

California Solar Initiative Southern California Edison's Perspective and ESCO Opportunities

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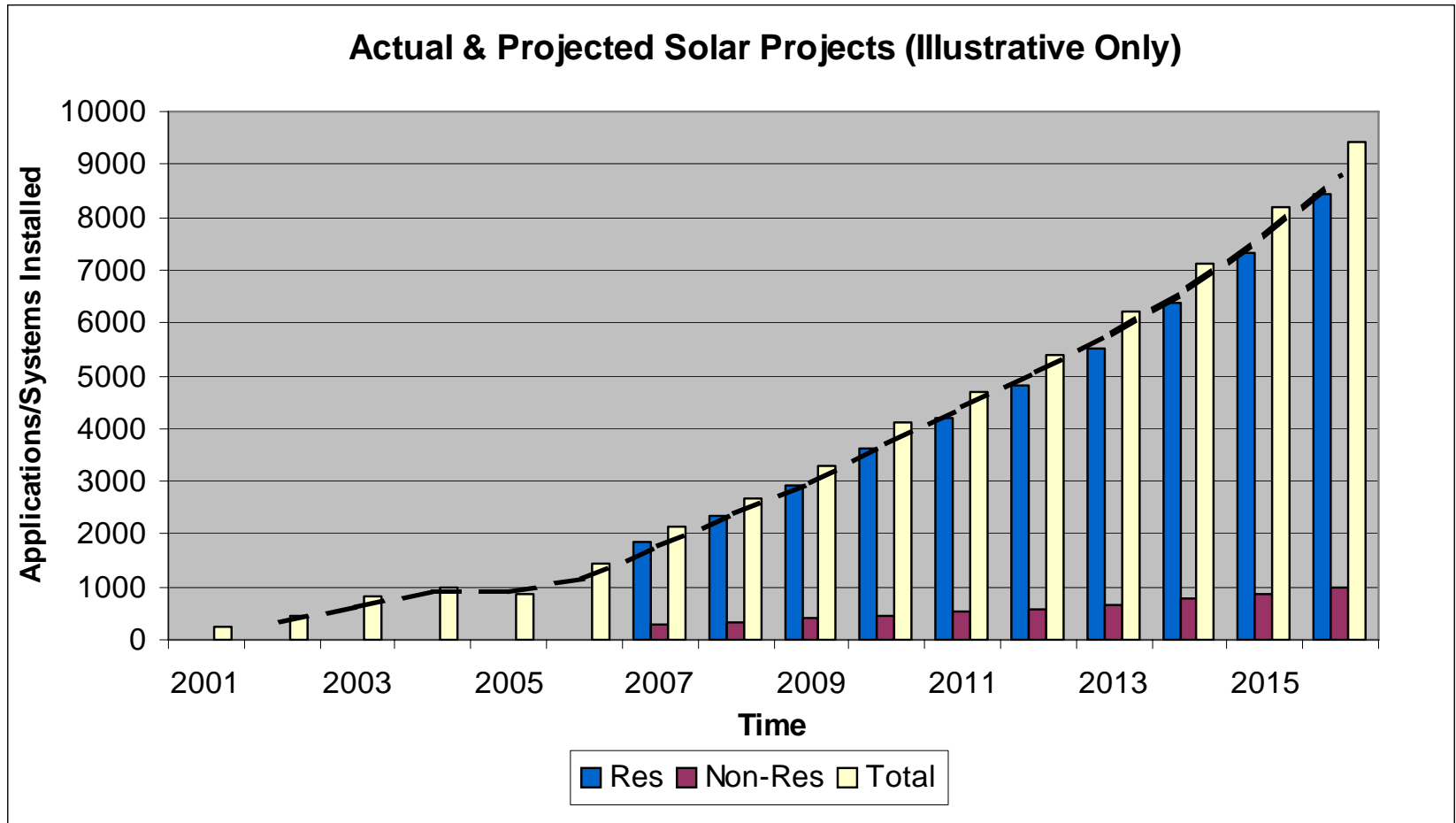
Agenda

- SCE Role In Customer-Owned Solar
- SCE Customer Solar Activity
- Can solar and energy efficiency be delivered as integrated offerings?
- Is there an ESCO opportunity?

