



March 12, 2024

The Honorable Gavin Newsom
Governor, State of California
1021 O St., Ste. 9000
Sacramento, CA 95814

The Honorable Cottie Petrie-Norris
Chair, Assembly Utilities & Energy
Committee
1021 O St., Ste. 4230
Sacramento, CA 95814

The Honorable Mike McGuire
Senate President pro Tempore
1021 O St., Ste. 8518
Sacramento, CA 95814

The Honorable Steve Bennett
Chair, Assembly Budget
Subcommittee #4
1021 O St., Ste. 4710
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker of the Assembly
1021 O St., Ste. 8330
Sacramento, CA 95814

The Honorable Josh Becker
Chair, Senate Budget Subcommittee #2
1021 O St., Ste. 7250
Sacramento, CA 95814

The Honorable Stephen Bradford
Chair, Senate Energy, Utilities, and
Commerce Committee
1021 O St., Ste. 7210
Sacramento, CA 95814

We, the undersigned organizations, represent a broad and diverse coalition fighting for equitable, affordable, reliable community solar-plus-storage in California.

We write to focus your attention on the California Public Utility Commission's (CPUC) crippling [proposed decision](#) affecting the future of community solar development in California.

The decision runs counter to the recent efforts by both our state and our country to support affordability while meeting ambitious climate and energy equity goals by scaling up all forms of renewable electricity generation. Community-scale renewable generation plus storage provides an unprecedented opportunity to strengthen our state's electric grid and prevent blackouts, all while providing flexible and affordable power to all Californians. At a time when the Department of Energy (DOE) just reaffirmed the federal government's significant [commitment](#) to rapidly deploying third-party developed community solar, challenging the community solar industry to meet a target of 20 gigawatts (GW) of community solar by 2025, California would be going in the wrong direction if this proposed decision is adopted.

The proposed decision is flawed in numerous ways, but most importantly, it fails to provide the foundation needed for California to build a sustainable, scalable community solar program, which will ultimately leave billions of private investment and matching federal dollars on the table and ratepayers without a choice for more affordable, clean energy.

The proposed decision asserts that our coalition's Net Value Billing Tariff (NVBT) proposal violates federal law under [PURPA](#) by bringing about an entirely new wholesale electricity seller in California. This assertion is in error. Decades of community solar development, as proven by 22 state programs across the country, directly refute that claim.

The proposed decision also hampers the growth of distributed energy resources for low-to-moderate income (LMI) households and the creation of well-paying jobs in disadvantaged communities. Doing so flies in the face of the Biden administration's [Justice40](#) environmental justice initiative by slowing the shuttering of fossil fuel generation in vulnerable communities — a worrying trend that Governor Newsom is, [in part](#), enabling. California's ambition to be a national environmental justice leader will undoubtedly suffer.

Cost-shift, an often misunderstood topic, has been addressed directly by the NVBT proposal. Ratepayer advocates have repeatedly shown that the NVBT proposal is a good deal for all ratepayers.

In addition, pairing battery storage with each community solar project going forward will be essential to improving grid reliability and guarding against blackouts. This proposed decision makes storage optional and does nothing to incentivize developers to incorporate storage in future projects.

Ultimately, the proposed decision does not support affordability, encourages cost-shift, and leaves California stuck in the past without a viable path forward to meet necessary clean energy and environmental justice goals.

However, the fate of community solar in California can still be altered for the better. Third-party enabled, optimized community solar programs scale rapidly, drive greater bill savings for subscribers, and produce the maximum amount of LMI participation, especially in light of the federal Solar for All and tax credit incentives. A successful program that embraces the thoughtful, market-tested NVBT would enable more than one million Californians to save at least \$300 per year; that's \$5 to \$9 billion dollars back in the pockets of hard-working Californians over the life of these projects. This development could also reduce emissions equivalent to taking 600,000 cars off the road and provide enough capacity to shut down more than half of the state's peaker plants.

These goals are still attainable if state officials review the flaws of the current proposed decision and support the widely-backed NVBT proposal. Our state's most vulnerable households and communities, and their ability to access bill savings and clean energy, heavily depend on it.

Sincerely,

Derek Chernow
Coalition for Community Solar Access

Steve Campbell
Vote Solar

Alexis Sutterman
California Environmental Justice Alliance

Matthew Freedman
The Utility Reform Network

Merrian Borgeson
Natural Resources Defense Council

Chris Walker
GRID Alternatives