

**Remarks for Mary Leslie, LA Business Council President
May 10, 2012**

Lead Commissioner Workshop on Identifying and Prioritizing Geographic Areas for
Renewable Development in California

Why LABC wants a FIT in the first place

- When LA Mayor Antonio Villaraigosa called for 1280 MW of solar and introduced a feed-in tariff program as a part of his comprehensive renewable energy vision for the City in 2008—which also included a 33% RPS goal by 2020—we at the LA Business Council ran with it. Our members, being early adopters of energy efficiency measures, were looking for the next step in sustainability measures that could positively impact the bottom line, and the feed-in tariff, which we now refer to as the CLEAN LA Solar program, made a lot of sense.
- We convened a working group that included the LA Area Chamber of Commerce, owners, nonprofits, clean energy industry leaders and public officials to work in partnership with UCLA and USC to study and define the best possible solar FIT for the City of LA by exploring best practices globally and nationally, the solar potential for solar on multifamily housing, and LA's untapped solar workforce.
- 3 years and five studies later, we have found that the CLEAN LA program will make Los Angeles a national model for urban renewable energy generation.
- The CLEAN LA program is a cost-effective way to create significant renewable energy in Los Angeles. It will also spur private investment, create high-quality jobs, reduce greenhouse gas emissions, and help the city and state meet renewable power requirements.
- The CLEAN LA Solar program is a win-win for the city economically. Our research demonstrates that the areas with the greatest potential for solar power generation coincide with areas of high unemployment and economic need.
- We have built a broad, citywide coalition of supporters who are excited about the CLEAN LA program. This includes business organizations, labor groups, nonprofit environmental organizations, social justice groups, and many others.
- We would ultimately like to see a 10-year, 600MW program, which would create 18,000 jobs in the city of LA and will ultimately prove a 5-7% return on

investment. The robust program we propose also anticipates solar developers paying for grid upgrades.

LADWP's 10 MW to 150 MW FiT

- As a bold first start, we are very enthusiastic that last month, the LA City Council and the Mayor authorized a 150 MW FiT program for DWP, which will begin accepting applications for the first 10 MW demo this month.
- A 150-megawatt program, which the department has plans for, would power the equivalent of 34,000 homes. Our research finds that a 150-megawatt program would also create at least 4,500 jobs and generate \$500 million in economic activity.

Promising aspects of DWP's Program

- While the first 10 MW FiT demo presented by the LADWP doesn't contain everything our research and coalition partners would have liked, such as setting a fixed price, there are many aspects of this program that are very promising and show that the DWP has put a lot of thought into developing a program that is poised to be successful .
 - **Slide 1: Short application:** Taking a cue from our 2010 UCLA-authored study, DWP's FiT application has a short, streamlined application of only 5 pages. This is down from the initially planned 60-page application.
 - **Slide 2.** The process defined by the LADWP is transparent, smartly conceived to prevent gaming, and takes seriously the promise of Angelenos generating local power right in the heart of the city. We provided a lot of input through our studies and highlighted problems other FiTs around the world have had with gaming and issues with stalled installations. DWP's process addresses many of these problems and even boasts a 1-month interconnection timeframe.
 - **Slide 3.** The program also includes fees for applying (\$500 - \$1000), fees for every kw, interconnection study fees and a requirement to cover the significant interconnection costs.
 - **Slide 4.** Plans for 150 MW by 2016 are very promising because
 - LA businesses will benefit and receive over \$300 million in federal tax credits set to expire in 2016
 - The program creates 4,500 local jobs in LA, generates a minimum of \$500 million in private investment in LA, and offsets 2.25 million tons of carbon dioxide emissions by 2016.