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September 1, 2009

California Energy Commission Sacramento, CA

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DOCKET

09-IEP-1E

DATE

9/1/2009

RECD. 9/1/2009

Your integrated energy policy report workshop was informative and well organized. I would like to elaborate on my comments for the CEC to encourage the general public to act as entrepreneurs and produce power through photovoltaic generators for the state's energy needs. My points fall into the following issues:

1. Whatever energy that can be produced close to its point of use can probably use the existing infrastructure with minor modifications. This can save on construction of new or expensive upgrade of existing delivery systems.

If only large generators are developed that need large undeveloped land to be built on then the transmission infrastructure costs have to be taken into account along with the line energy loss of 7.5% +/- through transmission from place to place.

These costs are a sound reason to provide some kind of incentive in the market price referent for P.V. systems up to some size determined by either a blanket size or on the demand based on the location and other energy generators in the area.

- 2. Bare land or low yield farm land might be utilized for P.V. where other crops are unprofitable. Weather you are farming corn, walnuts or electricity should not make a difference regarding the Williamson Act as all these crops are produced by the sun. The Williamson Act was put in place to protect farmers against high taxes caused by urbanization and growth into farm land. It is easy to argue that P.V. energy farming is equally as important to our overall economy as crop production. P.V. farming would be listed under Schedule B of the Williamson Act which lists uses acceptable by the various counties.
- "The market price references are tied to the costs associated with a new natural gas-fired power plant plus an environmental adder:" which is a wholesale cost before delivery. The CPUC states that over the last 32 years the annual rate of inflation for residential electricity has averaged 6.2% and large commercial annual inflation has averaged 8.2%. The CPUC projects that over the next 10 years electricity prices will rise \$.19 per KWh. While the 2008 market price references show an increase over the next 10 years, an increase of \$.054 per KWh. The PG&E small renewable generator power purchase agreement uses the MPR as its guide while leaving unexplained the

past rate of inflation or the CPUC's projected cost increase. The small entrepreneur will need assistance either through an adjusted market price reference, low interest loans or greater governmental help. Perhaps the answer is in a combination of cost savings measures.

- 4. Small generator energy production through photovoltaics could prove to be a sizeable part of California's energy production if the effort shows some kind of reasonable profit. There are countless locations on warehouse roofs in our built environment that could help the owners pay the buildings expense and show a profit. Open farm land near the edge of urbanization could use photovoltaics as a buffer to separate the built environment from productive farm operations.
- 5. The field of energy generation is complex and filled with special knowledge needed to fulfill the large scale demand our utility companies have to meet. We are all with very little exception dependent on our utility companies in our daily activities.

California has a wide range of environmentally aware individuals and businesses that, if offered the opportunity to generate power for the utility companies, would do so if it had a reasonable profit. What better way to serve the people of California than to offer the users the opportunity to play a role however small it might be in solving our energy needs? Spreading out the generation would offer some small protection against peak time failures.

In the 1980's great strides were taken in solar hot water and PV when the government took the initiative to get the general public involved. The need now is much more apparent than in the 1980's. The public is much more aware of what solar can do and would see a well maintained solar system as a good long term investment. Solar panels are now warranted for 25 years with a half percent loose in efficiency per year. Their life expectency is 40 to 50 years. These numbers allow the public to see PV as a good long term investment.

Thank you for the opportunity to participate in this workshop.

I remain sincerely,

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