

## **FACT SHEET**

# Utilities like PG&E want to stop California's solar progress. Don't give up your solar power.

California is a solar state where the sun belongs to everyone. Popular policies like net metering are helping millions of middle and working-class Californians save money and clean up our air.

Big utilities like PG&E, are standing in the way of future progress. They are lobbying the CA Public Utilities Commission to add a monthly solar penalty fee to ratepayer bills and drastically reduce the credit solar consumers receive for selling excess power back to the grid. If they get their way, Californians' access to solar power will be blocked.

On December 8th, the CPUC released a proposed decision that gives the utilities almost everything they asked for. If the CPUC approves their proposal, Californians' access to solar power will be blocked.

Take action! Visit <u>www.solarrights.org/savecaliforniasolar/</u> to sign the petition to Governor Newsom.

#### The Sun Belongs To Everyone

- Over 2,000 schools, 1,000 farms, 300 apartment buildings, and over a million homes are powered directly by the sun. [1]
- Every day, 400 new consumers plug into the sun to save money and do their part to reduce air pollution and stop climate change. [2]

#### **Keep the Lights On With Sun-Charged Batteries**

- Increasingly, consumers are adding a battery to their solar system to provide reliable energy for their home or business.
- California has more than 30,000 sun-charged batteries that can instantaneously
  provide pollution-free electricity when California needs it most late summer
  afternoons and early evenings when our electric grid is most stressed. [3]
- Rolling blackouts like those that occurred on August 14 and 15, 2020 are avoidable if California builds more sun-charged batteries where people live, work, pray and play.



### Rooftop Solar Reduces Utility Bills For Everyone

- Maximizing rooftop solar could save ratepayers \$120 billion over the next thirty years.
   [4]
- In 2018 alone, rooftop solar and energy efficiency prompted the state to scale back more than 20 power line projects, saving \$2.6 billion. This trend has continued since.
   [5]

#### The Big Utility Profit Grab Hurts Working Families the Most

The CPUC's proposal is a near carbon copy of the one PG&E, So Cal Edison and San Diego Gas & Electric lobbied for. It would effectively put solar out of reach for nearly everyone. [6]

- \$57 per month solar penalty fee for putting solar panels on the roof. The more solar panels, the larger the fee. This includes apartment buildings, new homes built with solar per the state mandate, and solar-powered batteries. The fee would be the largest in the U.S.A.
- 80% cut to the credit solar users get for sharing surplus solar energy with the
  grid. The credit would drop from an average of twenty-five cents per kilowatt-hour to
  about five cents. This cut happens immediately; we predict it will end the solar market
  overnight.
- Rolls back protections for existing solar users. Existing solar users are currently
  protected from changes to net metering rules for 20 years from the date their system
  turned on. The CPUC is now proposing to reduce that protection to 15 years and
  eliminate the protection altogether if you accept their battery rebate.
- A step backward for equity. The CPUC falsely claims they are helping more low-income households by exempting them from the solar penalty fee and with a "Market Transition Credit" of \$26 per month for eligible PG&E customers and \$31 per month for eligible Southern California Edison customers. In reality, the CPUC's deal would make solar more expensive for low-income. For example, low-income households going solar with PG&E would pay \$24 to \$50 per month more than under the status quo. That's because slashing the net metering credit by 80% destroys the bill savings that make solar affordable. [7]
- This will make solar unaffordable for most people, right when just under half of all new solar is going into working and middle-class neighborhoods, serving both homeowners and renters. [8] Over 150,000 solar roofs serve customers in the CARE discount program. [9] This year, an additional 30,000 rental units serving more than 100,000 people at multifamily affordable housing projects are under development



due to net metering, and another 200,000 families in affordable multi-family homes are projected to get solar by 2030. [10]

 This will also ruin thousands of small, locally-owned solar businesses and threaten over 60,000 jobs. [11]

