

DOCKETED

Docket Number:	16-EPIC-01
Project Title:	EPIC Idea Exchange
TN #:	213923
Document Title:	SolarCity Comments - Private Sector Participation EPIC
Description:	N/A
Filer:	System
Organization:	SolarCity
Submitter Role:	Public
Submission Date:	10/6/2016 6:08:10 PM
Docketed Date:	10/7/2016

Comment Received From: Francesca Wahl

Submitted On: 10/6/2016

Docket Number: 16-EPIC-01

SCTY Comments - Private Sector Participation EPIC

Additional submitted attachment is included below.



October 6, 2016

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 16-EPIC-01
1516 Ninth Street
Sacramento, CA 95814-5512

RE: California's Private Sector – Increasing Participation for Research Grant Funding

Dear Commissioners,

SolarCity respectfully submits the following comments regarding the California private sector's participating in research grant funding in response to the September 22 California Energy Commission (CEC) workshop.

Background

SolarCity is California's leading full service solar power provider for homeowners and businesses – a single source for engineering, design, installation, monitoring, and support. The company has approximately 5,000 California employees based at more than 40 facilities around the state and has installed solar energy systems for over 285,000 customers nationwide as of June 30, 2016.

General Comments

SolarCity believes that the Electric Program Investment Charge (EPIC) is an important opportunity for California to catalyze transformational clean energy research, development and demonstration projects. Engaging the private sector in research grant funding under the EPIC program will ensure innovative solutions are developed to meet the state's climate and clean energy targets for all market segments and provide customer choice.

California Public Utilities Commission (CPUC) Decision (D.)12-05-037 outlined the EPIC program's investment areas and funding collections through 2020. The three areas include applied research and development (R&D), technology demonstration and deployment, and market facilitation. Funding in each area and specific grant categories are further scoped through the triennial investment plans, the latest version of which addresses the 2015-2017 program years. In the 2015-2017 investment plan, the CEC presented its proposal for administering \$349.92 million in program awards divided among the three funding areas.¹

Open Solicitations

For the 2018-2020 triennial investment plan, SolarCity recommends that the CEC consider setting aside a portion of funding for open solicitations. Open solicitations would enable qualified applicants to submit a grant proposal rather than having to submit against the specific guidelines and programs outlined in the investment plan. Initial funding for open solicitations could be set at 10% of expected program awards for the CEC's triennial investment plan, recognizing that the 2018-2020 program years would be the first opportunity to apply this concept. If no applications are submitted under the open solicitation category in

¹ Proposed 2015-2017 Triennial Investment Plan, pp.2-3. Available at:
<http://www.energy.ca.gov/2014publications/CEC-500-2014-038/CEC-500-2014-038-CMF.pdf>



2018, the CEC should have the opportunity to reallocate the 10% to specific investment areas and grant solicitations that could benefit from additional funds.

The Advanced Research Projects Agency-Energy (ARPA-E) has utilized an open solicitation strategy under its grant funding program. In 2015, OPEN ARPA-E received more than 2,000 concept papers with 41 final projects selected and \$125 million of grant funding awarded.² The success of ARPA-E's open solicitation program sets precedent for piloting such a strategy in the California EPIC program.

SolarCity recognizes that under D.12-05-037 funding should be allocated within the three defined program areas yet we do not see this as a limitation to the CEC proposing an open solicitation funding category in its third triennial investment plan that it will submit to the CPUC for approval next year.³ Although there is no specific reference in D. 12-05-037 to open solicitations, the next triennial investment plan provides an opportunity to include this new category as long as designed to fit within the areas of applied R&D, technology demonstration and deployment, and market facilitation.

Conclusion

SolarCity thanks the CEC for the opportunity to comment on increasing participation for research grant funding from California's private sector as part of the EPIC program. If the CEC is interested in considering an open solicitation framework for the 2018-2020 triennial investment plan, we would be happy to serve as a resource in developing such a proposal.

SolarCity looks forward to continuing to participate in the stakeholder process as the proceeding to develop the third triennial investment plan takes shape.

Respectfully submitted,

Damon Franz
Director, Policy and Electricity Markets
SolarCity

² <https://arpa-e.energy.gov/?q=arpa-e-programs/open-2015>

³ D.12-05-037, OP 3, OP 12.