred to as SEPs, have been available to cover above-market costs of meeting the RPS, subject to certain cost constraints. Eligible facilities that secure power purchase agreements with retail sellers through competitive solicitations have been previously eligible to apply for SEPs. However, with the passage of SB 1036, the Energy Commission's SEPs program ends. Beginning 2008, the CPUC has authority over the disposition of SEPs for above-market costs.

   All SEPs applications filed at the Energy Commission through October 2007 either included confidentiality requests or were incomplete, failing to provide required data necessary for application evaluation. There have been no applications filed that have been complete and have also filed complete confidentiality requests. The Energy Commission had notified applicants of deficiencies in their applications and/or confidentiality requests and was awaiting responses at the time SB 1036 became effective and ended the SEPs program.

Emerging Renewables Program

The Emerging Renewables Program (ERP) provides consumers of electricity in investor-owned utility service territories with a rebate incentive to offset the cost of purchasing and installing new renewable energy systems at their homes and businesses. Reduced purchase costs encourage manufacturers and retailers to expand operations and reduce costs to consumers. Incentive payments are based on the rated electrical capacity of the system.

Through 2006, eligible technologies were solar photovoltaic (PV), small wind, fuel cells using renewable fuels, and solar thermal electric. Effective 2007, only small wind systems (rated output of 50 kW or less) and fuel cells (using a renewable fuel) are eligible. The California Solar Initiative, discussed below, has replaced the solar components of both the Energy Commission's ERP and the CPUC's Self-Generation Incentive Program.

- At the Energy Commission's December 19, 2007, Business Meeting, $22,720,992 of SB 90 New Renewable Resources Account funds was approved for reallocation to the Emerging Renewables Program. These funds will be used to partially offset the $60 million loan to support the Emerging Renewables Program, authorized pursuant to AB 135, and to assist with meeting New Solar Homes Partnership goals.
- During this quarter, payments for both solar and wind projects totaled $8.2 million for 579 installed systems. This represents 3.2 MW of capacity.
- Approximately 18 reservation requests were received for about 88 kW of wind capacity.

- Payments to date total $396 million for 27,696 systems representing approximately 123 MW of distributed generation capacity.
- Funds encumbered for 2,476 systems total nearly $30 million, representing 11.4 MW of capacity.

Updated public information concerning the ERP continued to be made available on the Energy Commission's website.

- **California Solar Initiative/New Solar Homes Partnership**

  The California Solar Initiative (CSI) is a $3.35 billion solar incentive program administered by the CPUC, Energy Commission, and publicly-owned utilities from 2007 through 2016. The CPUC is responsible for providing incentives to the nonresidential and existing residential markets, and the Energy Commission's New Solar Homes Partnership (NSHP) program offers incentives to encourage solar installations, with high levels of energy efficiency, in the residential new construction market for investor-owned electric utility service areas.

  - A total of 56 reservation requests for 293 solar systems were received during this quarter.
  - Since the program's inception, there have been a total of 151 applications received for 1,565 solar systems through December 31, 2007.
  - At the end of this quarter, $20,095 has been paid and $3.55 million has been encumbered.

  Expenditures for the NSHP support contracts are reported under their funding source, the Consumer Education Program.

- **Pilot Performance-Based Incentive Program**

  This pilot program began in January 2005 as a possible long-term option for building the PV market in California. With a budget of $10 million, the program offered a rebate level of $0.50 per kWh based on the energy production of the installed solar PV system. The initial reservation period was one year to install the system with quarterly performance payments made over a three-year period. The Pilot Performance-Based Incentive (PBI) Program received a total of 55 applications and closed December 31, 2006 with commencement of the California Solar Initiative.

  - During the quarter payments of $155,000 were made.
  - A total of 18 systems, representing 756 kW of capacity, are installed and receiving quarterly payments.
  - As of December 31, 2007, funds encumbered for two approved applications represent $153,000 and 53 kW of additional potential capacity.
  - As described in the ERP Guidebook, the Energy Commission evaluated the pilot program to determine if program objectives were met, and program design and

incentive levels were adequate. In June and July of 2006, a survey was conducted to gather data from applicants of the Pilot Performance-Based Incentive program. In addition, staff also surveyed PV customers of the CPUC's Self-Generation Incentive Program in order to compare the two programs. Survey results were analyzed and published September 2007 in the *Preliminary Evaluation of Pilot Performance-Based Incentive Program* Staff Report located at http://www.energy.ca.gov/2007publications/CEC-300-2007-011/CEC-300-2007-011.PDF. Staff has recommended a follow-up report, perhaps in 2008, to obtain and analyze information regarding Performance Based-Incentive participants' system design, installation, and performance data. Although the development of the California Solar Initiative effectively closed the pilot Performance-Based Incentive program, information presented in the final report may be useful in future modifications of the CSI.

