

AMENDED IN SENATE APRIL 17, 2008

AMENDED IN SENATE APRIL 7, 2008

SENATE BILL

No. 1512

Introduced by Senator Wiggins

February 21, 2008

An act to amend Section 25782 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1512, as amended, Wiggins. Renewable energy resources: California Solar Initiative.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. In a decision, the commission adopted the California Solar Initiative to provide incentives to customer-side photovoltaics and solar thermal electric projects under one megawatt. Existing law requires the commission, in implementing the California Solar Initiative, as defined, to authorize the award of monetary incentives for up to the first megawatt of alternating current generated by a solar energy system, as defined, that meets eligibility criteria established by the State Energy Resources Conservation and Development Commission (Energy Commission). The eligibility requirements established by the Energy Commission include requirements that the solar energy system is intended primarily to offset part or all of the consumer's own electricity demand and be located on the same premises of the end-use consumer where the consumer's own electricity demand is located.

This bill would instead require that the eligibility requirements established by the Energy Commission include requirements that the solar energy system is intended primarily to offset part or all of the

consumer’s own electricity demand and be located on, and is used to offset the consumer’s own demand for electricity on, contiguous property owned or leased by the consumer.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

1 **SECTION 1.** (a) *It is the intent of the Legislature that the*
 2 *California Solar Initiative permit a property owner with multiple*
 3 *meters providing service to their property, to install a solar energy*
 4 *system that is large enough to offset all of the electrical demand*
 5 *for the entire property, provided that in order to be eligible for*
 6 *net energy metering, the property is rewired or otherwise metered*
 7 *so that it complies with paragraph (3) of subdivision (b) of Section*
 8 *2827 of the Public Utilities Code.*

9 (b) *It is the further intent of the Legislature that any additional*
 10 *costs to rewire or alter the metering of the property to comply with*
 11 *paragraph (3) of subdivision (b) of Section 2827 of the Public*
 12 *Utilities Code, and additional costs to upgrade the electrical*
 13 *service to the property to accommodate the solar energy system*
 14 *that are not currently allowed or offered by the California Solar*
 15 *Initiative, are the responsibility of the eligible customer-generator*
 16 *and shall not be passed on to other ratepayers.*

17 ~~SECTION 1.~~

18 **SEC. 2.** Section 25782 of the Public Resources Code is
 19 amended to read:

20 25782. (a) The commission shall, by January 1, 2008, in
 21 consultation with the Public Utilities Commission, local publicly
 22 owned electric utilities, and interested members of the public,
 23 establish eligibility criteria for solar energy systems receiving
 24 ratepayer funded incentives that include all of the following:

25 (1) Design, installation, and electrical output standards or
 26 incentives.

27 (2) The solar energy system is intended primarily to offset part
 28 or all of the consumer’s own electricity demand on contiguous
 29 property owned or leased by the consumer.

30 (3) All components in the solar energy system are new and
 31 unused, and have not previously been placed in service in any
 32 other location or for any other application.

1 (4) The solar energy system has a warranty of not less than 10
2 years to protect against defects and undue degradation of electrical
3 generation output.

4 (5) The solar energy system is located on, and is used to offset
5 the consumer's own demand for electricity on, contiguous property
6 owned or leased by the consumer.

7 (6) The solar energy system is connected to the electrical
8 corporation's electrical distribution system within the state.

9 (7) The solar energy system has meters or other devices in place
10 to monitor and measure the system's performance and the quantity
11 of electricity generated by the system.

12 (8) The solar energy system is installed in conformance with
13 the manufacturer's specifications and in compliance with all
14 applicable electrical and building code standards.

15 (b) The commission shall establish conditions on ratepayer
16 funded incentives that require all of the following:

17 (1) Appropriate siting and high quality installation of the solar
18 energy system by developing installation guidelines that maximize
19 the performance of the system and prevent qualified systems from
20 being inefficiently or inappropriately installed. The conditions
21 established by the commission shall not impact housing designs
22 or densities presently authorized by a city, county, or city and
23 county. The goal of this paragraph is to achieve efficient
24 installation of solar energy systems to promote the greatest energy
25 production per ratepayer dollar.

26 (2) Optimal solar energy system performance during periods of
27 peak electricity demand.

28 (3) Appropriate energy efficiency improvements in the new or
29 existing home or commercial structure where the solar energy
30 system is installed.

31 (c) The commission shall set rating standards for equipment,
32 components, and systems to assure reasonable performance and
33 shall develop standards that provide for compliance with the
34 minimum ratings.

35 (d) Upon establishment of eligibility criteria pursuant to
36 subdivision (a), no ratepayer funded incentives shall be made for
37 a solar energy system that does not meet the eligibility criteria.