

California Public Utilities Commission
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CPUC REPORTS ON SUCCESS OF CALIFORNIA'S SOLAR PROGRAM

SAN FRANCISCO, June 30, 2009 - The California Public Utilities Commission (CPUC) staff today issued its first annual program assessment report to the State Legislature for the California Solar Initiative, the country's largest solar incentive program. The report details the progress of the program and its accomplishments to date.

In January 2007, California launched an unprecedented \$3.3 billion program with the goal of installing 3,000 megawatts (MW) of new grid-connected solar in 10 years and transforming the market for solar energy by reducing its cost. The CPUC portion of the solar effort is known as the California Solar Initiative, and has a \$2.2 billion budget and a goal of installing 1,940 MW by the end of 2016. The report, which is required by the State Legislature, highlights the following key findings:

- California has over 500 MW of solar photovoltaic (PV) connected to the electric grid at customer sites; this is equivalent to one large power plant. With recent rapid growth, California now has over 515 MW of cumulative installed solar PV capacity at nearly 50,000 sites; 226 MW of this was installed in the past 2½ years under the California Solar Initiative.
- The annual rate for new installed solar capacity in California nearly doubled in 2008 over 2007 (from 81 MW per year to 156 MW per year), a marked increase from the 30-40 percent annual growth rate of prior years.

- Despite the challenging economic situation, installation data suggests that the California Solar Initiative could install at least the same amount of megawatts in 2009 as 2008, with 78 MW already installed through May 2009.
- The program continues to see strong demand, with May 2009 the highest month on record for new solar applications. The California Solar Initiative has over 22,000 solar applications, including both pending and installed systems, which will account for an estimated 373 MW of new solar capacity.
- After 2½ years, the California Solar Initiative has installed 13 percent of the total 10-year program goal, and it has another 8 percent in applications pending installation.

“I think we can all be pleased with the success the California Solar Initiative has demonstrated in driving the deployment of significant levels of distributed solar capacity,” said CPUC President Michael R. Peevey, noting that there are both environmental and financial benefits of going solar. “This program is delivering on California’s commitment to the solar industry, which has an absolutely essential role to play in our efforts to address climate change.”

Since 2007, the CPUC has launched five program components of the California Solar Initiative, including the general market solar incentive program; a Research, Development, Demonstration, and Deployment program; a Solar Water Heating pilot program; and two low income programs - the Single-family Affordable Solar Homes Program and the Multifamily Affordable Solar Housing Program. The report presents status reports and accomplishments to date for all five.

The report also provides several suggestions on ways the Legislature might further support the program and its underlying goals, including raising the net energy metering cap to enable additional customers to qualify for this feature, and expanding the low income housing eligibility requirements to increase the number of low income households that have access to solar technologies.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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