



September 9, 2022

Alice Reynolds
President, California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102

RE: Net Energy Metering Proceeding 20-08-020

Dear President Reynolds:

I am writing on behalf of the City of Santa Rosa. We are concerned about the changes being considered by the CPUC to California's Net Energy Metering (NEM) program.

As you know, NEM is designed to support the installation of residential and non-residential customer-sited renewable energy generation. It allows customers to receive bill credits for power generated by their solar system and shared with the power grid and ultimately save money on their utility bills. NEM is what has allowed solar to become increasingly accessible to low and moderate income households, as well as, to be used as a tool to reduce operational costs for businesses and local government.

We are concerned about proposals that have been released by the CPUC that include penalty fees on solar customers, deep cuts to the credit for solar exports, and retroactive changes on existing solar users' net metering arrangement. The proposals would make it impossible for customer-sited renewables to continue to grow sustainably as mandated by law, and remove a critical tool that governments, local businesses and residents increasingly rely on to control exploding energy budgets. The proposed reduction of financial benefits for new and existing solar projects could make it very difficult for public agencies to justify deployment of new projects to reduce operational costs, stabilize water and wastewater rates, and help move the state towards its clean energy goals. For example, to help meet the energy demands and offset the cost of delivering approximately six billion gallons of drinking water per year and operating a sanitary sewer system for a population of 175,000, the City of Santa Rosa Water Department has taken advantage of the current economic benefits provided by the export compensation rate and installed over 490 kW of clean, renewable energy. This has not only allowed us to keep water and wastewater rates low, but it has also helped us meet our local climate action goals. Furthermore, with current tariff rates, the City is exploring the addition of 5,700 kW of generation to further offset grid demand and associated costs that may rendered infeasible due to reduced payback schedules.

In contrast, proposals submitted to CPUC by Protect Our Communities Foundation, California Solar & Storage Association, Vote Solar, GRID Alternatives, Solar Energy Industries Association, Association of California Water Agencies, and others not only would encourage new solar adoption but also make rooftop solar more accessible for working class customers, including renters.

Office of the Mayor
City of Santa Rosa
100 Santa Rosa Avenue, Room 10
Santa Rosa, CA 95404



Proper resolution of this issue is critical in order for the state to meet its clean energy goals. The California Energy Commission 2021 SB 100 Joint Agency Report Summary and the California Air Resources Board Draft Scoping Plan are both clear California cannot meet its clean energy targets in time with utility scale solar alone and needs to triple the amount of rooftop solar.

Moreover, protecting rooftop solar and expanding access to rooftop solar in working communities will help our residents move toward 100 percent clean energy, lessen the impacts of the climate crisis, and reduce climate injustices from dirty energy.

We urge the CPUC to adopt a strong succeeding NEM tariff that continues to support rapid development of distributed solar projects, give public agencies sufficient time to complete active projects, and advance grid reliability by supporting the swift development of solar-charged batteries. Such advancement of the NEM policies would make it easier, not harder, for everyday people, businesses, community institutions and governments to adopt rooftop solar and energy storage in order to meet California's ambitious clean energy targets and deploy solar in all communities and households, particularly those struggling to pay for utilities. Such a proposal should not include discriminatory penalty fees on solar users, should ensure solar investments continue to pencil out for everyday households, and expand access to other clean energy technologies that pair with solar, such as battery storage.

Sincerely,

Chris Rogers
Mayor
City of Santa Rosa

cc: Governor Gavin Newsom
State Senator Mike McGuire
Assemblymember Marc Levine
Assemblymember Jim Wood

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