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September 28, 2021

President Marybel Batjer
Commissioner Martha Guzman Aceves
Commissioner Cliff Rechtschaffen
Commissioner Genevieve Shiroma
Commissioner Darcie L. Houck
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

RE: Rulemaking 20-08-020 - Support for Net Value Billing Tariff to enable cost effective community energy projects

Dear CPUC President and Commissioners,

We—the undersigned members of the California State Legislature—write to express our support for the Net Value Billing Tariff proposal submitted by the Coalition for Community Solar Access in the current net metering revisit docket and to encourage you to adopt it as part of your forthcoming order adopting a successor tariff. The Net Value Billing Tariff would address several pressing needs for viable community renewable energy projects in California, specifically: ensuring disadvantaged communities and low-income residents are able to directly participate in the transition to renewable energy; meeting the state’s nation-leading building code requirement for solar energy; and ensuring that distributed renewable energy projects are deployed cost effectively and in response to the needs of the electric system.

Clean energy options remain out of grasp for most low-income Californians and those living in disadvantaged communities. While a growing number of homeowners in low-income and disadvantaged communities in California are adopting rooftop solar, only 11% of net-metered rooftop solar systems have been deployed in the state’s 25% most disadvantaged communities to date. The state has long supported on-site solar for low-income households and homes in disadvantaged communities through the Single-Family Affordable Solar Homes (SASH) program, as well as on-site solar at some multifamily properties through the Multifamily Affordable Solar Housing (MASH) and Solar on Multifamily Affordable Housing (SOMAH) programs. However, these programs cannot address many of the structural barriers identified in the SB 350 Barriers study, such as low home ownership rates and building age.¹ In order to address these challenges, a community solar program, as

¹ Scavo, Jordan, Suzanne Korosec, Esteban Guerrero, Bill Pennington, and Pamela Doughman. 2016. Low-Income Barriers Study, Part A: Overcoming Barriers to Energy Efficiency and Renewables for Low-income customers and Small Business Contracting Opportunities in Disadvantaged Communities. California Energy Commission. Publication Number: CEC-300-2016-009-CMF.

identified by the SB 350 Barriers study, is needed. We applaud the Commission on establishing the Disadvantaged Communities Green Tariff community solar program and the San Joaquin Valley Clean Energy program, but both of these programs are limited in their scale and more must be done to achieve equity.

While the state expands clean energy access, it has simultaneously sought to expand access to affordable housing. The Legislature has been working for several legislative sessions to address the ongoing housing crisis, including removing barriers to residential construction, providing billions in funding for affordable housing, and streamlining the permit process. All of this is happening while the California Energy Commission (CEC) works to make buildings more energy efficient and produce less carbon through the state's building codes, including a requirement for solar on new construction. In order to provide needed flexibility to housing developers, the CEC's initial solar mandate for residential buildings included an option to use community solar so long as savings result for the participating home. Last year, the CEC adopted the Sacramento Municipal Utility District's community solar proposal creating the first opportunity for homebuilders to exercise this option in the building code. In contrast, the state's investor-owned utilities will need a solar option approved by the Public Utilities Commission.

As last summer's power outages, the ongoing wildfire risks, and the escalating costs from wildfire mitigation and other grid upgrades make clear, we must work collaboratively to manage the costs of our energy programs and focus our clean energy resources on addressing the grid's greatest constraints. We appreciate that the Coalition for Community Solar Access' Net Value Billing Tariff proposal addresses these concerns directly by compensating the project only for the avoided costs and paying most of the compensation for when the grid is most strained and dirtiest: on summer evenings. Moreover, the CPUC's own consultant determined that the Net Value Bill Tariff proposal from the Coalition for Community Solar Access was the most cost-effective proposal brought forward by parties in the net metering reform docket. We thank you for considering this request and hope the CPUC will act on this opportunity for greater access to clean energy and lower costs.

Thank you for your consideration.

Sincerely,



CONNIE M. LEYVA
State Senator, 20th District



DAVID CHIU
State Assemblymember, 17th District



BUFFY WICKS
State Assemblymember, 15th District



SCOTT WIENER
State Senator, 11th District

A handwritten signature in black ink, reading "Anna M. Caballero" with a horizontal line extending from the end.

ANNA M. CABALLERO
State Senator, 12th District