

HAYWARD CITY COUNCIL

RESOLUTION NO. 22-

Introduced by Council Member _____

RESOLUTION IN OPPOSITION TO THE NET ENERGY METERING 3.0
PROPOSED DECISION AND IN SUPPORT OF A NET ENERGY METERING
POLICY THAT CONTINUES THE GROWTH OF LOCAL AND ROOFTOP SOLAR

WHEREAS, Net Energy Metering (NEM) is designed to support the installation of customer-sited renewable energy generation; and

WHEREAS, NEM allows customers to receive bill credits for power generated by their solar system and shared with the power grid and ultimately save money on their utility bills; and

WHEREAS, NEM is what has allowed solar to become increasingly accessible to low and moderate income households; and

WHEREAS, the California Public Utilities Commission (CPUC) has launched a formal proceeding to update the current NEM structure to be introduced in 2022 as NEM 3.0 and a number of parties have submitted their proposal for what they believe NEM 3.0 should look like; and

WHEREAS, the California Investor Owned Utilities (IOUs), Pacific Gas and Electric, San Diego Gas & Electric and Southern California Edison, have submitted a joint proposal (the "IOU Proposal") that calls for drastic changes to NEM that would make customer-sited renewable energy more expensive, increase the amount of time it takes for customers to pay off their systems, and ground to a halt the installation of distributed solar in California; and

WHEREAS, the IOU Proposal would make it impossible for customer-sited renewables to continue to grow sustainably as mandated by law as a result of high monthly fixed fees for all solar installations, and slashing credits customers receive for sharing their excess electricity with the power grid; and

WHEREAS, proposals submitted to CPUC by Protect Our Communities Foundation, California Solar & Storage Association, Vote Solar, GRID Alternatives, Solar Energy Industries Association, and others not only would encourage new solar adoption but also include additional subsidies for low income customers; and

WHEREAS, on January 15, 2019, the City of Hayward City Council declared a climate emergency and requested regional collaboration on an immediate just transition and emergency mobilization effort to restore a safe climate; and

WHEREAS, on June 16, 2020, the City of Hayward City Council adopted revised greenhouse gas (GHG) emission targets of 30% below 2005 levels by 2025, 55% below 2005 levels by 2030 and carbon neutrality by 2045; and

WHEREAS, Hayward and California cannot meet adopted clean energy targets in time with utility scale solar alone and need to triple the amount of rooftop solar, as reported by the California Energy Commission 2021 SB 100 Joint Agency Report Summary; and

WHEREAS, protecting rooftop solar and expanding access to rooftop solar in communities of concern will help California as well as our own city to move toward 100 percent clean energy, lessen the impacts of the climate crisis, and reduce climate injustices from dirty energy; and

WHEREAS, on December 13, 2021, the CPUC issued a Proposed Decision (PD) that is very similar to the IOUs' proposal. Notable elements of it include the following:

- Credit Value of Excess Energy Saved and Exported to the Grid is Slashed by Nearly 80%
- Inadequate Market Transition Credits
- Eligibility Term Reduced for Existing (NEM 1.0 and NEM 2.0) Solar Customers
- Dramatic Increases in Payback Periods for Rooftop Solar Systems.

NOW THEREFORE, BE IT RESOLVED by the City Council hereby finds and determines that it supports protecting and expanding rooftop solar via a strong succeeding NEM tariff and expanding clean energy access by making it easier, not harder, for people to adopt rooftop solar and energy storage in order to meet California's ambitious clean energy targets and deploy solar in all communities and households, particularly those struggling to pay for electricity; and

BE IT FURTHER RESOLVED, that the City Council hereby urges the CPUC to reject the Net Energy Metering 3.0 Proposed Decision issued on December 13, 2021 and instead to strengthen the NEM program in a manner that:

- (i) Expands clean distributed generation access to all households, particularly of low- and moderate income ratepayers.
- (ii) Expands access to other clean energy technologies that pair with solar, such as battery storage.
- (iii) Ensures that the solar installations continue to grow in order to help meet State and local climate goals.
- (iv) Excludes provisions for high monthly fixed fees.
- (v) Integrates Time-Of-Use rates into NEM 3.0 as appropriate to incentivize solar distributed generation, electrification and energy efficiency.

- (vi) Ensures that customers in Environmental and Social Justice communities who have not had much access to rooftop, behind-the meter solar are provided generous incentives so they can be a greater part of the clean energy solution to the climate crisis.
- (vii) Ensures that low-income customers have the opportunity to access the bill savings and resilience benefits associated with the NEM tariff.
- (viii) Provides a pathway for Environmental and Social Justice communities to own and operate distributed generation and related storage projects in their communities and to their benefit.
- (ix) Ensures low-income customers are incentivized with retail rates to participate in the NEM program.

BE IT FURTHER RESOLVED that copies of this Resolution shall be sent to Governor Gavin Newsom, State Senator Bob Wieckowski, Assemblymember Bill Quirk, and members of the California Public Utilities Commission Board.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2022.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward