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CALIFORNIA NATIVE PLANT SOCIETY



Friends of the Earth US



The Environmental Justice Coalition for Water Water Justice for All



Wednesday, January 26th, 2022

Dear Members of the California Public Utilities Commission (cc: Governor Newsom)

In 2006, California set out to be a national leader in clean energy by setting a goal to get solar on a million rooftops. In 2018, the state once again led the country by committing to 100% clean electricity. However, the Golden State's position as a national leader on clean energy is at risk if the California Public Utilities Commission's (CPUC) proposed decision on net energy metering

(NEM) is adopted. As climate, clean energy, conservation, faith, and environmental justice leaders from across the country, we're urging you to defend California's extremely successful NEM program by issuing an alternate proposed decision right away.

The proposed decision put forth by the CPUC would penalize consumers who want to invest their own money in clean energy solutions by establishing a solar tax of about \$48 per month for a typical system size and slashing compensation for extra electricity sold back to grid by about 88%. These penalties – which apply to solar and solar paired with battery storage – are a direct disincentive to consumer adoption of the critical technologies that will enable California to achieve its GHG reduction plans and grid resiliency in the face of ongoing blackouts and public safety power shutoffs.

Making matters worse, this proposed decision kicks current consumer solar customers off the NEM program rates promised to them by the CPUC five years earlier than expected. This is pulling the rug out from under the 1.3 million Californians who have played a critical role in making the state a leader in solar energy by investing in solar.

The changes need to be gradual and predictable in order to achieve a rooftop solar market accessible to ratepayers of all economic backgrounds and to ensure rooftop solar grows at the pace needed to reach our climate goals. History shows that when drastic cuts are made to NEM programs people stop putting solar panels on their rooftops.

Nevada's January 2016 cut to NEM compensation was followed by a 47% reduction in residential solar installations over the next year (compared with the 12 months preceding the change). The September 2017 restoration of net metering was followed by an increase in solar adoption that eventually led residential rooftop solar adoption to return to its earlier level.

In California, the Imperial Irrigation District abandoned net metering in July 2016, causing residential solar installations to fall from a peak of more than 11 MW per year to less than 2 MW annually two years later – a decline of 88%.

Now is not the time for California to backslide. In 2021, California, and the rest of the country, saw the climate emergency accelerate. People faced the unacceptable choice of living without electricity or living with increased risk of wildfires.

State regulators calculate that to get to 100% clean energy, California needs at least 28.5 gigawatts (GW) of customer-sited solar by 2045; that's nearly three times as much as California has today. The effects of California's decision on net metering will be far-reaching, with impacts

felt across the country. This is because California represents 36% of residential solar deployment nationally, and 20% of all solar deployed in the U.S. is residential solar. California decision makers have the opportunity to save rooftop solar in the Golden State and by extension, across the U.S.

Rooftop solar is critical to protecting the environment beyond reducing dirty and dangerous fossil fuel pollution. Rooftop solar also helps protect agricultural land, fragile habitats and natural areas while creating a more resilient electricity grid. Plus California and the CPUC have a responsibility under existing law to ensure that rooftop solar grows with residential customers across all levels of income, including customers living in disadvantaged communities. While the proposed decision states this as a goal, it would fail to achieve it, instead putting rooftop solar out of reach for all but the wealthiest Californians.

Rooftop solar reduces renewable energy's land burden by cutting the total amount of utility-scale solar needed in the state. Building 28.5 GW of rooftop solar would enable California to maintain existing land uses on more than 148,000 acres of land – an area about half the size of the City of Los Angeles – compared with replacing that capacity with utility-scale solar.

Installing solar energy paired with energy storage on homes, businesses, schools, community centers and farms will improve the resilience of communities to climate-related disruptions to the electricity grid by providing power during outages.

California cannot help lead the nation to a 100% clean energy future without empowering its state's 40 million residents and businesses to put solar panels on their rooftops and batteries in their homes and buildings.

We urge the CPUC to issue an alternate proposed decision right away that allows rooftop solar and solar paired with battery storage to continue to grow. The alternate proposed decision should remove all penalty fees, fairly compensate solar and solar plus storage customers for the true value that they are adding to the grid, and honor the 20-year promise made to existing customers.

Sincerely,

350 Bay Area
350 Silicon Valley
Active San Gabriel Valley
Alliance of Nurses for Healthy Environments
American Solar Energy Society
Azul
CALPIRG
California Interfaith Power and Light
California Native Plant Society
Catholic Charities

Center for Biological Diversity
Center for Climate Change and Health
Central California Asthma Collaborative

Citizens Climate Lobby-San Mateo County
Citizens' Climate Lobby North Orange County
Climate + Energy Project
Climate Reality - Los Angeles Chapter
Climate Reality Project Orange County Chapter
Coalition on the Environment and Jewish Life
Defenders of Wildlife
EcoWorks
Edge City Networks
End Climate Silence
Environmental Action
Environment America
Environment California
Environmental Justice Coalition for Water
Environmental Protection Information Center
Environmental Working Group
Environtees
Evergreen Action
Fossil Free California
Friends of Harbors, Beaches and Parks
Friends of the Earth U.S
Generation180
Greenpeace
Hoosier Environmental Council
Institute for Local Self-Reliance
Kalamazoo Nature Center
Kentucky Interfaith Power and Light
KY Solar Energy Society
Little USA Community Solar Campus
New York Interfaith Power & Light
NextGen California
Pacific Environment
Pacifica Climate Committee
Philadelphia Solar Energy Association
Physicians for Social Responsibility
Port Arthur Community Action Network
Reform and Sustain
San Francisco Bay Physicians for Social Responsibility
Sierra Club
Sierra Club Ohio
SoCal 350 Climate Action
Solar United Neighbors
Solstice

Sunrise Cincinnati
Sunrise Movement Howard County
Sunrise Movement Orange County

Sunrise Movement Salt Lake City
Sustainable Silicon Valley
Sustaining Way
Texas Campaign for the Environment
Texas Physicians for Social Responsibility
Texas Poor People's Campaign
The Climate Center
The Climate Mobilization
The Nature Conservancy
Vote Solar
West End Revitalization Association