Public Comment

May 26, 2022 RCEA Board of Directors Regular Meeting

Agenda Item 7.2 - Net Energy Metering Successor Tariff Proceeding Update

From:	Paul Woodworth
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Subject:	NEM3 Action
Date:	Friday, May 20, 2022 11:16:48 AM
Attachments:	<u>NEM3 Letter to RCEA, Rise Energy.pdf</u> <u>CPUC CA State Legislative Letter.pdf</u>

To the RCEA Board Members and Staff,

Please read the attached letter regarding RCEA submitting comments to the California Public Utilities Commision (CPUC) in defense of a viable Net Energy Metering incentive program. Also attached is a letter from California legislators to the CPUC regarding NEM3.

The CPUC deadline for Opening Comments is June 10th, Reply Comments are due by June 23rd.

Please let us know if there is anything further we can do to support this process, and what action RCEA is taking.

Thank you!

Amber & Paul Woodworth 707-502-7229

RISE ENERGY CCL# 973891



May 18, 2022

Redwood Coast Energy Authority 633 3rd Street Eureka, California 95501

To Matthew Marshall and the Redwood Coast Energy Authority Board:

A year ago we reached out to you for help to stop the anti rooftop solar Assembly Bill 1139. Your influence motivated Assembly Member Jim Wood to abstain from voting. The bill did not become law. Since that time both our State Representatives Jim Wood and Mike McGuire supported customer owned distributed generation in a letter to the CPUC regarding NEM3, attached. RCEA also contacted the CPUC regarding NEM3. These important steps occurred because you took action to support local solar, thank you.

Today we implore RCEA to submit comments to the CPUC in defense of Net Energy Metering. Since the CPUC re-opened the NEM3 proceeding on a limited basis RCEA has been permitted to "file comments responding to the questions contained in this ruling." Rulemaking to Revisit NEM 20-08-020, 5/9/22.

RCEA stated the intention to continue Net Energy Metering to promote the growth of rooftop solar and storage in the Humboldt Regional Climate Action Plan Draft just last month, 4/7/22. "STRATEGY 4.4: DISTRIBUTED RENEWABLE ELECTRICITY GENERATION [pg 87] Implementation Actions: ...

o Support solar installation on residential and commercial buildings.

o Regularly promote the benefits of renewable generation, current and future incentive programs including RCEA's Net Energy Metering program..."

How will Humboldt County do this if the CPUC guts the Net Energy Metering incentive? Please take action to preserve a viable Net Energy Metering program!

The new CPUC ruling seeks input on the idea of charging solar customers a per kilowatt hour fee for energy from the customer's solar system that is used on-site. A second meter would be needed to actually track this self-consumption. It sounds crazy but it's being considered! Analogous to charging someone with a clothes line for the solar energy used to dry their clothes. This solar tax would blatantly discourage implementation of rooftop solar & storage.

Besides the self-consumption fee, the CPUC is asking for comments on the "glide path" i.e. how quickly to reduce Net Energy Metering export credits to wholesale values. The CPUC is basing NEM3 on economic modeling by utility consultant E3. The utilities claim low-income, non-solar consumers are having to pay 25 cents per kWh for their neighbors rooftop solar instead of 3 cents from a solar farm hundreds of miles away. This oversimplification gives no value to the additional benefits of distributed generation NEM incentivizes. As you already know, distributed generation makes the grid smaller, more efficient, more reliable, reduces wildfire risk, conserves wildlands & wildlife, reduces control of utility monopolies while empowering local communities, supports local jobs, and is necessary for the rapid deployment of renewables to meet our climate goals. In-depth modeling by Vibrant Clean Energy summarizes "Why Local Solar For All Costs Less: A New Roadmap for the Lowest Cost Grid." <u>localsolarforall.org</u> The California Solar and Storage Association has proposed a glide path that wouldn't eliminate these copious benefits. <u>CALSSA.org</u>

The third CPUC topic for comments is community solar programs for low-income customers. We all want more solar and more energy equity. Killing the NEM incentive by slashing solar export credits and charging for self-consumption does not help our low-income neighbors. Gutting NEM benefits the utilities. Current legislation guarantees PG&E and the other utilities profit on top of expenses to build out infrastructure, paid by ratepayers. Energy conservation and distributed generation saves ratepayers money by reducing the need for utility grid infrastructure — as currently legislated this also directly reduces utility profits.

