

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

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

Rulemaking 06-03-004
(Filed March 2, 2006)

**REPLY COMMENTS ON SINGLE FAMILY HOMES PROPOSED DECISION
BY A WORLD INSTITUTE FOR A
SUSTAINABLE HUMANITY**

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BY A WORLD INSTITUTE FOR A SUSTAINABLE HUMANITY**

I. INTRODUCTION

A World Institute for a Sustainable Humanity (A W.I.S.H.) takes this opportunity to file brief Reply Comments on the Proposed Decision (PD) of President Peevey establishing the single family low income solar initiative program. Again, A W.I.S.H. strongly supports the PD, with the modifications we suggested in Opening Comments. Pursuant to Rule 14.3(d) we identify below factual or legal errors in filed comments of other parties.

Specifically, A W.I.S.H. focuses on what it believes to be error with respect to: (1) a single administrator; (2) Southern California Edison's ("SCE") statements regarding an alleged three fold increase in benefits with full subsidization and renewable energy credits ("REC"); (3) Pacific Gas & Electric's ("PG&E") discussion of coordination with federal programs and leveraging; and (4) other parties' omissions regarding AB 32 goals and maximizing weatherization prior to solar installations.

A W.I.S.H. lauds the Commission's leadership in ensuring sustainable energy sources for low income residents. We continue to believe that California's efforts in energy efficiency, including for the low income, serve as a national model.

II. A W. I. S. H. BELIEVES PARTIES' COMMENTS AGAINST A SINGLE ADMINISTRATOR OVERLOOK IN ERROR IMPORTANT COUNTERVAILING CONSIDERATIONS

Several parties expressed concern that there was no single entity capable of administering the low income California Solar Initiative ("CSI") on a statewide basis. *See* Comments of SCE at p. 3; Comments of the California Center for Sustainable Energy at p. 5. A W.I.S.H. does not believe this to be the case. The Department of

Community Services and Development (“CSD”), for example, has a statewide presence and network of community service providers that could be mobilized with other community based organizations (“CBOs”) and sub-contractors, as needed, if CSD were interested in bidding on the low income CSI contract.¹ There may well be other entities with whom we are unfamiliar. At most, the Commission might provide contingency language in the PD, as PG&E suggests, so that the possibility of more than one administrator in the state could be exercised, if necessary.² However, A W.I.S.H. respectfully urges that it be a contingency only to be exercised if problems arise with the single administrator concept, an eventuality that we do not perceive likely.

PG&E, at p. 4 of its comments, acknowledges A W.I.S.H.’s concern about coordination of the low income CSI with low income energy efficiency (“LIEE”) and Low Income Home Energy Assistance Program (“LIHEAP”) and advances utility administration as a solution. If CSD, with its statewide network, were to administer the program, it is infinitely capable of leveraging LIHEAP, Department of Energy (“DOE”), and LIEE dollars. The requirement that the administrator have knowledge of and ties to low income communities means that whatever entity is selected will perform need to be able to work with existing low income energy programs, both ratepayer and Federally funded. That entity should also be able to encourage job skills creation in low income communities in solar and other weatherization and renewable technologies, as required in statute.³ A W.I.S.H. strongly agrees with other comments that job skills

¹ CSD as an administrator would obviate most of the contractual and enforcement issues since it is a state entity. *See* Comments of SCE at p. 6.

² Comments of PG&E at pp. 3-4.

³ *See* Public Utilities Code Section 327(a)(3).

training for underserved communities should be an outcome of the CSI.⁴ Existing Code provisions on the LIEE *require* job skills training in the low income context.

III. A W.I.S.H. CONTENDS THAT SCE MISPERCEIVES STATUTORY INTENT WITH RESPECT TO REC CREDITS

At page 9 of its comments, SCE asserts that fully subsidized low income CSI customers would be receiving benefits “three times over” if they were permitted to retain the RECs.⁵

A W.I.S.H. reminds SCE and the Commission that the lower end of households by income who are eligible for the low income CSI are extremely poor. In our Opening Comments on the PD at p. 5, we noted the KEMA finding that the average household income of LIEE low income families was **\$21,601**. Sixty-eight percent earned less than \$24,999 annually. KEMA also found an average energy burden of 8.4% with a high energy burden of 13.4%, only a 35% home ownership ratio, and high energy insecurity. Fifty-seven percent, according to KEMA, had had to cut back on necessities, 49% worried about paying bills, and 37% had missed paying bills. A full 28% were found to be in crisis, with another 38% vulnerable.⁶ KEMA also found “significant untapped potential” for LIEE measures.⁷ As Disability Rights Advocates and A W.I.S.H. pointed out in earlier comments, nearly half of LIEE eligible have disabled and/or elderly household members. (KEMA at Table 4-16)

⁴ Comments of the Greenlining Institute at p. 6 and PG&E at pp. 5 – 6.

