

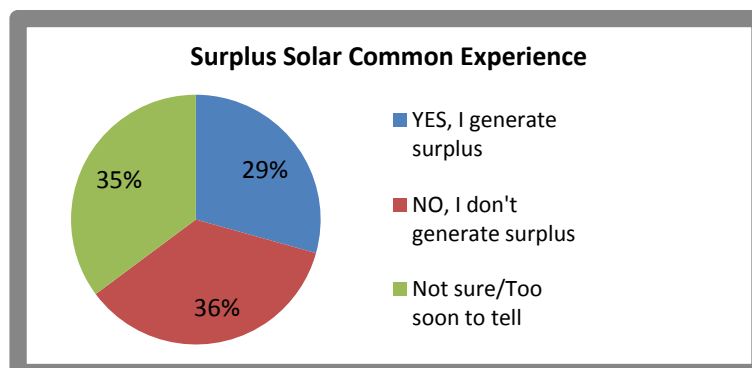


Survey Results Related to Surplus Solar Compensation

On March 14, Environment California conducted a survey of its internet members regarding public opinion of solar power and the experience of solar homeowners related to generating surplus electricity. Nearly 4,000 people responded of which 14% have solar power. The results of the survey demonstrate strong public support for solar power and for requiring utilities to purchase surplus electricity on an annual basis from solar system owners.

SURPLUS GENERATION IS A COMMON EXPERIENCE

Despite the size restrictions on solar, of the 324 respondents who have net metered solar systems, 95 (29%) report generating surplus energy at an average 1,100 kilowatt hours per year. In addition, SDG&E reports receiving over 351 MWh of surplus electricity from their roughly 2,000 solar customers in 2007. Assuming a similar experience in the other utility territories, we calculate that more than 500 California solar households or businesses are experiencing a loss of surplus power each year.



INCENTIVE TO "USE UP" SURPLUS POWER

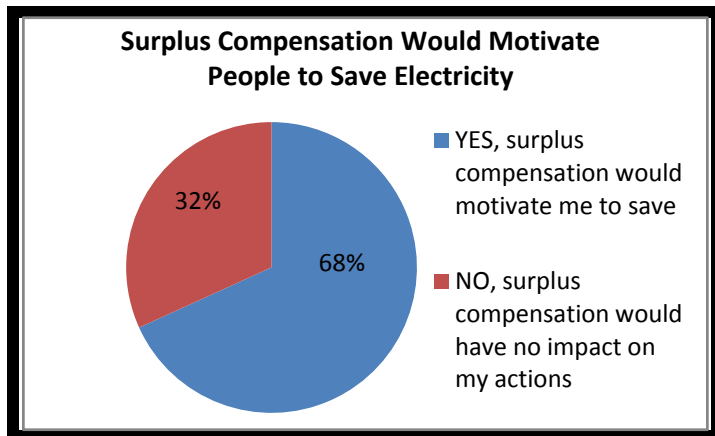
Of the 324 respondents who have net metered solar systems, 72 report either purposefully "using up" their surplus electricity or being less conscious of their electricity consumption.

Of those who generate surplus and find themselves wasting the electricity, the most common responses included:

- "Converting to all electric appliances"*
- "Being less conservative with the AC"*
- "Using more electric heat"*
- "Be less conservation minded, leave lights on"*
- "Add electric hot tub"*
- "Hang more holiday lights"*
- "Add an extra freezer"*
- "Run more computer systems"*
- "Run appliances during peak"*

SURPLUS COMPENSATION WOULD PROVIDE MOTIVATION TO SAVE ELECTRICITY

Twice as many respondents report being more motivated to save electricity from surplus compensation than to find no additional incentive from such a program.



Some of the measures people said, in their own words, they'd do if incentivized:

"Use less electrical heat"

"Monitor hot tub temperature more efficiently"

"Use a clothes line"

"Get a more energy efficient fridge"

"Install more energy efficient windows"

"Put everything on timers to run off peak and be aware of systems that use power when they are in "off" mode"

"I wouldn't have to run around turning off lights after my husband, he would be motivated to be a better."

"I would install awnings over my windows"

LACK OF SURPLUS COMPENSATION CREATES A BARRIER TO NEW SOLAR CUSTOMERS

Hundreds of Californians are familiar with the inability to receive compensation for surplus solar power and find it a barrier to investing in solar power on their own home or business. As California strives to build a million solar roofs in ten years, unnecessary barriers to new customers should be eliminated.

