BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Revisit Net Energy Metering Tariffs Pursuant to Decision D.16 -01-044, and to Address Other Issues Related to Net Energy Metering Rulemaking 20-08-020 (Filed August 27, 2020)

CLEAN COALITION COMMENTS IN REPONSE TO PROPOSED DECISION ADOPTING GUIDING PRINCIPLES FOR THE DEVELOPMENT OF THE SUCCESSOR TO THE CURRENT NET ENERGY METERING TARIFF

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I. INTRODUCTION

Pursuant to Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission") the Clean Coalition respectfully submits these opening comments in response to the Proposed Decision ("PD") Adopting Guiding Principles for the Development of the Successor to the Current Net Energy Metering Tariff, issued on January 5, 2021. The Clean Coalition supports many of the changes made by the Commission in the PD. We suggest that there should be a greater spotlight on promoting energy storage and creating guidelines that can actually be measured (i.e. deemed to be successful when party proposals and the final tariff is released).

II. DESCRIPTION OF PARTY

The Clean Coalition is a nonprofit organization whose mission is to accelerate the transition to renewable energy and a modern grid through technical, policy, and project development expertise. The Clean Coalition drives policy innovation to remove barriers to procurement and interconnection of distributed energy resources ("DER") — such as local renewables, demand response, and energy storage — and we establish market mechanisms that realize the full potential of integrating these solutions for optimized economic, environmental, and resilience benefits. The Clean Coalition also collaborates with utilities, municipalities, property owners, and other stakeholders to create near-term deployment opportunities that prove the unparalleled benefits of local renewables and other DER.

III.COMMENTS

a. The Clean Coalition believes that a guideline about promoting energy storage is compatible with the guideline about treating all technologies fairly.

Energy storage provides the ratepayers dual benefits of economic savings and helping the state achieve decarbonization goals, making it essential that the Commission work to promote it as part of the NEM successor tariff. Resources paired with storage have the greatest benefit to the grid of all NEM-enrolled resources and provide a layer of resilience that is desperately needed throughout the state. It is also central to goal of deploying a greater number of NEM resources in underserved communities that the resource profiles include energy storage. Therefore, it is reasonable that the proceeding has a dedicated guideline to create the foundation through which the success of a finalized successor tariff can be measured. This can be achieved in two ways. First, the Commission can agree to adopt a standalone guideline as initially proposed by the PCF and SBUA, which the Clean Coalition mentioned in opening comments (and supported directly in reply comments). Second, the Commission can combine the two guidelines it opines to be in conflict to create one balanced guideline. Currently, energy storage is not considered to be a generation resource by the CPUC, a decision that was recently affirmed in an Application for Rehearing on C. 1708-007. The Commission should amend the principle to read, "A successor shall fairly consider all eligible generation technologies," with one related to promoting energy storage. While energy storage has traditionally been paired with solar most of the time, a greater number of creative uses will benefit the grid, adding resilience and increasing the total value of the NEM.

b. The Clean Coalition disagrees with the Commission's decision to adopt the utility principle, "a successor shall ensure competitive neutrality amongst Load Serving Entities."

Adopting this principle does not add anything that will make it easier to determine if a party proposal or final tariff can be considered successful. Instead, adopting this proposed principle will only be used as a tool to argue against aspects of a tariff. The creation of any tariff already considers competitive neutrality and the consequences of including specific language. More importantly, there is no metric that can actually prove that this principle has been achieved or

¹ https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M356/K244/356244141.PDF

violated — it is entirely subjective. As a result, it will only add confusion to an already complex discussion.

c. Guideline 6 should include the phrase "electrification".

The Clean Coalition suggested that guideline 6 should include the phrase, "electrification" because of the importance that the NEM successor tariff will have on implementing state electrification policy and still argues that the word should be included in an amended version of the guideline. NEM complements state decarbonization policy more than any other program, meaning it is reasonable to consider the electrification process and ways to temporarily accommodate overgeneration.

IV. CONCLUSION

The Clean Coalition appreciates the opportunity to submit these opening comments on the PD.

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