

November 9, 2011

California Energy Commission
Docket Office, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Docket Number 06-NSHP-1 (New Solar Homes Partnership)

Dear Commissioners:

Southern California Edison Company (SCE) appreciates this opportunity to offer its comments on the California Energy Commission's (CEC's) staff's recommendation to establish a waiting list for the New Solar Homes Partnership (NSHP) and criteria for processing rebate reservation applications placed on the waiting list (Staff Proposal), which the CEC will consider at its Business Meeting to be held on November 16, 2011.

SCE supports the CEC's plan to address the program-funding shortfall caused by the surge in program activity within the NSHP, with the suggested modifications presented below:

I.

The Wait List Process and Criteria Should Be Designed Similar to the Existing Wait List Process and Criteria Established for the California Solar Initiative (CSI) Program

In Decision (D.) 10-09-046 of the California Public Utilities Commission (CPUC) responded to the potential CSI budget shortfall created largely from the greater than anticipated impact of performance based incentive payments and ordered the CSI Program Administrators (PAs), among other things, to create a wait list of applicants. The CSI PAs developed a wait list process and criteria, which SCE proposes for the CEC to use as a model in establishing a wait list for the NSHP program. Specifically, SCE recommends the following wait list process and criteria for the NSHP program:

A. Wait List

After the funding for a Customer Sector is fully expended in a Program Administrator's service territory, the Program Administrator (PA) may be unable to guarantee an NSHP incentive to an applicant. A Wait List will be created for all unreserved applications, which should include the following information:

1. **Ranking** - The position of each project on the wait list is ranked according to the date and time it is received. For example, the project that is ranked number one on the wait list will be the first to receive an incentive reservation when funding becomes available.
2. **NSHP Project ID** -A number will be assigned to an application (i.e., NP000XXX) after it has been submitted online through the NSHP Web Tool if it includes all required documentation.
3. **System Size** - The maximum system size (kW) that will be incentivized upon reservation.
4. **Status** - This status will remain as "Wait List" until the CEC has sufficient funding.
5. **Date and Time of Submittal** -The date and time that the project application is received, which is extremely important, because it will define the criteria for chronologically ranking projects on the CEC's NSHP Wait List.

B. Wait List Process

SCE recommends the following process for handling the Wait List:

1. Applicant completes and submits the NSHP application online. All required documentation must be attached to the application, and/or applicant must send the application to the PA electronically or via United States Postal Service. All sections of the application required by the Web Tool must be complete or the PA will return the application.
2. Upon receipt of a complete application, the PA will assign an NSHP Project ID number (NP000XXX) to the application, and the project's ranking will be added to the "Wait List" on the Go Solar California web site.
3. As funding becomes available, the PA will review each application in the order it is ranked. The PA will suspend any application that requires follow-up information, and the PA will grant the applicant 14 calendar days within which to submit the requested information. If the applicant fails to submit the required documentation within 14 calendar days, the PA will cancel the application. The PAs will strictly enforce all suspension and cancellation deadlines.
4. The PAs will remove all applications of projects or sites that are submitted to the CSI General Market program for incentives from the NSHP Wait List.

Additionally, SCE recommends that no project should be eligible for NSHP incentives if the solar generating system has been interconnected for more than twelve (12) months from the date the utility provides permission to operate. Furthermore, because of the shortfall in program funding, the CEC should not allow NSHP participants to obtain incentives over the initially reserved incentive amount as a result of increased system sizes or changes in the project design. This will ensure that confirmed project incentives will not be overspent and will avoid the potential for a further uncontrolled budget shortfall.

II.

Conclusion

SCE appreciates the opportunity to provide comments on the CEC's Staff Proposal and looks forward to working with the CEC and interested stakeholders in the implementation of the NSHP Wait List.

Respectfully submitted,

/s/

Manuel Alvarez