theclimatecenter.org



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March 29, 2024

The Honorable Senator Steven Bradford Chair, Senate Energy, Utilities and Communications Committee 1021 O Street, Room 3350 Sacramento, CA 95814

RE: SB 1347 (Becker) - SUPPORT - Restoring Self-consumption Benefits for On-Site Generation

Dear Senator Bradford,

I am writing on behalf of The Climate Center to support SB 1347 (Becker) which will eliminate discrimination against commercial customers of utilities by directing the California Public Utilities Commission (CPUC) to restore on-site netting for commercial customers, including multifamily housing, agriculture, schools, colleges, universities, and other public agencies. Schools and other commercial accounts should be allowed to consume energy produced on-site without being forced to sell it to utilities at a low rate and buy it back from them at a higher rate.

The Climate Center is a climate and energy policy nonprofit working to rapidly reduce climate pollution at scale. We are a think tank, do tank working collaboratively for accelerated, equitable climate policy in California. We know that as goes California, so goes the world. With the climate crisis rapidly worsening, we engage in cross-sector coalitions to enact bold, science-based policy that sparks innovation and channels market forces for speed and scale greenhouse gas reductions to benefit everyone.

SB 1374 requires the CPUC to update its tariffs for customers with multiple meters to give credit for self-consumption in an equivalent way to how self-consumption is handled for single-family homes, multifamily residential customers, and non-residential customers with a single meter. It is simply a matter of fairness that all customers can self-consume the power that they generate on their own property and that multiple-metered customers get the same treatment as everyone else – not be required to sell their power to the utility at low prices and immediately buy it back at much higher retail prices.

This will restore the ability for apartment buildings, schools, community colleges, universities, water agencies, city facilities, farms and shopping centers to save on energy costs by installing solar and energy storage, while accelerating the state's transition to clean energy.

SB 1374 does not attempt to roll back the reductions in export value for excess generation that was also part of the "NEM 3.0" ruling and the subsequent changes to the Virtual Net Billing Tariff and Net Billing Tariff-Aggregation programs. It only requires that all customers are treated fairly and equally in their ability to self-consume their own on-site generation.

We respectfully request your support for this bill which restores fairness and removes a barrier to our ability to bring about California's clean energy future.

Sincerely,

Ellie Cohen

Chief Executive Officer