#### The Utility Profit Grab Impedes Getting To 100% Clean Energy

- The California Energy Commission estimates California will need three times as much solar – both large-scale and rooftop – to meet its goals and help fight climate change.
   [12]
- By building solar panels on roofs, instead of converting open space to utility-scale solar farms, California can also help protect open space. For every gigawatt of rooftop solar built on rooftops, almost 5,200 acres of land can be protected. [13]
- Today's one million solar systems produce nearly 13 billion kilowatt-hours (kWh) of clean energy each year, avoiding 5 million metric tons of CO2 annually – the equivalent of two coal-fired power plants. [14]

#### **Utilities Care About Profits, Not Equity**

- Long-distance power lines and "wildfire mitigation" are what's actually driving up our electricity bills. Consumers pay an estimated \$9 billion a year related to long-distance power lines.[15]
- Utilities get a guaranteed profit of 8-10% from every dollar they spend building and maintaining those power lines. [16]
- Utilities have lobbied against every major proposal to help more working communities adopt solar and battery storage. [17]

#### We should keep solar growing, and make it more equitable

We are pushing to keep rooftop solar and battery storage growing, and to make it more equitable so that millions of working-class households and communities including renters have access to solar in the next few years. [18]

Take Action: Tell Gov. Newsom to Stop the Utility Profit Grab



#### **ENDNOTES**

- [1] California Solar & Storage Association: Shovel Ready for Recovery
- [2] California DG Stats. https://www.californiadgstats.ca.gov.
- [3] See note 1
- [4] Vibrant Clean Energy: Role of Distributed Generation in Decarbonizing California by 2045
- [5] See Utility Dive summary of this CA Independent Systems Operator (CAISO) 2018 report, with link to the actual report. CAISO's most recent 2020-2021 report continued to credit rooftop solar and efficiency for reducing transmission line spending, "Load forecast growth continues to remain relatively flat, resulting in part from continued statewide emphasis on energy efficiency and behind-the-meter generation...Consistent with past studies, this transmission planning cycle did not reveal the need for major transmission expansion to achieve the 60 percent RPS goal set out in SB 100 for 2030.." (p.1)
- [6] CPUC Proposal for NEM3 released December 13, 2021. Solar Penalty Fee: PG&E: \$8 per kW of installed solar capacity. This is \$48 per month for a customer with a typical solar system size of 6 kW; SCE: \$8 per kW of installed solar capacity plus \$12 per month. This is \$60 per month for a typical customer; SDG&E: \$8 per kW of installed solar capacity plus \$16 per month. This is \$64 per month for a typical customer.
- [7] California Solar & Storage Association, Under NEM-3 Proposal, Solar & Storage Become More Expensive, Even for Low-Income.
- [8] Neighborhood level adoption data: The Berkeley Lab: Solar Demographics Tool and Income Trends among U.S. Residential Rooftop Solar Adopters
- [9] CARE data
- [10] See note 2.



[11] The Solar Foundation: National Solar Jobs Census

[12] California Energy Commission: SB 100 Joint Agency Report Summary, p. 10

[13] Environment California Research & Policy Center: The Environmental Case for Rooftop Solar

[14] See note 1

[15] CA Public Utilities Commission: Utility Costs and Affordability of the Grid of the Future \$4B in transmission costs in 2021 on p. 3; \$5B in wildfire mitigation costs in 2019 on p. 60; \$4.336 in 2021 transmission spending and rate of increase p. 36

[16] CPUC's "Utility Costs and Affordability of the Grid of the Future: The Averch-Johnson effect described on page 26; The state's investor-owned utilities charged ratepayers nearly \$20 billion in transmission line projects between 2010 and 2019 (pp. 39, Table 11); Utilities collected more than \$20 billion in profits over a similar time period (utility 10-K filings, itemized here).

[17] Partial list of initiatives utilities lobbied to kill or defang: Affordable housing solar incentives (AB 693 – Eggman, 2015); Low-income feed in tariff (AB 1990 – Fong); Community solar (SB 843 – Wolk, 2013; SB 43 – Wolk, 2013; CPUC implementation); Microgrids (SB 1339, CPUC implementation)