

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER DAN KALB

RESOLUTION URGING THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) TO ADOPT A NET ENERGY METERING (NEM) PROGRAM THAT PROTECTS, SUPPORTS, AND ENCOURAGES THE EXPANSION OF ROOFTOP SOLAR INSTALLATIONS AND RELATED CLEAN ENERGY STORAGE SYSTEMS, PROTECTS AND EXPANDS OPPORTUNITIES FOR CLEAN ENERGY JOBS, REDUCES ELECTRICITY BILLS OF LOWER INCOME RATEPAYERS, INCREASES ACCESS TO ROOFTOP SOLAR IN COMMUNITIES OF CONCERN, AND SUPPORTS ACHIEVING THE CLIMATE GOALS OF OUR EQUITABLE CLIMATE ACTION PLAN (ECAP).

WHEREAS, Net Energy Metering (NEM) is designed to encourage and support the installation of customer-sited, behind-the-meter renewable energy generation in order to reduce emissions of heat-trapping greenhouse gases and bolster a clean energy economy; 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 electricity utility bills, which also over time helps reduce costs to the power grid; and

WHEREAS, NEM is what has helped behind-the-meter solar become increasingly accessible to lower income households; and

WHEREAS, the California Public Utilities Commission (CPUC) has already launched a formal Proceeding to update the current NEM structure in 2022 as NEM 3.0, and a number of parties have submitted their respective proposals for how they believe NEM 3.0 should be designed; and

WHEREAS, Assembly Bill 327 (Chapter 611, statutes of 2013 as amended) includes a sub-section that directs the California Public Utilities Commission to adopt a NEM policy that ensures solar distributed generation will continue “to grow sustainably and include specific alternatives designed for growth among residential customers in disadvantaged communities.”

WHEREAS, the state’s investor owned utilities (IOUs) have submitted a joint proposal (‘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 likely drastically decrease the number of new installations of solar distributed generation in California; and

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

WHEREAS, California is much less likely to adequately meet its 2030 and 2045 clean energy goals in time with utility scale solar alone and needs to substantially increase the amount of rooftop solar and associated storage, as reported by the California Energy Commission 2021 SB 100 Joint Agency Report Summary; and

WHEREAS, Customer-sited solar distributed generation leads to overall savings on future transmission costs in California; and

WHEREAS, the CPUC should not adopt a NEM 3.0 program that imposes a fee on solar customers the funds from which would essentially be transferred to upper income non-solar customers.

WHEREAS, The City of Oakland adopted a 2020 Equitable Climate Action Plan (ECAP) for mitigating and adapting to the climate crisis through actions rooted in equity, along with a bold 2030 Greenhouse Gas emission reduction target and a 2045 carbon neutrality goal.

WHEREAS, protecting rooftop solar and expanding access to rooftop solar in communities of concern will help California and East Bay cities move toward 100 percent clean energy, lessen our contribution to the climate crisis, achieve our city’s climate goals, and reduce air quality injustices from dirty energy; and

WHEREAS, we are in a worldwide climate crisis and need to make the transition to clean energy more accessible by keeping all types of eligible renewable energy in the mix; now therefore, be it

RESOLVED that the Oakland City Council supports protecting and expanding rooftop solar via a strong succeeding NEM tariff and expanding clean energy access by making it easier, not costlier, for people to adopt rooftop solar and related energy storage in order to meet California’s important clean energy targets and deploy solar in all neighborhoods, particularly those most struggling to pay their electricity bills; be it

FURTHER RESOLVED that the Oakland City Council respectfully urges the CPUC to strengthen the NEM program in a manner that

- a. Expands clean distributed generation access to all households, particularly of low- and moderate-income ratepayers;

- b. Expands access to other clean energy technologies that pair with solar, such as battery storage;
- c. Ensures that the solar installations continue to grow in order to help meet State and local climate goals; and
- d. Excludes problematic provisions such as high monthly fixed fees, or substantially reducing credits for sharing electricity with the power grid.
- e. Integrates Time-Of-Use rates into NEM 3.0 as appropriate to incentivize solar distributed generation, electrification and efficiency.
- f. 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.
- g. Ensures that low-income customers have the opportunity to access the bill savings and resilience benefits associated with the NEM tariff.
- h. 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, and
- i. Ensures that there is a low-income exemption from any new fee, and ensures that low-income customers are incentivized with retail rates to participate in the NEM program; and be it

FURTHER RESOLVED that elements of any NEM 3.0 program should take into account expected job impacts in the solar industry and seek to avoid job loss in the solar distributed generation sector; and be it

FURTHER RESOLVED that that copies of this Resolution shall be transmitted to each member of the California Public Utilities Commission, to Governor Gavin Newsom, and to state legislators representing Oakland.

IN COUNCIL, OAKLAND, CALIFORNIA

PASSED BY THE FOLLOWING VOTE:

AYES – FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California