

Californian regulators unveil \$3.2 billion plan to expand solar power

Users are conned into adding solar panels which then are enormously expensive to maintain and repair ... as in Colorado

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State energy regulators unveiled one of the nation's most ambitious programs to expand the market for solar power, proposing to offer more than \$3 billion in consumer rebates over the next decade.

The California Solar Initiative, proposed Tuesday by the state Public Utilities Commission, aims to install 3,000 megawatts of solar energy on 1 million homes, businesses and public buildings over 11 years. The five-member commission was expected to vote on the program next month after a 30-day public comment period.

Environmentalists hailed the proposal, which they said would help drive down the cost of solar energy, create jobs and reduce emissions of greenhouse gases blamed for global warming.

"With rising energy prices and continued air pollution, this is exactly the kind of landmark initiative California needs," said Bernadette Del Chiaro, clean energy advocate for Environment California. "From this, we're going to see cleaner air, affordable solar energy and California regaining its world leadership in solar power."

The initiative revives an essential component of Gov. Arnold Schwarzenegger's bid to expand use of renewable energy in California. The governor's widely publicized "Million Solar Roofs" initiative had bipartisan support, but it died in the Legislature this year after construction unions demanded high wages for solar panel installers.

The governor bypassed the Legislature by asking the PUC to sponsor the California Solar Initiative, which shares many provisions of the "Million Solar Roofs" program.

The initiative would offer rebates to homes, businesses, farms, schools and public buildings that install rooftop solar panels. Large public utilities such as Pacific Gas & Electric Co. would not be eligible for the program.

The PUC currently offers \$400 million in solar rebates through programs funded by a surcharge on consumer utility bills. The new initiative would expand that amount to \$3.2 billion through an additional surcharge over 11 years starting in 2006.

Under the program, home and business owners who install solar panels would at first be eligible for a \$2.80 rebate for each watt of capacity they install. For example, a homeowner who installs a 2,000-watt system could receive a \$5,600 rebate from the PUC.

The rebate amount would decrease by 10 percent each year until consumers would only be eligible for a 25-cent-per-watt rebate in 2016. But regulators anticipate that as the market for solar power expands, costs will drop and offset the decreasing rebate amounts.

PG&E, the state's largest utility, supports the "concept of an expanded solar program," but was still studying its potential impacts on customers, said spokesman Paul Moreno.

In the 1970s, California was the world's leader in solar energy, but the state has been overtaken by Japan and Germany, the world's two largest solar markets. Currently, about 15,000 California homes and businesses have solar panels, Del Chiaro said.

"Given the amount of sunshine we have in California and these investments," Del Chiaro said, "we will be on pace to catch up with Germany and Japan and hopefully outpace them."