⁵ SCE asserts that ratepayers would be purchasing a solar generator for the low income customer, purchasing the power exported from the generator, and purchasing renewable attributes from these previous investments.

⁶ KEMA Final Report on Phase 2 Needs Assessment, pp. 4-6, 4-7, 5-12, 5.17, & Table 5-12..

⁷ *Id.* at p. 1-2.

In enacting AB 32 and the subsequent Pavley statute, the State Legislature and Governor have indicated their intention that California, including low income communities, pursue aggressive energy efficiency and renewables programs to reach AB 32's greenhouse gas reduction goals. More than a third of Californians are low income under the LIEE eligibility. If these households are to benefit from energy efficiency and renewables programs and technology, it is clear that there need to be full subsidies. Ratepayers subsidize many other energy programs for corporate and affluent constituencies, including incentives to utilities. Further 9/10ths of the CSI which is funded by ratepayers goes to non-low income participants, while low income ratepayers are a full third of the population.

It is the Commission's responsibility to effectuate legislative intent.⁸ If the intent of the low income CSI is to reach the most vulnerable and those households that qualify as "extremely low income" and "very low income" (PD at p. 11), then SCE's comments contravene that intent. Should the PD be modified at all in this respect, -- which we do not advocate --, then it should explicitly state that the REC treatment that SCE objects to is limited to low income customers under Pavley and LIEE.⁹ Low income customers *should* benefit under the CSI.

IV. PARTIES' ERR IN FAILING TO DISCUSS AB 32 GOALS

A W.I.S.H. wholly supports the energy audit and full weatherization requirements in the PD, or being on the LIEE waiting list, prior to participation in the CSI program. Other parties, however, made no mention of the LIEE's requirement of all feasible measures as provided in Section 2790(b)(2) of the Public Utilities Code, as

⁸ See, *Burden v. Snowden* (1992) 2 Cal.4th 556, 562.

⁹ SCE Comments at p. 9.

well as the Weatherization Manual. This approach promotes greater health, comfort, safety, and job skills training as Public Utilities Code Sections 327(a)(3) &(b)(8) envision, as well as advancing greenhouse gas reduction.¹⁰ Full installation of all feasible measures furthers state energy efficiency/greenhouse gas goals and individual customer health, safety and comfort.

V. CONCLUSION

For the reasons set forth above, A W.I.S.H. respectfully urges that its proposed modifications be incorporated, -- including on time of use, reaching as many LIEE eligible as possible and capping the higher income eligible under Pavley, sweat equity clarification, and clarification on all feasible measures and measure payback time --, into the PD to ensure that single low income households benefit from the CSI without harmful unintended consequences. Once again, A W.I.S.H. applauds the Commission's leadership on the low income Solar Initiative and urges the maximum number of California's lowest income households be served by the program, including through job skills training in "green" technologies with the "network of community service providers."¹¹

Dated: November 13, 2007

Respectfully submitted,

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¹⁰ The Low Income Energy Efficiency Policies and Procedures Manual at page 24 requires installation of all feasible measures. (July 24, 2007)

¹¹ Public Utilities Code Section 381.5.

CERTIFICATE OF SERVICE

I, the undersigned, hereby declare: _____

I am a citizen of the United States of America over the age of eighteen years. My business address is P.O. Box 428, Mill Valley, Ca. 94942.

On November 13, 2007 I caused service by electronic mail and/or U.S. mail of the original attached:

REPLY COMMENTS ON SINGLE FAMILY HOMES PD

BY A W.I.S.H.

Be made on the parties on the service list for Rulemaking 06-03-004, as it was found on the CPUC'S website on November 13, 2007.

I declare under penalty of perjury that the foregoing is true and correct.

Dated in Mill Valley, California, this 13th day of November, 2007.

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