

California's Home Retrofit Program and Endorsement of HomeStar

California is launching shortly (targeted for April) the largest home retrofit program in the country. It is funded to do deep retrofits (overall average of 20% savings) of 130,000 homes by end of 2012 (1% of CA homes), and produce at least 15,000 jobs.

Not only is the CA program compatible with the proposed federal program, HomeStar but many policy makers believe it would

benefit greatly by the demand that HomeStar would create.

Governor Arnold Schwarzenegger issued a statement after President Barack Obama outlined more details of a new HOMESTAR program that encourages American families to invest in energy saving home improvements which will also help create jobs.



"...HomeStar Program encourages American families to invest in energy saving home improvements..."

Commission Issues Final Decision in Tradeable RECs Proceeding

After over a year of waiting, the Commission voted out the Final Decision allowing unbundled renewable energy credits (RECs to be used for RPS compliance).

The Final Decision – issued March 11, 2010 – will allow load serving entities the use of in-state RECs to meet RPS requirements. In short, the final decision does as follows: 1.) authorizes use of Tradable RECs for RPS

compliance 2.) clarifies classification of transactions as Tradable REC or bundled RPS procurement 3.) sets market rules for Tradable REC market, sets a temporary cap of \$50/REC on Tradable RECs used by utilities for RPS compliance (this price cap will sunset on Dec. 31, 2011) and 4.) sets a temporary usage limit of 25% of RPS annual procurement target for tradable RECs used by three large utilities.

You can view the California Public Utilities Commission decision at: http://docs.cpuc.ca.gov/PUBLIC_SHED/AGENDA_DECISION/114750.htm

ASSEMBLY UTILITIES AND COMMERCE CHAIR ANNOUNCED

Steve Bradford, a Democrat from Los Angeles will be the next Chair of the Assembly Utilities and Commerce Committee. Bradford is the least liberal of the other leading candidates and will be more open to issues of importance to us. We see his appointment as a positive one and are excited to work with him as Chair of an extremely important committee.

April 2010
Volume 1, Issue 4

Inside this issue:

California's Home Retrofit Program	1
Commission Issues Final Decision	1
Assembly U & C Chair Announced	1
CPUC Approves Fuel Cell Projects	2
In The Know...	2

COMING SOON...

- Update on Direct Access Reopening
- Update on Energy Efficiency Programs
- Renewable Bills to Watch

CPUC APPROVES FUEL CELL PROJECTS FOR PG&E AND EDISON

"The projects will advance acceptance of fuel cell technologies in California..."

The California Public Utilities Commission (CPUC) today authorized Pacific Gas and Electric Company (PG&E) and Southern California Edison to undertake Fuel Cell Projects to install utility-owned fuel cells on several University of California and California State University campuses.

PG&E's Fuel Cell Project will consist of the installation and operation of three utility-owned fuel cell generating facilities with a total capacity of 3 megawatts (MW) at CSU East Bay and San Francisco

State University (SFSU). Two of the facilities will be located at SFSU, namely a 1.4 MW molten carbonate fuel cell and a 200 kW solid oxide fuel cell. CSU East Bay will host a 1.4 MW molten carbonate fuel cell. The molten carbonate fuel cells will be designed to utilize the byproducts of the energy conversion process, including waste heat and water to meet other campus needs including thermal demand, for heating the Olympic-sized swimming pool at CSU East Bay, and using excess water for

landscape irrigation. The plants have an estimated useful life of 10 years. The projects will advance acceptance of fuel cell technologies in California, provide electricity to the grid, and provide fuel cell by-products to the host campuses. Additionally, these projects will be integrated into the curriculums of the host campuses, providing important educational benefits.

For more information:
<http://docs.cpuc.ca.gov/efile/ALT/114352.pdf>.

In The Know...

- ✓ **New Appointments from Governor Schwarzenegger:**
 - **Bob Foster**, 63, of Long Beach, has been appointed to the California Independent Systems Operators Board of Governors.
 - **Edward Randolph**, 40, of Sacramento, has been appointed director of the office of governmental affairs and senior policy advisor for the California Public Utilities Commission.
- ✓ **SCE Application to implement AB 920 on Net Metering:** The SCE application (A.10-03-013) is now posted on the CPUC's web site. It is fairly matter-of-fact. It does not call out any policy issues like PG&E (such as FERC jurisdiction) and does not address cost recovery. However, the testimony is not attached to the application so we are not entirely sure that they did not raise issues of cost recovery. It also attaches a modified rate schedule to address the changes. PG&E's approach to this seems more problematical and we will be considering filing something brief to protest proposed cost recovery.
- ✓ **Utility RPS Procurement Meeting:** The ALJ has set a public meeting April 13, 2010 with the three utilities to discuss 2010 RPS procurement plans.
- ✓ **Comm. Simon Issues TRECs Decision Concurrence; Advocates Raising Caps:** Commissioner Simon has issued a concurrence to the TRECs decision. In it, he notes a desire to see the utility cap on TRECs increased sooner rather than later.
- ✓ **CEC's "Cash for Appliances" Program:** The California Cash For Appliances Rebate Program will begin as scheduled on April 22, 2010. Details about the program can be found at the web address below. For more information: <http://www.cash4appliances.org>