

David Weisenberger
Chairman

June 1, 2008

Steven C. Collup
Vice Chairman

W. Kent Palmerton
General Manager

Attention: POU SB 1 Compliance Report
California Energy Commission
1516 9th Street, Sacramento, CA 95814

Bruce McLaughlin
Secretary

David A. Nixon
Treasurer/Auditor

This Report was prepared in compliance with the Reporting Requirements for 2008 listed on pages 27-28 of the CEC's Guidelines for California's Solar Electric Incentive Programs Pursuant to Senate Bill 1.

Robertson-Bryan, Inc.
Consultants

Braun Blaising
McLaughlin, P.C.
Legal Counsel

The Power & Water Resources Pooling Authority ("PWRPA") is a joint powers authority comprised of public agencies (9 irrigation districts). The joint powers agreement includes provision for participation by stakeholders, which are also public agencies including 3 water districts, 1 reclamation district, 1 water storage district, and 1 water conservation agency (collectively, the parties and stakeholders are called "Participants"). The 15 Participants are PWRPA's customers and use electric power for purposes such as providing irrigation and municipal and industrial water.

Member Districts
Banta-Carbona I.D.
Byron-Bethany I.D.
Glenn-Colusa I.D.
James I.D.
Lower Tule River I.D.
Princeton-Codora-Glenn I.D.
Provident I.D.
The West Side I.D.
West Stanislaus I.D.

PWRPA is a publicly-owned electric utility ("POU") as defined in Public Utilities Code section 9604(d). In 2007, the Pooling Authority's Board of Directors adopted, implemented, and funded a solar initiative program ("SIP") for the purpose of investing in, and encouraging the increased installation of solar energy systems by its customers.

Participating Agencies
Arvin-Edison W.S.D.
Cawelo W.D.
Sonoma County W.A.
Reclamation District 108
Santa Clara Valley W.D.
Westlands W.D.

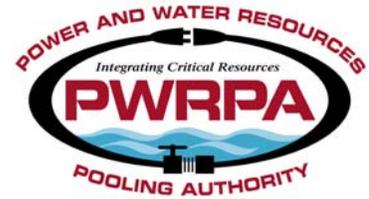
1. Solar program overview and contribution toward goals, including:

a. Outreach and marketing, overview of program administration and activity during reporting period

Main Address
P.O. Box 299
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Based upon the most complete information at that time from the U.S. Department of Energy (www.eia.doe.gov/cneaf/electricity/esr/table10.xls) and the California Energy Commission's Electricity Analysis Office, PWRPA calculated its obligation to be at 0.49% of the total obligation set for POU's by SB 1. Accordingly, the PWRPA SIP has the goal of installing approximately 3.5 MW of member-owned solar electric systems in the next ten years. PWRPA will allocate up to \$385,700 for the calendar year 2008 to fund its SIP with a total obligation not to exceed \$3,857,000 in the next ten years. On January 1, 2008, the SIP began with an initial monetary incentive of \$2.80 per installed watt, decreasing by 7 percent per year thereafter.

Billing Address
PWRPA
P.O. Box 160
Arvin, CA 93203
Tel: (661) 854-5573
Fax: (661) 854-5213



Pursuant to the joint powers agreement, PWRPA's Board of Directors is comprised of representatives from all 15 Participants. PWRPA holds Board Meetings each month that are subject to the California Open Meetings Law (Ralph M. Brown Act) whereby each meeting requires a public notice, open discussions, and a written memorialization in the official minutes. The monthly Board Meetings, therefore, comprise PWRPA's routine and formal method to "market" and discuss the SIP with its 15 customers.

During this reporting period from January 1 through March 31, 2008, PWRPA held 3 Board Meetings at which the SIP was discussed. At least two PWRPA Participants have expressed their interest in the SIP.

b. Problems identified and resolutions or recommended mitigation

Problem: PWRPA is unlike other POU's which generally have thousands of residential/commercial customers that pay standardized rates and the cost can be shared across the rate base fairly easily. On the contrary, the PWRPA Participants are few in number. How can PWRPA craft an SIP that encourages Participants to install solar PWRPA's full allotment of PV systems, fairly distributes the costs and benefits, and is cost-effective?

Resolution: Structure the SIP whereby load reductions achieved by one Participant through the installation of solar (as is also true for PWRPA's energy efficiency program) will benefit PWRPA's hydroelectric power pooling.

Problem: PWRPA's service territory for its 15 Participants spans several climatic zones and may have different locational marginal prices after the CAISO implements the MRTU. What is the best location for a solar installation within each PWRPA Participant's (i.e., customer) service territory.

Resolution: PWRPA hired an engineering firm to: (1) evaluate solar irradiance by Participant service territory; (2) evaluate the possible MRTU pricing by Participant service territory; (3) evaluate various siting opportunities; (4) evaluate the attributes of various solar technologies; and (5) formulate a ranking based on the evaluations.

c. Opportunities for the year ahead

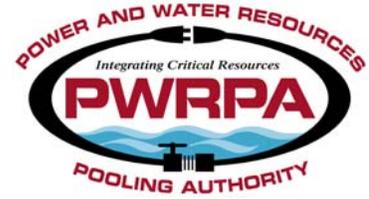
The PWRPA Board and its individual Participants will consider the results of the engineering study. At least two Participants have expressed an interest in the SIP.

2. Number of submitted applications:

None. Participants have chosen not to apply until the Board completes its review of the engineering study.

3. Total incentives awarded, including:

None. Participants have chosen not to apply until the Board completes its review of the engineering study.



a. Total public goods charge funds collected during reporting period,

One hundred eighty six thousand, seven hundred twenty five dollars (\$186, 725).

b. Total solar incentive expenditures,

None. Participants have chosen not to apply until the Board completes its review of the engineering study.

4. The total number of systems installed:

None. Participants have chosen not to apply until the Board completes its review of the engineering study.

5. Amount of added solar capacity installed and expected generation:

None. Participants have chosen not to apply until the Board completes its review of the engineering study.

Please contact me if you have any questions.

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