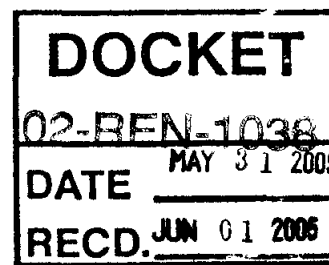


From: Plan It Solar <futuresolutions@earthlink.net>
To: <docket@energy.state.ca.us>
Date: 5/31/2005 10:04:36 PM
Subject: Re: Docket No. 02-REN-1038



My name is Martin Webb and I am the owner of Plan It Solar, a small business located in Northern California's "Gold Country" that sells and services renewable energy equipment. We specialize in CEC-rebate-eligible PV systems and I am grateful for the opportunity to provide feedback on the proposed ERP changes from our unique vantage point.

I would like to first voice my support for the removal of the requirement that ERP participants provide a utility letter of authorization in order to verify interconnection. I also support raising the Pilot PBI Program's potential electrical output capacity factor to 30 percent.

My concern is reserved for the proposed change that the final rebate level be determined by when a system is completed as opposed to when the reservation is first approved, as current rules dictate. I believe such a change would create immediate instability in the PV market which would run counter to the overall program mission of creating a stable market environment for grid-tied PV systems.

If PV modules weren't in short supply worldwide, or if policies weren't able to be crafted using the input of realtime market conditions, perhaps I could embrace this new concept. However, all of the available data shows that not only will PV demand outstrip supply throughout the next two and a half years, but that this supply-demand gap will further increase as demand continues to grow, and therefore overall lead times for PV product delivery are beginning to get longer and longer.

Couple the uncertain delivery lead times with the admittedly uncertain future rebate levels and this proposed level of cumulative uncertainty may be unacceptable to many potential ERP purchasers. ("Yes, ma'am, you may only receive the next period's rebate level and we have no way of knowing what that level will be or any way to guarantee it, but we can guess though!") Essentially, PV may become more difficult to sell as well as more difficult to buy as a result of adopting such a major change during these already unstable times.

Additionally, adding one more major ERP change - as has occurred every six months for the past two and a half years - would leave those of us responsible for submitting ERP documentation with the conundrum of managing 4 separate and distinctly different rebate program guidelines, since we are still taking PV deliveries and completing systems under guidelines released for early 2004, guidelines for late 2004 and guidelines for the current period of early 2005. Please spare us the difficulty.

I would like to respectfully ask that the Commissioners make it a formal or informal policy of adopting only minor changes to the ERP

Guidebook during the summer meetings and save major changes for the end-of-year meetings. This would allow purchasers and sellers of ERP systems time to adopt and understand all of the major changes and would not upset the midsummer work flow efficiency (when ERP-related business is peaking). The mid-year meeting would still allow the CEC to make any necessary changes that may enhance the program implementation.

Along the same lines, I also ask that the Commissioners give serious consideration to whether the choices of January and July 1st as rebate reduction dates are arbitrarily chosen or are more fixed, and can they be revised to reflect a more humane time frame since most of us in renewable energy sales have families that suffer from our increased workload every December.

Whether the committee pursues a rebate payment based on approval date or completed installation date, the fact remains that a December 31st deadline puts those of us in the system integration business up against the wall, while the rest of the Californians that are impacted by ERP decisions enjoy their annual family holidays. Even the ERP paperwork processing office that is inundated every December won't begin work on those end-of-year applications until after the new year. Currently, CEC commissioners, CEC staff, purchasers, installers, manufacturers, wholesalers and inspectors are free from this annual paperwork ritual that severely affects my quality of life and the quality of life of my employees. We have easily adapted to the crush of pre-deadline purchasers, but to also consciously arrange that we overlap such challenging work conditions with an annual major holiday seems unnecessary. For those of us with children in public schools, the end of June as a deadline is just as challenging. If you adjust the guidelines so that the end of the year is then an installation deadline (if rebates are determined by completion date) that will also add the families of installers and wholesalers to the list of negatively affected Californians.

Therefore I finally ask that the Commissioners not only reject the proposed change to the rebate level formula but also consider changing the rebate level "change dates" to May first and November first and to keep the current rebate level in place until November first, at which time the level should be reduced in order to help preserve ERP funding while a new potential statewide PV program is crafted and implemented.

Summarized, my proposed changes are similar to the current proposed changes. However new changes I also add are:

- Rejecting the proposal to begin determining the rebate level by system completion date instead of approval date

- Adopting a policy of avoiding major guidebook changes every six months, with the midyear revisions focussed on minor changes and end-of-year revisions implementing major changes

- Adopting a policy of pegging rebate levels and guidebook changes one month earlier than is currently practiced, to May 1st and November 1st instead of July 1st and January 1st

-Maintaining the current ERP rebate level only until November 1st

I hope the feedback and input both help and I thank you for your efforts in obtaining public counsel. I look forward to working with the Commission to help secure a safe energy future for California.

Sincerely,
Martin Webb

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