

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



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Order Instituting Rulemaking Regarding Policies,
Procedures and Rules for the California Solar
Initiative, the Self-Generation Incentive Program
and Other Distributed Generation Issues.

Rulemaking 10-05-004
(Filed May 6, 2010)

**COMMENTS OF THE DIVISION OF RATEPAYER ADVOCATES
ON ALJ'S RULING REQUESTING COMMENT ON THE SELF-GENERATION
INCENTIVE PROGRAM BUDGET THROUGH 2014**

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INCENTIVE PROGRAM BUDGET THROUGH 2014**

I. INTRODUCTION

Pursuant to Rule 14.3 of the Commission's Rule of Practice and Procedure, the Division of Ratepayer Advocates (DRA) submits these comments on the October 19, 2011 "Administrative Law Judge's Ruling requesting Comment on the Self-Generation Incentive Program's Budget through 2014."

II. DISCUSSION

A. Due to Substantial Available Funds, It Is Unnecessary to Burden Ratepayers with Collecting \$83 Million per Year, Starting January 1, 2012

The SGIP program had been suspended for most of 2011, and previously authorized funds had not been spent. Apparently, there is \$165 million already collected from ratepayers that is available for incentive funding to SGIP projects.

The Commission is not mandated by Senate Bill 412 to authorize collection of \$83 million per year by the utilities at this time; SB 412 only authorizes the Commission to do so. Almost two years' worth of funding (\$165 million) has already been collected. There appears to be no pressing reason to authorize an additional funding of \$83 million per year for 2012, 2013, and 2014 at this time.

DRA recommends that additional collections from ratepayers for SGIP be postponed until the Commission fully understands how the major modifications to the SGIP program will impact requests for incentives funds, and until at least 50% of the remaining funds (i.e., 50% of \$165 million) are designated to specific, new projects (i.e., projects that have met eligibility requirements and satisfied application requirements).

At that time and after a review of implementation of the newly-revised SGIP program by Energy Division, it would be appropriate to consider collecting additional funds from ratepayers.¹

¹ It is possible that waiting could slightly reduce the total amount collected over the three years (2012 through 2014), because SB 412 only authorizes collections until the end of 2014 (while authorizing

Footnote continued on next page

Respectfully submitted,

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further doling out of the funds through 2016). However, waiting would better protect ratepayers from a situation where there is a glut of SGIP collections without sufficient proposed projects to absorb it.