Humboldt County needs Net Energy Metering to implement our Climate Action Plan. California needs a whole lot more distributed energy generation to meet growing energy demands, including electrification of transportation and heat, and reach our climate goals.

Please let the CPUC know that RCEA opposes taxing solar and gutting NEM and supports the installation of more rooftop solar plus storage to reach our goal of an affordable, resilient, safe, equitable, locally controlled, carbon-neutral electrical grid.

The deadline for Opening Comments is June 10th, Reply Comments are due by June 23rd.

Many thanks for all the good work that you do!

Sincerely, Rise Energy Crew solarpowerpaul@gmail.com 707.502.7229

> Paul Woodworth Abner Carlile-Roy Evan Johnson

Joshua Ponce Rowan Gratz Amber Woodworth

Gordon Bishop William Erickson Thomas Frame



March 14, 2022

California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

RE: Proposed NEM-3 Decision (CPUC Docket #: R.20-08-020)

Dear CPUC President Reynolds and Commissioners Houck, Rechtschaffen, J. Reynolds, and Shiroma:

Thank you for your commitment to achieving California's renewable energy goals efficiently and equitably while also ensuring a more resilient, reliable, and affordable electric grid. We have been following the current net energy metering (NEM) proceeding (R.20-08-020) and appreciate the California Public Utilities Commission's (CPUC) desire to adhere to the "guiding principles" of sustainable growth of distributed energy while striving to ensure equity amongst all ratepayers, as well as expanded clean energy access to low-income and environmental justice communities. The NEM decision is of the utmost importance and warrants careful consideration.

We appreciate that the proposed decision issued on December 13, 2021 supports lowincome communities achieve solar and energy storage adoption through an Equity Fund that sets aside up to \$600 million for solar and storage adoption. We also applaud the CPUC's focus on encouraging more solar customers to install complimentary energy storage systems to reduce reliance on grid power during times of peak energy demand.

We write, however, to express deep concerns over specific elements of the proposed NEM-3 decision. Most notably, the monthly fee on residential solar customers could significantly depress the clean energy market, and negatively impact a California-based businesses supporting a sizable number of jobs statewide. We are further concerned that the sudden and substantially curtailed net metering export credit will have a depressive impact on the overall market including the financing of new multi-family housing projects, reducing new construction of much needed affordable housing. And while we agree with the need to make changes to the net metering export credit, we feel that such changes should be phased in over time.

While some low-income customers and some affordable housing projects are proposed to be excluded from some parts of the proposed decision, with California now *requiring* all new construction to include rooftop solar installations the proposed changes could depress new



affordable housing due to the much longer payback period for the solar system. The proposed decision would also result in California adopting the highest monthly fees in the country on residential solar customers, thus penalizing families who have invested their own money in solar energy and energy storage to help California meet its clean energy future.

It is not reasonable to apply a monthly charge, in this case \$684 per year, to only a subset of ratepayers when changes to the net metering export credit these ratepayers receive could accommodate the CPUCs objective. We urge avoiding discriminatory fees solely aimed at solar and solar plus storage customers.

Further, the proposed decision on the net metering export credit would result in deep – 70%-80% - and immediate cuts to the value of solar for residential, commercial, educational, government, non-profit, and agricultural solar energy systems. We understand this is the most aggressive step down of any NEM decision in the United States. While we agree that the solar export credit must be adjusted, we believe a graduated step-down approach would meet this need without shocking the solar energy market and preventing Californians from moving to renewable energy.

For more than fifteen years, the Legislature has acted deliberately and with bi-partisan support to foster what has become the most advanced distributed generation market in the country. We have acted collectively to promote distributed clean energy choices for consumers because of the many benefits they bring. Today, for example, over 2,000 public schools, 2,000 houses of worship, tens of thousands of multi-family housing units, and over 150,000 low-income ratepayers have their own net metered solar system. Nearly 50 percent of the state's solar market today is in low- and moderate-income neighborhoods and those numbers are on the rise. We are confident that a reconsidered, modernized NEM proposal will strike the balance of expanding access to rooftop solar and energy storage, while maintaining the structure needed to continue to build a more resilient, equitable, and clean electric grid. Thank you for your consideration.

Sincerely,

JOSH BECKER Senator, 13th District

Sratt Wiener

SCOTT WIENER Senator, 11th District

California Legislature

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PHIL TING Assemblymember, 19th District

JORDAN CUNNINGHAM Assemblymember, 35th District

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EVAN LOW Assemblymember, 28th District

Jesse H

JESSE GABRIEL Assemblymember, 45th District