

RESOLUTION NUMBER R- 313783  
DATE OF FINAL PASSAGE NOV 15 2021

A RESOLUTION OF THE SAN DIEGO CITY COUNCIL  
URGING THE CALIFORNIA PUBLIC UTILITIES  
COMMISSION TO ADOPT A LAWFUL NET ENERGY  
METERING RULEMAKING DECISION WHICH SUPPORTS  
CONTINUING GROWTH OF CUSTOMER SITED SOLAR  
ENERGY INSTALLATIONS.

WHEREAS, net energy metering (NEM) was provided for by the California Legislature in Public Utilities Code section 2827 to support the installation of customer-sited renewable energy generation; and

WHEREAS, under Public Utilities Code section 2827.1 NEM is a metering and billing tariff between an eligible customer generator (typically with solar panels and inverters) and their electrical utility that credits customers for the excess energy they export to the grid, and debits customers for energy provided by the utility and for use of the utility's system; and

WHEREAS, NEM allows customers to receive bill credits for power generated by their solar equipment and exported to the utility's system for use by others, and these credits materially affect the financing of the solar generating systems and their wider adoption by customers; and

WHEREAS, NEM is a significant driver of solar adoption among low-and-moderate income households; and

WHEREAS, the California Public Utilities Commission (CPUC) has commenced Rulemaking No. R.20-08 020 to revise the NEM tariff structure in a third evolution known as NEM 3.0 and a number of parties have submitted their proposals for what they contend the NEM 3.0 structure and terms should be, and a final decision on these several proposals is expected January 2022; and

WHEREAS, Public Utilities Code section 2827.1 requires that the NEM 3.0 successor tariff to “[e]nsure that customer-sited renewable distributed generation continues to grow sustainably and include specific alternatives designed for growth among residential customers in disadvantaged communities,” and “[e]nsure that the total benefits of the [NEM 3.0] tariff to all customers and the electrical system are approximately equal to the total costs”; and

WHEREAS, California’s large electrical corporation Investor Owned Utilities (IOUs), Pacific Gas and Electric, San Diego Gas & Electric (SDG&E) and Southern California Edison, have submitted a Joint Proposal that calls for changes to NEM that would extend the payback period for customer-sited solar systems significantly beyond the payback periods that would result from some other proposals which would sufficiently reduce cost-shifting and ensure that total benefits to all customers are approximately equal to total costs; and

WHEREAS, the IOU Joint Proposal contains a feature of new fixed fees on NEM 3.0 customers called a Grid Benefits Charge; and

WHEREAS, the IOUs’ Joint Proposal would make it more difficult, for customer-sited renewables to continue to grow sustainably as mandated by Public Utilities Code section 2827.1; and

WHEREAS, proposals submitted by other parties would continue to sustainably grow solar adoption, and provide cost incentives for low-income customers while also providing total benefits to all customers that are approximate to total costs; and

WHEREAS, according to the California Energy Commission 2021 Senate Bill 100 Joint Agency Report Summary, California needs to more than triple customer-sited solar by 2045 to achieve its 100% clean energy goal; and

WHEREAS, the San Diego clean energy sector has an \$8.2 billion economic benefit, as reported by Cleantech San Diego; and

WHEREAS, the San Diego County rooftop solar industry provides over 9,000 jobs to the region, as reported by the Solar Foundation Solar Jobs Census; and

WHEREAS, the City Council continues to advocate for equity in our communities; and

WHEREAS, SDG&E is required to establish a \$10 million equity-focused solar expansion program under the City's gas and electric franchise agreements, the City has an interest in maximizing the impact of the program; and

WHEREAS, expanding access to rooftop solar in communities of concern will help California move toward 100 percent clean energy, lessen the impacts of the climate crisis, and reduce climate injustices stemming from use of non-renewable energy from fossil fuels in California; and

WHEREAS, the City of San Diego has a 100 percent clean energy goal as part of its Climate Action Plan; and

WHEREAS, this resolution is not subject to Mayoral veto pursuant to San Diego City Charter Section 280(a)(1); NOW, THEREFORE,

BE IT RESOLVED, that the San Diego City Council supports a CPUC NEM 3.0 decision which emphasizes the sustainable growth of customer sited solar electric and energy storage facilities in order to meet California's clean energy targets, particularly residential customers in disadvantaged communities.

BE IT FURTHER RESOLVED, that the San Diego City Council urges the CPUC to adopt a proposed NEM tariff structure that expands access to renewable solar generating facilities for low-and-moderate income households including access to other clean energy

technologies such as batteries, and ensures that the solar installations continue to grow in order to meet State and City climate goals.

BE IT FURTHER RESOLVED, that the San Diego City Council urges the CPUC in making its decision to recognize and assign substantial value to the societal benefits of customer sited solar and battery storage installations.

BE IT FURTHER RESOLVED, that the San Diego City Council urges the CPUC to adopt a NEM 3.0 that ensures equitable and robust solar rooftop and battery adoption and does not burden non-solar and low-income customers.

BE IT FURTHER RESOLVED, that the San Diego City Council urges the CPUC to reject elements of any proposal which will stifle sustainable growth of customer sited renewable generating facilities including high monthly fixed charges and avoided cost models which insufficiently account for the societal value of customer sited renewable generation.

BE IT FURTHER RESOLVED, that the San Diego City Council also supports the creation of sustainable union jobs that will create a just transition to a greener economy while addressing current barriers to joining the union workforce by expanding access to union apprenticeship programs through pre-apprenticeship programs in communities of concern, requiring prevailing wages, as defined in California Labor Code section 1770 et seq., and skilled and trained workforce, as defined in California Public Contract Code section 2601.

ADOPTED by San Diego City Council, State of California this 15<sup>th</sup> day of Nov 2021,

by the following vote:

APPROVED: MARA W. ELLIOTT, City Attorney

By /s/ Frederick M. Ortlieb  
Frederick M. Ortlieb  
Senior Deputy City Attorney

FMO:cw:sc

11/02/21

11/15/21COR. COPY

Or.Dept: Environmental Services Department

CC No.: N/A

Doc. No.: 2804962\_2

Passed by the Council of The City of San Diego on NOV 15 2021, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Monica Montgomery Steppe	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage NOV 15 2021.

**(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)**

AUTHENTICATED BY:

TODD GLORIA  
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND  
City Clerk of The City of San Diego, California.

By , Deputy

Office of the City Clerk, San Diego, California

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