- **Affordable Housing Program**

Solar PV systems installed on affordable housing projects and meeting defined criteria are offered rebates 25 percent higher than the standard ERP rebate, not to exceed 75 percent of the system cost.

- During this quarter, payments of $532,000 were made to 36 affordable housing projects representing 160 kW.
- $2.5 million remains reserved for 177 projects pending completion representing 758 kW.
- The Affordable Housing Program represents 1.4 MW of installed renewable electrical capacity for 460 systems as of December 31, 2007.

- **Solar Schools Program**

In May 2004, the Solar Schools Program offered $4.5 million in incentives to eligible public and charter schools for the installation of solar PV systems. Over thirty schools have been selected to receive the higher rebate – participants receive double the current ERP rebate – and awardees claim their rebate when their PV system is fully installed and operational. The Solar Schools Program is now closed to new applicants. The program was funded equally by the Energy Commission's Emerging Renewables Program ($2.25 million) and the California Attorney General's Alternative Energy Retrofit Account ($2.25 million).

- Through the end of the quarter, the program has paid $3.3 million for 24 schools, resulting in more than 529 kW of added solar capacity.
- Nine remaining schools are in various stages of completing their PV projects.

Existing Renewable Facilities Program

The Existing Renewable Facilities Program (ERFP) provides production incentives to biomass, solar thermal, and wind facilities. Incentive payments are tied to market prices, with no payments made if the market price is above a predetermined target price. Beginning 2007, under Senate Bill 1250's program structure, facilities must reapply for funding on an annual basis in order to establish that calendar year's target price and production incentive cap.

- During this period, Funding Award Notices were issued to the following facilities: HL Power Company, Burney Forest, Pacific Lumber Co., Rio Bravo Fresno, Rio Bravo Rocklin, Wadham Energy, Woodland Biomass, Big Valley Power, Collins Pine, Thermal Energy Development Partnership, Wheelabrator Shasta, and Luz Solar Partners III – IX (SEGS III – IX).

Approximately $5.97 million in payments were made during this reporting period for 968 GWh of January to September 2007 generation. These payments were distributed to the Sierra Power, Dinuba, Madera, HL Power Company, Burney Forest Power, Rio Bravo Fresno, Rio Bravo Rocklin, Wadham Energy, Woodland Biomass, Big Valley Power, Sunray Energy, Sierra Pacific and Colmac facilities. In the first quarter of 2008, it is expected that payments will be made to additional facilities for January through December 2007 generation along with further payments to the aforementioned facilities.

- To date, cumulative payments totaling $257 million have been made to existing facilities for generation.
- ERFP rollover funds — those remaining after payments have been made and rolled over to the next payment cycle as available funds — total $15.6 million.
- 628 facilities are certified as RPS eligible renewable suppliers, with 143 eligible for funding from the ERFP.

On December 13, 2007, the Renewables Committee held a workshop to discuss staff's proposed changes to the *ERFP Guidebook*. The proposed changes are designed to make the program more user-friendly for applicants and for the Energy Commission. One of the proposed changes is a scoring matrix that will aid staff in calculating eligible funding awards. The scoring matrix aims to tie funding to the following categories: increases in near-term generation, capital improvements to the facility, efficiency improvements, and an award for facilities that have average monthly energy prices that are significantly lower than other facilities participating in the ERFP. Staff expects to submit a revised *ERFP Guidebook* to the Energy Commission for adoption in the second quarter of 2008.

Consumer Education Program

This program is designed to increase public awareness of renewable energy and its benefits, and to help build a consumer market for renewable energy and small-scale emerging renewable technologies.

- **New Solar Homes Partnership** contract activities:
  - ProProse contract for $105,000 assists the NSHP campaign by securing varying levels of partnerships. These include builders to participate in the program, financial institutions offering energy efficiency and solar-friendly loans or pgorams, realtors and appraisers, utilities, and other entities to help leverage the NSHP's outreach and public awareness campaign dollars.

    Activities conducted by the contractor include: Held meetings and discussions with Energy Commission staff, financial institutions, and a media network regarding possible parntership activities; reviewed and provided feedback on the Builder Outreach Kit outline and telephone survey questionnaire submitted under the Edelman contract; attended the Pacific Coast Builders conference to meet with builders and scope out other potential partners; held discussions with appraisers to research incremental value of solar PV systems on homes; submitted recommendations for a press event to announce the first builders to participate in the program and highlight the market research results; attended status meetings with Energy Commission and Edelman staff. Expended $0.00 (Invoices for this quarter's activities will be paid in January.)

