## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on Customer-Generated Renewables for Priority Communities Rulemaking 25-01-005 (Filed January 16, 2025)

# CLEAN COALITION REPLY COMMENTS ON ORDER INSTITUTING RULEMAKING ON CUSTOMER-GENERATED RENEWABLES FOR PRIORITY COMMUNITIES

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#### I. INTRODUCTION

Pursuant to Rule 6.2 of the California Public Utilities Commission ("the Commission") Rules of Practice and Procedure, the Clean Coalition respectfully submits these comments on the *Order Instituting Rulemaking* ("OIR") *on Customer-Generated Renewables for Priority Communities*, filed on January 16, 2025. Clean Coalition appreciates the opportunity to submit these reply comments. We support comments made by Local Government Sustainable Energy Coalition, the Center for Sustainable Energy, and the Solar Energy Industries Association on the value of the programs included in the OIR, particularly the Solar on Multi-Family Affordable Housing ("SOMAH") program. Expanding access will only increase the ability of disadvantaged residents and communities to deploy local clean energy solutions that provide economic, environmental, and resilience benefits.

#### 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 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. Local Government Sustainable Energy Coalition ("LGSEC")

LGSEC raises the important perspective of local governments, who face the brunt of

work associated with decarbonization and electrification. Ensuring that sufficient resources exist for disadvantaged populations to utilize and administrators to connect individuals with the necessary information and resources is of critical importance to meeting California's goals in a timely manner. Clean Coalition strongly supports comments made by LGSEC on the value of considering the full set of benefits created by each of the programs listed in the initial OIR. The infrastructure costs avoided by local generation — namely transmission, but also potentially distribution infrastructure — in the form of reduced congestion, avoiding future infrastructure costs, and the occurrence of more optimal market outcomes due to de-congested infrastructure, benefits all ratepayers. This can be tangibly assessed based on lower congestion revenue rights costs and a lower average cost of wholesale energy. In addition, programs that are specifically targeted at disadvantaged populations should include an assessment of non-energy impacts in cost-effectiveness tests. The value of deploying clean local energy also comes in the form of synergistically meeting other policy goals, such as deploying electric vehicle charging infrastructure, reducing sources of point emissions, increased self-reliance as it relates to energy, shading in urban heat islands, preparing for community resilience, and increased community health. While not explicitly included in energy rates, these very real value streams provide benefits in priority communities that may not otherwise accrue there.

#### b. Center for Sustainable Energy ("CSE")

Clean Coalition agrees with CSE that, "Actions within this new rulemaking should continue this important trajectory of expanded eligibility and continued support of the SOMAH program crucial to achieve both program and equity goals." Scoping Environmental and Social Justice ("ESJ") issues into this proceeding will most effectively ensure that the needs of disadvantaged Californians are considered and allows the Commission to meet the goals of the ESJ Action Plan. Specifically, the Clean Coalition points to Goal #4, increasing climate resiliency in ESJ communities. Expanding SOMAH eligibility and moving toward the widespread adoption of solar+storage and microgrids supports resilience at these facilities and maximizes the value of energy by enabling energy produced at the belly of the duck curve to be shifted to the system peak.

#### c. Solar Energy Industries Association ("SEIA")

SEIA correctly points out the value that SOMAH has had, both in reaching disadvantaged communities and reducing CARE spending due to the bill credits created for residents.

<sup>&</sup>lt;sup>1</sup> LGSEC Comments on OIR, at p. 3.

<sup>&</sup>lt;sup>2</sup> CSE Comments on OIR, at p. 2.

The section of the SOMAH Second Triennial Report SEIA quotes notes that the average CARE customer's bill was reduced by as much as 88%. SEIA's comments conclude, "In sum, the SOMAH, DAC-SASH and RES-BCT programs have all been instrumental in helping the state meet its clean energy and environmental justice goals." This OIR provides the Commission an opportunity to expand the value that these three programs have created. Beyond clear legislative mandates, the focus of this proceeding must not be scapegoating programs in a hasty attempt to cut costs. Expanding program access is in the best interest of the ratepayers, particularly low-income ratepayers. For example, the Clean Coalition supports SEIA's suggestion that the Commission allow master metered properties to be eligible for SOMAH. We have made comments supporting master meter eligibility going back to 2023. The issue remains more relevant than ever and should be included in this OIR.

#### IV. CONCLUSION

The Clean Coalition appreciates the opportunity to submit these reply comments. We urge the Commission to include a full accounting of program benefits that includes non-energy impacts and to expand access to reach additional residents of priority communities.

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<sup>&</sup>lt;sup>3</sup> SEIA Comments on OIR, at p. 2.

<sup>&</sup>lt;sup>4</sup> *Ibid*, at p. 4.

<sup>&</sup>lt;sup>5</sup> CLEAN COALITION REPLY COMMENTS ON POTENTIAL MODIFICATIONS TO SOLAR ON MULTIFAMILY AFFORDABLE HOUSING PROGRAM, at p. 1.

<sup>&</sup>quot;We concur with Center for Sustainable Energy ("CSE") that master metered properties should be eligible for SOMAH,<sup>5</sup> as master metering is the best method of deploying a microgrid at a multi-metered property. Without a master meter, it is impossible to provide a site with resilience without relying on the utility distribution grid."