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12/1/2005

California Energy Commission
Re: Docket No. 02-REN-1038
Docket Unit, MS-4
1516 Ninth Street
Sacramento, CA 95814-5504

(Mail copy of comments submitted via e-mail)

Dear Committee Members,

First-- I applaud the continuing work on promoting renewable energies.

However, reducing the current level of financial incentive (\$2.80 per watt rebate down to \$2.60) for residential projects at this time is not a good thing in light of the increasing cost of PV Panels, which make up 50% of the cost of a PV solar project. PV continues to be in short supply, largely due to more aggressive financial incentives elsewhere and in the commercial marketplace (ERP, SGIP, Federal Tax Credits) and we have been notified of additional price increases the first of the year (specifically from Sharp and Sanyo). If the State tax credit is not extended by the Legislature into 2006, the problem will only be compounded.

The concept of ever-declining financial incentives was a good one, but the current market conditions dictate otherwise.

I respectfully encourage the Commission to consider maintaining or even increasing the current \$2.80 per watt rebate level.

Sincerely,

Bob Winn
President