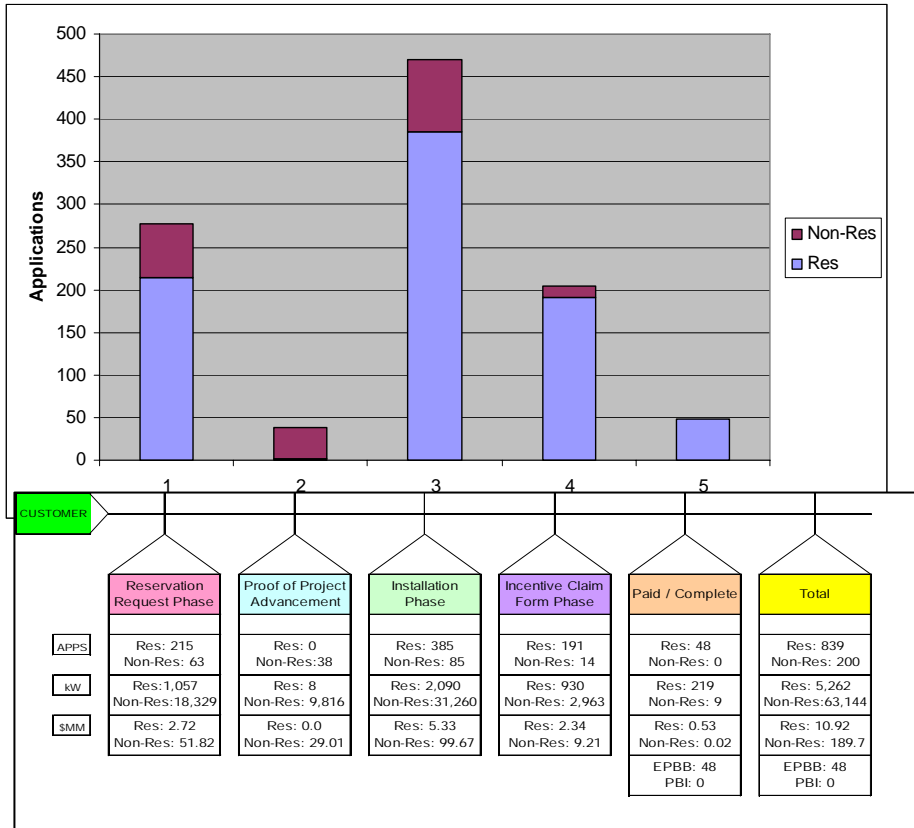
SCE's Current Role In Customer-Owned Solar

- Information source on CSI and solar
- Administration of the CSI program:
 - Implement CA/CPUC Policy
 - Eligible equipment
 - Installation standards
 - Energy Efficiency
 - Metering and monitoring
 - Pay rebates
 - Maintain records/data for program evaluation
- Interconnection standards and approval
- Tariffs and Billing
 - TOU
 - Net Energy Metering

Historical SCE Solar Customers & Future Projections (ILLUSTRATIVE ONLY)



SCE Customer Solar Activity



Can solar and energy efficiency be delivered as integrated offerings?

- Solar and EE appear to be two separate businesses today
- Not clear whether there are two markets
 - Energy management (DSM solutions)
 - Energy Supply (Commodity)
- CA policy calls for EE first, then renewable generation
 - Presents challenges and opportunities
 - Challenge for the solar industry
 - Opportunity for the EE industry

Is there an ESCO opportunity?

- Get into the solar business
- Include solar as part of a comprehensive solution package
- Implement energy efficiency in partnership with solar businesses
 - CA SB-1 calls for: Appropriate energy efficiency improvements in new and existing home or commercial structure where solar energy system is installed
 - California Energy Commission now considering how to implement SB-1 EE requirements in the CSI program (these requirements are proposed, not yet finalized)
 - New construction exceed Title 24 requirements
 - Benchmarking (Energy Star Portfolio Manager or CEC EUI Tables)
 - Retro commissioning buildings >50,000 sq ft and all buildings w/ benchmark score <75 and implement resulting cost-effective recommendations
- What do ESCOs see as the opportunity?