

March 18, 2011

Damon Franz
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102

SUBJECT: California Solar Initiative Thermal Program Non-Water Heating
Solar Thermal Technologies Request for Post-Workshop Comments

Dear Mr. Franz:

Southern California Edison Company (SCE) appreciates the opportunity to comment on the February 23, 2011, California Public Utilities Commission (CPUC or Commission) Energy Division (ED) hosted workshop to discuss opening the California Solar Initiative (CSI) Thermal Program to non-water heating solar thermal technologies and process heat applications. At the workshop, parties discussed: (1) the types of technologies that might seek to participate in the CSI Thermal Program; (2) ways to develop standards for potential technologies; and (3) potential options for paying incentives to these potential technologies.

SCE supports the solar thermal segment of the CSI Program. In response to the abovementioned discussions, SCE recommends that a third-party evaluation be required for all potential non-water heating solar thermal technologies and process heat applications.

At the workshop, parties discussed the potential inclusion of several non-water heating solar thermal technologies within the CSI Thermal Program. These technologies, while not new to the distributed generation (DG) industry, are new to the CSI Thermal Program and should be evaluated prior to their inclusion.¹ A multi-perspective DG cost-benefit analysis that utilizes the methodology adopted in D. 09-09-026 will help the Commission and interested stakeholders make sound decisions regarding the inclusion of new technologies and spending of public funds in a manner that furthers commission's policy and accommodates the CSI Thermal Program's technology expansion criteria. This third-party evaluation (prior to expansion) is consistent with Public Utilities Code (PUC) Section 2863(a), added by Assembly Bill (AB) 1470, which requires the program to be cost effective for ratepayers and in the public interest.

In consideration of the foregoing, SCE requests that any future modification(s) to the CSI Thermal Program, as related to technology eligibility, be done only after a third-party cost- benefit

¹ SCE clarifies, pursuant to Senate Bill 1 (Stats. 2006, Ch. 132) and D. 10-01-22, that electric displacing non-PV solar thermal projects may currently apply for incentives through the CSI General Market Program.

Mr. Damon Franz
Page 2
March 18, 2011

evaluation has been completed and it is determined that expanding eligibility to non-PV technologies is cost effective for ratepayers and in the public interest.

Southern California Edison Company



Gary Barsley
Manager Solar Initiatives & Self- Generation Programs
Southern California Edison

cc: Service List Rulemaking (R.) 10-05-004