  - Edelman three-year contract for $4.3 million provides an array of marketing and media planning services. These include market research to analyze and identify California home buyers who are most likely to seek higher levels of energy efficiency and solar photovoltaic systems when purchasing new homes, determining the most effective messaging, logo design and branding, creative development (advertisements and print collateral), and ad placement.

    Activities conducted by the contractor include: Met with Energy Commission staff on edits to the draft market research report and submitted a revised draft accordingly; coordinated various partnership development activities including drafting and submitting a detailed plan for Local Government Outreach for potential partnering; participated in the California State Fair with a booth and NSHP informational materials; continued work on developing Builder Outreach Kit case studies with ProProse and Energy Commission staff; submitted the draft 2007 Marketing and Media Plan; developed outline and began research for draft 2008 Market and Media Plan; designed and submitted draft solar brand logos for Energy Commission review; continued coordinating efforts for a builder announcement event at the State Capitol. Expended $59,989

- **KEMA** technical assistance contract supported Consumer Education activities as follows:
  - Utility Allowance Model work: Contractor is developing a quantitative model to be made available to California's affordable housing community in order to estimate utility expenses for affordable housing developments considering solar electric systems. Work this quarter included continued coordination with the Alternative Compliance Method vendors and collecting input tables for utility rate schedules and end uses; programming

for the conceptual design; revising input screens; building internal calculations, output, and reports. Expended $7,640

- WREGIS development activities: Held conference call with WREGIS staff to discuss transferring administrative duties and participated in WREGIS Committee meeting. Expended $1,161

- An additional $743 was expended to reprint additional consumer brochures for the New Solar Homes Partnership. These informational brochures are distributed at conferences, training workshops, and to requesting solar PV retailers.

- The Energy Commission was a "Watt" sponsor for the annual Solar Power 2007 Conference hosted by the Solar Electric Power Association (SEPA) held in Long Beach on September 24-27. The sponsorship package, valued at $10,000, was paid from Consumer Education funds in the amount of $4,995. The discount was due to the Energy Commission's long-standing involvement and support of SEPA's conferences since the organization's inception.

Additional Renewable Energy Program Activities

- **Cost Benefit Study of Self-Generation Incentive Program**

  Pursuant to Assembly Bill 2778 (Lieber, Chapter 617, Statutes of 2006), on or before November 1, 2008, the Energy Commission, in consultation with the CPUC and California Air Resources Board, must evaluate the costs and benefits, including air pollution, efficiency, and transmission and distribution system improvements, of providing ratepayer subsidies for renewable and fossil fuel "ultraclean and low-emission distributed generation," as part of the Energy Commission's *Integrated Energy Policy Report.* The Energy Commission must include recommendations for changes in the eligibility of technologies and fuels under the program, and whether the level of subsidy should be adjusted after considering its conclusions on costs and benefits.

  In October 2007, a total of five proposals were received in response to a Request for Proposal for a contractor to provide a comprehensive cost-benefit analysis of electric generation technologies related to the Self-Generation Incentive Program. Two proposals were rejected and three proposals were independently reviewed by a four-person evaluation and selection committee. TIAX LLC was selected as the winning bidder and a Notice of Proposed Award was posted in November. A contract request package, prepared in December, will be submitted for approval at a January 2008 Business Meeting.

- **Guidelines for California's Solar Electric Incentive Programs**

  Senate Bill 1 (Murray, Chapter 132, Statutes of 2006) requires the Energy Commission, in consultation with the CPUC, local publicly-owned electric utilities, and interested members of the public, to establish eligibility criteria for solar energy systems; conditions for incentives; rating standards for equipment, components, and systems for electric ratepayer-funded solar energy incentive programs in California by January 1, 2008.

The bill identifies the following conditions for receiving ratepayer funded incentives:

1. High quality solar energy systems with maximum system performance to promote the highest energy production per ratepayer dollar
2. Optimal system performance during periods of peak demand
3. Appropriate energy efficiency improvements in the new and existing home or commercial structure where the solar energy system is installed

In October 2007, a workshop was conducted to receive comments from the industry and public on the draft "*Guidelines for California's Solar Electric Incentive Programs Pursuant to Senate Bill 1*" (publication #CEC-300-2007-012-D). As a result of oral and written comments received from 22 parties, staff prepared the Renewables Committee Final "*Guidelines for California's Solar Electric Incentive Programs Pursuant to Senate Bill 1*" (publication #CEC-300-2007-012-CTF) in November. The document was presented and approved at the December 19, 2007 Business Meeting. The adopted Guidelines included an erratum that was presented at the Business Meeting and accepted by the Energy Commission. A Notice of Availability, Erratum, and copy of the adopted Guidelines are expected for release in early January 2008.